# Ethics and Conflict of Interest

# Local Government Leadership Core Course







#### **Presenters**

## Community Builders, Inc.

**Project Planning and Resource Development** 

"Building Communities - One Relationship at a Time"





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Joe Coyne

#### **Ethics**

"Government is a trust, and the officers of the government are trustees: and both the trust and trustees are created for the benefit of

the people." -Henry Clay



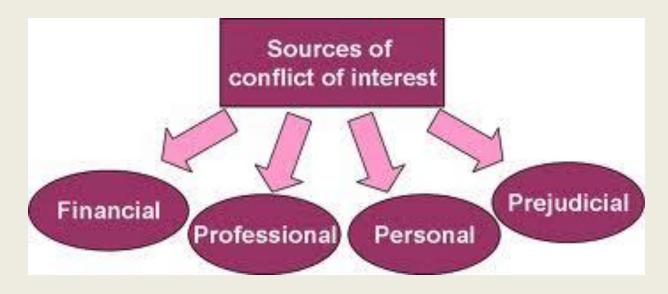
### Relationship of Values to Ethics

- √ Values are a set of shared beliefs
- ✓ How do we develop values?
- ✓ How do we select our own value system?
- √ How are values manifested in organizations?



#### **Conflict of Interest**

A conflict between what's good for you and what's good for the public



# Characteristics of an ethical organization

- Sense of responsibility toward community as a whole
- High standards in quality of work performed
- > Everyone treated with honesty and respect
- Frequent, open, honest, and compassionate communication
- > Deep regard for fairness
- Reflection of honesty and integrity
- Belief in democratic process

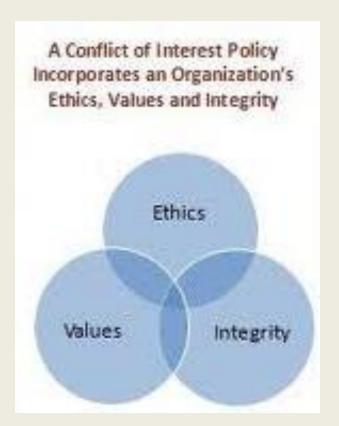
## How do you establish standards?

- Legal standard
- Ethical standard
- Moral standard

 If the law tells you what you should not do, ethics tells you what you should do, and morals tell you what to aspire to do.

# Ethics and Conflict of Interest regulations are found in:

- > State Statutes
- > Local Ordinances
- > Policies and Procedures
- Professional Codes of Conduct





### **Applicable State Statutes**

- Title 6 Crimes and Offenses
  - Chapter 5, Article 1 Offenses Against Public
     Administration Offenses by Public Officials
- Title 9 Administration of the Government
  - Chapter 13, Article 1 Government Ethics Public Officials, Members and Employees Ethics
- Title 15 Cities and Towns
  - Chapter 1, Article 1 General Provisions Powers and Miscellaneous Matters
- Title 16 City, County, State and Local Powers
  - Chapter 6, Article 1 Public Property Public Works and Contracts

# Use of Title and Prestige of Public Office and Misuse of Office

- Public Officials,
   Members and
   Employees Ethics
   (a.k.a. Ethics and
   Disclosure Act)
- Applies to mayorsand council membersNOT city employees

- Use of title andprestige of office –WSS 9-13-103
- Misuse of office WSS 9-13-105

# Impartiality and Confidential Information

➤ Also covered in the Ethics and Disclosure Act- 9-13-105

➤ Purpose: Public servants should not profit from their public position.



#### Gifts or favors 9-13-102

- > "Anything of value"
- **>** What "gift" excludes

➤ Title 6 "gift" excludes property with a value less than \$20 or IRS limited food, drink or entertainment



#### **Gratuities – WSS 15-1-128**

Applies to mayor, council members and employees of municipality

- > Soliciting or receiving benefit, profit or advantage
- > Soliciting or accepting freebies
- **Violations**

Municipal Government Officials have burdens in excess of Public Ethics Act in Title 9

# Official Decisions and Votes - WSS 9-13-106

- ✓ Personal or private interest rules
- ✓ When to abstain from voting
- √ Voting or giving money to self





# Unlawful Interest in public contracts or works – WSS 16-6-118

- > Bribes, influence
- **→** Disclosure of interest

➤ Bribes also covered in Title 6







# Contract Conflict of Interest – WSS 15-1-127

Applies to mayors and council members and immediate family

- monetary or other economic benefit from contract to which the municipality is a party
- > Contract is void if no compliance with this statute
- Exception (not a conflict of interest <u>if</u>):



# Financial Disclosure – WSS 6-5-118

- > Conflict of interest
- > Public investments
- Disclosure required
- > Penalty



## **Employment Ethics issues**

- **➤ Merit and fairness**
- > Equal Treatment



### Nepotism – WSS - 9-13-104

- Cannot supervise or manage a family member
- Absolute prohibitions extremely broad





### Violations vary by Statute Violated

- **Misdemeanors**
- Constitutes sufficient cause for removal from office
- Felony for some offenses
- **→** Possible jail time





### Ask Yourself these questions

- Does the decision provide for the greatest good for the greatest number?
- > Does the decision respect the rights of the individuals involved?
- > Is the decision fair, equitable and impartial?





## The "Appearance" Test

- > Front page test
- **Discern**
- **➢** Disclose
- ➤ Disengage





The toughest choices you will make as a government official are not between right and wrong but between right and right.





### Thank You!

This presentation was prepared by Community Builders, Inc., a Wyoming-based consulting firm specializing in community and economic development - Bobbe Fitzhugh and Joe Coyne, Principal Consultants - <a href="www.consultCBI.com">www.consultCBI.com</a>, under contract and in cooperation with the Wyoming Association of Municipalities.



