

## City Conflict Of Interest Policy

### **Introduction**

#### City of Ramsey Policy Concerning Conflict of Interest and Divided Allegiance

The City Council and the City Administrator of the City of Ramsey ~~the "City" are~~ committed to governing the City organization in a manner that is free of personal conflicts. For the purposes of this Policy, the term "conflicts" ~~shall mean~~ both "conflicts of interest" as they are defined under applicable state and federal law, and "divided allegiances," as they are defined in this Policy.

The purpose of this Policy is to inform ~~City of Ramsey~~ elected officials, appointed commissioners ~~members~~, and staff of the ~~City's of Ramsey~~ broad definitions of Conflicts and to establish procedures ~~for elected officials, appointed commissioners, and staff~~ to follow to declare and monitor conflicts as they arise. The City Council requires each elected official, appointed commissioner ~~members~~ and staff member to be advised of this Policy, and ~~each of said persons are to be~~ provided a copy of this Policy, immediately upon assuming their ~~City's of Ramsey~~ duties or relationship. All individuals subject to this Policy are responsible for knowing and observing the Policy.

### **Background**

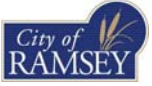
This Policy addresses how the ~~City of Ramsey~~ approaches actual or perceived conflicts. The definitions that apply cover more than the specific conflict of interest scenarios addressed by state government or federal tax laws. This Policy recognizes that a conflict of interest may exist, from a practical perspective, whenever the personal or professional interests of an elected official, appointed commissioner ~~s~~ or staff member are potentially at odds with ~~City's of Ramsey's~~ interest(s). Since the City Council is responsible for ensuring that the organization's management serves the ~~City's of Ramsey~~ best interests, over and above the interests of any insider, this Policy broadly defines potential conflicts of interest to include all instances when a person within the organization may be able to exert his or her authority, influence, or bias on any issue in which he or she may have divided allegiances.

The City Council recognizes that conflicts may exist not only when an individual has a financial interest in a transaction, but also when his or her nonfinancial interests are involved. In all cases, the City Council is committed to ensuring that whenever a dual interest between an individual's personal, business, organizational or professional affiliations and the position and interests of the City of Ramsey exists, disclosure of such conflict is given and the resulting decision-making is fairly and appropriately managed. Furthermore, this Policy's procedures apply not only when an actual conflict is demonstrated, but also when the interests or concerns of another party to which one has allegiance may reasonably be seen as competing with ~~City's of Ramsey's~~ interests or concerns. The decision of the City Council to effect a level of higher scrutiny and procedures when an elected official, appointed commissioner, or staff member of the City of Ramsey appears to have a conflict acknowledges the public's increasing sensitivity to self-dealing and/or lax management by elected officials, appointed commissioners, and staff. The City Council and City Administrator appreciate that this Policy will both satisfy the legal responsibility and protect the ~~City of Ramsey~~ from poor public relations, including the possibility of elected officials, appointed commissioners or staff members being exposed to third-party actions.

The three types (or "Tiers") of conflicts defined in the Policy are not mutually exclusive. Rather, they can be viewed as increasingly wider concentric circles.

### **Conflict of Interest and Divided Allegiances, Definitions**

Tier 1 -- Direct conflict: A direct conflict exists whenever there is any proposed transaction or action of the City of Ramsey in which an elected official, appointed commissioner, or staff member has any direct involvement or interest. These transactions are subject to the highest scrutiny.



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Tier 2 -- Indirect conflict: An elected official, appointed commissioner or staff member has an indirect involvement or interest in a proposed transaction or action of the City of Ramsey whenever:

- a) any other party to the transaction or party affected by the action is a "family member" (i.e., a relative<sup>1</sup>) of the elected official, appointed commissioner, or staff member,
- b) any other party to the transaction or party affected by the action is an entity in which the elected official, appointed commissioner or staff member has a material financial interest<sup>2</sup>), or
- c) the elected official, appointed commissioner or staff member is an officer, director, trustee, staff member or partner of any other party to the transaction or party affected by the action.

Conflicts involving more immediate "family members" should generally be subject to a higher level of scrutiny by the City of Ramsey than those involving relatives who are removed, although each situation involves individual circumstances to be weighed by the City Council and City Administrator.

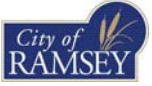
<sup>1</sup> The City of Ramsey intends to define "relative" to include all of the following individuals: spouses, domestic-partners-in-fact, parents, children, children's spouses or children's domestic-partners-in-fact, siblings, spouses or domestic-partners-in-fact of siblings, aunts, uncles, first cousins, step-parents and step-children. ["Domestic-partner-in-fact" is used with respect to those designated as the intended life partner of an individual or otherwise identified as being related to that individual through intended long term ties of love, affection, responsibility, and commitment common to those undertaken in marriages recognized by the State, regardless of whether such relationship is defined by or otherwise recognized by any governmental authority.]

<sup>2</sup> A "material financial interest" exists when an individual or their relative has rights (whether or not yet vested) to be paid compensation, employee or retiree benefits, dividends, or profit-sharing, or to have their expenses reimbursed or obligations or other liabilities repaid, etc. The term is intended to include any and all remunerative expectations.

Tier 3 -- Potential conflict or the appearance of conflict: elected official, appointed commissioner and staff members should follow the disclosure procedures of this Policy when the interests or concerns of any elected official, appointed commissioner or staff member, or of any of those individual's relatives, or any other individual group or organization to which such person has allegiance, may reasonably be seen as competing with the interests or concerns of the City of Ramsey.

#### **Procedure When Elected Official or Appointed Commissioner has a Conflict**

1. Each elected official or appointed commissioner of the City of Ramsey has a duty to disclose to the City Council (and to any applicable committee of the City that one is addressing) the material facts of any proposed transaction or action of the City of Ramsey in which such elected official or appointed commissioner has any conflicts(s).
2. The disclosure required under #1 (above) must be made, to the extent possible, prior to any consideration of such proposed transaction or action by the elected body or by any applicable board/committee of the City of Ramsey. If an elected official or appointed commissioner does not recognize the existence of a conflict prior to the Board's a decision regarding the transaction, the elected official or appointed commissioner has a duty to disclose the material facts of the conflict as soon as the conflict is recognized.



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3. The elected official or appointed commissioner having a conflict shall not participate in the deliberation or decision regarding the matter under consideration and shall retire from the room during deliberations except to the extent he or she has been invited by the City Council or board/committee to participate, after consideration of the significance to ~~the City of Ramsey~~ of the disclosed conflict. The City Council or board/committee may also request that ~~he or she~~ the interested person provide ~~the City of Ramsey~~ with any relevant information known to the ~~individual~~ director regarding the matter.

**Procedure When Staff has a Conflict**

1. Each staff member has a duty to disclose to the City Administrator, Finance Director and/or Human Resources Manager of ~~the City of Ramsey~~ the material facts of any proposed transaction of ~~the City of Ramsey~~ in which such person has any conflict(s).

2. The disclosure required under #1 (above) is to be made immediately, and to the extent possible, before any consideration of such proposed transaction by ~~the City of Ramsey~~. If a staff member does not recognize the existence of a conflict prior to ~~a City of Ramsey's~~ decision regarding the transaction, the staff member has a duty to disclose the material facts of the conflict as soon as it is recognized.

3. A staff member having a conflict shall not participate in the deliberation or decision by ~~the City of Ramsey~~ regarding the transaction under consideration, unless invited by the City Administrator, Finance Director, and/or Human Resources Manager of ~~the City of Ramsey~~ to do so, after consideration of the significance to ~~the City of Ramsey~~ of the disclosed conflict. The City Administrator, Finance Director, and/or Human Resources Manager of ~~the City of Ramsey~~ may also request that he or she provide ~~the City of Ramsey~~ with any relevant information regarding the matter.

4. The City Administrator, Finance Director and/or Human Resources of ~~the City of Ramsey~~ shall take such additional action as may be required to ensure that the conflict is properly noticed to management and that appropriate steps are employed as the transaction and its terms are brought forth for decision-making and/or implementation. Furthermore, the City Administrator, Finance Director, and/or Human Resources Manager of ~~the City of Ramsey~~ shall maintain a record of the existence, procedures employed in managing, and resolution of the conflict.

5. When there is any doubt as to whether a conflict exists, the matter shall be resolved by the City Attorney.

5.6. ~~Gift Ban~~ ~~The City's of Ramsey's~~ elected officials, appointed commissioners, staff, and consultants, shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, donors, grantees or parties to sub-agreements (with the exception that unsolicited gifts of nominal value may be accepted).

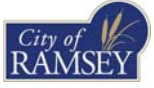
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I have read the above City Conflict of Interest Policy and agree to its terms ~~agree with and will adhere to the above policy.~~

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Print Name

Adopted April 2013



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