



## **CONFLICTS OF INTEREST IN EMPLOYMENT**

### **I. PURPOSE**

To establish an environment that is conducive to achieving the City's mission and goals, while preventing potential employee conflicts of interest related to recruitment, selection, promotion, supervision, discipline and of individuals who are related or who share personal and/or financial relationships.

### **II. SCOPE**

This policy applies to all City employees.

### **III. POLICY**

Nepotism is the showing of favoritism toward a relative. The practice of nepotism in personnel matters and the awarding of contracts is prohibited.

For the purposes of this policy, a "personal relationship" is defined as a relationship between two employees, such as marriage or cohabitation, which could impact, or be perceived as impacting, either employee's ability to make objective decisions in the best interests of the City.

For the purposes of this policy, a "financial relationship" is defined as any activity between employees where there is shared ownership in property or in an enterprise.

Promotions, demotions or any reassignment of an employee may not occur if it will result in a violation of this policy.

Every employee must make full disclosure of any situation that does or may involve a conflict between the employee and the interests of the City. Every employee has an obligation at all times to promote the best interests of the City.



#### IV. GUIDELINES

While it is impossible to list every circumstance that may create a possible conflict of interest, the following should serve as a guide to the types of activities that may cause conflicts of interest:

##### A. Relatives of - Officials

1. No person related to the Mayor, member of the City Council, City Manager, Assistant City Manager or Division Director within the second degree by affinity (marriage) or within the third degree by consanguinity (blood) shall be employed by the City or appointed to any office, position, or other service of the City.
2. This prohibition shall not apply to officers or employees who have been employed by the City continuously for the time periods as required by Texas Government Code, Chapter 573, as the same may be amended from time to time.

##### B. Relatives of City Employees

1. No employee may directly, or indirectly, supervise or be supervised by a member of his/her family who is related within the second degree of affinity or the third degree of consanguinity.
2. No employee shall hold a position within the City that would subject a family member to administrative, or supervisory authority over the work assignments, scheduling, working conditions, compensation and/or benefits when the relationship is within the second degree of affinity or the third degree of consanguinity.
3. Employees in personal or financial relations may not be employed in a position whereby they would share the same immediate supervisor.
4. In the event that marriage or cohabitation places employees in violation of this policy, they must report the matter to their Division Director and the Human Resource Department immediately. The affected employees will be given the opportunity to decide which of them will resign or transfer to a different Department or Division. If the employees fail to make the determination, the City reserves the right to transfer or dismiss one or both of the employees.



5. “Step” relationships due to marriage will be recognized and covered by this policy.

C. Personal/Financial relations between City Employees

1. The City reserves the right to address any additional relationships not already defined by this policy if such relationship presents an actual or perceived conflict of interest in the workplace as defined by City management.
2. In situations where employees develop a personal or financial relationship and it is determined by the City that, because of legitimate business reasons a conflict of interest exists, the selection of which individual must leave position, may be based on the affected employees’ preference. However, ultimately the decision will be made on the basis of business necessity and the employees’ performance and qualifications.
3. If there is doubt whether an existing or contemplated situation should be construed as creating a conflict, or about how to best correct it if it does, the individual must discuss the situation with their supervisor.

Any existing relationships established prior to the date this policy takes effect may be grand fathered to the following guidelines; however, should a grand fathered relationship present a future conflict, the City reserves the right to address the situation.



## RELATIONSHIP CHARTS

<b><u>Relationship to:</u></b>	<b><u>1ST DEGREE</u></b>	<b><u>2ND DEGREE</u></b>	<b><u>3RD DEGREE</u></b>
Employee/Officer <i>(Consanguinity                      Kinship - Blood)</i>	Spouse Father Mother Brother Sister Daughter Son	Uncle Aunt  Niece Nephew Grandfather Grandmother Granddaughter Grandson	Great Uncle Great Aunt 1st Cousin Great Niece Great Nephew Great Grandfather Great Grandmother Great Granddaughter Great Grandson
Employee's Spouse <i>(Affinity Kinship –                      Marriage or                      Cohabitation)</i>	Father Mother Brother Sister Daughter Son	Uncle Aunt  Niece Nephew Grandfather Grandmother Granddaughter Grandson	Great Uncle Great Aunt 1st Cousin Great Niece Great Nephew Great Grandfather Great Grandmother Great Granddaughter Great Grandson