

APPENDIX 1 TO THE PERSONNEL POLICIES OF NCAC/METROPOLITAN GOVERNMENT:

Subject: ETHICS, CONFLICTS OF INTEREST, AND ACCEPTANCE OF GIFTS ON THE PART OF EMPLOYEES OF THE METROPOLITAN GOVERNMENT.

WHEREAS the maintenance of high standards of honesty, integrity, impartiality, and conduct by employees and agents of Metropolitan Government is essential to ensure the proper performance of government business and the maintenance of confidence by citizens in their government; and

WHEREAS, the avoidance of misconduct and conflicts of interest on the part of employees of Metropolitan Government is indispensable to the maintenance of these standards;

NOW THEREFORE, I, Philip Bredesen, Mayor to the Metropolitan Government of Nashville and Davidson County by virtue of the power and authority vested in me, do hereby direct and order the following:

- 1 Employee Responsibilities. Each employee of Metropolitan Government shall avoid any action, whether or not specifically prohibited by this order or departmental codes of ethics, which might result in, or create the appearance of:
 - (i) using public office for private gain;
 - (ii) giving preferential treatment to any person;
 - (iii) impeding government efficiency or economy;
 - (iv) losing complete independence or impartiality;
 - (v) making a Metropolitan Government decision outside of official channels;
or
 - (vi) affecting adversely the confidence of the public in the integrity of the government.
- 2 Persons covered. This executive order applies to all employees of Metropolitan Government, except employees of the Board of Education, Nashville Electric Service, Metropolitan Nashville Airport Authority, Metropolitan Development and Housing Agency, and elected officials and their employees.
- 3 Mayor's office covered. This order applies to the Mayor and employees of the Mayor's office.
- 4 Gifts, entertainment and favors. No employee shall solicit or accept, directly or indirectly, on behalf of himself, herself, or any member of the employee's household, any gift, gratuity, service, favor, entertainment, lodging, transportation, loan, loan guarantee or any other thing of monetary value from any person who:

- (i) has, or is seeking to obtain, contractual or other business or financial relations with the department or agency of Metropolitan Government by which the individual is employed; or
- (ii) conducts operations or activities that are regulated by the department or agency of Metropolitan Government by which the employee is employed; or
- (iii) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties.

5 Exceptions: gifts, entertainment and favors. The prohibitions on soliciting or accepting gifts, entertainment or favors in (4) do not apply to:

- (i) family members or friends of long standing when the circumstances make it clear that it is the relationship, rather than the business of the persons concerned, which is the motivating factor, and where the value of the gift, entertainment or favor is appropriate to the circumstances and consistent with the parties' historical relationship; If such gift, entertainment or favor exceeds \$100 in value, the employee shall disclose the nature and value of the gift, entertainment or favor in a letter to the Internal Auditor.
- (ii) loans from established financial institutions made in the ordinary course of business on usual and customary terms, so long as there are no guarantees or collateral provided by any person described in (4).
- (iii) unsolicited advertising material of nominal value;
- (iv) food and refreshments of nominal value when they are part of the employee's participation in a charitable, civic, political or community event which bears a relationship to the employee's office and the employee is attending in an official capacity.

A business lunch or dinner is not an "event" for the purpose of this exception. On those occasions, the employee must buy his or her own meal or refreshment. If the meal is held at a private club where the employee may not pay the establishment directly, the employee must reimburse the member of the establishment for the equivalent cost of the meal or refreshment.

6 Financial interests.

- (i) No employee of Metropolitan Government shall enter into or derive any benefit, directly or indirectly, from any contractual arrangement with Metropolitan Government or any of its agencies. In recognition of the fact that many husbands and wives have separate careers, the normal employment compensation of a spouse whose regular, ongoing employer or business has a contractual arrangement with Metropolitan Government shall not be considered a "benefit" to the Metro employee, provided the contract with Metropolitan Government was procured without any participation, assistance or influence by the Metro employee.

- (ii) No employee of the Metro government shall have a direct or **indirect** financial interest that conflicts substantially, or appears to conflict substantially, with his or her government duties or responsibilities. "Indirect financial interest" in this case includes a substantial interest on the part of a parent, spouse, or child of the employee.

7 **Use of Information.** No employee of Metropolitan Government shall, directly or indirectly:

- (i) use, disclose or allow the use of official information which was obtained through or in connection with his or her government employment, and which has not been made available to the general public, for the purpose of furthering the private interest or personal profit of any person, including the employee; or

- (ii) engage in a financial transaction as a result of, or primarily relying upon, information obtained through his or her government employment.

8 **Use of government property.** No employee shall use the facilities, equipment, personnel, or supplies of Metropolitan Government or its agencies for other than officially approved activities, except to the extent that they are lawfully available to the general public.

9 **Questions on interpretation of this order.** When an employee is in doubt as to the proper interpretation of this order, he or she is expected to seek the advice of the applicable Department Head or the Internal Auditor if time permits, or to use good judgment in accordance with (1) above and to report the gift, entertainment or favor in writing to the Internal Auditor within 7 days.

10 **Departmental ethics standards.** Any department or agency of Metropolitan Government may establish such additional ethics guidelines and standards as may be lawfully applied and may in the opinion of the head of the department or agency be appropriate for the proper operation of the department. Such additional standards should be filed with the Internal Auditor and any other person required by law as soon as practicable after adoption.

This Executive Order does not supersede or revoke those portions of any existing departmental or agency policies regarding ethical standards which are stricter than, or cover areas additional to, the standards set out herein.

11 **Ethics guidelines published by Personnel Director.** The Personnel Director is requested, with the permission of the Civil Service Commission, and Hospital and Health Boards and their Civil Service Commissions, to inform each covered employee of the requirements of this order, to distribute the order to covered employees and have them sign a statement that they have received and read it, and to modify personnel manuals to incorporate these standards as soon as practicable.

12 **Supervisor's Responsible.** Each employee of Metropolitan Government who acts in a supervisory capacity is responsible for ensuring compliance with the Executive Order by those persons in his or her line of authority.

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- 13 **Required contractual provisions.** Department heads and others who approve contracts for their departments shall include in every employment contract the provision that employees provided to Metropolitan Government under such contracts are covered by this Executive Order.
 - 14 **Effective date.** This amended order shall become effective November 18, 1991.