

Promoting Ethics in Local Government: A Year in Review 2010

The hot ethics issue in a very cool economy in 2010 was certainly compensation for local government managers. Isolated incidents of large final paychecks for accrued leave, severance in excess of the one year salary recommended by ICMA, and pension spiking were reported to ICMA for comment or consideration and reported by the local media. That all changed with the revelation that the City of Bell paid extraordinary salaries and pensions for the City manager, assistant manager, police chief and council members.

In response to the Bell crisis, ICMA expressed the sentiment of the profession that the core values of the ICMA Code of Ethics apply to issues of compensation. Local government managers have an ethical obligation to be reasonable and fair in negotiating compensation. In the interests of transparency, the manager's compensation must be approved by the entire governing body in a public meeting.

ICMA is currently reviewing a comprehensive set of compensation guidelines to formalize a best practice for establishing compensation for the manager and staff. The guidelines will be approved and distributed in October.

Ethics Enforcement

ICMA enforces the Code of Ethics through a formal review process administered by a peer-review body, the ICMA Committee on Professional Conduct (CPC). The confidential process provides a member with the opportunity to respond to the complaint and for the appointment of a fact-finding committee where additional documentation is required. At the conclusion of the review process the CPC can decide to close a case where no violation has occurred; issue a private censure for an ethics violation; or recommend that the ICMA Executive Board publicly censure and/or expel, bar or revoke the credential of a member who has violated the Code of Ethics.

The ICMA Committee on Professional Conduct reviewed 16 ethics complaints filed against ICMA members. The reviews resulted in:

- 1 public censure and expulsion
- 3 public censures and membership bars
- 1 public censure
- 4 private censures
- 7 closed cases

Conduct that resulted in a public censure and expulsion:

► **Engaging in political activity:**

- The village manager provided financial support to political parties and candidates for elected office, including the mayor; served as the treasurer for the re-election campaign committee for the mayor's spouse; and received reimbursements and loans from campaign committees. (Tenet 7)

Conduct that resulted in a public censure and membership bar:

► **Illegal Conduct**

- A manager pled guilty to one misdemeanor and one felony charge of assault in the fourth degree stemming from attacks on his spouse. The individual also violated the terms of a protection from abuse order which resulted in his removal from a diversion program and jail time. (Tenets 2 and 3)
- A retired member pled guilty to felony charges of lewd and lascivious exhibition to a victim under 16 years old and the use of the internet to solicit or attempt to solicit a child for sex or lewdness. (Tenet 3)
- A manager pled guilty to one felony count of embezzlement of over \$50 by a public official for receiving travel reimbursements for meetings she did not attend. (Tenets 2, 3, 12)

Conduct that resulted in a public censure:

► **Failure to honor commitment**

- A member verbally accepted an offer to become a city's first administrator but withdrew his acceptance without providing any explanation. Shortly thereafter he accepted a position as an administrator for a community in another state at a higher salary. (Tenet 3)

Conduct that resulted in a private censure:

► **Failure to honor commitment**

- A member signed an employment agreement to serve as a city's manager and reneged on her commitment three days prior to her start date in order to take a preferred position. (Tenet 3)

► **Improper compensation**

- A manager approved bonuses to himself with obtaining formal governing body approval. (Tenets 3 and 12)

► **Short tenure**

- An assistant county administrator resigned his position after serving approximately four months in order to take a preferred position in another state. (Tenet 4)

► **Supporting a candidate for elected office**

- A manager attended a campaign fundraiser for a candidate seeking elected office and made a financial contribution to the campaign ticket. (Tenet 7)

Working with Fact-Finding Committees

Fact-finding committees appointed by the state association president to assist in gathering information on cases serve as an arm of the CPC and play an invaluable role in the ethics process. ICMA staff worked with fact-finding committees, appointed at the request of the CPC, to investigate specific ethics complaints in Michigan, Oregon, and Pennsylvania.

Ethics Advice and Resources

ICMA staff responded to **160** ethics inquiries requests from members for confidential advice and assistance in resolving ethics dilemmas. Challenging ethical issues are publicized in the ethics column of the monthly *PM* Magazine.

Members seeking ethics advice are encouraged to contact ICMA Director of Ethics Martha Perego at 202-962-3668 or mperego@icma.org.