

Promoting Ethics in Local Government: A Year in Review Fiscal Year 2014

Executive Summary

Local government officials are entrusted with protecting public funds, resources, staff, and the organization's operation and reputation. More than half of the cases reviewed by the ICMA Committee on Professional Conduct (CPC) during the year resulted in findings that the ICMA members failed in the duty to protect those very resources. Members misused city credit cards or funds; engaged in personal relationships with subordinate employees; and interfered with the public's right to express their viewpoint.

The CPC completed its review of Tenet 7 of the ICMA Code of Ethics in September 2013 when the Executive Board approved the CPC's recommendations. The CPC preserved the existing Tenet 7 language and made the following noteworthy revisions to the Guidelines:

- Strengthened *Running for Office* to prohibit members from accepting appointment to an elected office;
- Made the *Form of Government* Guideline more general by removing the focus on council-manager government; and
- Added a new *Personal Advocacy on Issues* Guideline that permits members from voicing their opinions on matters of personal interest but cautions them to be careful as not to align with organizations or viewpoints if it could be reasonably interpreted that such alignment improperly influences how the member discharges his/her official duties.

Continuing the comprehensive annual review of the Code, the CPC selected Tenet 12 in September 2013 as the second Tenet in which to review. The CPC chose Tenet 12 for two reasons: the Tenet had not been updated since its addition to the Code in 1972 and it covers a broad range of common issues – gifts, conflicts of interest, personal relationships, use of confidential information, outside employment, and endorsements – that local government professionals regularly encounter and can be complicated to address.

During the spring and summer of 2014, the CPC solicited feedback from members on both the Tenet and its associated Guidelines. Members provided feedback through an online discussion board and during the regional summits, state and affiliate meetings. The Emerging Local Government Leaders group also afforded its members the chance to comment through its social media platforms. Based on member feedback, the CPC recommended that the language of the Tenet be refreshed in order to be relevant to the profession. The CPC presented two options for revised language to the membership for input through an online survey that will run through July 2014. The CPC expects to submit the option that members prefer the most to the Executive Board in late 2014. Provided that the Board approves the CPC's proposed new Tenet 12 language, the CPC will seek final approval of the new Tenet 12 language from ICMA Corporate members in early 2015. The CPC also revised some of the Tenet 12 Guidelines and will decide, based on the results of the 2015 vote, when it is appropriate to submit those revisions to the Board for approval.

In addition to the Code-review process, the CPC also drafted changes to the *Rules of Procedure*, the process for investigating ethics complaints. The CPC will submit the following proposed changes to the *Rules* to the Executive Board at the September meeting:

- Clarification that ethics complaints must be accompanied by a level of supporting documentation;
- Removal of the requirement to proceed to fact-finding when a member admits to the conduct that is the subject of the ethics complaint; and
- Clarification that members have the opportunity to request that the CPC reconsider its decision based on new information not already reviewed by the CPC when arriving at its original decision.

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 when additional documentation and information 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 **19** ethics complaints filed against ICMA members. The reviews resulted in:

- 2 public censure and membership bar;
- 1 public censure and Credential revocation;
- 2 public censures;
- 5 private censures; and
- 9 closed cases with or without advice

Conduct that resulted in a public censure and membership bar

► Misuse of public funds; financially supporting political candidates and parties

- A member contributed \$8,520 to five candidates seeking elected office and two political parties and organizations. Additionally, the member eroded public confidence in the local government management profession by accepting excessive compensation where he received \$450,000 in compensation; 534 days of leave; a \$56,000 pension stipend for serving multiple positions in the organization; and a \$56,000 stipend for serving as the village administrator in addition to his regular salary. (*Tenets 3 and 7*)

► Running for elected office

- A town administrator unsuccessfully campaigned and received an endorsement for an elected position on her employing governing body. (*Tenet 7*)

Conduct that resulted in a public censure and Credential revocation

▶ Misuse of public funds/Credit cards

- A manager charged approximately \$4,400 in personal charges to the city credit card in violation of city policy. (*Tenets 2, 3, and 12*)

Conduct that resulted in a public censure

▶ Personal relationship with a subordinate employee

- A manager engaged in a personal relationship with a subordinate employee. That relationship and the lack of disclosure brought financial harm to the community. (*Tenets 2, 3, and 12*)

▶ Violations of the law/Driving under the influence/Conflict of interest

- A member had been arrested twice for driving under the influence; had his drivers' license suspended twice; and received six speeding tickets among other driving infractions. The member also created a conflict of interest when he invested in a restaurant with his employing mayor. (*Tenets 2, 3, and 12*)

Conduct that resulted in a private censure

▶ Length of service

- A manager resigned after approximately 16 months to take another position in the same state. (*Tenet 4*)

▶ Interfering with rights of an organization and the public

- A manager interfered with an entity's right to conduct business and the public's right to access public information. (*Tenet 3*)

▶ Lack of honesty about employment search

- A member failed in his ethical obligation to be truthful and candid about his employment search when his employment search became a matter of public record. (*Tenet 3*)

▶ Holding elected office

- A member served as both an appointed city manager and an elected official for a special district. (*Tenet 7*)

▶ Personal relationship with subordinate employee

- A manager engaged in a personal relationship with a subordinate employee for several years and failed to properly disclose the relationship. (*Tenets 3 and 12*)

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 two fact-finding committees, appointed at the request of the CPC, to investigate a member's conduct in Florida and Illinois.

Ethics Advice and Resources

ICMA staff responded to **94** 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 or Jared Dailey, Program Manager, at 202-962-3557 or jdailey@icma.org.