

AGENDA

AD HOC COMMITTEE – ETHICS

Wednesday, September 11, 2019 at 9:00 a.m.
Governmental Center, 400 Boardman Avenue, Traverse City
2nd Floor, Committee Room

1. Call to Order
2. Approval of Minutes:
 - a) June 26, 20192
3. Public Comment
4. Discussion
 - a) Ethics Policy with Changes to Date for Review and Discussion3
(Ethics Policy as approved in July 2019).....10
 - b) Update regarding Language for Board Rules Proposed Change
5. Public Comment
6. Adjournment

Ad Hoc Committee

**Betsy Coffia
Brad Jewett
Ron Clous**

Ad Hoc Committee - Ethics
Minutes of June 26, 2019

Committee Members Present: Ron Clous, Betsy Coffia, Brad Jewett

Others Present: Donna Kinsey, Kit Tholen, Chris Cramer

Meeting was called to order @ 9:03 am..

MOVED by Jewett, seconded by Coffia to approve the minutes of April 10th and May 29th.

APPROVED Unanimously.

Public Comment:

Linda Pepper provided her opinion regarding voting and disclosure.

John (public) would like to see increased transparency.

Review and Discussion (Ethics Policy with changes to date):

MOVED by Jewett, seconded by Clous to approve draft presented. After further discussion, Mr. Jewett withdrew his motion and Mr. Clous withdrew his 2nd.

Resolution or Recommended Language for Board Rules to Accept the Terms of the Code of Ethics Policy (Coffia)

Betsy presented item 16, A, B, and C from the Emmett County policy as her recommended language for Board Rules and Ethics Policy. Discussion continued regarding whether it should be in board rules or ethics policy. Donna would like to see in ethics policy. Kit has concerns. If this policy is spelled out in the board rules, should other policies be considered or added?

MOVED by Coffia, seconded by Jewett to approve staff to make changes in language (referencing Item 16, sections A, B, and C of Emmet County Code of Ethics) specifically as it applies to staff, elected and appointed officials. **APPROVED** unanimously.

Tholen spoke regarding what he found in regard to best practices which can be very different in different organizations. The investigative procedures normally include a reporting process, investigation process and enforcement process.

(2 minute break @ 9:56)

Tholen (and Kinsey) will work on and come back with investigative procedure.

Next meeting scheduled for July 24th @ 9:00 am in the committee room.

Kit will have recommended language back to the committee by July 17th allowing time for review prior to the meeting.

Meeting adjourned at 10:25 a.m.



Code of Ethics Policy

I. PURPOSE

Grand Traverse County maintains certain policies to guide its employees and appointed and elected officials with respect to standards of conduct expected in fields where improper activities could damage the County's reputation and otherwise result in serious adverse consequences to the County and to the employees involved.

The purpose of this policy is to set forth and affirm, in a comprehensive statement, required standards of conduct and practices. All employees and appointed or elected officials' actions are significant indications of the individual's judgment and competence. Accordingly, those actions constitute an important element in the evaluation of the employee for retention, position assignments, and promotion. Correspondingly, insensitivity to or disregard of the principles of this policy will be grounds for appropriate management disciplinary action.

II. POLICY & PROCEDURE

Where government is based on the consent of the governed, every citizen is entitled to have complete confidence in the integrity of his/her government. The public judges its County government by the way County employees and appointed and elected officials conduct themselves in the performance of their respective duties. Devotion to the public trust is an essential part of public service. County employees and appointed and elected officials are the trustees of an important branch of our system of government in which the people must be able to place their absolute trust for the preservation of their health, safety, and welfare.

The proper operation of democratic government requires that County employees, elected and appointed officials be independent, impartial and responsible to the people. County employees and appointed and elected officials must avoid all situations where prejudice, bias, or opportunity for personal gain could influence their decisions. Even the appearance of improper conduct should be avoided.

The purpose of these standards is to provide each employee and appointed and elected officials with clear expectations regarding his/her conduct in the performance of his/her public responsibilities and to give the citizens a standard by which they may be assured that these responsibilities are being faithfully performed.

III. APPLICATION

The standards of ethical conduct set forth in the Code of Ethics shall be applicable without exception to all employees. Nothing in the Code shall be interpreted as denying any employee his/her rights under the law. In every proceeding with regard to these standards, fundamental due process shall be provided. Employees and officials must faithfully discharge their duties to the best of their ability without regard to age, race, creed, sex, national origin, or political belief. The public interest must be their primary concern and their conduct in official affairs should be above reproach.

IV. REGULATIONS

1. A County Commissioner shall disclose his or her relationship or interest on a matter where he or she has a conflict of interest.
2. A County Commissioner shall disclose his or her relationship or interest on a matter where he or she believes that there is a reasonable appearance of a conflict of interest.
3. A County Commissioner shall refrain from deliberating and shall abstain from voting if he or she believes that he or she has a conflict of interest.
4. If a County Commissioner believes that there is a reasonable appearance of a conflict of interest but that no conflict actually exists, then he or she shall disclose that potential conflict and, if choosing to deliberate or vote on the matter, explain why he or she feels that he or she can still weigh the merits of the matter fairly and objectively and vote in the best interests of the public. He or she shall consider the 13th Circuit Court decisions of *Elmwood Citizens for Sensible Growth, et al. v Charter Township of Elmwood, et al.* <http://www.gtchd.org/DocumentCenter/View/178> and *Garfield Neighborhood Watch, et al. v Charter Township of Garfield, et al.* and the potential effects of his or her vote.
5. Confidential Information - An employee or elected or appointed official shall not divulge any confidential information to any unauthorized person or release any such information in advance of the time prescribed for its authorized release for his/her own personal gain or for the gain of others.
6. Personal Business - An employee or elected or appointed official shall not be a party, directly or indirectly, to any contract between himself or herself and the County, unless disclosure and approval is made as required by MCL 15.322 <http://legislature.mi.gov/doc.aspx?mcl-15-322> (Contracts of Public Servants with Public Entities).
7. Favors - An employee or elected or appointed official shall not grant or make available to any person any consideration, treatment, advantage or favor beyond that which it is the general practice to grant or make available to the public at large.
8. Gifts – An employee or elected or appointed official shall not accept any gifts which are made to him or her in his or her public capacity or reasonably could be interpreted as having been given to that person in his or her public capacity.
9. County Personnel or Property – An employee or elected or appointed official shall not use County personnel, property, or funds for personal gain or benefit.
10. Representation of Private Interests – An employee or elected or appointed official shall not directly or indirectly solicit any contract between himself or herself and the County, committee, board, commission or authority he or she represents, unless disclosure and approval is made as required by MCL 15.322. <http://legislature.mi.gov/doc.aspx?mcl-15-322>
11. Supplementary Employment - An employee or elected or appointed official shall not engage in or accept private employment or render services for private interest when such employment or service is incompatible or in conflict with the proper discharge of his/her official duties or would tend to impair their independence of judgment or action in the performance of his/her official duties. Employees must also comply with the County's policy on Secondary Employment.

12. Investments in Conflict with Public Responsibilities -- A County employee or elected or appointed official who participates in the making of loans, the granting of subsidies, the fixing of rates, or the issuance of valuable permits or certificates to any business entity shall not have, directly or indirectly, any financial or private interest in the business entity.
13. Respect and Fair Treatment - Public employees as well as elected and appointed officials shall treat all individuals fairly and with respect, regardless of their race, religion, national origin, culture, age, sex, disability, or any other factor.
14. Harassment - An employee or elected or appointed official shall not harass any other person.
15. Employee Privacy - Grand Traverse County respects the privacy of its employees. Employee records will be used only as necessary for business needs. Employee information shall only be shared for business reasons consistent with applicable law.
16. Responsible Use of County Assets - All employees and elected and appointed officials shall protect County assets, such as equipment, supplies, cash, inventory, and information against misuse and/or misappropriation.
17. Information Management - All County information which is considered to be confidential or sensitive in nature shall be adequately secured and safeguarded. Such information includes documents, files, and databases that may be kept on paper, electronically, or on film. Retention and destruction of such information shall be done in accordance with guidelines set by state laws and regulations.
18. Use of E-mail, Internet, and County Intranet – Grand Traverse County has developed specific policies regarding employee use of County e-mail, the Internet, and the County's Intranet while on County time or using County computers. All employees and elected and appointed officials shall comply with these policies. All data stored on County computers and networks, including email either received or sent is considered to be County property and is not private, unless required as such by law.
19. Compliance with applicable laws and regulations - All employees and elected and appointed officials shall comply with all laws, regulations, and rules of professional conduct, and County policies that are applicable to their departments.
20. Special Treatment - An employee or elected or appointed official shall not grant any special consideration, treatment, or advantage to any citizen beyond that which is available to every other citizen.
21. County Seal - Unless expressly authorized by the County Administrator, an employee or elected or appointed official shall not use the official County seal for any private use.
22. An employee or elected or appointed official may express his/her personal views with respect to public issues. However, he or she shall not, by use of his or her position or otherwise, represent those personal opinions as those of the County.

V. DEFINITIONS

Conflict of Interest means either of the following:

- a) A direct personal interest of: the Commissioner, a current business partner of the Commissioner, a Commissioner's immediate family member, or a Commissioner's immediate family member's current business partner in the outcome of a cause, proceeding, application, or other matter pending before the body.
- b) A direct financial interest of: the Commissioner, a current business partner of the Commissioner, a Commissioner's immediate family member, or a Commissioner's immediate family member's current business partner in the outcome of a cause, proceeding, application, or other matter pending before the body.

Current Business Partner: a person or company with which the Commissioner or the Commissioner's immediate family member is sharing business ownership or management. This would also include the Commissioner's or immediate family member's employer.

Direct: an interest—whether personal or financial—is direct if it is all of the following: (1) not common to other members of the Commission, (2) connected to the Commissioner, immediate family member, or current business partner without conjecture, and (3) connected to the Commissioner, immediate family member, or current business partner without multiple intervening parties or factors.

Disclose: a full and honest description of the relationship or interest that underlies the conflict of interest or reasonable appearance of a conflict of interest. This disclosure must take place either (1) in writing prior to an open meeting where the matter or cause is to be deliberated or acted upon, or (2) during the open meeting but prior to the matter or cause being deliberated or acted upon.

Financial Interest: a pecuniary interest that could accrue gain or suffer loss due to the outcome of the cause, proceeding, application, or other matter. Financial interest includes, but is not limited to:

- (1) Any interest as a partner, member, employee, or contractor in or for a co-partnership or other unincorporated association;
- (2) Any interest as a beneficiary or trustee in a trust;
- (3) Any interest as a director, officer, employee, or contractor in or for a corporation;
- (4) Any legal or beneficial ownership of 10% or more of the total outstanding stock of a corporation;
- (5) Any legal or beneficial ownership of any real property.

Gift: the term "gift" does not include promotional items of nominal value such as calendars or pens. "Gift" also does not include "give-away" items or prizes that are provided at conferences, seminars, formal training sessions, so long as such items are equally available to all attendees. "Gift" also does not include any donations that have been made to a County office or department for the general use by the office, or persons served by the office.

Immediate Family Member: a Commissioner's spouse, domestic partner, child, parent, grandparent, sibling, aunt or uncle, or brother or sister-in-law.

Personal Interest: an interest where a non-financial benefit would inure to the Commissioner, immediate family member, or current business partner.

VI. REPORTING PROCESS

All employees, elected and appointed officials have a responsibility for reporting concerns about potential unethical behavior. Such concerns and/or questions about whether actions are considered unethical or a violation of the State Ethics Reform Act and/or this Ethics Policy can be reported to the Human Resources Director.

It shall also be a violation of this policy for any informant to make a baseless allegation of unethical behavior that is made with reckless disregard for truth and that is intended to be disruptive or to cause harm to another individual. Any violation of this section will result in disciplinary action.

VII. INVESTIGATIVE PROCEDURE

Allegations of violations of this Ethics Policy Statement shall be promptly investigated as follows.

1. If the allegation concerns an employee or appointed official in a County department under the supervision of the County Administrator, the investigation shall be performed by the County Administrator or a designee and by the Human Resources Department or a designee. If the allegation concerns the Director of Human Resources, the investigation shall be performed solely by the County Administrator or a designee.
2. If the allegation concerns an employee in a County department that is not under the supervision of the County Administrator, the investigation shall be performed by the Human Resources Department or a designee and the head of the involved department or a designee.
3. If the allegation concerns an appointed official not under the supervision of the County Administrator—such as an individual appointed to a public board or committee—then the investigation shall be performed by the County Administrator or a designee or designees.
4. If the allegation concerns an elected official other than a County Commissioner, then the investigation shall be performed by the County Administrator or a designee and by the Human Resources Department or a designee.
5. If the allegation concerns a County Commissioner or the County Administrator, the matter shall be referred directly to the Board of County Commissioners. Upon referral to the Board of County Commissioners, by majority vote excluding any Commissioner who the allegation concerns, the Board must designate an individual or group of individuals to investigate the allegation. A designee may, but need not be, a County employee.

VIII. ENFORCEMENT

1. If the allegation concerns an employee or appointed official in a County department under the supervision of the County Administrator, any enforcement action shall be taken by the County Administrator. An individual in this category who is found to have violated the provisions of the Code of Ethics is subject to disciplinary action up to and including discharge.
2. If the allegation concerns an employee in a County department that is not under the supervision of the County Administrator, the findings of the investigation shall be written, provided to the subject of the allegation, kept on file in the Human Resources Department, and enforcement action is at the discretion of the head of the involved department. An individual in this category who is found to have violated the provisions of the Code of Ethics is subject to disciplinary action up to and including discharge.
3. If the allegation concerns an appointed official not under the supervision of the County Administrator, a written report must be completed and provided to the Board of Commissioners. An individual in this category who is found to have violated the provisions of the Code of Ethics is subject to disciplinary action up to and including discharge. Enforcement action may, in certain circumstances, be regulated by MCL § 46.11(n).
4. If the allegation concerns an elected official other than a County Commissioner, a written report must be completed, provided to the subject of the allegation, and provided to each member of the Board of Commissioners. A copy of this report shall be maintained by the Human Resources department and is, in whole or in part, a public document subject to disclosure under the Freedom of Information Act. Pursuant to Board Rule 5 of the County Board of Commissioners, the matter may be placed on

an agenda for a public meeting, but there is no requirement that the matter be placed on an agenda for a public meeting. If the matter is placed on an agenda for a public meeting, and the elected official desires an opportunity to be heard, the official shall be given that opportunity at that public meeting. He or she has the right to present witnesses and evidence regarding the allegation. The elected official and any witnesses shall be subject to questioning by County Commissioners.

If, after this opportunity, a majority of the County Board of Commissioners believes that a violation of this Code of Ethics has occurred, the Board of Commissioners may reprimand the elected official. No further enforcement action may be taken by the Board of Commissioners directly against the elected official. The matter could, however, be referred to separate authorities.

5. If the allegation concerns a County Commissioner or the County Administrator, the designated individual or team of individuals must prepare a written report and provide this report to the Board of Commissioners. A copy of this report shall be maintained by the Human Resources department and is, in whole or in part, a public document subject to disclosure under the Freedom of Information Act.

Pursuant to Board Rule 5 of the County Board of Commissioners, the matter may be placed on the agenda for a public meeting, but there is no requirement that the matter be placed on an agenda for a public meeting. If the matter is placed on an agenda for a public meeting, and the Commissioner or Administrator desires an opportunity to be heard, he or she shall be given that opportunity at that public meeting. He or she has the right to present witnesses and evidence regarding the allegation. He or she, as well as any witnesses, shall be subject to questioning by County Commissioners.

A vote may be taken on whether a violation of the Code of Ethics has occurred. If the allegation regards a County Commissioner, he or she shall not vote. If, by majority vote excluding any accused Commissioner, the Board finds that a violation has occurred, this vote shall be entered into the minutes of the meeting. Enforcement action against a County Commissioner is limited to removal from assignments and restrictions on reimbursement for future travel expenses, but only if otherwise permitted by law. Further enforcement action against an Administrator would be subject to any employment contract.

IX. IMPLEMENTATION

1. As an expression of the standards of conduct for employees and appointed and elected officials are expected by the public, this Code of Ethics and Conduct is intended to be self-enforcing. It therefore becomes most effective when employees and appointed and elected officials are thoroughly familiar with it and embrace its provisions.
2. For this reason, ethical standards shall be included in the regular orientations for newly elected and appointed officials. At the first organizational meeting of the County of Commissioners in January of each year, County Commissioners entering office shall sign a statement affirming that they have read and understand the Code of Ethics for Grand Traverse County.
3. In addition, elected and appointed officials shall annually review the Code of Ethics and Conduct for elected and appointed officials of Grand Traverse County.

Note: This policy may differ for those employees who are members of recognized unions, organizations, or associations. Any questions related to the content of this policy, or its interpretation, should be directed to Human Resources.



Code of Ethics Policy

PURPOSE

Grand Traverse County maintains certain policies to guide its employees with respect to standards of conduct expected in areas where improper activities could damage the County's reputation and otherwise result in serious adverse consequences to the County and to employees involved.

The purpose of this policy is to affirm, in a comprehensive statement, required standards of conduct and practices. An employee's actions under this policy are significant indications of the individual's judgment and competence. Accordingly, those actions constitute an important element in the evaluation of the employee for position assignments and promotion. Correspondingly, insensitivity to or disregard of the principles of this policy will be grounds for appropriate management disciplinary action.

POLICY & PROCEDURE

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The proper operation of democratic government requires that County employees and officials be independent, impartial and responsible to the people. County employees and officials must avoid all situations where prejudice, bias, or opportunity for personal gain could influence their decisions. Even the appearance of improper conduct should be avoided.

The purpose of these standards is to provide each employee and official with a clear understanding of his/her conduct in the performance of his/her public responsibilities and to give the citizens a standard by which they may be assured that these responsibilities are being faithfully performed.

APPLICATION

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An employee or official may express his/her personal views with respect to public issues, however, they shall not, by use of their position, represent their personal opinions as those of the County. Public trust imposes the employees and officials the necessity to pledge themselves to the official use of manpower, property and funds under their care and to continued economy and efficiency in the performance of their duties.

CONFLICT OF INTEREST

- a. Confidential Information - An employee or official shall not divulge any confidential information to any unauthorized person or release any such information in advance of the time prescribed for its authorized release for his/her own personal gain or for the gain of others.
- b. Personal Business - An employee or official shall not be a party, directly or indirectly, to any contract between himself or herself and the County, unless disclosure and approval is made as required by MCL 15.322 (Contracts of Public Servants with Public Entities).
- c. Gifts and Favors - County employees or officials shall not, directly or indirectly, solicit, accept, or agree to accept any gift of money or goods, loans or services or other preferred arrangements for personal benefit under any circumstances which would tend to influence their work, make their decisions, or otherwise perform their duties or give the appearance of doing so. A County employee or official shall not grant or make available to any person any consideration, treatment, advantage or favor beyond that which it is the general practice to grant or make available to the public at large.
- d. County Personnel or Property – Employees or officials shall not make use of County personnel, property, or funds for personal gain or benefit.
- e. Representation of Private Interests – An employee or official shall not directly or indirectly solicit any contract between himself or herself and the County, committee, board, commission or authority he or she represents, unless disclosure and approval is made as required by MCL 15.322.
- f. Supplementary Employment - A County employee or official shall not engage in or accept private employment or render services for private interest when such employment or service is incompatible or in conflict with the proper discharge of his/her official duties or would tend to impair their independence of judgment or action in the performance of his/her official duties.
- g. Investments in Conflict with Public Responsibilities -- A County employee or official who participates in the making of loans, the granting of subsidies, the fixing of rates, or the issuance of valuable permits or certificates to any business entity shall not have, directly or indirectly, any financial or private interest in the business entity.
- h. Respect and Fair Treatment - Public employees shall treat all individuals fairly and with respect, regardless of their race, religion, national origin, culture, age, sex, disability, or any other factor.
- i. Harassment - Harassment in any form will not be tolerated and will be subject to disciplinary action.
- j. Employee Privacy - Grand Traverse County respects the privacy of its employees. Employee records will be used only as necessary for business needs. Employee information shall only be shared for business reasons consistent with applicable law.
- k. Responsible Use of County Assets - All public employees shall protect County assets, such as equipment, supplies, cash, inventory, and information against misuse and/or misappropriation.
- l. Information Management - All County information which is considered to be confidential or sensitive in nature shall be adequately secured and safeguarded. Such information would include documents, files, and databases that may be kept on paper, electronically, or on film.

Retention and destruction of such information shall be done in accordance with guidelines set by state laws and regulations.

- m. Use of E-mail, Internet, and County Intranet – Grand Traverse County has developed specific policies regarding employee use of County e-mail, the Internet, and the County’s Intranet while on County time or using County computers. All public employees shall comply with these policies. All data stored on County computers and networks, including email either received or sent is considered to be County property and is not private, unless required as such by law.
- n. Compliance with applicable laws and regulations - All public employees shall comply with all laws, regulations, and County policies that are applicable to their departments.
- o. Special Treatment - A public employee shall not grant any special consideration, treatment, or advantage to any citizen beyond that which is available to every other citizen.
- p. County Seal - Unless expressly authorized by the County Administrator, a public employee shall not use the official County seal for any private use.

REPORTING PROCESS

All employees have a responsibility for reporting concerns about potential unethical behavior. Such concerns and/or questions about whether actions are considered unethical or a violation of the State Ethics Reform Act and/or this Ethics Policy can be reported to the Human Resources Director.

It shall also be a violation of this policy for any informant to make a baseless allegation of unethical behavior that is made with reckless disregard for truth and that is intended to be disruptive or to cause harm to another individual. Any violation of this section will result in disciplinary action.

INVESTIGATIVE PROCEDURE

Allegations of violations of the State Ethics Reform Act and/or this Ethics Policy Statement shall be promptly investigated by a team of individuals designated by the County Administrator. The results of this team’s investigation shall be communicated in writing to the County Administrator and/or other appropriate designated personnel. In instances where the investigation indicates possible violations of the State Ethics Reform Act, the investigative information shall be turned over to the State Ethics Commission.

ENFORCEMENT

Any employee or official who violates the provisions of this Code shall be subject to disciplinary action up to and including discharge.

Note: This policy may differ for those employees who are members of recognized unions, organizations, or associations. Any questions related to the content of this policy, or its interpretation, should be directed to Human Resources.

Approved Personnel Policy 4/92 Amended 12/03, 5/07, 7/2019