

# Laredo Code of Ethics

WHAT YOU NEED TO KNOW



# CITY OF LAREDO

## ETHICS CODE IN A NUTSHELL

The following is a summary of the City of Laredo Ethics Code. For specific questions, please refer to the full language of the code.

# WHY DOES THE CITY HAVE AN ETHICS CODE?

To increase  
public confidence  
and trust

To demonstrate  
integrity,  
accountability,  
responsibility

To assure  
impartiality and  
fairness

To assure due  
process and equal  
protection

Because it is  
required by City  
Charter

# To Whom Does the Ethics Code Apply?

The Code applies to *Persons Doing Business with the City, City Employees and City Officials.*

Who is a considered a *City Official* under the Code?



The Mayor

- Council Members
- The City Manager
- The Deputy City Manager
- Assistant City Managers
- The Assistant to the City Manager
- The City Secretary
- Department Directors
- The City Attorney
- Assistant Department Directors
- Municipal Court Judge & Associate Judges
- The City Internal Auditor
- **Boards & Committees Members**



# *Six Categories of Ethics Laws*

*I Conflict of Interest*

*II. Unfair Advancement of Interest*

*III. Gifts*

*IV. Misuse of City Staff and Property*

*V. Prohibited Interest in Contracts*

*VI. Prohibited Representation*



# I. CONFLICTS OF INTEREST

Conflicts Will Exist....

It's how you handle them that matters

**GENERAL RULE: A CITY OFFICIAL CANNOT INFLUENCE OR TAKE PART IN ANY MUNICIPAL DECISION THAT COULD POTENTIALLY AFFECT THE ECONOMIC INTERESTS OF:**

1. the city official;
2. the city official's spouse, child, parent, relative, or member of his or her household;
3. an affiliated business entity, employer or client of the persons listed in 1 or 2 above;
4. a business or non profit entity for which city official serves as an officer, director, or in any other policy making position; or
5. an individual or business entity with whom, within the past 12 months, the official or his or her spouse solicited an offer of employment or engaged in negotiations over business

**How do you know if you have an  
Economic Conflict of Interest?**

**AN ECONOMIC CONFLICT OF INTEREST**

**DOES EXIST IF**

**IT IS LIKELY THAT A MUNICIPAL ACTION COULD  
IMPACT YOUR FINANCIAL INTERESTS  
IN A WAY THAT IS DISTINGUISHABLE FROM ITS  
EFFECT ON THE MEMBERS IF THE PUBLIC.**

**In other words,**

**Does the action affect the public  
in the same way it could  
potentially affect you?**

# What To Do If You Have One:



- Promptly Identify Conflict.
- File a recusal form with the External Auditor to disclose the conflict. (*Forms are accessible from the City's Ethics Webpage*).
- Excuse yourself from the meeting while the council or board discusses and votes on this recommendation.
- Do not Discuss item or try to influence the decision.



## II. UNFAIR ADVANCEMENT OF PRIVATE INTERESTS

GENERAL RULE: A CITY OFFICIAL MAY NOT USE HIS OR HER POSITION TO:

- (1) Unfairly advance or obstruct private interests; or
- (2) To grant or secure any form of special consideration or advantage.

Additional Special Rules



Interest in Impending Matters

Reciprocal Favors

Appointment of Relatives

# UNFAIR ADVANCEMENT-

## Acquisition of Interest in Impending Matters

If a city official or employee knows the city will be taking official action on a contract, a zoning decision, or other matter, he or she should not use that knowledge to profit from the transaction.



# UNFAIR ADVANCEMENT-

## Reciprocal Favors

A CITY OFFICIAL OR EMPLOYEE MAY NOT ASK FOR, RECEIVE, OR AGREE TO RECEIVE A BENEFIT IN EXCHANGE FOR THEIR OFFICIAL ACTION.



# UNFAIR ADVANCEMENT- Appointment of Relatives

An individual cannot be appointed to any city office or position of employment if related within the prohibited degree to:

❖ The Mayor

❖ A City Councilmember

❖ The City Manager

❖ The Appointing Department Director

❖ The Municipal Court Judge

❖ Any Board/Commission Member



# City of Laredo

## Nepotism Rules

Pursuant to §2.02(b) of the Ethics Code and § 12.04 of the City Charter, city appointments of a person to any position of employment, office, or clerkship is prohibited if that individual is related within *3rd degree of consanguinity or 2<sup>nd</sup> degree of affinity* to any of the following:

- **City Manager;**
- **The Mayor;**
- **A City Councilmember;**
- **The Municipal Court Judge;**
- **A Board or Commission Member; or**
- **A Department Director with authority to make the appointment in question.**

# Degrees of Relationship Charts

## Prohibited Relationships of Consanguinity (Blood)

	1st Degree	2nd Degree	3rd Degree
Person	daughter* son* mother father	sister** brother** grandchild grand-parent	aunt*** uncle**** niece nephew great-grandchild great-grandparent

## Prohibited Relationships of Affinity (Marriage)

	1st Degree	2nd Degree
Person	spouse stepdaughter stepson stepmother stepfather mother-in-law father-in-law daughter-in-law son-in-law	step sister step brother sister-in-law* brother-in-law** (if spouses' brother or sister's spouse) spouse's grandchild grandchild's spouse spouse's grandparent grandparent's spouse



### III.

# GIFTS

## RULE # 1

A city official or employee cannot ask for or accept a gift which reasonably appears to have been given with the intent to influence municipal action.

## RULE # 2

A city official or employee cannot ask for or accept gifts from:

A person or entity which is doing or seeking to do business with the city

OR

A person or entity which is seeking action or advocating on a zoning or platting matter before the city.



EXCEPTIONS  
TO  
GIFT RULES



# Gifts of Minimal Value Are Ok-

**ONLY IF**

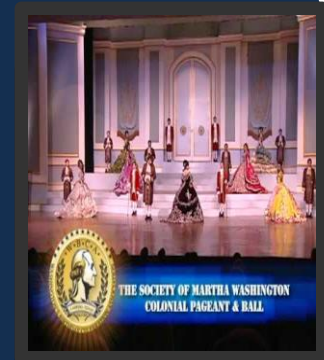
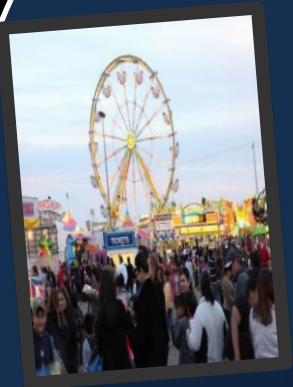
The value from any individual source does not exceed \$250 per gift or \$500 cumulatively in a calendar year.



Admission to a widely  
attended city event is OK-

**ONLY IF**

The tickets were not  
solicited by the City Official





**REASONABLE GIFTS  
FOR SPECIAL OCCASIONS ARE OK-  
ONLY IF**

The gift is actually for a specific occasion (illness, holiday, birthday, etc.) and is in keeping with the donor's relationship to the city official.

For example: Although a wedding gift of reasonable value to a city official would always be acceptable, a lavish gift would only be permitted if donor had a previous relationship with the city official.



POLITICAL  
CONTRIBUTIONS  
ARE OK-

ONLY IF

THEY ARE DULY  
REPORTED



SOLICITATIONS FOR CITY  
SPONSORED EVENTS ARE OK-

ONLY IF

*Event serves a valid municipal public purpose*

AND

*Event benefits all residents of the city*

*For example,*

*A City Wide Kite Festival is Ok.*

*A Backpack Giveaway is not.*



SOLICITING  
CHARITABLE  
DONATIONS  
IS OK

ONLY IF

A city official or city employee is not soliciting the donation from a subordinate.

LODGING, MEALS,  
TRANSPORTATION OR  
ENTERTAINMENT AS A  
GUEST IS OK

ONLY IF



The total value in one year is less than \$500 from a single source.

# IV. Misuse of City Property & Resources



GENERAL RULE: a city employee or official cannot ask for, use, or permit the use of any city resource, including staff time, for any purpose not *directly* related to the city's governmental responsibilities.



IN OTHER WORDS...

**A CITY OFFICIAL  
OR EMPLOYEE CANNOT**

**1**

**USE CITY STAFF OR CITY PROPERTY  
FOR ANY PURPOSE THAT:**

- (1) Does not benefit the community as a whole;
- (2) Is not directly related to a municipal function of government; and
- (3) Has as its primary objective the benefit of a private interest.

# EXAMPLES

## **ACCEPTABLE USE OF CITY RESOURCES (Including staff time):**

- City Kite Festival
- Laredo International Sister Cities Festival
- City Parades
- All Other City Wide Events intended to provide recreational activities

## **UNACCEPTABLE USE OF CITY RESOURCES (Including staff time):**

- Private Functions and Events
- Campaign Fundraisers
- Toy /School Supply Drives
- Backpack/Food Basket/Turkey giveaways to select families
- Any other event that benefits a private group or that does not serve valid city function

ALSO UNDER THIS RULE...

A CITY OFFICIAL CANNOT

2

**RECEIVE REIMBURSEMENT FOR EXPENSES:**

- (1) That were not incurred by the city official *in the conduct of his or her official duties*; and,
- (2) That there exists no specific or implied authority governing the eligibility of such payments.

# MORE EXAMPLES

## ACCEPTABLE REIMBURSEMENTS

- **Postage** -Per City Code Sec. 2-29(2)(e)
- **Letterhead /Stationary** -Per City Code Sec. 2-29(2)(d)
- **Travel Expenses (in course city business)** -Per City Code , Sec. 2-29(2)(a)
- **Meals out of town (in course city business)** - Per City Code, Sec. 2-29(2)(c)
- **Home Office Costs** (up to \$750 p/ m)- Per City Code, Sec. 2-29(3)(b)
- **Transportation Costs** (\$750 p/ m)- Per City Code Sec. 2-29 (3)(a)
- **Cell Phone Cost** (\$150 p/ m)-Per City Code Sec. 2-29 (3)(c)

## UNACCEPTABLE REIMBURSEMENTS

- All other items not coming within prior policy and existing ordinances are not reimbursable - Per City Code Sec. 2-29(4)

# EXCEPTIONS

- \* A contract or transaction already in place at the time the city official assumes position.

OR

- \* A contract or transaction that is referred to the Ethics Commission for a determination that:

*Bidder is the sole source provider; or  
Bid is lowest and in the best interest of the city*



## V. PROHIBITED INTEREST IN CONTRACTS

GENERAL RULE: A CITY OFFICIAL AND EMPLOYEE IS PROHIBITED FROM HAVING A FINANCIAL INTEREST IN ANY CONTRACT OR SALE OF CITY MATERIALS, SUPPLIES, SERVICE OR LAND.

A prohibited interest is presumed if any of the following is a party to the contract or sale:

- (1) A city official or employee that has the power or duty to exercise authority over that contract, purchase or sale, by negotiating, preparing, authorizing or approving the contract, by authorizing or approving payment under the contract, by auditing bills or claims under the contract, or by appointing anyone with said powers or duties.;
- (2) The spouse, sibling, parent, child or family member within the third degree of consanguinity or second degree of affinity to an individual listed in (1) above;
- (3) A business entity if an individual listed in (1) above or his or her parent, child or spouse, directly or indirectly owns 10% or more of the voting stock or fair market value of the business;
- (3) A business entity if an individual listed in (1), (2) or (3) above is a subcontractor, partner, a parent or subsidiary business entity.

## VI.

# Representation of Private Interests

Representation for Compensation- City officials and employees shall not represent for compensation any person, group or entity before the city.

Prestige of Office- In connection with the representation of private interests before the city, a city official and employee cannot assert the prestige of their position for the purpose of advancing private interests or state or imply that he or she can influence city action on any basis other than the merits.



# MISUSE OF INFORMATION

A city official or employee may not use

information obtained formally or informally as part of his or her work for the city or due to his or her position with the city, for his or her own benefit or for the benefit of any other person or entity.





# POLITICAL ACTIVITY

GENERAL RULE: A CITY OFFICIAL SHALL NOT REQUEST, OR AUTHORIZE ANYONE ELSE TO REQUEST, THAT A CITY OFFICIAL EMPLOYEE OR SUBORDINATE CITY OFFICIAL TAKE PART IN A POLITICAL ACTIVITY, INCLUDING THE MAKING OF A CAMPAIGN CONTRIBUTION.

*Reasoning: Political solicitation of subordinates by an official fosters the appearance, if not the reality, of coercion.*

**Comments:** The Ethics Ordinance prohibits the solicitation of any subordinate regardless of whether or not they are at work. However, this restriction only pertains to asking for campaign contributions. It does not in any way restrict the right to receive contributions from a city employee or another city official who wishes to support your campaign.

# Other Important Code Provisions...





# PERSONS DOING BUSINESS WITH THE CITY

**Political Contributions**-Any individual or business entity seeking a contract from the city must disclose all political contributions of more than \$100 within the past 24 months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections.

**Disclosure of Association**-Any individual/business who intends to request official action or benefit from a discretionary city contract must first file a disclosure of any known facts that would raise a question as to whether participation by a member of the council or board would violate any conflict of interest laws.

**Prohibited Contacts during Solicitation Period**-Any individual or business who seeks to apply for any city contract is prohibited from contacting any city official regarding such contract between the time the solicitation has been released until the contract has been awarded. if such contact could be construed as an attempt to influence a decision regarding said contract.

# Reporting Requirements

## Persons required to file:

- Mayor & City Council Members
- Candidate for City Office
- City Manager
- City Attorney
- Municipal & Associate Municipal Court Judge



**Failure to File** -Any city official who does not file a financial disclosure statement within 30 days of receiving notice from the City Secretary commits a Class C offense and is civilly liable to the city for \$500.

## Travel Reporting

Any city official who in connection with his or her official duties accepts any gratuitous payment of a trip by a third party (including lodging, meals, entertainment, transportation, etc.) must file with the City Secretary a travel disclosure statement before embarking on travel.

## Items Received on Behalf of City

A city official who receives any gift on behalf of the city must promptly notify the city manager who will have the item appropriately inventoried as city property.

# Ethics Compliance Officer (ECO)

Either the City Attorney or the designated Assistant City Attorney shall serve as the City's ECO.



## *ECO's Primary Duties:*

- Act as legal counsel to Ethics Commission on the interpretation of the provisions of the Ethics Ordinance;
- Receive ethics complaint for legal sufficiency and immediately forward any complaint received to the Ethic Commission;
- Review ethics complaints for legal sufficiency;
- Request addition information as needed to make findings;
- *Recommend* acceptance or rejection of complaints to the Commission; and
- Issue Advisory Opinions to city officials and employees.

# ETHICS COMPLAINTS

- Ethics Complaint must be sworn and filed with ECO
- Ethics Complaints cannot be anonymous
- There is a 2 year Statute of Limitations on Ethics Violations
- There are Criminal & Civil Penalties for filing frivolous or false complaints. The determination of whether a complaint is frivolous is made entirely by the Ethic Commission.





# **ETHICS COMMISSION**

- ❖ **9 Members appointed by City Council**
- ❖ **Have Final Authority to make findings & impose sanctions for violations of the city ethics code and certain charter provisions**
- ❖ **Also have authority to issue advisory opinions to persons other than city officials and employees on whether proposed action by that person would violate ethics laws.**



# DUTY TO REPORT

City officials and employees have an obligation to report any known violations of the ethics code within (5) five days.

Anyone who fails to report a known violation of the ethics code is subject to penalties.



# SANCTIONS

*The Ethics Commission may impose, refer, or recommend one or more of the following sanctions upon finding a person knowingly violated the Ethics Code:*

- *Removal from Office (Recommend)*
- *Disciplinary Action (Recommend)*
- *Criminal Prosecution(Refer)*
- *Civil fine up to \$500 (Impose)*
- *Void a contract (Recommend)*
- *Damages or injunctive relief (Refer)*



# Advisory Opinion

City officials who have specific questions are encouraged to seek a written advisory opinion from the Ethics Compliance Officer on whether proposed action violates local ethics laws.

## Benefits :

- You are Entitled to Prompt Response
- The Identity of Requester is Anonymous
- A City Official who acts in accordance with an advisory opinion cannot be found to have violated the city's ethics laws.



Need more information?



## Ethics Staff Liaison

Nora E. Govea

1110 Houston St.

City Hall 1<sup>st</sup> Floor

Laredo, Texas 78040

(956) 727-6463

[ngovea@ci.laredo.tx.us](mailto:ngovea@ci.laredo.tx.us)

## Ethics Compliance Officers

Kristina Laurel Hale, Acting City Attorney

Cristian Rosas-Grillet, Assistant City Attorney

1110 Houston St.

City Hall 3<sup>rd</sup> Floor

Laredo, Texas 78040

(956) 791-7319

For Forms and other Ethics Resources,  
Visit the City of Laredo's Ethics Webpage at  
<http://www.cityoflaredo.com/ethics/ethicsindex.html>

*The End*

