



Keeping Greenwich Clean

Obligations of Town Officers under the Greenwich Code of Ethics



Overview

- **Our Ethical Environment**
 - Unique Aspects of our Government
 - Conflicts: Ethical and Personal
- **The Greenwich Code of Ethics**
 - Standard of Conduct
 - Key Concepts
 - Receiving Gifts or Favors
 - Conflicts and Undue Influence
 - Reporting Requirements
 - Complaints
 - Advisory Opinions
- **Additional Resources**



Our Ethical Environment

Greenwich Government Structure

Home Rule

**RTM – One of the world’s largest
legislative bodies**

Extensive use of volunteers

Economic and social diversity



Ethical Conflicts

- **Public conflicts:**
 - **Competing Constituencies**
 - **Different Points of View**
- **Private Conflicts:**
 - **Public vs. Personal Interests**
 - **Fear of Criticism vs. Duty**



Fear vs. Duty

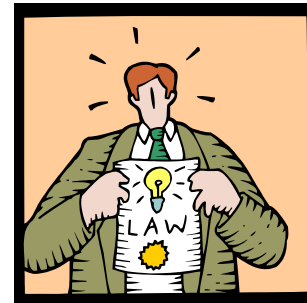
- **Fear: Criticism-**
 - Uninformed
 - Misguided or Suspicious
 - Constructive
- **Duty: To Apply-**
 - Talent
 - Training
 - Experience



The Code of Ethics

Background

- **Adopted in 1965**
- **Concern over evolving views**
- **Lack of clear guidance**



Code of Ethics

- **How does it work?**
- **What does it require?**
- **How does it affect me?**



How does it Work?

1. Sets a Standard of Conduct



How does it Work?

- 1. Sets a standard of Conduct**
- 2. Provides for Guidance**



How does it Work?

- 1. Sets a standard of Conduct**
- 2. Provides for Guidance**
- 3. Establishes a system for hearing complaints**



The Standard of Conduct

- **Prohibits:**
 - Receiving gifts or favors that might tend to influence performance
 - Influencing Town matters in which there is a **substantial financial interest**
- **Requires:**
 - Annual reporting of any substantial financial interest in a Town related **transaction**



Key Concepts

- **Substantial Financial Interest**
 - What is substantial?
 - What is an interest?
- **Transactions with the Town**
 - What is included?
 - When is it measured?



Key Concepts

Substantial Financial Interest

- **What is substantial?**
 - “any financial interest...which is **more than nominal**” *Code Section 2 (a)*
- **What is an interest?**
 - Does not include interests “**common to the interests of other citizens of the Town**”
 - Includes direct interests



Key Concepts

Substantial Financial Interest

- **What is an indirect interest?**

**Includes “the interest of any subcontractor”
or interests in “any corporation, firm or
partnership *Code Section 2 (a) (1)***



Key Concepts

Transactions with the Town

- **What's Hot?**
 - **Offer, sale or furnishing of:**
 - Real or personal property
 - Materials and supplies
 - Services
- **What's Not?**
 - **Services as a Town Officer**
 - **Taxes, fines and other standard fees**



Key Points

- **“Substantial” means tangible, more than “nominal”, not very significant or more than half**
- **“Interests” can be direct or indirect**
- **Interests that are common to other citizens aren’t included**
- **“Transactions” include offers, even if they aren’t accepted**



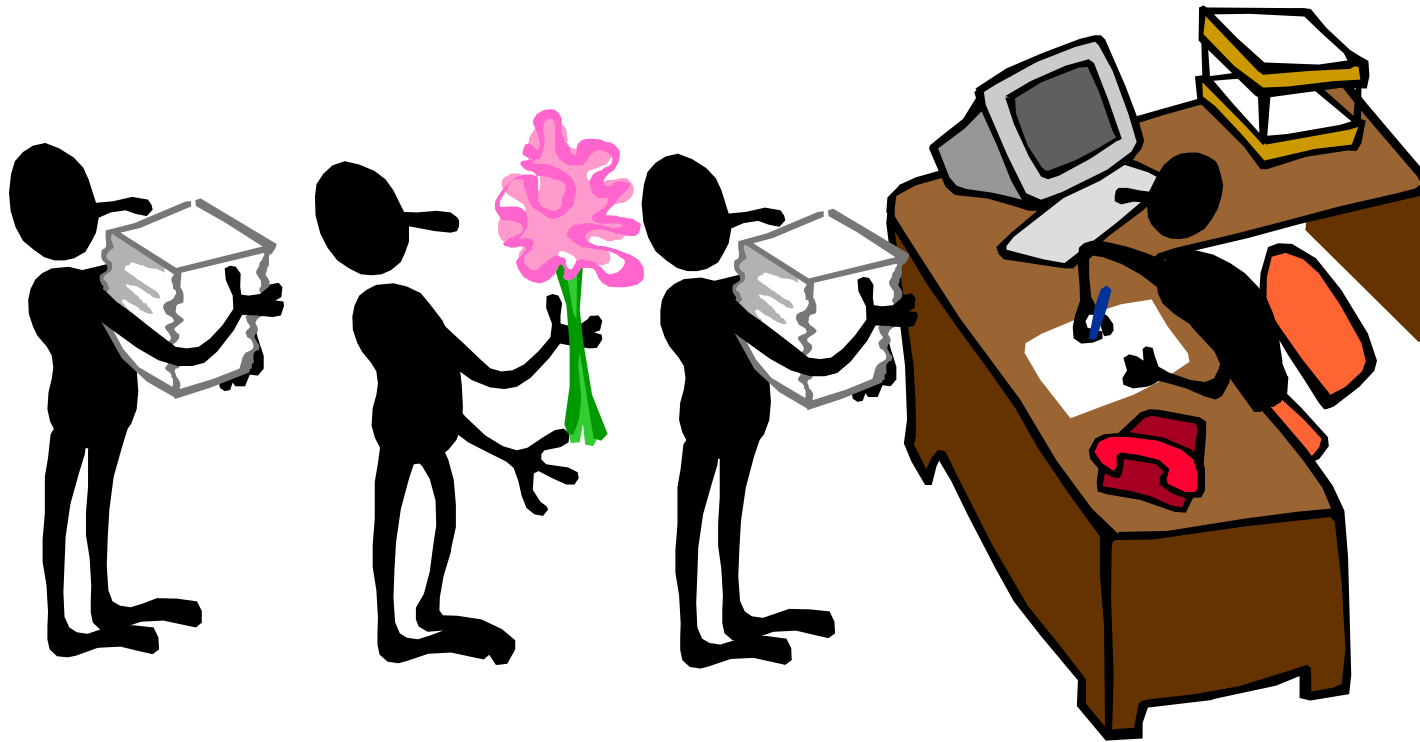
A Special Point

What about purchases from vendors who also sell to the Town (e.g. CL&P, builders and other suppliers)?

- **Standard prices** or discounts offered broadly do not create an interest in the contractor
- **Special discounts** or arrangements can create a financial interest



Receiving Gifts or Favors



What's Prohibited?

Code of Ethics – Section 3:

Prohibits Town Officers or members of the immediate family from receiving valuable:

- 1. Gifts**
- 2. Loans**
- 3. Promises**

which might tend to influence the performance or non-performance of official duties



Gifts

Issues:

What is valuable?

What might influence performance?



What is valuable?

The prohibition on gifts and favors has been interpreted strictly to include:

1. Tickets to charity golf tournaments

Statement 95-01

2. Coffee table books

Advisory Opinion 02-01

3. Trips to conferences and product shows

Advisory Opinion 04-02

4. Contributions to Charities

Advisory Opinion 04-04



What might influence performance?

Timing Issues:

“the offer to sell the systems to the employees was received after the department had recommended the purchase of the systems to the Purchasing Department.”

Advisory Opinion 91-01

“a conflicting interest could exist depending on the specific circumstances of a particular case, including the amount, timing and conditions relating to the contribution, the timing and nature of the application and the degree of involvement of the Agency member in soliciting, discussing or receiving the contribution, as well as any direct interaction with permit applicant”

Advisory Opinion 01-02



What might influence performance?

Special Issue: Trade shows, product reviews and other sales related items:

- **What's Hot:**
 - Expense paid travel
 - Social entertainment and meals
 - Free tickets, comps, etc.
- **What's Not:**
 - Invitations to attend events at Town expense
 - Sales brochures, samples for Town use



Conflicts and Undue Influence



What's Prohibited?

“No Town Officer having a substantial financial interest in any transaction with the Town or action taken by the Town shall use his office **to exert influence or to vote on such transaction or action”**

Code of Ethics – Section 4



What's Not Prohibited?

“the Code of Ethics does not preclude persons from participating in Town government because of a **potential conflict; it only **prohibits participating in specific actions or transactions** in which the individual has a substantial direct or indirect financial interest”**

Advisory Opinion 01-01



Undue Influence

- 1. Voting**
- 2. Participation in discussions**
- 3. Requesting Town Services**



Undue Influence

Voting:

“care must be taken to refrain from discussing or voting on actions in which the Commissioner or a family member personally has a direct or indirect financial interest. A Commissioner would have a substantial financial interest in matters that affected assessments of property owned by the Commissioner or a family member.”

Advisory Opinion 02-02



Undue Influence

Participation in discussions:

“members that anticipate having a conflict of interest with respect to a particular item on the agenda should make an effort to inform the Chair of the committee as soon as possible. The Chair will undoubtedly make every effort to ensure that the member is able to absent themselves at the appropriate time and be able to return to the committee as soon as possible in order to participate fully in all other matters on the agenda.”

Advisory Opinion 09-03



Undue Influence

Requesting Town Services:

“Since the free placement of such signs was common practice for all citizens regardless of their position as a Town Officer, there was no reason why the request to have the signs placed should be considered to be an exercise of undue influence.”

Decision 03-01



Reporting Requirements



Disclosure Statements

- **Who Needs to File?**
- **What Needs to be Disclosed?**
- **When To File**
- **Where and How to File**



Who Needs to File?

- **Town Officers include:**
 - **All Town Officials and Employees**
 - **All Agents or Consultants**
 - **All *elected or appointed* members of:**
 - **Any Town Department**
 - **Any Commission or Board**
 - **Any Town Committee or Legislative Body**
 - **Any other Town Agency**



What Needs to be Disclosed?

- **Substantial Financial Interests in Town Transactions**
- **Includes:**
 - Indirect Interests
 - Immediate Family Members



Substantial Financial Interests

- **Transactional Interests**
“Each Town Officer having an interest in one or more **transactions totaling \$100** or more in the year shall file a written statement”
Section 5 - Code of Ethics
- **Definition**
“any financial interest, direct or indirect, which is **more than nominal** and is not common to other citizens...”
Section 2 (a) (2) Code of Ethics



Indirect Interests

- **Manager Interests**
- **Family Interests**
- **Contractual Interests**
- **Investor Interests**



Indirect Interests

- **Management Interests**

- Advisory Opinion 02-03:**

- “managers have a personal interest in the financial performance of entities that they manage”**

- **Family Interests**

- Advisory Opinion 09-01:**

- “Since spouses have joint economic interests ..., the Code of Ethics treats transactions involving an immediate family member...as giving rise to a separate indirect interest of the Town Officer as a reporting person.”**



Immediate Family Members

- **Spouses and Children**
- **Parents, Grandparents and Siblings**
- **In-laws**
- **Ex-spouses, civil unions, lovers**



Spouses

- **Contractual Relationship**

The “interest in a spouse...arises from the marriage contract”

Advisory Opinion 09-02



- **The Nest Egg**

“Since spouses have shared economic interests, each has an interest in the other’s financial well being.”

Advisory Opinion 92-01



Parents, Grandparents and Children



- **Advisory Opinion 87-01:**

“Since parents generally maintain an interest in the economic well being of a daughter or son, they can be expected to have a substantial financial interest in matters that affect the well being of their children.

“This financial interest comes from a reasonable expectation of mutual support and assistance.

“For the same reason, parents and grandparents may be considered part of the immediate family of their children and grandchildren.”



Immediate Family Members

- **In-Laws:**

- **Advisory Opinion 92-02**

“Since spouses share economic interests, they share in each other’s reasonable expectations of support from parents, brothers and sisters. Accordingly, ...Town Officers are required to disclose interests of in-laws in their annual disclosure filings with the Town”



Other Family Relationships

- **Ex-spouses: Alimony, shared property (e.g. pensions) and other interests**
- **Civil Unions: property rights are similar to married couples**
- **Lovers: Shelter and support - contractual expectations may be created**



When To File

“Within thirty days after the end of each fiscal year each town officer having a substantial financial interest...shall file a written statement...”

Code of Ethics – Section 5

Filings prior to July 1 are not effective.



Where and How to File

Disclosure Statements Must be:

- **Signed under oath (e.g. notarized)**
- **On the form prescribed by the Board of Ethics (available on Town Web Site and from Town Clerk)**
- **Filed in the Office of the Town Clerk**

Code of Ethics - Section 5



Additional Resources

- **Town Web Site**

General Information:

<http://www.greenwichct.org/Ethics/Ethics.asp>

Frequently Asked Questions:

<http://www.greenwichct.org/FAQList.asp?did=30>

Forms:

http://greenwichct.virtuالتownhall.net/Public_Documents/GreenwichCT_Ethics/forms



Additional Resources

- **Advisory Opinions**
 - Formal guidance
 - Expresses the view of the current Board based on the facts submitted
- **Informal Guidance**
 - Discussions with individual Board members
 - Discussions with the full Board
 - Advice from Town Attorney

