



# CITY OF KINSTON

## Personnel Policy

Subject:  Conflict of Interest Policy	Section: Human Resources		Review Responsibility: Director of Human Resources		
	Policy #::  16	Effective Date:  2/18/2022	Rev. #: 0	Revision Date:  N/A	Page:  1 of 1
	Supersedes: N/A	Prepared By: Lea Mills <i>Lea Mills</i>		Approved By: Rhonda Barwick <i>Rhonda Barwick</i>	

### 1.0 Purpose

To prevent the personal interest of City of Kinston personnel from interfering with the performance of their duties to the City of Kinston resulting in personal, financial, professional, and/or political gain on the part of such persons at the expense of the City of Kinston.

### 2.0 Organizations Affected

All City employees in all departments

### 3.0 Definition

“Conflict of Interest” (also “Conflict”) means a conflict, or the appearance of a conflict between the private interests and official responsibilities of a person in a position of trust. Persons in a position of trust include staff members, Department Heads and Manager. Conflicts of interest can occur even if the person in a position of trust does not directly or personally benefit, if the action results in a benefit to a close friend, family member, or business associate beyond what that person would be entitled to as a resident of the City. “Relative: related to or “close familial relationship” for purpose of this policy means and includes:

- a. Spouse
- b. Parent or grandparent of a person or their spouse or anyone who took the place of a parent or
- c. Grandparent, including step-parents and step-grandparents
- d. Children and their spouse, including step-children and current foster children
- e. Sibling of a person or their spouse, including step and half siblings
- f. Aunt or Uncle of a person or their spouse
- g. Niece or Nephew of a person or their spouse
- h. Brother-in-law, sister-in-law, son-in-law, or daughter-in-law of a person or their spouse

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- i. Any person whom the City of Kinston, in its sole discretion, believes has a relationship with a current employee or official of the City of Kinston that may impair direct reporting, judgement or cause operational, interpersonal or other issues.

#### 4.0 Policy

- 4.1 Full disclosure, by notice in writing, shall be made by the interested parties to their supervisor, Department Head or the City Manager in all conflicts of interest, including but not limited to the following:
  - a. A Department Head is related to another Department Head.
  - b. A Department Head is related to a staff member.
  - c. A staff member in a supervisory capacity is related to another staff member whom he/she supervises directly or indirectly.
  - d. A Department Head, City Official or staff member receives payment from the City of Kinston for any contract, subcontract, goods, or services other than as part of his/her regular job responsibilities or as reimbursement for reasonable expenses incurred as provided by city policy.
  - e. A Department Head, City Official or staff member is a paid employee and/or owner of a contributor to the City of Kinston.
  - f. A Department Head, City Official or staff member has, or may have personal, financial, professional, or political gain at the expense of the City of Kinston.
  - g. A Department Head, City Official or staff member engages in activities that may cause a loss of public credibility in the City of Kinston or create a public impression of impropriety.
- 4.2 Employees are required to promptly disclose a close personal and/or familial relationship with a prospective employee that the employee knows is being considered for employment within the employee's department and/or work unit, or who would trigger any of the conflicts listed in Section 4.1 of this policy. Employees are also required to promptly disclose a close personal and/or familial relationship within an employee, contractor, or volunteer that the employee directly or indirectly supervises.
- 4.3 Following full disclosure of a possible conflict of interest or any condition listed above, the City Manager shall determine whether a conflict of interest exists and, if so, the City Manager shall authorize or reject the transaction and/or condition. If the conflict involves the City Manager, the conflict will be reported to and resolved by the City Council. Employment related conflicts of interest may be

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addressed by reassignment or transfer of one or both of the affected employees, or by termination if the conflict cannot be resolved.

- 4.4 Employees and city officials are prohibited from engaging in conduct that constitutes a misuse of their position of trust, including but not limited to the following examples:
  - 4.4.1 Participating in any official or regulatory act which directly or indirectly affects a business, property, or activity in which the employee or city official or a member of their immediate family have a financial interest.
  - 4.4.2 Engaging in outside employment which might result in a conflict or apparent conflict between the employee's interests and the duties and responsibilities of the position.
  - 4.4.3 Accepting, directly or indirectly, any gift, gratuity, favor, discount or price break, entertainment, loan, or any other thing of monetary value from any person, organization, or group with whom the employee or city official has an official, enforcement, or regulatory relationship for the City; provided, however, that this policy does not prohibit affected individuals from receiving discounts from merchants where the discount is offered to all officers or employees of other units of government.
  - 4.4.4 Providing a benefit or service to someone the employee knows through their work for the City and that benefit or service extends beyond what that person would receive as a resident of the City. Disclosing confidential information without proper legal authorization concerning the property, government, or affairs of the City or use such information to advance the financial or other private interest of themselves or others.
- 4.5 An interested Department Head, City Official or staff member shall not participate in any discussion or debate in which the subject of discussion is a contract, transaction, or situation in which they have a conflict of interest.
- 4.6 No Department Head, City Official or staff member shall participate in the selection, award, or administration of a procurement transaction in which federal or state funds are used, where to his/her knowledge, any of the following has a financial interest in that transaction: (1) the Department Head, City Official or staff member; (2) any member of his/her immediate family; (3) his/her partner; (4) an organization in which any of the above is an officer, director, or employee; or (5) a person or organization with whom any of the above is negotiating or has any arrangement concerning prospective employment.

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- 4.7 No department head, city official or staff member engaged in the selection, award, or administration of a procurement transaction in which federal or state funds are used shall solicit or accept any gratuity, favor, or anything of monetary value from contractors, potential contractors, or parties to subcontracts; provided, however, that unsolicited gifts of nominal value are not prohibited, and this policy does not prohibit affected individuals from receiving discounts from merchants where the discount is offered to all officers or employees of other units of government.
- 4.8 Existence of any of the above-listed conditions shall render a contract or a transaction voidable unless full disclosure of personal interest is made in writing to the City Manager and such transaction was approved.
- 4.9 Failure to disclose a conflict of interest as described above or any violation of this policy shall subject a City employee to disciplinary action, up to and including termination.
- 4.10 A copy of this policy shall be given to all Department Heads, City Officials and staff members upon commencement of such person's relationship with the City of Kinston.

To ensure the policy is being regularly enforced and monitored for compliance, the Human Resources Director shall remind employees of the policy annually by email and shall require employees to disclose annually any interests that may give rise to conflict. Department Heads and Administration staff shall post the policy in common employee areas for those without city emails.