



INTEREST CONFLICTS – SURPRISINGLY BROAD

The Code of Ethics (the Code) contains several sections that generally address conflicts, based on having an interest in property and business dealings, as a part of defining how we are to conduct ourselves as officials and employees of the city of Dallas. In addition, there are more certain sections that address these conflicts in specific circumstances. This edition of Ethics Matters is focused on breaking all these down for our reference. We will begin with the Code of Ethics and end with the city charter.

Foundational Provisions of the Code

It is telling how often the Code specifically stresses the importance of interest-based conflicts in outlining the foundational principles of purpose and standards of behavior for us. These general provisions include:

1. Except as provided in the Dallas City Charter, no city official or employee shall have any financial interest, direct or indirect, or engage in any business, transaction, or professional activity;

or incur any obligation of any nature that conflicts with the proper discharge of the city official's or employee's duties in the public interest (Section 12A-1(a)(3)).

2. Public office is not to be used for personal gain (Section 12A-1(a)(4)).
3. To take no actions that could benefit the official or employee personally, or his or her relative, to the detriment of the city, avoiding even the appearance of a conflict of interest, and to always exercise good judgment (Section 12A-4(a)(5)).

Specific Interest Conflict Provisions of the Code

Based on the foundational principles, the Code specifically addresses several areas of conflict that are important for us to know. It is worth noting that several of the terms in these sections are defined terms in the Code including benefit, business entity, doing business with the city, domestic partner, employee, knowingly, city official, official action, personal benefit, and relative. If you find yourself facing one of the interest conflicts

Blow the Whistle! Our confidential hotline for reporting violations of the Code of Ethics is called the Whistle. The Code requires us to report violations **to the inspector general** when we see them.

Call 877.860.1061 or use the QR code.



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listed below, go to the Code as there are carve outs in very specific cases that are not addressed here. So, let's see what boundaries we, city officials and employees, face when it comes to interests in businesses and properties. Let's now review the interest conflict sections themselves.

Personal Benefit Prohibited – Section 12A-13

This section begins with its rationale: “to avoid the appearance and risk of a conflict of interest.” The issue addressed is using official position or office, to take or refrain from taking, official action that you know will result in a personal benefit for certain people and entities. Those include relatives and persons with whom the official or employee has a financial or business relationship. Personal benefit means “any benefit knowingly solicited, accepted, or agreed to be accepted by another for the purpose of influencing how a city official or employee performs or refrains from performing an official action.” In other words, this is about bribery. Simply put, we can't take or refrain from taking official action in return for a benefit to relatives or business or financial partners.

Several exceptions are listed to the definition of personal benefit including: salaries, compensation and benefits not given in exchange for official action; political contributions made and reported according to state law; hospitality unrelated to official business of the city; reasonable public reward or awards in recognition of public service or achievement; gifts of recognition made by governmental bodies acting in their official capacities; loans made in the regular course of business on publicly available terms; complimentary copies of trade publications; and things of value received by devise, bequest, or inheritance.

Topics Coming Next Month:

- Substantial Interest – Section 12A-13.1
- Acquiring Interests – Section 12A-14(a)(1)
- Reciprocal Favors – Section 12A-14(a)(2)
- Previous Employers – Section 12A-14(a)(3)
- Area of Notification – Section 12A-14(a)(4)
- Financial Interest Prohibited - City Charter XXII

Take a break and play Catch the Canary - its a mystery game that comes straight to your email, takes less than two minutes to play, and teaches ethics!