

THE CHARTER TOWNSHIP OF NORTHVILLE

CODE OF ETHICS

Introduction: Public office is a public trust. Any democracy requires public confidence in the integrity of the government. Persons in public service must recognize that a moral commitment to do the right thing is necessary. Characteristics like honesty, loyalty, fairness, promise keeping, accountability, respect for others and integrity do not depend on one's situation. They are behaviors expected by/of the Township Board of Trustees, employees and appointees at all times.

Purpose: The purpose of the Code of Ethics is to provide practical guidelines for ethical decision-making and to encourage ethical behavior from township representatives responsible to the citizens of Northville Township. The decisions and actions of all township representatives (appointed, elected, full, or part-time) should be in the best interest of the township and be free from the influence of outside or conflicting interests. This policy will encourage representatives to act in ways perceived to be in the townships and citizens' best interest.

SECTION I – DEFINITIONS:

- A. CONTRACTOR** – an individual or firm other than an employee who derives income from the Charter Township of Northville by providing goods or services to the township. Contractors shall mean professionals, consultants, and firms, including but not limited to the Township attorney, planning consultant, engineering consultant or other individuals retained by the Township to provide services.
- B. CONFLICT OF INTEREST** – a situation that occurs when one is in a position of moral obligation that is at variance with personal interest.
- C. EMPLOYEE** – all full and part-time persons, other than a contractor, who are compensated for their services by the township.
- D. CUSTOMER** - An individual, corporation, or other business entity, who has submitted an application, sought approval, requested permits, is subject to review by a township board or commission, or otherwise seeks or requests services from the Township, including those typically provided by governmental entity or other services provided by the Township or its employees.
- E. CONFIDENTIAL INFORMATION** – information which has been obtained in the course of service with the township or in fulfilling the duties of one's office with the township, such information being unknown or unavailable to members of the public generally and which has been obtained on the basis of a promise of confidentiality which is required to be held confidential by law, or regulation, or which the employee or officer has been instructed is being held confidentially. It does not include information required to be disclosed by law.
- F. FINANCIAL INTEREST** – is defined as:

1. any interest as a proprietor or partner in an organization that is not a corporation; or,
2. the ownership of or right to acquire stock or bonds in an amount in excess of 1% of the total stock or bonds of the same class of such organization that is a corporation (whether or not publicly owned); or,
3. any interest in the form of a loan, advance or financial arrangement in an amount greater than 1% of the combined capital or debt of such organization that is a corporation (whether or not publicly owned); or,
4. any employment full or part-time.

G. GOVERNMENTAL DECISION – a determination, action, vote or disposition upon a motion, proposal, recommendation, resolution, ordinance or measure on which a vote by the members of a legislative or governing body of the township is required and by which the township formulates or effectuates public policy. A governmental decision shall also include actions, approvals, or decisions made by governmental employees in the ordinary course of Township business such as issuing permits, approvals, or providing other services ordinarily offered by the Township or other governmental entities.

H. IMMEDIATE FAMILY – a child, spouse or an individual claimed by that individual or individual's spouse as a dependent under the internal revenue code, or the parents, parents-in-law, step-parents, step-children, step-brothers, step-sisters or an individual or other persons in the same household.

I. PUBLIC OFFICER – an elected official of the township or a person appointed to a township board or commission.

J. PUBLIC RECORD - any information in the township records that is legally determined to be public.

K. TOWNSHIP - the Charter Township of Northville, including its boards, commissions, departments, and divisions.

L. UNETHICAL CONDUCT – a violation of the standards set forth in the Code of Ethics.

SECTION II – STANDARDS OF ETHICAL CONDUCT

A. A public officer, contractor, or employee shall not divulge to an unauthorized person, confidential information acquired in the course of employment prior to the time authorized for its release to the public.

- B.** A public officer, contractor, or employee shall not represent his or her personal opinion as that of the township.
- C.** All public officers, contractors, and employees shall refrain from intentionally using their respective township office or position for personal gain or benefit. A public officer, contractor, or employee shall use township resources, property, and funds under their official care and control in accordance with constitutional, statutory, and regulatory procedures and not for personal gain or benefit.
- D.** A public officer, contractor or employee shall not solicit a gift or loan of money, goods, services or other thing of value from persons receiving benefits from the township or performing services under contract to the township or otherwise in a position to benefit from public officer, employee, or contractor action.

A public officer or employee may accept gifts or favors from an organization that does or seeks to do business with the township if the gift or favor falls into one of the three (3) categories listed below. Gifts or favors not listed may not be accepted either directly or indirectly for the benefit of a public officer, employee, or their relatives or friends.

1. Gifts of nominal value and involving normal sales promotion, advertising, or publicity.
2. Appropriate social amenities, including but not limited to lunch, flowers, candy, fruit baskets, etc., provided there is no compromise of sound business principles in the relationship.
3. Freely offered gifts provided they do not exceed a value of \$50.00, and admission to events if more than \$50.00 to which they are invited in their official, representative capacity for the township, provided this is made a matter of public record at a regular meeting of the Board of Trustees. A record of such disclosure will be maintained by the Township Manager.

No public officer, contractor, employee, or organized group of primarily township employees shall solicit or accept any gift, favor, support, vote, or sponsorship from an organization that does business or seeks to do business, or seeks approval for permits, development, or other governmental services within the township in connection with any activity.

- E.** A public officer, contractor or employee shall not engage in a business transaction in which the public officer, contractor, employee or their

immediate family member profit from his/her official position or authority or benefit financially from confidential information which the public officer, contractor or employee has obtained by reason of that position or authority.

- F.** A public officer, contractor or employee shall not engage in or accept employment or render services for a private or public interest when that employment or service is incompatible or in conflict with the discharge of the officer's, contractor's or employee's official duties on behalf of the township or when that employment may tend to impair his or her independence of judgment or action in the performance of official duties.
- G.** A public officer, contractor or employee shall not, with respect to transactions on behalf of the township, participate in negotiation or execution of contracts, making of loans, granting of subsidies, fixing of rates, issuance of permits or certificates, approving of uses or other regulation or supervision relating to a business entity in which the public officer, contractor, employee or immediate family has any financial interest.

SECTION III – DISCLOSURE AND VOTING

- A.** A public officer shall promptly disclose any contractual, financial, political support, business, or employment interest he/she or immediate family members may have in the governmental decision and the disclosure will be made part of the public record of the official action on the governmental decision. A public officer shall disclose even the appearance of a conflict of interest that should remain.
- B.** Whenever a consulting firm is employed, either directly or indirectly by the township, the principals of that firm shall be required to disclose a financial interest of 1% or greater in another firm they know to be doing business with the township. This shall be done by the signing of a disclosure form stating who has a financial interest. Any disclosures on this form are not intended to prohibit that firm from providing services. These disclosures are intended to make the township aware of any potential conflicts of interest.
- C.** If a conflict is disclosed, the public officer will remove himself/herself from the meeting room until the issue is resolved. This section shall not prevent a public officer from making or participating in making a governmental decision to the extent that the public officer's participation is required by law. Statements of disclosure or conflict shall not be used as a mechanism to prevent a governmental decision from being made.

Section IV – ENFORCEMENT OF ETHICS POLICY

A. Enforcement of policies relating to Township employees:

1. Complaints regarding violations of the Ethics Policy on the part of Township employees shall be investigated by the Township Manager. The Township Manager shall have sole discretion to take appropriate action to enforce the Ethics Policy including but not limited to reprimand, suspension, termination or other discipline deemed appropriate under the circumstances.

B. Board of Ethics:

1. The Township Board shall appoint a Board of Ethics consisting of five members to serve as a body for the purpose of interpreting this Code of Ethics and enforcement.
2. The initial five members of the board shall be appointed for one-, two, and three year terms of office respectively beginning on November 1, 2007. The terms of office shall expire on November 30 of the respective years. Thereafter, all members shall be appointed to three-year terms, beginning December 1 so that no more than three members' terms expire in any one year. A member shall hold office until his or her successor is appointed. The Township Board shall fill any vacancy by appointment for the unexpired term only.
3. The Ethics Board shall be made up of residents of the Township who have legal, administrative, or other desirable qualifications.
 - a. Applicants for the Ethics Board shall not be in default of any obligation to Northville Township and shall submit an application to the Township Clerk.
 - b. Members of the Board of Ethics shall serve without compensation and shall not be elected officials, persons appointed to elective office, full-time appointed officials, or Township employees, nor shall they be currently serving on any other township board or commission.
 - c. The board shall elect its own presiding officer from among its members.
 - d. The board shall establish such procedures, as it deems necessary and appropriate to perform its functions as set forth in this article.

4. Functions of Board of Ethics. When there is a question or complaint as to the applicability of any provision of this code to a particular situation, that question or complaint shall be directed to the Board of Ethics. It shall then be the function of the Board of Ethics to conduct hearings and/or issue an advisory opinion as applicable.
5. Hearings. The Board of Ethics shall conform to the following hearing procedure:
 - a. The board, within 7 days after any matter is brought to its attention, shall set a date certain for a hearing on the matter.
 - b. The board shall, at least 28 days before the hearing, send notice of such hearing accompanied by a concise statement of the alleged breach of this Code of Ethics to any person requested to appear before them by certified mail, return receipt requested, to the addressee only.
 - c. A person given notice to appear before a Board of Ethics may request an adjournment of a hearing for a period not to exceed 28 days. Subsequent extensions may be granted at the discretion of the Ethics Board upon a showing of exceptional circumstances.
 - d. A person given notice to appear before a Board of Ethics may be represented by an attorney.
 - e. Hearings before the Ethics Board shall be subject to the Open Meetings Act, MCL 15.261 et seq.
 - f. Minutes of the proceedings of the Ethics Board shall be maintained showing the date, time, place, members present, members absent, any decisions made at the meeting open to the public, and the purpose or purposes for which a closed meeting is held consistent with the requirements of the Open Meetings Act. Corrections to the minutes shall be made not later than the next meeting after the meeting to which the minutes refer. Corrected minutes shall be made available no later than the next subsequent meeting after the correction. The minutes or findings of the Ethics Board shall be communicated to the Township Board and the public, subject to the requirements of the Open Meetings Act.

6. Opinions of the Board of Ethics. The Board of Ethics shall formulate an opinion after a hearing has taken place and may make recommendations to the Township Board regarding action to be taken regarding ethics violations by members of the Township Board, commissions, or contractors. Any such opinion shall be published in a permanent form and communicated to the Township Board and the public, subject to the requirements of the Open Meetings Act. The Board may also issue opinions regarding the interpretation of the Code of Ethics.
 - a. Action regarding Ethics Board Opinion. The Township Board shall be responsible for imposing any sanction for a violation of the Code of Ethics on one of its members or any person appointed by the Township Board to any board or commission.
 - b. If any disciplinary action is recommended by the Ethics Board, including removal of a member of the Township Board or commission, the Township shall follow the requirements for removal of a public official established by the laws of the state of Michigan.
 - c. The Township Manager shall be responsible for imposing any discipline for a violation of this code on any employee of the Township.

7. Distribution of Ethics Code. Upon being appointed, elected, employed, hired or retained, each board member, commission member, contractor, or employee shall be provided with a copy of this Code of Ethics by the Township Clerk.

8. Disclosure Statements. The Township Clerk shall provide to each new board member, commission member, employee, or contractor with an Affidavit and Disclosure Statement form. The board member, commission member, contractor, or employee shall disclose any business, familial, personal, or other relationship, or circumstance, which may constitute a potential violation of this Code of Ethics within ten (10) days of the date of any appointment, employment, retention, or swearing-in. Additionally, each individual covered by this Code of Ethics shall revise a previously filed Affidavit and Disclosure Statement upon a change in circumstances. An Affidavit and Disclosure Statement shall include at a minimum the following questions listed under a. and b. below.

9. The Township Board or the Board of Ethics may require additional questions to be included on the Affidavit and Disclosure Statement. The following questions shall be responded to in detail:

- a. To the best of your knowledge, do you or any members of your immediate family have any direct, financial or business relationships with any supplier, service provider or contractor of the Charter Township of Northville from which you or they derive direct compensation or financial benefit?
- b. To the best of your knowledge, have you or any members of your immediate family given or received any gifts, (other than from immediate family members or as part of a registered public safety fund raiser conducted in accordance with MCL 14.301 et seq.), the value of which exceeds \$50.00, within the last year, or since the effective date of this Code, whichever time period is shorter, to or from any person or business or other legal entity doing business with the Township. If so, list the name and address of each donor or donors of such gift and date upon which it was made and the nature of the gift.

10. An affidavit in which the Township official, Township board member, commission member, employee, or contractor states: "I have read and I understand the Code of Ethics of the Charter Township of Northville and, to the best of my knowledge, I am not in conflict with its provisions."

ethics policy
Proposed 1st amendment 2/12/08
1st amendment approved 3/20/08