

July 2018



## CITY OF PHILADELPHIA BOARD OF ETHICS

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### OVERVIEW OF CITY CONFLICT OF INTEREST PROVISIONS

The [City Ethics Code](#) prohibits a City employee from taking official action when any of the following has a financial interest:

- a. the employee;
- b. the employee's parent, spouse, life partner, child, sibling, or like relative-in-law;
- c. a private client of the employee;
- d. a for-profit business of which the employee is a member;
- e. a fellow member of such a for-profit business; or
- f. a prospective employer under certain circumstances.

Official action is any non-ministerial act or omission made in an official capacity. An action that does not require any exercise of judgment or discretion is ministerial and is not official action.

A City employee with a conflict of interest must follow a public disclosure and disqualification [procedure](#). The procedure varies depending on whether the conflict involves legislation or another type of City matter. For conflicts that do not involve legislation, an employee must file a disclosure and disqualification letter that:

- a. identifies the employee's name, City position, and City duties relevant to the conflict;
- b. describes the financial interests or relationships that give rise to a conflict; and
- c. includes a statement that the employee intends to be disqualified from taking official action in the relevant matters.

The City Ethics Code requires an employee to send the disclosure and disqualification letter by certified or registered mail to the following:

- a. Board of Ethics (c/o General Counsel);
- b. City Department of Records (c/o Commissioner), which maintains a public record of such letters; and
- c. Head of the City employee's agency (e.g., Commissioner, Executive Director).

Additionally, during City employment and for two years post-employment, a City employee is prohibited from becoming financially interested in official action the employee has taken.

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The information above is only an overview of the City Ethics Code conflict of interest provision, the full text of which follows on pages 2-4. Many City employees are also subject to the State Ethics Act conflict of interest restriction. Notably, the State Ethics Act conflict of interest restriction prohibits conflicts arising from either nonprofit or for-profit entities with which a public employee or the employee's immediate family members are associated.

Ethics guidance is fact-specific. If you have a question about your situation, please contact the Board of Ethics for guidance by using the [Ask for Advice](#) function located on the [Board's website](#) or by calling 215.686.9450.

# **CITY ETHICS CODE CONFLICT OF INTEREST PROVISIONS**

## **EXCERPTS OF CH. 20-600. STANDARDS OF CONDUCT AND ETHICS**

### **§ 20-601. Definitions.**

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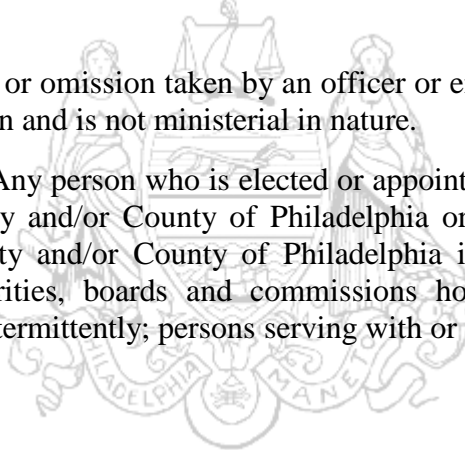
(8) *Family member.* A parent, spouse, life partner, child, brother, sister or like relative-in-law.

(9) *Financial Interest.* An interest involving money or its equivalent or an interest involving any right, power or privilege that has economic value.

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(17) *Official action.* An act or omission taken by an officer or employee in his or her official capacity that requires discretion and is not ministerial in nature.

(18) *Officer or Employee.* Any person who is elected or appointed to a position in any branch of the government of the City and/or County of Philadelphia or to any elected or appointed position which serves the City and/or County of Philadelphia including, but not limited to, members of agencies, authorities, boards and commissions however elected or appointed; persons serving full-time or intermittently; persons serving with or without compensation.



**§ 20-607. Conflict of Interest.**

(a) Unless there is public disclosure and disqualification as provided for in Section 20-608 hereof, no member of Council, or other City officer or employee shall be financially interested in any legislation including ordinances and resolutions, award, contract, lease, case, claim, decision, decree or judgment made by him in his official capacity, or by any board or body of which he is a member nor shall any financial interest be held by a parent, spouse, Life Partner, child, brother, sister or like relative-in-law, or by any person, firm, partnership, corporation, business association, trustee or straw party for his or her benefit, nor shall a member of Council or other City officer or employee be a purchaser at any sale or vendor at any purchase made by him in his official capacity. This latter prohibition shall apply so as to prevent a parent, spouse, child, brother, sister or like relative-in-law or any person, firm, partnership, corporation, business association, trustee or straw party from being such purchaser or vendor for or on behalf of the member of City Council, City officer or employee.

(b) In the event that a financial interest in any legislation (including ordinances and resolutions) award, contract, lease, case, claim, decision, decree or judgment, resides in a parent, spouse, Life Partner, child, brother, sister, or like relative-in-law of the member of City Council, other City officer or employee; or in a member of a partnership, firm, corporation or other business organization or professional association organized for profit of which said member of City Council, City officer or employee is a member and where said member of City Council, City officer or employee has knowledge of the existence of such financial interest he or she shall comply with the provisions of Section 20-608(a)(b)(c) of this ordinance and shall thereafter disqualify himself or herself from any further official action regarding such legislation (including ordinances and resolutions) award, contract, lease, case, claim, decision, decree or judgment.

(c) No member of Council or other City officer or employee shall become financially interested, subsequent to final action, in any legislation including ordinances and resolutions, award, contract, lease, case, claim, decision, decree or judgment made by him in his official capacity, during his term of office or employment and until two (2) years have elapsed since the expiration of service or employment in the term of office of said member of Council or other City officer or employee.

This prohibition shall apply so as to prevent a parent, spouse, Life Partner, child, brother, sister or like relative-in-law or any person, firm, partnership, corporation, business association, trustee or straw party from becoming financially interested for or on behalf of a member of City Council, City officer or employee within said two (2) year period.

**§ 20-608. Public Disclosure and Disqualification.**

(1) Any member of City Council having a financial interest, under Section 20-607(a), (b), in any legislation including ordinances and resolutions, shall make public the nature and extent of such interest as set forth in paragraph (a) hereof. Other City officers and employees having a financial interest in legislation, including ordinances and resolutions, shall make public the nature and extent of their interest as set forth in paragraph (b) hereof. When any member of City Council or other officer or employee has a financial interest in an award, lease, case, claim, decree or judgment, such person shall make public the nature and extent of the interest as set forth in paragraph (c) hereof. Thereafter, such person shall disqualify himself or herself from any further official action regarding such legislation including ordinances and resolutions; award, contract, lease, case, claim, decree or judgment.

(a) In the case of a member of Council, it shall be done at the scheduled public hearing of such legislation including ordinances and resolutions; if such interest occurs after the public hearing and prior to five (5) days before such legislation is to be acted upon, it shall be made by registered or certified mail to the Chief Clerk of the Council and all members of the Council and be announced by the presiding officer of the Council at the time the legislation is called up for consideration; if such interest occurs less than five (5) days prior to the action by the Council on such legislation, the member shall announce his interest publicly on the floor of the Council in public session. This provision shall apply notwithstanding the fact that the member of Council did not participate or was absent upon or during the vote or consideration of such legislation.

(b) In the case of any other City officer or employee having such interest in legislation including ordinances and resolutions, he shall notify the Chief Clerk of the Council and every member of the Council, by registered or certified mail, at least five (5) days prior to the public hearing on the legislation and such notice shall be made part of the official records; in the event said interest occurs after the public hearing, the City officer or employee shall notify the Chief Clerk of the Council and every member of the Council by registered or certified mail, prior to the time of the Council meeting when action is to be taken upon said legislation.

(c) Where there is a financial interest, as set forth in Section 20-607(a), by any member of Council or other City officer or employee in any award, contract, lease, case, claim, decree or judgment, other than legislation, the person having such interest, prior to any City action thereon, shall notify, by registered or certified mail, the Commissioner, Secretary and/or Executive Director of the pertinent agency, authority, board or commission, and the Board of Ethics and the Department of Records which shall maintain a public record of such notices; in the event of action within a department or by a department head, such notice by registered or certified mail shall be given, prior to any action taken, to the Mayor, the Managing Director, the Board of Ethics and the Department of Records which shall maintain a public record of such notices.

This Section shall not apply to routine applications or requests for routine information or other matters which are of a ministerial nature and do not require substantial discretion on the part of a City officer or employee.