

Conflict of Interest Policy

Effective March 9, 2015

Purpose

The City of Hastings (the "City") in conducting the business of its citizens wishes to avoid situations in which an elected or appointed City official or City employee's ("City O/E") business or personal interests may unduly influence or affect a City decision or decision making process.

Definitions

A. Self-dealing

For purposes of this Policy, "Self-Dealing" shall mean conduct of a City O/E whereby the City O/E takes advantage of his or her position with the City to promote his or her own interest rather than the interests of the City. Self-Dealing shall include, but is not limited to, influencing transactions between the City and other persons and entities, prohibitions falling within the Internal Revenue Code (generally Section 4941 IRC), and situations where the City official or employee owns 33% or more of: 1] the voting stock, 2] a partnership interest (profits & losses), or 3] a financial or benefit interest in a corporation, partnership, or other organization that is involved in a transaction to which the City is a party.

B. Conflict of Loyalty

For purposes of this Policy, "Conflict of Loyalty" shall mean any conflict of interest that exists when a City O/E has input in a City-decision where that decision could benefit the City O/E either directly or indirectly. A Conflict of Loyalty shall include, but is not limited to, any transaction or decision in which a City O/E is in a position where their personal interest and the interest of the City are divided or in conflict. Relevant factors in determining a conflict of interest situation includes the duration, strength, and intimacy of a personal or business relationship held by the City O/E in conflict with the City's interest. Whether an actual Conflict of Loyalty exists depends on the circumstances of each potential conflict and is often one of proximity and degree.

C. Conflict of Interest

For purposes of this Policy, "Conflict of Interest" includes instances where a City O/E could engage in Self-Dealing and/or has a Conflict of Loyalty as those terms are defined above.

Annual Disclosure Requirement

All potential or actual conflicts shall be subject to full disclosure to the City by City O/Es. By acknowledging receipt of this Policy, the undersigned City O/E agrees to annually disclose all actual or potential Conflicts of Interest on any matter involving the City. The undersigned City O/E further agrees to annually complete and file the attached Conflict of Interest Statement with the City Clerk/Treasurer. For each actual or potential Conflict of Interest disclosed, the City O/E shall identify

whether the Conflict of Interest involves non-City for-profit and not-for-profit participation on a board of directors, or for-profit ventures in which such individual retains an interest. The purpose and intent of the City O/E completing and filing the attached Conflict of Interest Statement is to disclosing each existing, anticipated, or potential conflict of interest between the City's interests and those of the City O/E.

Identified Conflicts of Interest

Any Conflict of Interest between the City O/E and the City shall prohibit involvement by the City O/E in all aspects of City's decision-making related to the conflict, including abstaining from voting and/or using his/her position with the City to influence the matter, until the Conflict of Interest is resolved. The minutes of any meeting involving the participation of a City O/E who has a Conflict of Interest shall reflect the City O/E's abstention from voting on that matter.

To the extent the City O/E disagrees with the City's assessment that a Conflict of Interest exists and abstention is required, the City O/E shall have the opportunity to briefly state his/her position on the matter to the City Council at a regularly scheduled meeting of the council. The City Council may inquire of the City O/E concerning whether a Conflict of Interest exists and shall be the final arbiter of the question.

Affirmation

I hereby state that:

- I have received a copy of the City of Hastings Conflict of Interest Policy;
- I have read and understand the policy;

I agree to comply with the policy.

Signature_____

Printed Name_____

Date_____

Annual Conflict of Interest Statement

NAME: _____ DATE: _____

In accordance with the purpose and intent of the Conflict of Interest Policy adopted by the City Council of the City of Hastings, Barry County, Michigan, a copy of which has been furnished to me, I hereby disclose that I and/or my family members have the following affiliations, interests or relationships.

BACKGROUND

Position(s) I hold and the relationship(s) I maintain with respect to the City of Hastings (e.g. elected or appointed Council, Board, or Committee member, officer, employee, professional advisor, vendor, etc.)?

OUTSIDE INTERESTS

1. Do you or any family member hold, directly or indirectly, through business, investment or other process, any of the following:

(a) An ownership or investment interest in a company that does or may do business with the City of Hastings, regardless of the percentage of ownership or value of the ownership interest?

No Yes - Explain below

(b) A compensation arrangement with any company that does or may do business with the City of Hastings (such as compensation for employment or independent contractor services, consulting fees, board stipends or fees, advisory committee fees, honoraria and the like)?

No Yes - Explain below

(c) A director, trustee, officer or board committee position with any other entity that does or may do business with the City, or that competes with the City (including competition for grants or donations)?

No Yes - Explain below

(d) Any personal loans, advances or other borrowing from, or indebtedness to, any customer or supplier who also does or may do business with the City? (excluding charge cards and personal or mortgage loans at market rates at financial institutions such as banks, finance companies, insurance companies, and savings and loan associations.)
() No () Yes - Explain below

2. Do you or any family member compete, directly or indirectly, with the City in the purchase or sale of property rights, interests, or services?
() No () Yes - Explain below

3. Do you or any family member provide directive, managerial, consultative, or other services to or on behalf of any other entity that does or may do business with, or that competes with, the services of the City?
() No () Yes - Explain below

4. Do you or any family member employ or otherwise retain any City personnel for work on non-City business?
() No () Yes - Explain below

5. Have you or any family member used any City facility or property to conduct business that is not City business, without prior approval of the City Council?
() No () Yes - Explain below

6. If you are employed by the City, have you accepted assignments with any other entity, either as an employee or as an independent contractor, over and above your primary or full-time assignment with any City?

No Yes - Explain below

7. Do you or any family member hold an elected or appointed office or other position of public responsibility that serves residents in the City?

No Yes - Explain below

8. Have you or any family member been a party to any action, suit, or proceeding during the past five years that might be deemed material to evaluating your ability, integrity, or interests with respect to the City?

No Yes - Explain below

9. Do you or any family member know of any recent or pending actions, suit or proceeding in which you have an interest adverse to the interests of the City?

No Yes - Explain below

INSIDE ACTIVITIES

10. In your area of direct responsibility within the City, do you employ or otherwise retain any family member or other individual with whom you have a business or personal relationship?

No Yes - Explain below

11. Have you or any family member attempted to influence the City concerning the employment or retention of any immediate family member or other Individual with whom you have a business or personal relationship?

No Yes - Explain below

GIFTS, GRATUITIES, AND ENTERTAINMENT

12. Have you or any family member accepted gifts, entertainment, benefits, discounts or other favors from any outside entity that does, or is seeking to do, business with the City? If your answer is yes, was any such action under circumstance from which someone might think that such action was intended to influence or possibly would influence you in the performance of your duties on behalf of the City? (This does not prohibit the acceptance of reasonable entertainment by suppliers or prospective suppliers or items of nominal value that are clearly tokens of respect or friendship and not related to any particular transaction or activity when the value of such entertainment or items does not exceed one hundred dollars (\$100.00)).
- () No () Yes - Explain below
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13. Have you or any family member accepted any gifts, honoraria, perquisites, favors or benefits valued in excess of one hundred dollars (\$100.00) from customers, suppliers or their agents?
- () No () Yes - Explain below
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OTHER

14. In the space below, please disclose any other interest, activities, investments or involvement that you think might be relevant for full disclosure of all actual, apparent, or possible conflicts of interest. If none, indicate "none." [Use additional pages as necessary.]
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AFFIRMATION

I hereby state that:

- The information contained in this statement is true, accurate, and complete to the best of my knowledge and belief as of the date below;
- I agree to report to the appropriate person:

- [1] any change in the responses to each of the foregoing questions that may result from changes in circumstances; or
- [2] any further financial interest, situation, activity, interest or conduct that may develop before completion of my next annual statement.

Signature_____

Printed Name_____

Date_____