

<b>Gila County Human Resources</b>  <b>CONFLICT OF INTEREST</b>	<b>Policy Number: BOS-HRS-140</b>  <b>Replaces: BOS-HRS-007</b>	<b>Page</b>
	<b>Adopted: 12-13-05</b> <b>Revised: 08-20-12, 01-22-13,</b> <b>08-05-14</b>	<b>1 of 4</b>

**I. PURPOSE:**

To ensure compliance with ARS §38.501-511 which is designed to preserve and promote integrity and eliminate conflict of interests in the workplace.

**II. APPLICABILITY:**

All Gila County public/elected officials and employees.

**III. POLICY:**

- A. Annually all public/elected officials and employees shall review this policy and complete a Conflict of Interest Questionnaire and, if needed, a Conflict of Interest Statement.
- B. Any public/elected official or employee who has, or whose relative has, a substantial interest in any contract, sale, purchase, service, or decision of Gila County shall promptly make known that interest.

**SIGNATURE:**



**CHAIRMAN, BOARD OF SUPERVISORS**

8-5-2014

**DATE**

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#### IV. PROCEDURES

##### A. Definitions Specific to this Policy

1. **Relative** – A relative means the spouse, child, child’s child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse.
2. **Substantial Interest** – A substantial interest specifically means any pecuniary (monetary) or proprietary (ownership) interest, either direct or indirect, other than a remote interest. Any substantial interest of a public/elected official or employee or their relative must be disclosed by the public/elected official or employee, who must also refrain from participating in any manner in the relevant contract, purchase, or decision. A substantial interest of a relative is considered a substantial interest of the public/elected official or employee.
3. **Remote Interest** – Remote interests do not need to be disclosed and do not prevent participation in an official capacity because they are not considered significant enough to influence a public decision-maker. Remote interests include the interests of:
  - a. A non-salaried officer of a nonprofit corporation;
  - b. A landlord or tenant of the contracting party;
  - c. An attorney of a contracting party;
  - d. A member of a nonprofit cooperative marketing association;
  - e. Ownership of less than three percent of the shares of a corporation, provided the total annual income from dividends, including the value of stock dividends, from the corporation does not exceed five percent of the total annual income of such public/elected official or employee and any other payments made to him/her by the corporation do not exceed five percent of his/her total annual income;
  - f. A public/elected official or employee being reimbursed for his/her actual and necessary expenses incurred in the performance of official duty;
  - g. A recipient of public services generally provided by the incorporated city or town, political subdivision or state department, commission, agency, body or board of which he/she is a public/elected official or employee, on the same terms and conditions as if he/she were not a public/elected official or employee;

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- h. A public school board member when the relative involved is not a dependent, as defined in ARS §43.1001, or a spouse;
  - i. A public/elected official or employee, or that of a relative of a public/elected official or employee, unless the contract or decision involved would confer a direct economic benefit or detriment upon the public/elected official, employee or his relative, of any of the following:
    - a. Another political subdivision;
    - b. A public agency of another political subdivision;
    - c. A public agency except if it is the same government entity.
  - j. A member of a trade, business occupation, profession or class of persons consisting of at least ten members which is no greater than the interest of the other members of that trade, business, occupation, profession or class of persons.
2. Other pertinent definitions can be found in ARS §38.501

**B. General**

- 1. Arizona law requires that any Gila County public/elected official or employee who has, or whose relative has, a substantial interest in any contract, sale, purchase, service or decision of Gila County make that interest known in the County's official records; and to refrain from any participation in an official capacity in the contract, sale, purchase, service, or decision.
- 2. The object of conflict of interest statutes is to remove or limit the possibility of personal influence which might bear upon an official's decision.
- 3. It is important to recognize that the appearance of a conflict of interest may also damage public trust and confidence in local government and may impair Gila County's ability to conduct its legitimate operations. For this reason, public/elected officials and employees are required to scrutinize their actions to avoid situations where their official acts appear to affect their own or their relatives' private or business interests.

**C. Responsibility**

- 1. Public/elected officials and employees are responsible for:

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- a. Annual review of this policy, the completion of the Conflict of Interest Questionnaire form and the Conflict of Interest Statement form, if necessary;
  - b. Sending a copy of said forms annually to the Human Resources Department;
  - c. Adherence to Gila County's Standards of Conduct policy.
2. Any public/elected official or employee who has, or whose relative has, a substantial interest in any contract, sale, purchase, service or decision of Gila County shall promptly do two things:
    - a. Make known that interest via completion of the above mentioned forms; and
    - b. Refrain from voting or participating in their official capacity in any manner in the contract sale, purchase, service, or decision should there be a conflict of interest.
  3. The Human Resources Department shall:
    - a. Annually send a reminder to all employees to review this policy, complete a Conflict of Interest Questionnaire, and if needed a Conflict of Interest Statement.
    - b. File the submitted Questionnaires and Statements in the official records of the County.

D. Discipline

1. Employee violations of ARS §38-501 *et. seq.*, this policy, or departmental procedures in this regard shall be subject to discipline up to an including termination.
2. Public/elected officials and employees who violate ARS §38-501 *et. seq.* may be subject to criminal prosecution and forfeiture of employment, as provided by law.

E. Forms

1. Relevant forms are attached to this policy:
  - a. Conflict of Interest Questionnaire
  - b. Conflict of Interest Statement (Elected/Public Official or Employee)
  - c. Conflict of Interest Statement (Relative)

**GILA COUNTY  
CONFLICT OF INTEREST QUESTIONNAIRE**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Office/Department: \_\_\_\_\_ Title: \_\_\_\_\_

Pursuant to Arizona Revised Statutes § 38-501 thru § 38-511, every public/elected official or employee of Gila County who has a “substantial interest” in any contract, sale, purchase, service or decision involving any department or elected official of Gila County government, shall “make that interest known in the official records of Gila County” and shall refrain from voting upon or otherwise participating in any manner in such contract, sale, purchase, service or decision.

**All public/elected officials and employees of Gila County government shall complete, sign, and return this Questionnaire to the Human Resources Department.**

If the answer to any of the following questions is in the affirmative (Yes), then the public/elected official or employee must “make known the substantial interest” by filing a **Gila County Conflict of Interest Statement** with the Human Resources Department:

1. Do you OR any of your relatives have currently or expect to have within the next 12 months, a substantial interest in any contract, sale, purchase, or service with Gila County government including any of its elected officials?

YES \_\_\_\_ or NO \_\_\_\_

2. Do you OR any of your relatives currently or expect to have within the next 12 months, a substantial interest in any decision of Gila County government including any of its elected officials?

YES \_\_\_\_ or NO \_\_\_\_

3. Do you OR any of your relatives currently supply any equipment, material, supplies or services (outside of services related to your employment) to Gila County government including any of its elected officials and/or have you or any of your relatives received the award or contract without going through a public competitive bidding process?

YES \_\_\_\_ or NO \_\_\_\_

Definitions per Arizona Revised Statutes § 38-501- § 38-511:

**RELATIVE** means the spouse, child, child’s child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse.

**SUBSTANTIAL INTEREST** specifically means, any pecuniary (monetary) or proprietary (ownership) interest, either direct or indirect, other than a remote interest.

**REMOTE INTEREST** means:

- (a) That of a nonsalaried officer of a nonprofit corporation.
- (b) That of a landlord or tenant of the contracting party.
- (c) That of an attorney or a contracting party.
- (d) That of a member of a nonprofit cooperative marketing association.
- (e) The ownership of less than three percent of the shares of a corporation, provided the total annual income from dividends, including the value of stock dividends, from the corporation does not exceed five percent of the total annual income of such officer or employee and any other payments made to him by the corporation do not exceed five percent of his total annual income.
- (f) That of a public officer or employee in being reimbursed for his actual and necessary expenses incurred in the performance of official duty.
- (g) That of a recipient of public services generally provided by the incorporated city or town, political subdivision or state department, commission, agency, body or board of which he is a public officer or employee, on the same terms and conditions as if he were not an officer or employee.
- (h) That of a public school board member when the relative involved is not a dependent, as defined in section 43-1001, or a spouse.
- (i) That of a public officer or employee, or that of a relative of a public officer or employee, unless the contract or decision involved would confer a direct economic benefit or detriment upon the officer, employee or his relative, of any of the following:
  - (i) Another political subdivision.
  - (ii) A public agency of another political subdivision.
  - (iii) A public agency except if it is the same government entity.
- (j) That of a member of a trade, business occupation, profession or class of persons consisting of at least ten members which is no greater than the interest of the other members of that trade, business, occupation, profession or class of persons.

**OTHER PERTINENT DEFINITIONS** can be found in A.R.S. § 38-502.

I have read, and signed this **Conflict of Interest Questionnaire** this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and I understand that I must file a **Conflict of Interest Statement** with the Gila County Human Resources Department if I answered YES to any of the above questions.

\_\_\_\_\_  
Signature

**GILA COUNTY  
CONFLICT OF INTEREST STATEMENT  
(Elected/Public Official or Employee)**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Office/Department: \_\_\_\_\_ Title: \_\_\_\_\_

**NOTICE OF A SUBSTANTIAL INTEREST IN A GILA COUNTY CONTRACT,  
SALE, PURCHASE, SERVICE, OR DECISION**

Pursuant to A.R.S. § 38-501 through § 38-511, I, \_\_\_\_\_,  
hereby make known my substantial interest as described below:

**(Attach additional documentation if necessary.)**

1. I currently have or expect to have within the next 12 months, a substantial interest in a contract, sale, purchase, or service with Gila County government including any of its elected officials, as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. I currently have or expect to have within the next 12 months, a substantial interest in a decision of Gila County government including any of its elected officials, as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby file this **Conflict of Interest Statement** with the Human Resources Department and agree to refrain from voting or otherwise participating in any manner as a public/elected official or employee in such contract, sale purchase, service or decision.

Signed the \_\_\_\_ day of \_\_\_\_\_ 20\_\_

\_\_\_\_\_  
Signature

Received in HR by: \_\_\_\_\_ Date: \_\_\_\_\_  
Name

**GILA COUNTY  
CONFLICT OF INTEREST STATEMENT  
(Relative)**

**RELATIVE** means the spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Office/Department: \_\_\_\_\_ Title: \_\_\_\_\_

**NOTICE OF A SUBSTANTIAL INTEREST IN A GILA COUNTY CONTRACT,  
SALE, PURCHASE, SERVICE, OR DECISION**

Pursuant to A.R.S. § 38-501 through § 38-511, I, \_\_\_\_\_,  
hereby make known my relative's substantial interest as described below:

**(Attach additional documentation if necessary.)**

1. My relative currently has or expects to have within the next 12 months, a substantial interest in a contract, sale, purchase, or service with Gila County government including any of its elected officials, as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. My relative currently has or expects to have within the next 12 months, a substantial interest in a decision of Gila County government including any of its elected officials, as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby file this **Conflict of Interest Statement** with the Human Resources Department and agree to refrain from voting or otherwise participating in any manner as a public/elected official or employee in such contract, sale, purchase, service or decision.

Signed the \_\_\_\_ day of \_\_\_\_\_ 20\_\_

\_\_\_\_\_  
Signature

Received in HR by: \_\_\_\_\_ Date: \_\_\_\_\_  
Name