**City of Beautiful Valley**

**Conflict of Interest Policy**

**--Adopted by the City Council on Month, Day, 2021--**

1. **Statement of Policy.** 
   1. It is essential that the citizens of the City of Beautiful Valley have trust in the integrity, independence, and impartiality of their City officials and employees.
   2. The public entrusts its power and resources to City employees and officials to use only in the public’s best interest and expects City employees and officials to fulfill their public duties and responsibilities faithfully, honestly, ethically, impartially, and transparently.
   3. City employees and officials must act in a manner that upholds public trust and governmental integrity by abiding by all applicable laws and avoiding activities that may create the appearance of impropriety.
2. **Conflicts of Interest.**
   1. No employee, official, or agent may participate in the selection, award, or administration of a contract if the employee, official, or agent has an actual or apparent conflict of interest due to a substantial financial interest.
   2. City officials, employees, and agents may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to contracts unless the financial interest is not substantial, the gift is an unsolicited item of nominal value, the item is ceremonial, or the gift is consistent with that generally given or shared locally as a part of traditional cultural activities.
   3. A City employee or official must declare a conflict of interest when the employee or official is or may become involved in a City matter or action that:
      1. Involves a substantial financial interest for the employee or official or the employee or official’s immediate family;
      2. Involves an entity in which the employee or official has a substantial financial interest; or
      3. Involves an entity in which the employee or official is a director, employee, member, representative, contractor, official, officer, executive, or manager.
   4. The City Manager or Mayor must evaluate the potential conflict and determine whether the employee or official must be recused from participating in the matter or action.
   5. The City must consider the following factors when implementing this policy:
      1. The scope and nature of the conflict or potential conflict;
      2. The potential for the appearance of impropriety;
      3. The scope of the discretion vested in the City employee or official;
      4. Whether the financial interest which is obtained through an open competitive process; and
      5. Whether the financial interest is limited in nature and magnitude such that it would not tend to influence an average, reasonable person.
      6. The harm caused to the public interest by removal of the City employee or official from participation in the action or matter.
   6. Notwithstanding any other provision of this Policy, a municipal employee or official must not participate in any official action in which that employee or official has a substantial financial interest pursuant to AS 29.20.010; provided that the decision of the presiding officer on a request by a member of the City Council to be excused from a vote may be overridden by the majority vote of the City Council.
   7. “Immediate family” means anyone who, by blood or adoption, is a child, spouse, sibling, or parent of the public official or employee.
   8. “Substantial financial interest” means a direct or indirect pecuniary or material benefit, privilege, interest, or contractual relationship resulting from the City’s consideration of a matter or action.
3. **Compliance and Discipline.**
   1. Employees and officials will be subject to penalties for failure to comply with the ethical standards in this Policy.
   2. If the City has reasonable cause to believe an employee, official, or agent has failed to disclose an actual or possible conflict of interest, it will inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.
   3. If, after hearing the person’s response and after making further investigation as warranted by the circumstances, the City will take appropriate disciplinary and corrective action.
   4. The Mayor or City Manager is responsible for addressing alleged violations of this Policy and determining appropriate disciplinary actions for employees or agents. The City Council is responsible for reviewing violations of this Policy and determining appropriate disciplinary actions for City Council members and the Mayor.