

Policy Number and Title:	10.02 Nepotism Policy
Policy Section and Chapter:	Human Resources – Employee Relations
Policy Owner & Contact:	Human Resources – (940) 349-8355
Policy or Directive:	Policy
Last Revision Date:	00.00.0000

POLICY PURPOSE STATEMENT

To uphold the integrity of the hiring process, prevent actual or perceived conflicts of interest, protect confidential information, and in alignment with the City of Denton’s core value of inclusion, the City prohibits the employment of individuals who are related, as defined by this policy, in certain positions or within specific departments.

This policy applies to external candidates seeking initial employment or re-employment with the City, as well as current employees pursuing internal transfers or promotional opportunities. By applying this policy consistently, the City fosters a fair, transparent, and inclusive workplace that supports equitable opportunities for all.

POLICY

I. Nepotism

- A. Applicants must disclose on their application any relatives currently employed by the City or serving on the City Council, on a City board or commission. The nature of each relationship must also be identified.

Failure to fully disclose this information may result in disqualification from consideration. Current employees who knowingly withhold or falsify this information may face corrective action, up to and including termination of employment.

- B. No individual may be hired, appointed, or promoted to a position with the City if they are a Relative of a current City Council member, the City Manager, or a department head within the same department.

- C. In departments with multiple operational divisions, applicants or employees who are Relatives of current employees may not be employed within the same division.

In departments with only one operational division, Relatives of current employees are not eligible for employment within that department.

Current employees may not be appointed or promoted into a supervisor's chain of command if they are a Relative of that supervisor.

Human Resources (HR), in consultation with department leadership, reserves the right to deny employment or transfer requests if the proposed relationship creates a real or perceived conflict of interest - regardless of the position or department involved.

- D. Applicants who are a Relative of a City board or commission member are not eligible for employment in operational divisions that report to, including presenting agenda items to, or serve as staff liaisons to that board or commission, including the presentation of agenda items.
- E. Department Heads may implement stricter restrictions with HR approval, provided the guidelines are applied consistently, are not discriminatory, and are legally compliant. Disputes regarding such restrictions may be elevated to the City Manager or their designee for resolution.
- F. If a marriage, promotion, reorganization, or other change creates a conflict under this policy:
 - 1. One (1) of the employees must seek a transfer within sixty (60) days and complete such transfer within six (6) months of the first date of the existence of the conflict. With appropriate approvals, the timeline may be extended in 30-day increments, not to exceed 90 calendar days.
 - 2. If no transfer is possible, one of the employees may be reassigned or separated from employment based on operational needs and qualifications. Preferential consideration will not be given to the transferring employee.
 - 3. If no suitable position is available, one of the employees may be reassigned or separated from employment based on business needs and qualifications, at the discretion of the City Manager.
- G. Employees who have been employed with the City for at least six (6) months are not required to resign if a Relative is later appointed to the City Council, a board, or commission. However, new applicants who are Relatives of such members may not be hired into operational divisions of which their Relative is a member of a board or commission that is associated with the City.
- H. If a Council Appointee or a department head is hired and is a Relative of a current City employee, that employee is not required to resign, provided they have been employed for at least six (6) months. However, they may not remain in that department or in a role that falls under the Relative's chain of command.
- I. Relatives may work in the same operational division under temporary or seasonal employment if all of the following conditions are met:
 - 1. The employment period does not exceed 120 days in a 12-month period
 - 2. Neither employee has influence over decisions affecting the other's employment (e.g., hiring, promotions, pay, performance)
 - 3. No involvement in evaluating, auditing, or disciplining the related employee
 - 4. The relationship does not interfere with or negatively affect department operations

- J. Any employment relationship that creates an actual or perceived conflict of interest, disrupts the work environment, or violates applicable law may result in corrective action, up to and including termination.

II. EXCEPTIONS

If an exception is not explicitly addressed in this policy, an employee may submit a written request to Human Resources. The request will be reviewed by Human Resources in consultation with the City Manager's Office. Final decisions regarding exceptions will be communicated to the employee by Human Resources.

When considering an exception, the City Manager's Office will evaluate whether the relationship or situation aligns with the purpose of this policy. This includes assessing whether granting the exception could harm public trust, create a conflict of interest, or affect the employee's ability to perform their duties fairly and objectively. If the exception is not permitted by law or is not beneficial to the operation of the City or services provided to the public, the request will be denied.

Requests for exceptions are subject to the Texas Public Information Act, and all approved exceptions must be reported to the City Council.

ROLES AND RESPONSIBILITIES

I. City Manager or Designee

- a. Reviews and decides on exception requests submitted through Human Resources.
- b. Evaluates whether exceptions align with the purpose of the policy, including impacts on public trust, objectivity, and conflicts of interest.
- c. Makes final determinations when no suitable transfer is available, and separation or reassignment is required.
- d. Ensures all approved exceptions are reported to the City Council.

II. Department Leadership

- a. Ensures operational compliance and identifies potential conflicts within their organizational structure.
- b. Consults with Human Resources on reorganizations, hiring, transfers, promotions, or changes that create potential conflicts involving Relatives.
- c. Ensures organizational charts clearly identify operational divisions to support compliance with the policy's division-based restrictions.
- d. Ensure no employee is appointed or promoted into their chain of command if they are a Relative.
- e. Support employees in identifying transfer opportunities when a conflict arises due to marriage, reorganization, or other changes.

III. Employees and Applicants

- a. Disclose all Relatives employed by the City or serving on the City Council, boards, or commissions during hiring, transfer, or promotion processes.
- b. Reports changes in relationships or circumstances (marriage, reorganization, promotion, transfer) that may create a conflict or perception of conflict under the policy.
- c. Seeks transfer within required timelines when a conflict arises due to marriage, reorganization, or other changes.

- d. Avoid influencing employment decisions involving Relatives and refrain from participating in interviews, evaluations, corrective actions, or decisions impacting their employment.

IV. Human Resources

- a. Evaluates and reviews applicant and employee disclosures of Relatives employed by the City or serving on City Council, boards, or commissions to ensure compliance with nepotism requirements. Denies/disqualifies requests that create real or perceived conflicts of interest.
- b. Implements stricter restrictions when appropriate and ensures they are applied consistently.
- c. Coordinates corrective action for nondisclosure.
- d. Process and coordinate exception requests in consultation with the City Manager’s Office and communicate final decisions to employees.
- e. Maintains policy documentation and advises departments on the interpretation and application of the policy and ensures compliance with legal requirements.

DEFINITIONS

- **Conflict of Interest** – A situation where personal, financial, or relational considerations may influence decisions or actions in the workplace, or a situation where the priorities of the City are incompatible with. Examples include:
 - Financial: Accepting gifts, favors, or other benefits from a vendor that could influence purchasing decisions.
 - Familial/Personal Relationships: Favoring family members or friends in hiring, promotions, or other employment decisions.
 - Extracurricular Employment: Engaging in outside employment or activities that could create a conflict of interest with the employee's role in the City, such as using City resources for personal gain.
 - Romantic/Relational: Having a romantic relationship with a subordinate or a colleague that could create an unfair or biased work environment.
 - Political: the conflict of interest between elected officials and corporate lobbyists
- **Operational Divisions** – A distinct unit within a department, as identified in the department’s organizational chart. Operational divisions are structured around functional responsibilities and are not necessarily aligned with the department’s budgetary divisions.
- **Relative** – For the purposes of this policy, Relative will include, but not be limited to, the following familial relationships:

Relationships by Blood	Relationships by Marriage	
Parents	Spouse (legal or common- law)	Grandparents- in-law
Children (includes adoption)	Stepparents	Grandchildren- in-law
Siblings (including ½ siblings)	Stepchildren	Great grandparents- in-law
Grandparents	Parents-in-law	Great grandchildren- in-law
Grandchildren	Son-in-law	Uncle-in-law
Great grandparents	Daughter-in- law	Aunt-in-law
Great grandchildren	Brother-in-law	Nephew-in-law
Uncle		Niece-in-law

Aunt Nephew Niece First Cousin	Sister-in-law	First cousin-in-law
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- **Staff Liaison** – an employee who serves as the official point of contact between a City department and an external board, commission, or organization. The liaison is responsible for facilitating communication, coordinating resources, and supporting informed decision-making between the parties.

REFERENCES

- City Policy 10.00 – Ethics
- City Policy 103.01 – Categories of Employment
- City Policy 104.06 – Transfers
- City Policy 109.01 – Corrective Action
- City Policy 509.01 – Fraud Response

REVISION HISTORY

Revision Date	Policy Owner	Summary
01/18/2023	C. Moar (Ethics & Compliance)	<ul style="list-style-type: none"> • Addition of first cousins and first cousins-in-law to Nepotism requirements • Addition of definition of “Relative” and removal of references to “third degree of affinity or consanguinity” when referring to Nepotism requirements
XX/XX/XXXX	Human Resources	<ul style="list-style-type: none"> • Nepotism separated from Ethics Policy 10.00