

Policy Number and Title:	10.00 Ethics
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

The City is committed to upholding the highest ethical standards to ensure public trust. This policy establishes ethical expectations, promotes integrity, and provides guidelines to prevent an actual or perceived conflict of interest and misuse of City resources. Misuse of City resources, whether intentional or due to gross negligence, is prohibited. Employees must comply with City policies, ordinances, the Texas Public Information Act, the Texas Local Government Code, and other applicable State and Federal laws.

POLICY

I. Conflict of Interest

A conflict of interest occurs when an employee’s personal, financial, familial, or social interest could compromise their professional judgment or actions. Employees must disclose and recuse themselves from any matter that presents an actual conflict of interest or perceived conflict where such may reflect negatively on the City. Employees must disclose said actual or perceived conflicts within five (5) business days of becoming aware of the conflict.

A. Examples of Conflicts of Interest may include, but are not limited to the following:

1. Financial: Gifts or favors from vendors that could influence purchasing decisions
2. Personal/Familial Relationships: Favoring family members or friends in awarding or entering contracts, or in hiring, promotions, or other employment decisions
3. Outside Employment: Using City resources for personal gain
4. Romantic Relationships: Engaging in workplace relationships that create bias or result in favoritism

B. General Rules

1. Intimate relationships between managers and their direct reports are prohibited and presumed to be a conflict of interest for purposes of this Policy (10.02 Nepotism, [108.10 Harassment Prevention/Workplace Abuse](#)).
2. Personal relationships between a public official and any employee are presumed to be a conflict of interest.

C. Disclosure and Recusal

Employees must proactively disclose relationships or activities that may create conflicts of interest, including those involving:

1. Themselves or immediate family members (spouse, child, parent, or household members)
2. Outside clients, secondary employers, or organizations
3. Boards or committees to which they are appointed
4. Entities with which they or their spouse sought employment in the past twelve (12) months

Employees must immediately submit a disclosure form to Human Resources (HR) for any actual or perceived conflict of interest:

1. When conducting a procurement solicitation, employees involved in the purchasing or procurement of goods or services must submit a disclosure form before committing funds.
2. For purchasing or procurement that does require a formal procurement solicitation, employees must submit a disclosure during the review process of the submitted proposals or bids.
3. The Human Resources Department, with guidance as needed from the Legal and Purchasing Departments, will review disclosure forms within ten (10) business days and determine if a conflict exists.
4. If a conflict is identified, the employee must recuse themselves from related decision-making, approvals, and financial transactions.
5. Employees who fail to disclose a conflict and/or recuse themselves may be subject to corrective action, up to termination, and legal consequences as applicable under Texas law.

D. Private Interests

Employees must not use their position to gain preferential treatment, personal benefits, or financial advantages unless the benefit is part of a program lawfully available to all City employees and residents.

1. Employees may not represent private interests before the City Council
2. Employees must not imply they can influence City decisions for personal benefit
3. City decisions must be based on objective criteria, fairness, and lawful considerations, not personal relationships or favoritism
4. City property, resources, or time must not be used for personal gain
5. Employees may not advocate for policies or decisions as private citizens if their advocacy directly impacts their department or could be perceived as an attempt to exert undue influence

II. Boards, Commissions, and Association Memberships

Employees must obtain written approval before serving on boards, commissions, or associations (excluding Police and Fire labor associations and official City boards that require appointment by City Council) that receive City funding, contracts, or regulatory oversight.

Employees serving on external boards must recuse themselves from any City-related discussions or decisions, and recusals must be documented in meeting minutes.

An employee who is serving on a board at the time of hire must obtain approval within 30

calendar days of hire to continue serving on that board. Failure to do so may result in corrective action, up to and including termination.

III. Confidential Information

Employees must not use their position to obtain information about any person or entity for any purpose other than the performance of their essential duties. An employee must not intentionally, knowingly, or recklessly disclose or give access to any confidential information. Confidential information includes non-public records, attorney-client privileged communications, personnel records, personally identifying information, personal financial information, proprietary data, and records protected under the Texas Public Information Act. Exceptions include:

1. Release of information as required by law (e.g., subpoenas)
2. Reporting illegal or unethical conduct to designated authorities

IV. Use of City Resources

Employees must not misuse City facilities, equipment, personnel, or time for private purposes (including political activities), except when explicitly permitted under City policies or when the resource is lawfully available to the public under the same terms.

For details, reference the following City policies:

Policy 108.13 – [Investigation and Inspection of City Facilities/Equipment](#)

Policy 409.05 – [Comprehensive Driving and City Vehicle Use](#)

Policy 505.03 – [Social Media and Digital Platforms](#)

Policy 506.01 – [Acceptable Use of Technology Resources Standard Policy](#)

Policy 506.05 – [Email Use by Employees](#)

V. Political Activity

Employees may participate in political activities while off duty, but must not:

1. Engage in political activity while on duty or in a City uniform
2. Use City email, resources, or property for political purposes
3. Use City resources, time, or their official capacity to lobby, endorse, or promote political candidates or causes, unless authorized by the City Manager or their designee
4. Accept gifts or favors for political activity related to their City duties

Publicly endorsing a candidate, placing a yard sign on private property, wearing or distributing campaign material, making financial contributions, or campaigning for a candidate, are permissible under City policy so long as those activities are conducted in the employee's private capacity and take place while the employee is off-duty and does not include the use of any City equipment or resources.

VI. Actions of Others

Employees must not assist or induce others to violate this policy or circumvent its provisions.

VII. Reporting Unethical Conduct

Employees are required to report behavior in violation of this Policy to Human Resources or through the anonymous reporting system. Anonymous reports will be investigated to the extent possible, but employees are encouraged to provide their identity for follow-up. Retaliation against individuals who report concerns in good faith is strictly prohibited. Any act of retaliation may result in disciplinary action up to and including termination, as well as potential legal consequences.

Reports of unethical conduct for non-civil service employees will be reviewed and processed by Human Resources. If the report involves the Director of Human Resources or a Human Resources Department employee, the authority will escalate to the Deputy City Manager or their Designee. In partnership with Human Resources, reports of unethical conduct for civil service employees will be reviewed and processed in accordance with Chapter 143 of the Texas Local Government Code and, where applicable, local rules, meet and confer agreements, and departmental standard operating procedures.

Examples of reportable conduct:

1. Theft or misuse of City resources
2. Abuse of position or authority
3. Misuse of confidential information
4. Bribery, Fraud, Waste, or Abuse
5. Falsification of documents
6. Conflicts of interest
7. Violations of procurement policies

VIII. Training

All City of Denton employees must complete annual ethics training.

IX. Exceptions

Employees may request policy exceptions through Human Resources or the City Manager's Office. Exceptions must comply with the law and not compromise public trust. Exceptions are granted on a case-by-case basis and may be reviewed periodically to ensure continued compliance.

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's Office

- a. Reviews and approves exceptions to the Policy, ensuring they comply with all legal requirements and do not undermine public trust.
- b. Receives escalated reports of unethical conduct when the concern involves HR leadership.
- c. Ensures City-wide adherence to ethical standards and appropriate enforcement of this Policy.

II. Department Leadership

- a. Promotes ethical conduct within their departments and ensures employees understand and adhere to this Policy.
- b. Ensures employees complete timely disclosures of conflicts of interest and follow appropriate recusal processes.
- c. Reinforces expectations regarding misuse of City resources, confidentiality, and political activity restrictions.
- d. Reports alleged unethical conduct to HR and participates in investigative processes as required.
- e. Ensures employees can attend annual ethics training.

III. Employees

- a. Acts ethically and complies with all requirements of this Policy, as well as relevant State and Federal laws.
- b. Discloses actual or perceived conflicts of interest within five (5) business days of becoming aware of the conflict and recuses themselves when instructed.
- c. Uses City resources, time, and equipment only for official City business.
- d. Safeguards confidential information and accesses it only when necessary for official duties.
- e. Avoids actions that provide preferential treatment, misuse of City property, or personal gain.
- f. Refrains from political activity while on duty or using City resources.
- g. Reports suspected unethical conduct promptly and in good faith.
- h. Participates in annual ethics training.
- i. Obtains written approval prior to serving on boards, commissions, or associations.
- j. Recuses themselves from discussions or decisions involving the City when serving on boards, commissions, or associations; ensures recusals are documented in official meeting minutes.
- k. Submits request within 30 days of hire if currently serving on a board, commission, or association.

IV. Human Resources

- a. Reviews all submitted conflict-of-interest disclosure forms and determines whether an actual or perceived conflict exists within ten (10) business days.
- b. Coordinates with the Legal and Purchasing Departments when guidance is required.
- c. Maintains documentation of disclosures, recusals, and approved exceptions.
- d. Processes and investigates reports of unethical conduct for non-civil service employees or escalates to the Deputy City Manager when the concern involves HR leadership.
- e. Partners with Civil Service Departments to review and process reports involving civil service employees in accordance with Chapter 143 and applicable local rules.
- f. Provides annual ethics training to all employees and maintains training records.
- g. Assists in administering the anonymous reporting system and ensures protection from retaliation for good-faith reporters.

V. Legal Department

- a. Provides legal advice regarding conflicts of interest, confidentiality, and compliance with the Texas Public Information Act and applicable State and Federal laws.

- b. Supports reviews of disclosure forms and requests for exceptions when legal interpretation is required.

VI. **Purchasing Department**

- a. Provides guidance regarding procurement-related conflicts of interest.
- b. Collaborates with HR and Legal to review disclosures submitted during procurement solicitations or proposal reviews.
- c. Ensures procurement processes remain transparent, compliant with laws, and free from conflicts of interest.

DEFINITIONS

- **Abuse** – The misuse of City position or authority for personal gain or to harm others. Examples include:
 - Awarding contracts based on favoritism
 - Using subordinates for personal tasks
- **Favor** – A special advantage, privilege, or right granted or conceded; an action or omission that provides a benefit to an individual or entity in a way that deviates from generally accepted standard practices or policies; or an act or omission providing a benefit that results in a real or perceived conflict of interest. Examples include waiving fees, providing non-public information, or expediting service for personal or political gain.
- **Fraud** – The intentional misappropriation of City assets, including bribery, extortion, deception, or theft (See [Fraud Response Policy #509.01](#))
- **Gift** – Any item or benefit, tangible or intangible, that could reasonably be perceived as providing a personal advantage or influencing an employee’s actions or decisions. This includes, but is not limited to, cash, cash equivalents, merchandise, food, meals, transportation, lodging, entertainment, use of facilities, or discounts not available to the general public.
- **Waste** – Inefficient use of City resources that results in unnecessary costs. Examples include:
 - Overpaying for supplies or services
 - Purchasing unneeded items or excessive quantities
 - Renewing contracts for goods or services that the City no longer uses

REFERENCES

- City Policy 108.06 – Retaliation Act
- City Policy 108.10 – Harassment Prevention/Workplace Abuse
- City Policy 108.13 – Investigation and Inspection of City Facilities/Equipment
- City Policy 109.01 – Corrective Action
- City Policy 111.03 – Absence for Voting
- City Policy 114.01 – Solicitation
- City Policy 408.01 – Travel Expenses
- City Policy 408.03 – Reimbursement for Professional Development Activities
- City Policy 409.01 – Workers’ Compensation/Salary Continuation Program
- City Policy 409.05 – Comprehensive Driving and City Vehicle Use
- City Policy 505.03 – Social Media and Digital Platforms
- City Policy 506.05 – Email Use by Employees

- City Policy 509.01 – Fraud Response

REVISION HISTORY

Effective Date	Owner	Summary of Changes
4/17/18	C. Ogden	<ul style="list-style-type: none"> • Initial Policy
2/11/20	C. Ogden	<ul style="list-style-type: none"> • General policy updates
11/16/21	C. Moar	<ul style="list-style-type: none"> • General formatting changes • Addition of “potential conflicts of interest” into disclosure and recusal requirements and notice that failure to disclose actual conflicts of interest may result in disciplinary action. • Prohibition on providing Cash or Cash Equivalents in certain situations. • Clarifications on Gifts, Meals and Events definitions and exceptions. • Requirement for approval forms to be completed annually for external secondary employment. • Prohibition on retaliation for reporting unethical conduct and inclusion of Fraud in example of unethical behaviors.
1/18/23	C. Moar (Ethics & Compliance)	<ul style="list-style-type: none"> • Addition of Fraud, Waste, and Abuse definitions • 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 • Clarification that secondary employment section doesn’t apply to military reservists
5/19/2026	Human Resources- Employee Relations	<ul style="list-style-type: none"> • Content within the policy has been cleaned up to establish ethical expectations, promotes integrity, and provides guidelines to prevent an actual or perceived conflict of interest and misuse. • Content unrelated to these core ethic philosophies originally held in Policy No. 10.00 Ethics are now delineated by the creation of Policy No. 10.01 Gift, Meals, and Event Attendance, Policy No. 10.02 Nepotism, Policy No. 10.03 Secondary Employment. •