

**AN ORDINANCE ESTABLISHING THE CITY OF BEARDSTOWN'S POLICY  
PROHIBITING FRAUD, WASTE, AND ABUSE IN CITY GOVERNMENT**

WHEREAS, the City Council of the City of Beardstown believes that ethical conduct by all city employees and officers is of utmost importance; and

WHEREAS, the City of Beardstown wishes to formally adopt a policy to establish reasonable standards and provide guidance relative to the ethical conduct of City employees and officers while fulfilling the expectations of City residents.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Beardstown, Cass County, Illinois, as follows:

Section 1. The foregoing recitals are incorporated herein as the findings of the City Council of the City of Beardstown.

Section 2. Chapter 2, Administration, Article IV, Personnel Policy, Section 2-67, Standards of Ethical Conduct to Address Fraud, Waste, and Abuse is hereby adopted, as follows:

**"Section 2-67. - Standards of Ethical Conduct to Address Fraud, Waste, and Abuse.**

- (a) *Policy.* This policy is adopted to address fraud, waste, and abuse in City government and to establish reasonable standards of ethical conduct for all City employees and officers. It is the intent of this policy to establish minimum expectations relative to employee and officer behavior and conduct in the execution of their duties as representatives of the City of Beardstown.
- (b) *Scope.* This policy applies to all City of Beardstown employees and officers (hereinafter, "employees"). This policy is not intended to be all-inclusive or address every possible eventuality or circumstance. Instead, this policy is intended to establish reasonable standards and provide guidance relative to the ethical conduct of City employees while fulfilling the expectations of City residents.
- (c) *Interpretation.* This policy does not supplant any of the City of Beardstown's labor contracts. Should this policy conflict with any law, regulation, or labor contract of which the City or its employees may be subject, that law, regulation, or contract shall take precedence. In the event this policy conflicts with any precedent or past practice of the City, management will resolve that conflict by means consistent with established procedures or practices.

(d) *Primary Definitions.*

(1) Fraud, waste, and abuse: Any illegal, wasteful, or improper activity involving City assets or resources including theft by means of deception, deceit, or trickery; willful misrepresentation to obtain something of value; and the extravagant, careless, or needless expenditure or consumption of City resources, whether intentional or not.

(2) Fraud: Theft by means of deception, deceit, or trickery. Examples include, but are not limited to: forging or altering a City warrant or check; charging personal expenses to the City; or claiming overtime when not worked.

(3) Waste: The unnecessary or pointless consumption of resources, time, or labor. Examples include, but are not limited to: using more of something when less will do; performing tasks that do not need to be performed; or maintaining excessive inventories.

(4) Abuse: Misuse of power, authority, or control. Examples include, but are not limited to: using one's authority to direct employees to perform non-City-related work; causing employees to work overtime without compensation; or using City assets for non-City business without proper permission.

(e) *Additional definitions of terms relating to fraud, waste, and abuse:*

(1) Asset: Anything of value, whether tangible or intangible. Examples include, but are not limited to: cash, tools, equipment, fuel, office supplies, and time.

(2) Conflict of Interest: Any circumstance in which the interests, duties, obligations, or activities of an employee or an employee's immediate family member are in conflict or incompatible with the interests of the City; the duties and obligations of the employee; or his or her capacity as an employee. Examples include, but are not limited to: City employees bidding on City contracts; influencing City policy or activities for personal gain; or disclosing confidential city information to a friend or relative in order to assist them or benefit themselves.

(3) Employee: Any individual classified by the City as a full-time, part-time, seasonal, temporary full-time, temporary part-time, or per diem employee or officer of the City.

(4) Gifts: Any payment or item that gives a personal benefit to the recipient to the extent that something of equal or greater value is not received and includes a discount or rebate, unless the discount or rebate is available to all members of the public.

(5) Immediate Family: A spouse, child, step-child, parent, sibling, grandparent, grandchild, or in-law (son, daughter, brother, sister, father, mother) of the employee.

(6) Reasonable Person: Any person of average competence and ability to reason.

(7) Third party: Any person or entity other than an employee of the City or the City itself.

- (f) *Expectations*. City employees shall adhere to and uphold this policy both in practice and in spirit and are expected to act in the public's interest first and not their own. Furthermore, the City expects that the City employees' behavior, both on the job and off, reflects positively on the City, its reputation, and its employees. Pursuant to this policy, an employee's duties and responsibilities include, but are not limited to:

(1) Duty to protect the reputation of the City: The duty of every employee is to uphold and protect the good reputation of the City and his or her fellow workers.

(2) Duty to obey the law: The responsibility of every employee is to obey the law in the execution of his or her duties. Ignorance of the law or a particular regulation may not be considered an excuse for committing a violation or oversight.

(3) Duty to comply with City policies: The responsibility of every employee is to comply with all City policies.

(4) Conflicts of interest must be avoided: In the broadest sense of the meaning, no employee shall engage in a behavior that may appear to be or give rise to a conflict of interest between him or herself and that employee's official capacity or duties. Should a conflict of interest arise, the employee involved shall report it in the manner described below.

(5) Disqualification from acting on City business: An employee shall disqualify him or herself and shall not act on any matter in which he or she, a member of his or her immediate family, or another employer of the employee has a financial interest.

(6) Prohibition of certain financial interest or activity: No employee, regardless of any prior disclosure, who has a material interest, personally or through a member of his or her immediate family, in any business entity doing or seeking to do business with the City shall influence or attempt to influence the selection of the business entity or the making of a contract between such business entity and the City. Officers may not have financial interests in contracts as prohibited by applicable portions of the Illinois Municipal Code, including 65 ILCS 5/3.1-55-10.

(7) Solicitation of gifts or loans is prohibited: No employee shall solicit anything of monetary value (even such things which might be returned or repaid) if a gift or loan would appear to have been solicited with the intent of obtaining something in return. Nothing shall prohibit contributions or gifts including political contributions, which are reported in accordance with applicable law or which are accepted on behalf of the City.

(8) Gifts are prohibited: No employee or family member of an employee shall accept gifts.

(9) Improper disclosure of privileged, personal, or confidential information: Unless expressly authorized, no employee shall intentionally disclose privileged, personal, or confidential information obtained as a result of, or in connection with, his or her employment with the City for any purpose. Privileged, personal, or confidential information does not include information that is a matter of public knowledge or that is available to the public on request. Nothing in this policy is intended to prohibit or infringe upon any communication, speech, or expression that is protected or privileged under law including speech and expression protected under state and federal constitutions as well as labor or other applicable laws.

(10) Improperly using one's City employment: No employee shall use or permit the use of any City assets for a non-City purpose that is for the private benefit of the employee or any other person unless available on equal terms to the general public (such as the use of the library or parks).

(11) Improper influence: No employee, except in the course of his or her official duties, shall assist any person in any transaction with the City when such employee's assistance would appear to a reasonable person to be enhanced by that employee's position with the City for their own personal benefit. This subsection shall not apply to any employee appearing on his own behalf or representing himself as to any matter in which he has a proprietary interest, if not otherwise prohibited by law.

(12) Duty to identify, report, and work to eliminate fraud, waste, and abuse: The responsibility and duty of every employee is to identify, report, and work to eliminate fraud, waste, and abuse at all levels of the City's administration and operations. Employees are encouraged to bring to the attention of management any opportunity to reduce or eliminate fraud, waste, and abuse.

(13) Duty to cooperate: The duty of every employee is to cooperate in an investigation involving a violation or an alleged violation of this policy. Upon the City's request an employee will participate and fully cooperate in any investigation. This policy does not preclude an employee from exercising his or her Constitutional rights or those afforded to him or her. However, the exercising of one's rights does not preclude the City from disciplining an employee for his or her failure to participate or cooperate in an investigation if the City may lawfully do so.

(14) Handling of anonymous complains or allegations of violations of this policy: Employees are prohibited from attempting to identify or intentionally exposing the identity of any party making an anonymous report or complaint pursuant to this policy.

- (g) *Reporting*. Employees are expected to report all violations or suspected violations of this policy to management in a timely and professional manner. The City recognizes that the reporting party may desire or require anonymity. Thus, anonymous reports or concerns may be reported by any party to the Mayor, the City Clerk, or any member of the City Council. The duty of every employee is to report any known

violation of this policy. Employees are reminded that they may report anonymously any actions that detract from the efficiency and effectiveness of City operations including, but not limited to, fraud, waste, abuse, ethics violations, retaliation, discrimination, and safety violations. This policy is violated whenever anyone retaliates against an employee who makes a report anonymously under the Illinois Whistleblower Reward and Protection Act, 740 ILCS 175/1. To report fraudulent behavior or misconduct, contact the Illinois State Police at (217) 782-7263 or (312) 814-2834 or the Illinois Attorney General at (312) 814-3000.

- (h) *Investigation and Enforcement.* All violations or alleged violations of this policy will be investigated. As stated above, the duty of every employee is to cooperate in an investigation involving a violation or an alleged violation of this policy. Upon the request of the City, an employee will participate and fully cooperate in any investigation, whether conducted by the City or its agent(s). If as a result of a good faith investigation and a resultant reasonable conclusion that a violation of this policy has occurred, the offending employee may be subject to disciplinary action up to and including termination.
- (i) *Acknowledgment.* Within 60 days of the City Council's approval of this policy, all current employees shall provide written acknowledgment that they have received and read this policy. All employees hired after the City Council's approval of this policy will be required to provide written acknowledgment that they have received and read this policy at the time of hire. Failure of an employee to acknowledge this policy (regardless of means) does not absolve that employee of his or her responsibilities pursuant to this policy nor does this policy preclude that employee from being disciplined or terminated for violating this policy. The required acknowledgment form is set forth as follows:

Acknowledgment of City of Beardstown's Standards  
of Ethical Conduct to Address Fraud, Waste, and Abuse

I have received a copy of and I am fully aware of the City of Beardstown's Standards of Ethical Conduct. I agree to abide by the terms of this policy.

Employee Name: \_\_\_\_\_

Employee Signature: \_\_\_\_\_

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

This form shall be retained in the City's personnel files."

Section 3: All ordinances, parts of ordinances, and amendments to ordinances in conflict with any provision of this Ordinance are repealed as of the effective date hereof.


Section 4: If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 5. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.


ADOPTED/REJECTED this 5<sup>th</sup> day of November, 2019, by vote of the City Council of the City of Beardstown as follows:

	Yes	No	Absent
Sally Lael	<u>x</u>	<u>          </u>	<u>          </u>
Missy Meyer	<u>x</u>	<u>          </u>	<u>          </u>
Gabe Seward	<u>x</u>	<u>          </u>	<u>          </u>
Mary Davis	<u>x</u>	<u>          </u>	<u>          </u>
Tom Penwarden	<u>x</u>	<u>          </u>	<u>          </u>
Ron Culves	<u>x</u>	<u>          </u>	<u>          </u>
Robert Burget	<u>x</u>	<u>          </u>	<u>          </u>
Tim Harris	<u>x</u>	<u>          </u>	<u>          </u>

PASSED BY A MAJORITY OF THE COUNCIL MEMBERS THEN HOLDING OFFICE  
IN THE CITY OF BEARDSTOWN, ILLINOIS, IN PUBLIC THIS 5<sup>TH</sup> DAY OF NOVEMBER,  
2019.

  
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Mayor, City of Beardstown

Attest:

  
\_\_\_\_\_  
City Clerk, City of Beardstown