



ETHICS HANDBOOK

A Statement of the Town of Eagar's Ethics Policy



Preface

As public employees, we are each called upon to make decisions every day. As we make these decisions, each of us has an obligation to the residents of the Town of Eagar to maintain the very highest ethical standards. Everyone, from volunteers to employees, to members of boards and commissions, must maintain unquestionable standards of integrity, truthfulness, honesty, fairness, and personal responsibility in the performance of our public functions.

The Code of the West

The decisions that we have to make can sometimes be complicated. One way to help sort out how to make complicated ethical decisions is to refer back to simpler times. James Owen's book "Cowboy Ethics*" summed it up like this:

Live each day with courage.
Take pride in your work.
Always finish what you start.
Do what has to be done.
Be tough, but fair.
When you make a promise, keep it.
Ride for the brand.
Talk less and say more.
Remember that some things aren't for sale.
Know where to draw the line.

The Headline Test

Another simple way to think about the complex ethical issues is to apply the "headline test". In other words, to consider how a person would feel about the conduct if it were accurately described on the front page of the newspaper. If the story would result in embarrassment, the conduct should be reconsidered.

* From the book Cowboy Ethics © 2004 Used by Permission

The Town of Eagar's Ethics Policy

All Town employees, elected and appointed officials, volunteers, and members of appointed boards, committees, and commissions, shall maintain unquestionable standards of high personal integrity, truthfulness, honesty and fairness in the exercise of their official responsibilities. All individuals covered by this policy are expressly prohibited from accepting improper personal gain as a result of their position or in connection with information received by virtue of their service with the Town of Eagar.

All public servants shall carry out the public's business in a manner that benefits the public interest and the common good. They shall uphold the United States Constitution and the Constitution of the State of Arizona. They shall impartially carry out all Federal, State, and Town laws and ordinances in an effort to foster respect for all levels of government. They shall not exceed their authority, breach the law, act dishonestly, nor directly or indirectly request others to do so. They shall observe the highest standards of ethical behavior and discharge faithfully their duties and responsibilities, regardless of personal considerations, and shall avoid circumstances that create an appearance of impropriety. They shall protect the Town's assets and its reputation through professional and personal conduct that is above reproach. This means treating co-workers and all members of the public with respect, courtesy, fairness, honesty, and integrity.

Nothing in this handbook is intended to suggest that anyone should alter their personal beliefs. It is, however, meant to assist all of us in making the ethical decisions that face each of us every day. A personal commitment to sound, ethical decisions is essential to Eagar's continued long term success. The Town's reputation for integrity is a crucial factor in maintaining the public's trust, and each employee, elected and appointed official, volunteer, and member of an appointed board is a personal steward of that reputation.

Conflict of Interest

A conflict of interest occurs when an employee, elected or appointed official, volunteer, or a member of an appointed board, committee, or commission: (1) Has a substantial interest in any decision, contract, sale, purchase, or invoice with the Town of Eagar (see Appendix, ARS § 38-502); (2) Solicits, accepts or agrees to accept, any compensation, favor, gift, promise or other items of value (whether tangible or intangible) in return for influencing, attempting to influence, rewarding or not rewarding an official action or decision; or, (3) Participates in a Town action while negotiating prospective employment with a person who has a financial interest in the negotiation.

Anyone who believes that they may have a conflict of interest should:

- notify their immediate supervisor;
- make their interest known in the official record or minutes of the board, committee, or commission; and/or
- refrain from voting or participating in the matter.

Anyone who is unsure if they have a conflict of interest, should consult their immediate supervisor, the Town Manager or the Town Clerk.

Appearance of Impropriety

A situation can sometimes make it appear that a conflict of interest exists but does not meet the technical definition. The appearance of a conflict may be just as damaging to the Town's reputation as an actual conflict. All individuals are encouraged to avoid situations that create even the appearance of a conflict of interest.

Gifts from Outside Sources

It is the Town's policy that employees may not accept any gifts or favors that would lead to favoritism or the appearance of favoritism. Similarly, Arizona law prohibits Town employees and members of boards, committees, and commissions from receiving anything of value or any compensation other than their normal salary for any service rendered in connection with that person's duties with the Town of Eagar. (See Appendix, ARS § 38-505.)

As a general rule, an employee should refuse any gift or favor which may reasonably be interpreted to be offered in order to influence a Town decision. An employee's compensation for performing his or her public duties should be limited to salaries, fringe benefits, and the personal satisfaction that is derived from doing a good job.

There are some examples of gifts that are permissible:

- a personal gift from a friend or family member,
- winning or receiving a promotional gift from a community business, where the opportunity to win/receive the gift is open to the community in general,
- gifts of nominal value,
- normal and customary hospitality in a social setting.

While the individual employee is the first to decide whether to accept a gift, each individual must recognize that others will ultimately decide if the acceptance of the gift created an "appearance of favoritism."

Example: Carl administers a contract with Select Services Corporation. Select Services Corporation offers Carl two airplane tickets, can he accept the tickets?

Answer: No. The company that is offering Carl the tickets is a company that holds a Town contract that Carl must impartially administer. By accepting the tickets, Carl's impartiality may be compromised or appear to be compromised.

Gifts between Employees

The same basic rule applies to gifts between employees. An employee generally should not give a gift to another employee unless the employees have a personal relationship outside of the work environment that justifies the gift, i.e., family or close personal friendship. Gifts from subordinate employees to their supervisors are discouraged due to the inherent appearance of impropriety.

These general limitations should not, of course, be taken out of context or misused. These guidelines are not intended to interfere with normal, customary hospitality or personal friendships. Furthermore, they should not be used as a retaliatory tool or to achieve a private, personal agenda or political purpose.

Example: Donna would like to get a promotion. In the hope of getting her supervisor demoted, she reports that her supervisor has received a set of inexpensive goblets from a sales representative who Donna also knows has been a long time personal friend of the supervisor. Has Donna acted appropriately?

Answer: No. The gift is from a personal friend and is of a "nominal" value. More importantly, Donna's motivation for reporting the gift was not proper. Allegations of improper activities are not to be made in order to get a promotion.

Example: Edward would like to take his employees to lunch in appreciation for their hard work in completing an annual strategic planning document. Can Edward do this?

Answer: Yes. The lunch is being given to mark an infrequent event the completion of an annual project. The lunch is also being provided by a supervisor to all the employees who participated in the project and thus ensures fair and equitable treatment.

Honoraria

An honoraria is traditionally regarded as a payment for making a presentation or the authoring of an article or publication. An honoraria may be accepted only if the speech, presentation, article, or publication is not related to an individual's official duties with the Town of Eagar. It is generally not permissible to accept honoraria when it is offered by a person who:

- is regulated by the department,
- does business with the department directly,
- attempts to lobby or to influence departmental action or positions on rules, regulations, etc.,
- is involved in litigation adverse to the Town of Eagar,
- has received or applied for funds from the Town.

Voting Conflicts

A voting conflict occurs when a member of a board, commission, or selection committee is in a position to vote on an issue or employment that will involve a conflict of interest. If this occurs, the individual should abstain and remove him or herself from participation in

the discussion pertaining to the item and not vote or attempt to influence the vote. If the issue does not present a conflict of interest but creates an appearance of impropriety, the individual should, at a minimum, disclose the nature of the concern to the other members of the body prior to the vote. Failure to do so jeopardizes the public perception of the outcome of their vote.

Fair and Equitable Treatment

As public servants, each of us must perform our duties and responsibilities in a fair and equitable manner. This means:

- not exceeding the authority of your official role to assist private entities or individuals in their dealings with the Town where this would result in preferential treatment to any person or organization;
- not granting or making available any special consideration, treatment, advantage, favor, service, or thing of value beyond that which is commonly granted to the public at large, unless specifically authorized by statute, ordinance, or regulation;
- not permitting anyone to be placed under any kind of personal obligation that could lead to expectations of official favors;
- not treating any individual more or less favorably because of their race, color, creed, religion, national origin, age, sex, disability, political affiliation, or the exercise of rights secured by the First Amendment of the United States Constitution;
- giving open and equal access to consideration for appointments to employment, boards and commissions and other voluntary positions based on the merits of the individual;
- not harassing other employees or the public;
- not using any position for private gain or gaining at the expense of other employees.

Example: Helen's friend needs a building permit quickly. Can Helen process her friend's permit ahead of those already waiting simply because of their friendship?

Answer: No. No one should be given preferential treatment because of personal friendship.

Nepotism

Nepotism is the employment, promotion, appointment, or supervision of a relative, whether qualified or not, to a position with the Town. However, an individual who is otherwise qualified should not be denied employment or appointment by the Town solely because he or she is related to a Town employee or appointee (who would not be supervising his or her activities). An employee's spouse, domestic partner, mother, father, sister, brother, son, daughter, in-laws, aunts, uncles, grandparents, grandchildren and custodial person are defined as "relatives."

Nepotism arises when an individual is involved, directly or indirectly, in the hiring, appointment, promotion or supervision of a relative. No employee or appointee shall:

- participate in any Town matter affecting, directly or indirectly, the financial interests of a relative;
- directly or indirectly, advocate, participate in, or cause the employment, appointment, reappointment, evaluation, promotion, transfer, determination of compensation or discipline of a relative;
- exercise direct or indirect jurisdiction, supervision or direction of a relative;
- have a relative serve on the same appointive board, committee, or commission;
- exercise contract management authority where a relative is employed by or has contracts or development agreements with persons doing Town work over which the public servant has or exercises contract management authority;
- use or permit the use of his or her position to assist a relative in securing contracts or development agreements with persons or departments, for whom the public servant exercises contracting authority.

Example: Irving's sister, Jane, applies for a position that reports to her brother, can Irving hire her?

Answer: No. Irving cannot either hire or supervise a relative. Jane should apply for a position for which she is qualified that does not report to a relative.

Use of Public Property

A Town of Eagar employee or appointee should not, directly or indirectly, use or allow the use of Town property (including leased property) for anything other than official activities. The Town is not permitted to use its personnel, equipment, materials, buildings, or other resources for the purpose of influencing the outcome of elections. Each individual has a duty to protect and conserve Town property, including equipment, supplies, and other property entrusted to them. This includes:

- computer equipment (computer, printers, scanners);
- telecommunications equipment (phones, cellular phones, pagers, radios);
- motor vehicles (or travel reimbursement);
- fax machines;
- office supplies;
- mail systems (internal, external, voice or electronic);
- paid employee work time;
- audio-visual equipment (cameras, TVs, digital recorders);
- copy machines.

Voice and Electronic Mail

Electronic and voice mail are to be used only for official business and are to be used in a respectful and professional manner. Electronic mail is considered a Public Record and may be subject to disclosure under Arizona's Public Records Law.

In addition to the use of e-mail in the performance of their job duties, employees may make limited, incidental personal use of e-mail under the following circumstances :

- Scheduling of personal appointments as an effective extension of one's overall time management during the workday (lunches, meetings, etc.).
- Sharing of personal events (employee birthdays, marriages, births, etc.)
- Other limited, incidental uses that do not violate Town policy.
- "Limited" as used in this subsection means limited in terms of time spent on non-work related items.

Users have no personal right of privacy in the content of the message or equipment, and the Town may monitor such use without prior notice.

Example: Jeff's supervisor has authorized him to attend a class qualifying for tuition reimbursement. One of the requirements for the class is to provide a 10 page paper. Can Jeff type his paper on Town time and equipment?

Answer: Yes and no. An employee may use Town equipment-but on their own time and with their supervisor's prior approval, to complete work for an approved class only. This limited use of Town equipment for training purposes is an investment in upgrading an employee's skills.

Example: Jennifer's daughter gets out of school at 3:00 p.m. and no one is home to make sure she is safe. Can Jennifer call and check on her daughter?

Answer: Yes. Use of Town equipment and time is allowed for local calls of a short duration with family members or health care providers that can only be made during work hours, as long as the privilege is not abused. Telephone calls should be made on a work break where practical. All long distance calls should be made with a long distance carrier calling card at the employee's own expense.

Disclosure of Town Information

Town of Eagar information should only be disclosed in accordance with the following:

- all documents, statements, registrations, reports, agreements, and contracts obtained in the regular course of Town duties and responsibilities must be maintained in accordance with Federal, State, and Town record retention requirements;
- all documents, statements, registrations, reports, agreements, and contracts that are not confidential must be made available in a timely manner, for public inspection and copying during regular business hours, subject to reasonably established fees.

Non-Disclosure of Confidential Information

No current or former employee may:

- use or disclose confidential information for personal gain, benefit, or convenience;
- engage in any business or professional activity that could reasonably require or induce any employee to disclose confidential or non-public information;
- disclose confidential or non-public information to any person not entitled or authorized to receive the information by ordinance or law;
- intentionally conceal a record that is required by law to be released.

Example: Ken's department is in the process of selecting a contract vendor. One of the contractors is a friend of Ken's and calls to find out who bid and for how much. May Ken give this information to his friend before it is disclosed to the public?

Answer: No. The information is confidential until a vendor is selected. Ken may not give this information to anyone. Ken should refer the person to the Town Manager or Finance Director to answer any permissible questions.

Dedicated Service

All employees of the Town of Eagar are required to:

- dedicate their full idea and energy potential to the performance of their position;
- work faithfully to implement the objectives and ordinances directed by the elected representatives of the Town of Eagar;
- adhere to the rules of work and performance standards established for each position; and
- work in full cooperation with other public servants unless prohibited by law or by the confidential nature of one's work.

Political Activity

Permitted Political Activity

Town employees are permitted to participate in most political activities on their own time, and may:

- express political opinions, publicly or privately as long as they are not in a Town uniform, the opinions do not impair the fair and impartial discharge of their official duties, and they do not purport to speak on behalf of the Town but rather express an opinion solely as a private citizen;
- attend meetings for the purpose of becoming better informed on an issue or candidate; register and cast a vote;
- sign a political nomination or recall petition;

- make contributions to candidates, political parties or campaign committees;
- circulate candidate nomination or recall petitions;
- engage in activities to advocate the election or defeat of candidates;
- solicit or encourage contributions to be made directly to a political candidate or campaign committee;
- campaign for themselves and hold unpaid, non-partisan, public office, including school or community college board positions;
- campaign for or against ballot issues, referendum questions, constitutional amendments, municipal ordinances etc., except where a conflict of interest is created;
- display bumper stickers, posters, or pamphlets on their private property concerning candidates or issues;

(For more information on political activity, contact the Town Clerk's Office.)

Prohibited Political Activity

Some limitations on political activity are necessary in order to ensure the proper and unbiased functioning of Town government. The following political activities are prohibited:

- the use of any threat, intimidation or coercion including threats of discrimination, reprisal, force or any other adverse consequences including the loss of any benefit, reward, promotion, advancement or compensation to cause other Town employees to make political contributions;
- any personal campaign activities while carrying out official duties;
- any campaign activities on Town property or while wearing a uniform normally identified with the Town of Eagar.
- use of Town property or resources for political activities.

Example: Mark works for the Police Department and is politically active on a current referendum issue. He wants people to listen to him so he wears his uniform at a public meeting and encourages everyone to vote for the issue. Is this proper?

Answer: No. Political activities shall be conducted on an employee's own time and not while in an identifiable Town uniform. Mark should change out of his uniform into his personal clothing before attending the meeting.

Political Candidacy

A Town employee may not be a candidate for nomination or election to any public office which is either paid or partisan. Upon the filing for nomination papers or making a formal public declaration of candidacy, an employee shall be required to submit a letter of resignation.

Use of Paid Work Time

All employees are expected to use paid work time in a full and honest effort to perform their official duties and responsibilities. Employees are expected to:

- begin and end work at assigned times;
- adhere to lunch and break time limitations;
- be productive, courteous, considerate, and prompt in conducting business during work times.

What is not an appropriate use of a subordinate's time? A public servant should not encourage, direct, coerce, request or authorize a subordinate to use paid work time to perform activities other than those required in the performance of official duties.

Example: Nellie always punches in (and starts) work six minutes after the start of her shift because she knows that she will be paid from the top of the hour. She always clocks out (and leaves) about six minutes before the end of her shift to "beat the rush" at closing time. Is this permissible?

Answer: No. Nellie's practice effectively steals a quarter hour per shift of productive time that the Town's residents should be receiving from her. Furthermore, employees on flexible work schedules or other arrangements should diligently ensure that a full 40 hours per week are devoted to their job.

Example: Oliver is a member of a professional association. The meetings are in the middle of Oliver's work day. May he attend on paid work time?

Answer: Maybe. If the Town directly benefits from Oliver's attendance, he may attend on paid work time. Oliver must first obtain supervisory approval and his Town duties must not suffer. If his attendance benefits Oliver personally more than the Town, he may not attend on work time. Oliver may, with the approval of his supervisor, attend on his own leave time and at his own expense, however.

Incompatible Employment

Employees must notify their supervisor in writing of any outside employment. An employee or appointee should not accept outside employment or engage in other activities that are not compatible with the full and proper discharge of the employee's Town responsibilities or that tend to impair the individual's capacity to perform his or her Town duties. An employee or appointee should not accept outside employment that:

- involves using Town working time, facilities, equipment or supplies, a badge, uniform, or the prestige of duties and responsibilities for the Town for private gain or advantage without the Town Manager's written permission;
- involves the receipt or acceptance of any money or other consideration from anyone for the performance of an act that the employee would be required or expected to perform in the regular course of the Town employment;
- involves the performance of an act that may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement by the employee;
- involves the use of Town of Eagar information for private benefit;

- involves an activity that would routinely place the employee in an adversarial relationship with his department;
- involves time demands that would render the performance of the employee's duties less efficient.

Post-Employment Restrictions

A former Town employee shall not act, or appear to act, after leaving public service, in such a manner as to take improper advantage of previous public service. An individual should not:

- use a former Town position to obtain special or preferential treatment in any transaction with the Town of Eagar either on the individual's own behalf or on behalf of another;
- for twenty-four (24) months following the date on which the individual ceases to be a Town public servant, take advantage of confidential or non-public information obtained during the course of the individual's official duties and responsibilities. If, during the twenty-four (24) months immediately preceding separation from Town service, an individual was engaged in the negotiation, management, or administration of a Town contract with a company that later becomes the individual's employer, the company may not assign the employee to work on the Town contract. This is particularly true where the business or professional activity will require the individual to disclose confidential information that was gained by reason of the individual's previous official position.

Example: Peg serves as a planner for the Town of Eagar. Peg also wishes to accept a second part-time employment as a consultant assisting property owners in challenging the Town's zoning of their property. Can Peg accept the second job?

Answer: No. Peg's second job would be incompatible with her primary Town employment because her second job would, among other difficulties, routinely place her in an adversarial position with her own department.

Post-Employment Waiver

The above post-employment restrictions, except with regard to contracts where a former Town employee participated personally or substantially in the selection process, may be waived by the Town Council if:

- the individual has outstanding or otherwise unavailable qualifications; and
- the individual is acting with respect to a particular matter that requires such qualifications; and
- the public interest would be served by the individual's continued participation.

Employee Concerns

If an employee believes that the provisions of this Handbook are not being followed, he or she should report the concern to their supervisor. If an employee still does not

believe that the issue is being adequately addressed, the employee should communicate the concern to the Town Manager.

Citizen Concerns

If an individual (other than an employee) believes that the provisions of this Handbook are not being followed, he or she should report the concern to the Town Manager by calling (928) 333-4128 x226 during regular business hours, or by e-mailing to mananger@eagaraz.gov or writing to:

Town Manager
Town of Eagar, Arizona
22 West 2nd Street
Eagar, Arizona 85925

Acknowledgements

Town Council

Mayor

Bryce Hamblin

Vice Mayor

James Nelson, Jr.

Council Members

Allen Browning

Steve Erhart

Winslow McNeill

John O. Phelps

Byron Smith

Management Team

Town Manager

Shawn Nau

Town Clerk

Eva Wilson

Town Attorney

Douglas E. Brown

Finance Director

Katie Wood, Director

Community Development Director

Bruce Ray

Fire Chief

Howard Carlson

Police Chief

Mike Hogan

Public Works Director

Bruce Ray, Interim

Appendices

Selected Provisions from the Arizona Revised Statutes

Section 38-481. Employment of relatives; violation; classification; definition

A. It is unlawful, unless otherwise expressly provided by law, for an executive, legislative, ministerial or judicial officer to appoint or vote for appointment of any person related to him by affinity or consanguinity within the third degree to any clerkship, office, position, employment or duty in any department of the state, district, county, city or municipal government of which such executive, legislative, ministerial or judicial officer is a member, when the salary, wages or compensation of such appointee is to be paid from public funds or fees of such office, or to appoint, vote for or agree to appoint, or to work for, suggest, arrange or be a party to the appointment of any person in consideration of the appointment of a person related to him within the degree provided by this section.

B. Any executive, legislative, ministerial or judicial officer who violates any provision of this section is guilty of a class 2 misdemeanor.

C. The designation executive, legislative, ministerial or judicial officer includes all officials of the state, or of any county or incorporated city within the state, holding office either by election or appointment, and the heads of the departments of state, county or incorporated cities, officers and boards or managers of the universities.

Section 38-502. Definitions

In this article, unless the context otherwise requires:

1. "Compensation" means money, a tangible thing of value or a financial benefit.
2. "Employee" means all persons who are not public officers and who are employed on a full-time, part-time or contract basis by an incorporated city or town, a political subdivision or the state or any of its departments, commissions, agencies, bodies or boards for remuneration.
3. "Make known" means the filing of a paper which is signed by a public officer or employee and which fully discloses a substantial interest or the filing of a copy of the official minutes of a public agency which fully discloses a substantial interest. The filing shall be in the special file established pursuant to section 38-509.
4. "Official records" means the minutes or papers, records and documents maintained by a public agency for the specific purpose of receiving disclosures of substantial interests required to be made known by this article.
5. "Political subdivision" means all political subdivisions of the state and county, including all school districts.
6. "Public agency" means:
 - (a) All courts.
 - (b) Any department, agency, board, commission, institution, instrumentality or legislative or administrative body of the state, a county, an incorporated town or city and any other political subdivision.
 - (c) The state, county and incorporated cities or towns and any other political subdivisions.
7. "Public competitive bidding" means the method of purchasing defined in title 41, chapter 4, article 3, or procedures substantially equivalent to such method of purchasing, or as provided by local charter or ordinance.

8. "Public officer" means all elected and appointed officers of a public agency established by charter, ordinance, resolution, state constitution or statute.

9. "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.

10. "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 of a contracting party.

(d) That of a member of a nonprofit cooperative marketing association.

(e) The ownership of less than three per cent of the shares of a corporation for profit, provided the total annual income from dividends, including the value of stock dividends, from the corporation does not exceed five per cent of the total annual income of such officer or employee and any other payments made to him by the corporation do not exceed five per cent 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 governmental 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.

11. "Substantial interest" means any pecuniary or proprietary interest, either direct or indirect, other than a remote interest.

Section 38-503. Conflict of interest; exemptions; employment prohibition

A. Any public officer or employee of a public agency who has, or whose relative has, a substantial interest in any contract, sale, purchase or service to such public agency shall make known that interest in the official records of such public agency and shall refrain from voting upon or otherwise participating in any manner as an officer or employee in such contract, sale or purchase.

B. Any public officer or employee who has, or whose relative has, a substantial interest in any decision of a public agency shall make known such interest in the official records of such public agency and shall refrain from participating in any manner as an officer or employee in such decision.

C. Notwithstanding the provisions of subsections A and B of this section, no public officer or employee of a public agency shall supply to such public agency any equipment, material,

supplies or services, unless pursuant to an award or contract let after public competitive bidding, except that:

1. A school district governing board may purchase, as provided in sections 15-213 and 15-323, supplies, materials and equipment from a school board member.
 2. Political subdivisions other than school districts may purchase through their governing bodies, without using public competitive bidding procedures, supplies, materials and equipment not exceeding three hundred dollars in cost in any single transaction, not to exceed a total of one thousand dollars annually, from a member of the governing body if the policy for such purchases is approved annually.
- D. Notwithstanding subsections A and B of this section and as provided in sections 15-421 and 15-1441, the governing board of a school district or a community college district may not employ a person who is a member of the governing board or who is the spouse of a member of the governing board.

Section 38-504. Prohibited acts

- A. No public officer or employee may represent another person for compensation before a public agency by which he is or was employed within the preceding twelve months or on which he serves or served within the preceding twelve months concerning any matter with which such officer or employee was directly concerned and in which he personally participated during his employment or service by a substantial and material exercise of administrative discretion.
- B. During the period of his employment or service and for two years thereafter, no public officer or employee may disclose or use for his personal profit, without appropriate authorization, any information acquired by him in the course of his official duties which has been clearly designated to him as confidential when such confidential designation is warranted because of the status of the proceedings or the circumstances under which the information was received and preserving its confidentiality is necessary to the proper conduct of government business. No public officer or employee shall disclose or use, without appropriate authorization, any information acquired by him in the course of his official duties which is declared confidential by law.
- C. No public officer or employee may use or attempt to use his official position to secure any valuable thing or valuable benefit for himself that would not ordinarily accrue to him in the performance of his official duties, which thing or benefit is of such character as to manifest a substantial and improper influence upon him with respect to his duties.

Section 38-505. Additional income prohibited for services

- A. No public officer or employee may receive or agree to receive directly or indirectly compensation other than as provided by law for any service rendered or to be rendered by him personally in any case, proceeding, application, or other matter which is pending before the public agency of which he is a public officer or employee.
- B. This section shall not be construed to prohibit the performance of ministerial functions including, but not limited to, the filing, or amendment of tax returns, applications for permits and licenses, incorporation papers, and other documents.

Section 38-506. Remedies

- A. In addition to any other remedies provided by law, any contract entered into by a public agency in violation of this article is voidable at the instance of the public agency.
- B. Any person affected by a decision of a public agency may commence a civil suit

in the superior court for the purpose of enforcing the civil provisions of this article. The court may order such equitable relief as it deems appropriate in the circumstances including the remedies provided in this section.

C. The court may in its discretion order payment of costs, including reasonable attorney's fees, to the prevailing party in an action brought under subsection B.

Arizona Constitution

Article 9, Section 7

Neither the State, nor any county, city, town, municipality, or other subdivision of the State shall ever give or loan its credit in the aid of, or make any donation or grant, by subsidy or otherwise, to any individual, association, or corporation, or become a subscriber to, or a shareholder in, any company or corporation, or become a joint owner with any person, company, or corporation, except as to such ownerships as may accrue to the State by operation or provision of law.