

CITY OF BOZEMAN
BOARD OF ETHICS
REPORT – 2015



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November 2015

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BOARD OF ETHICS SUMMARY

MEMBERS

CURRENT BOARD MEMBERS

Chris Carraway – Chair

- Appointed July 28, 2014
- Term expires July 31, 2016
- ccarraway@bozeman.net

Melissa Frost – Former Chair

- Appointed August 3, 2015
- Term expires July 31, 2017
- mfrost@bozeman.net

Mary Jane McGarity

- Appointed August 3, 2015
- Term expires July 31, 2017
- mmcgarity@bozeman.net

PAST BOARD MEMBERS

Rodger McCormick

- Appointed August 2008
- Term expired July 2010

Stephen Schultz

- Appointed August 2008
- Term expired July 2010

SUPPORT STAFF

Robin Crough – Executive Assistant

- rcrough@bozeman.net
- Administrative and Recording Services

Greg Sullivan – City Attorney

- gsullivan@bozeman.net
- Legal and Procedural Recommendations

MEMBERSHIP DETAILS

The Board of Ethics is made up of three members appointed by the City Commission to two-year terms. Members cannot be City elected officials, City employees, or currently serving on any other City Board or Commission.

CREATION

[2008 Bozeman City Charter](#)

The Bozeman City Charter (the “Charter”) was proposed by the City of Bozeman’s 2004-2006 Local Government Study Commission and was approved by the voters at the November 7, 2006 general election. The Charter became effective on January 1, 2008. The Charter confers certain powers and restrictions, prescribing procedures and governmental structure. The Charter was created *...to secure the benefits of local self- government and to provide for an honest and accountable commission-manager government. (Preamble, City of Bozeman Charter)*

Section 7.01 (b) of the Charter called for the establishment of an independent Board of Ethics as well as the requirement for annual training and education of city officials, city board members and employees regarding the state and city ethics codes.

[Ordinance No. 1726, Creation of the Board of Ethics](#)

To establish a Board of Ethics (the “Board”) as required in the voter approved Charter, the City Commission adopted [Ordinance No. 1726](#) which provides guidelines for the creation of the board and other ethics related content required in the Charter. These provisions are codified in the Bozeman Municipal Code at Chapter 2, Article 3, Division 4 ([Sect. 2.03.460 et seq., BMC](#)). Duties and powers of the Board, who may request board action and the limitations of the board’s power, are included. In May of 2009, the City Commission adopted [Ordinance No. 1759](#) which amended the original Ordinance. Changes made relating to the board itself were minor.

BOARD DUTIES AND RESPONSIBILITIES

BOZEMAN MUNICIPAL CODE OF ETHICS

[Bozeman Municipal Code, Chapter 2, Article 3, Division 4 – Code of Ethics](#)

The Code of Ethics is an important piece of City law. As the declaration of policy section 2.03.460 states, *The purpose of this code of ethics is to set forth standards of ethical conduct, to assist public officials and employees in establishing guidelines for their conduct, to foster the development and maintenance of a tradition of responsible, accountable and effective public service, and to prohibit conflict between public duty and private interest.*

The following sections within the Code of Ethics directly relate to the Board. Other sections within the Code of Ethics provide additional direction to the Board and the public in addressing ethical issues and violations.

[Sec. 2.03.580 - Board of Ethics.](#)

This section defines the composition and terms of the Board, requirements for membership, and lists the support City staff will provide.

[Sec. 2.03.600 - Duties and powers of the board.](#)

This section provides details about Board procedures related to meetings, conducting hearings, and reporting and establishing procedures for administration and implementation of the Code of Ethics. These duties include:

- Evaluating all aspects of the Code of Ethics to ensure the public and all public servants have a reasonable opportunity and are encouraged to participate;
- Developing a plan to educate public servants about their rights, duties and responsibilities;
- Submit an annual report of summary decisions, opinions and recommended actions regarding ethical practices or policies;
- Arrange for an annual workshop or training program for all employees, elected officials and board and committee members; and
- Conduct hearings as needed.

Sec. 2.03.610 - Who may request board action.

This section outlines that any person may file a complaint with the Board and further explains who may request an ethics opinion of the Board.

Sec. 2.03.620 – Limitations on board’s power.

This section explains in detail what limitations are placed on the Board and that the Board may refer a matter to the city attorney for review.

In addition to the City’s Code of Ethics, the Board has jurisdiction over State of Montana Ethics laws. These provisions are codified in Title 2, Chapter 2, Part 1, MCA ([Sect. 2-2-101, et seq., MCA](#)).

REQUIREMENT OF ANNUAL REPORT

The annual report of the Board is a way to inform the public, officials and city employees of what the Board has accomplished in the past year and report any decisions or opinions.

The [Bozeman Municipal Code Sec. 2.03.600](#) specifically states that the board shall:

4. No later than December of each year, submit an annual report to the city commission concerning its action in the preceding year. The report shall contain:

- a. *A summary of its decisions and opinions, both open and confidential; the board shall make any alterations in the summaries necessary to prevent disclosure of any confidential information pertaining to any individual or to any organization if the disclosure could lead to the disclosure of the identity of a person who is entitled to confidentiality; and*
- b. *Recommend any legislative or administrative actions regarding the city’s policies and practices which the board believes would or could enhance the ethical environment in which public servants work.*

2015 REPORT

2015 YEAR-END REPORT

For 2015, the City continued its contract with Montana State University Extension Services to assist in the ethics training requirement as written in the City Charter. Foundational to the training is Betsy Webb’s dissertation titled “*What is Good and What is Right: An Investigation of the Outcome of a Comprehensive Ethics Program in Municipal Government.*” Featuring the City of Bozeman, her dissertation was a study of a Comprehensive Ethics Program (CEP) within a municipal government five years after implementation. The text and questions were developed by MSU and based on specific areas for improvement found in Betsy Webb’s research.

Contracting with MSU Extension Services allowed the City to offer the ethics training online using the portal we already have in place for new employees and board members. The online 2015 City of Bozeman Ethics Training was divided into four modules: Ethics Resources and Reporting, Retaliation, Top Leaders, and the Board of Ethics. Participants also reviewed the research done by Betsy Webb before completing the training.

The primary responsibilities associated with coordinating the annual ethics trainings and the Board of Ethics has transferred to the City Manager's office in early 2015. The Executive Assistant to the City Manager now distributes the training among City employees, as well as ensures every employee completes the training, with the assistance of the Human Resources department in tracking completions via email. The Deputy City Clerk distributes and tracks the training among Board members. The online training was distributed to City employees in May 2015, and was completed by 100% of City employees as of August 2015. As of November 2015, 77% of Board members have completed the training, with 40 members remaining that are incomplete.

The City continues to require new employees and board members to take the original online ethics training shortly after hiring/appointment to help familiarize them with the Municipal Code and receive a foundational ethics training, as well as to meet the yearly training requirement even when joining the organization after the annual training has taken place. In 2015 roughly 20 new hires took the online training. Beginning January 5, 2015 with the hiring of the new Deputy City Clerk, 31 out of 32 new board appointments have completed the ethics training upon appointment.

Upon completion of the training by 100% of City employees, a staff ethics subcommittee (named the HPO Ethics Team) was created out of the City's HPO group to look at the initial results of Betsy Webb's dissertation survey. The group consists of eight mid-level managers from departments and divisions across the organization and has met multiple times in the fall of 2015 to help interpret the results and provide feedback to the HPO group. In addition to this committee, the City continues to look for ways to embed ethics training and lessons into the culture of the organization.

SUMMARY OF THE BOARD'S DECISIONS AND OPINIONS

No formal decisions were made by the Board in 2015.

No informal decisions were made by the Board in 2015.

City Attorney Greg Sullivan continued to provide a staff report during Board meetings to relay ethics questions and concerns that came to his attention throughout the year, and the advice or comments he provided. In addition to informal advice, the City Attorney provides several [formal ethics opinions](#) (none for 2015) to City Commissioners and has made these available online. In addition, several former board members and employees received advice from the City Attorney regarding post-employment matters and have filed [post-employment disclosures](#) which are also available to the public online. A link to these documents can be found from the city of Bozeman [ethics webpage](#).

ADMINISTRATIVE ACCOMPLISHMENTS

The City Clerk's office continues to manage gift disclosure for City employees or officials. An online [gift disclosure form](#) was created by staff and approved by the Board of Ethics for employees or officials to utilize when they accept items that do not violate the gift provisions but have a value greater than \$25 and require the filing of a public disclosure statement with the Board of Ethics that indicates the gift, its estimated value, the person or entity

making the gift, the relationship to the employee or official and the date of the gift. [Filed gift disclosure forms](#) can be viewed by the public online.

Per the requirement in the City Charter, the City Clerk's office continues to collect [financial disclosure forms](#) in January from every employee and board member who has major financial decision making responsibilities. This list consists of approximately 62 people in 2015 so far, the number of which grows as staff is assigned in their departments to spending authority or as new employees come on board.

UPCOMING GOALS

The Board sees no necessary statute changes at the moment. Current goals include determining and developing the 2016 ethics training.

2016 ETHICS TRAINING

The HPO Ethics Team will report back to the Board of Ethics at the next scheduled meeting on January 28, 2016. Feedback from staff will help determine the nature of the 2016 training, to be discussed.

UPCOMING RECOMMENDATIONS

The Board of Ethics recommends that staff provide any needed support to the HPO Ethics Team as they proceed.

2015 Online Ethics Training – City of Bozeman Summary of Responses

Resources you would be comfortable reporting to:

- My immediate supervisor: 363 (78%)
- HR Department: 241 (52%)
- My supervisor's supervisor: 222 (48%)
- City Attorney's Office: 199 (43%)
- Anonymous Hotline: 146 (31%)
- City Staff Liaison to a City Board: 143 (31%)
- I would not report misconduct I observe: 15 (3%)

Barriers to reporting misconduct:

- I'm concerned that reporting would not be anonymous: 186 (40%)
- There would be retaliation for reporting: 166 (36%)
- If anyone found out, the workplace would change for me: 163 (35%)
- None of the above: 153 (33%)
- I don't trust how managers will handle it: 123 (26%)
- I might get fired: 80 (17%)
- The misconduct is minor and not worth reporting: 77 (16%)
- I'm not sure how or who to report it to; no formal reporting procedure: 37 (8%)

How well do City of Bozeman managers communicate that retaliation is unacceptable and will not be tolerated:

- I've never heard a manager talk about retaliation: 215 (46%)
- Managers communicate this well: 120 (26%)
- Managers could do a better job of this: 116 (25%)
- City Policies communicate that retaliation is unacceptable but retaliation does occur here: 74 (16%)

How do you rate the leadership in the City in creating a transparent environment where employees feel safe voicing their opinions?

- Very safe environment: 63 (14%)
- Safe Environment: 301 (64%)
- Unsafe environment: 74 (16%)
- Very unsafe environment: 28 (6%)

How do you rate the leaders in the City where trustworthiness and promise keeping are the norms at all levels?

- Very high: 45 (10%)
- High: 199 (43%)
- Mediocre: 138 (30%)
- Low: 45 (10%)
- Very low: 32 (7%)

What constructive input do you have to close the gap between top leaders and employees?

- Listen to employees: 281 (63%)
- Communicate more with employees: 273 (61%)
- Make decision-making processes more transparent: 239 (54%)
- Set clear expectations: 233 (52%)
- Stronger role modeling: visible ethical actions & traits: 202 (45%)
- More connections with employees, strengthen people-focus: 199 (45%)
- Hold employees accountable for ethical behavior: 217 (49%)
- Recognize ethical behavior: 186 (42%)
- Institutionalize core values: 110 (25%)

Who do you consider the top leaders?

- City Manager: 347 (79%)
- Department Directors: 340 (77%)
- City Commission: 276 (62%)
- HPO Team: 90 (20%)