

**MICHIGAN MUNICIPAL SERVICES AUTHORITY**  
Executive Committee

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**RESOLUTION 2012-8**  
Adopt Conflict of Interests and Disclosure Policy

The Executive Committee of the Michigan Municipal Services Authority resolves:

That the attached Conflict of Interests and Disclosure Policy ("Policy") is adopted and shall apply to members of the Authority Board of the Michigan Municipal Services Authority ("Authority"), members of the Executive Committee of the Authority, officers of the Authority, and employees of the Authority.

***Secretary's Certification:***

I certify that this resolution was duly adopted by the Executive Committee of the Michigan Municipal Services Authority at a properly-noticed open meeting held with a quorum present on the 22<sup>nd</sup> day of October, 2012.

By:

  
James Cambridge  
Authority Secretary

# MICHIGAN MUNICIPAL SERVICES AUTHORITY

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## CONFLICT OF INTERESTS AND DISCLOSURE POLICY

Members of the Authority Board of the Michigan Municipal Services Authority ("Authority"), members of the Executive Committee of the Authority, officers of the Authority, and employees of the Authority ("Covered Individuals") are subject to, and shall comply with, this Conflict of Interests and Disclosure Policy.

### ***I. Restrictions on Participation in Authority Contracts***

Except as provided in Section III of this Policy, a Covered Individual shall not be a party, directly or indirectly, to any contract between the Covered Individual and the Authority other than an employment contract between the Covered Individual and the Authority.

### ***II. Restrictions on Soliciting Authority Contracts***

Except as provided in Section III of this Policy, a Covered Individual shall not directly or indirectly solicit any contract between the Authority and any of the following:

- (1). The Covered Individual, excluding an employment contract between the Covered Individual and the Authority;
- (2). Any firm, including a partnership, co-partnership, limited liability company, or other unincorporated association of which the Covered Individual is a partner, member, officer, or employee;
- (3). Any corporation in which the Covered Individual is a stockholder owning more than 1% of the total outstanding stock of any class if the stock is not listed on a stock exchange, or stock with a present total market value in excess of \$25,000.00 if the stock is listed on a stock exchange, or of which the Covered Individual is a director, officer, or employee; or
- (4). Any trust of which the Covered Individual is a beneficiary or trustee.

A Covered Individual shall not take any part in the negotiations for a contract described in this Section II, the renegotiation or amendment of the contract, or in the approval of the contract, and shall not represent either party in the transaction.

### ***III. Exceptions to Restrictions under Sections I and II***

The restrictions under Sections I and II of this Policy do not apply to any of the following contracts:

- (1). A contract between two or more public entities;

(2). A contract awarded by the Authority to the lowest qualified bidder, other than a Covered Individual, upon receipt of sealed bids pursuant to a published notice. Except as authorized by law, the notice shall not bar any qualified person, firm, corporation, trust, or other entity from bidding. This subsection does not apply to amendments or renegotiations of a contract or to additional payments made under a contract that were not authorized by the contract at the time of award by the Authority;

(3). A contract for public utility services where the rates are regulated by the state or federal government;

The restrictions under Sections I and II of this Policy do not apply to a Covered Individual who is paid for working an average of 25 hours per week or less for the Authority, but the Covered Individual shall meet all of the following requirements:

(1). The Covered Individual shall promptly disclose any financial interest in a contract with the Authority to the Executive Committee and the disclosure shall be made a matter of record in the official proceedings of the Executive Committee of the Authority and posted on a publicly accessible internet website maintained by the Authority;

(2). Unless the Covered Individual making the disclosure under Subsection (1) will directly benefit from the contract in an amount less than \$250.00 and less than 5% of the public cost of the contract and the Covered Individual files a sworn affidavit to that effect with the Executive Committee, or unless the contract is for emergency repairs or services, the disclosure shall be made in either of the following manners:

- (a). The Covered Individual promptly discloses in writing to the Chairperson of the Executive Committee, or if the Chairperson is the public servant who is a party to the contract, to the Secretary of the Authority, the financial interest in the contract at least 7 days prior to the meeting at which a vote on the contract will be taken. A disclosure under this subparagraph shall be made public in the same manner as a public meeting notice and be posted on a publicly accessible internet website maintained by the Authority; or
- (b). The Covered Individual discloses the financial interest at a public meeting of the Executive Committee. The vote on the contract shall be taken at a meeting of the Executive Committee held at least 7 days after the meeting at which the disclosure is made. If the amount of the direct benefit to the Covered Individual is more than \$5,000.00, disclosure must be made as provided under this subparagraph.

(3). The contract is approved by a vote of not less than 2/3 of the full membership of the Executive Committee in open session without the vote of the public servant making the disclosure;

(4). The Executive Committee discloses all of the following summary information in its official minutes:

- (a). The name of each party involved in the contract;
- (b). The terms of the contract, including duration, financial consideration between parties, facilities or services of the Authority included in the contract, and the nature and degree of assignment of employees of the Authority for fulfillment of the contract.
- (c). The nature of any financial interest.

If 2/3 of the members of the Executive Committee of the Authority are not eligible under this Policy to vote on a contract or to constitute a quorum, a member of the Executive Committee may be counted for purposes of a quorum and may vote on the contract if the member of the Executive Committee will directly benefit from the contract in an amount less than \$250.00 and less than 5% of the public cost of the contract and the member files a sworn affidavit to that effect with the Executive Committee. The affidavit shall be made a part of the public record of the official proceedings of the Authority and posted on a publicly accessible internet website maintained by the Authority. As used in this paragraph, "governmental decision" means a determination, action, vote, or disposition upon a motion, proposal, recommendation, resolution, ordinance, order, or measure on which a vote by members of the Executive Committee is required and by which the Authority effectuates or formulates public policy.

Sections I and II of this Policy do not prevent a Covered Individual from making or participating in a governmental decision of the Authority to the extent that the Covered Individual's participation is required by law.

#### ***IV. Restrictions on Conflicting Employment Interests***

Except as provided in Section VI, a Covered Individual shall not engage in or accept employment or render services for a private or public interest when that employment or service is incompatible or in conflict with the discharge of the Covered Individual's official duties for the Authority or when that employment may tend to impair the Covered Individual's independence of judgment or action in the performance of official duties for the Authority.

#### ***V. Additional Restrictions***

Except as provided in Section VI, a Covered Individual shall not participate in the negotiation or execution of contracts, making of loans, granting of subsidies, fixing of

rates, issuance of permits or certificates, or other regulation or supervision relating to a business entity in which the Covered Individual has a financial or personal interest.

**VI. *Exceptions to Restrictions under Sections IV and V***

Sections IV and V do not apply and a Covered Individual shall be permitted to vote on, make, or participate in making a governmental decision if all of the following occur:

- (1). The requisite quorum necessary for official action on the governmental decision by the Authority Board or Executive Committee of the Authority on which the Covered Individual serves is not available because the participation of the Covered Individual in the official action would otherwise violate Section IV or Section V;
- (2). The Covered Individual is not paid for working more than 25 hours per week for the Authority;
- (3). The Covered Individual promptly discloses any personal, contractual, financial, business, or employment interest the Covered Individual may have in the governmental decision and the disclosure is made part of the public record of the official action of the Authority Board or Executive Committee on the governmental decision.

Additionally, if a governmental decision involves the awarding of a contract, Sections IV and V do not apply and a Covered Individual shall be permitted to vote on, make, or participate in making the governmental decision if the Covered Individual will directly benefit from the contract in an amount less than \$250.00 or less than 5% of the public cost of the contract, whichever is less, and the Covered individual files a sworn affidavit containing that information with the Authority Board if the Authority Board is making the governmental decision or the Executive Committee if the Executive Committee is making the governmental decision. The affidavit required by this paragraph shall be made a part of the public record of the official action on the governmental decision and be posted on a publicly accessible internet website maintained by the Authority.

As used in this Section VI, "governmental decision" means a determination, action, vote, or disposition upon a motion, proposal, recommendation, resolution, ordinance, or measure on which a vote by the members of the Authority Board or the Executive Committee of the Authority and by which the Authority formulates or effectuates public policy.