


Governing Ethically: Understanding Your Influence

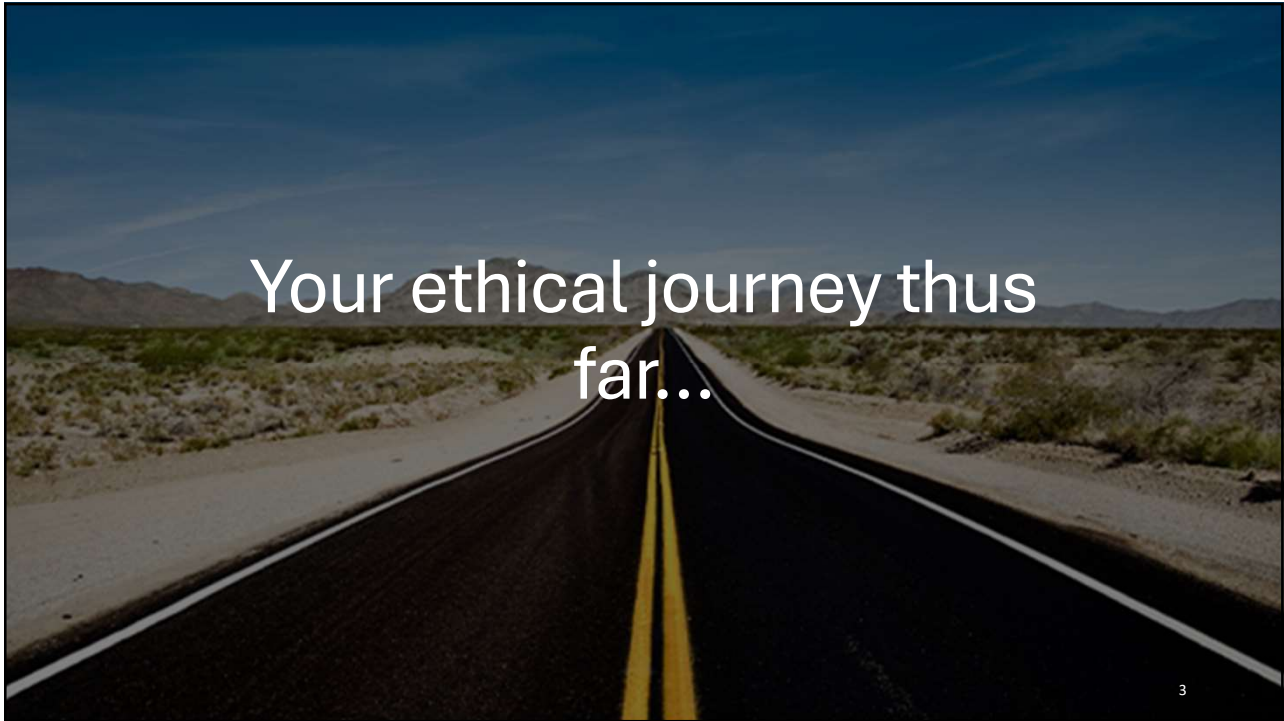
- Texas Municipal League's AMCC Newly-Elected Officials Training
- Summer 2024: July & August
- Dan Johnson, TCMA Distinguished Member/Retired City Manager

We Thank You!!

- We appreciate....
- Your recent **willingness** to submit yourself to voters' consideration
- Your **concern** for your community
- The **time** you commit
- The **energy** you expend to make quality decisions
- Your **quality decision-making** by information gathering...being here!



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Your Application for Ballot Place & Your Election Statement...

- **Application For Ballot Place**

- “I, (name), of ____ County, Texas, being a candidate for the office of _____, swear that I will support and defend the Constitution and laws of the United States and of the State of Texas. I am a citizen of the United States eligible to hold such office under the Constitution and laws of this state. I have not been finally convicted of a felony for which I have not been pardoned or had my full rights of citizenship restored by other official action. I have not been determined by a final judgment of a court exercising probate jurisdiction to be totally mentally incapacitated or partially mentally incapacitated without the right to vote. I am aware of the nepotism law, Chapter 573, Government Code.
- I further swear that the foregoing statements included in my application are in all things true and correct.”

- **Election Statement**

- I, _____, do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or **promised to contribute any money or thing of value**, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

I am aware of the nepotism law, Chapter 573.

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Remember?: You Made a Pledge - Your Oath of Office...



- I, __ ,do solemnly swear (or affirm) that I will faithfully **execute the duties** of the office of: Member, Place __, City of _____ of the State of Texas, and will to the best of my ability preserve, protect, and **defend the Constitution and laws** of the United States and of this State, so help me God.

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“Execute the Duties...”

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What's Your Name?



Given Name/ Nick Name	Campaign Names	Names In Statutes	Duty Names
On Birth Certificate	Candidate	“Public Servant” Texas Penal Code, Chs. 36 & 37	Mayor Councilmember
Schoolyard	First Term	“Municipal Officer” Tx LGC Ch. 145	Officer
High School	One of Us...? One of “Them”...?	“Local Public Official” Tx LGC Ch. 171	Fiduciary *
Post High School	Incumbent!!	“Local Government Officer” Tex LGC Ch. 176	Trustee *
Now	Last Phone Call!!	“Public Official” Tx Govt. Code Ch. 573	

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“What Is a *Fiduciary*?”

- A **fiduciary** is a person or organization that acts on behalf of another person or persons, putting their clients' interests ahead of their own, with a duty to preserve good faith and trust.
- Being a fiduciary requires being bound both legally and ethically to act in the other's best interest.



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“Trustee”

- Trustees have certain duties (some of which are fiduciary). These include the duty to:
 - **carry out** the expressed terms of the trust instrument,
 - the duty to **defend** the trust,
 - the duty to **prudently invest** trust assets,
 - the duty of **impartiality** among the beneficiaries,
 - the duty to **account** for their actions and to keep them **informed** about the trust,
 - the duty of **loyalty**, the duty not to delegate,
 - the duty **not to profit**,
 - the duty **not to be in a conflict of interest** position
 - the duty to **administer** the trust in the **best interest** of the beneficiaries.



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It's a Jungle Out There...

- **Conflicts of Interest**
- **Bribery/Kickbacks**
- **Illegal Gifts & Services**
- **Campaign Ethics**
- **Fraud**
- **Nepotism**
- **Influence Peddling**
- **Dishonest Record Keeping**
- **Misuse of Government Resources**
- **Misuse of Authority or Status of Office**



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“Wrong-Doing”

- The mere accusation of wrong-doing can:
 - Harm reputations
 - Drain morale
 - Hamper the ability to attract and retain top talent
 - Impair the delivery of public service.
- In an ethical mire - you are off message and off mission!



***It's easier to
stay out than to
get out...***

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Classic “Wrong Doings”

- It Just Doesn't Smell / Look / Feel Right!
- Something's Fishy....
- Too Fast! Taking Too Long!
- Where Did This Come From?
- You've Already Made Up Your Mind
- You seem to “Find” Money When You Want To...
- Rubber Stamping
- In The Pocket of ____...



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The Real Topic: *Public Trust*



- “*Wrong-doing*” is often an **ethical** rather than a **legal** concept.
- To earn and safeguard **public trust**, public officials and agencies must **not only comply** with laws and regulations - but **adhere to higher standards** than normally expected or required.

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But...but... Rationalizations/Justifications

- “*I’ve got it coming to me...*”
- “*No one will ever find out...*”
- “*After all, everyone else is doing it...*”
- “*This is the best deal for the organization...*”
- “*It had to be done...*”
- “*I can still be objective...*”
- “*If it’s legal and permissible, it’s okay...*”



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“Secrecy is a 5 second headstart...”



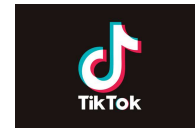
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Good Luck! : Amped-Up Observers/Feedback

- Traditional Media
- “Investigative Media”
- Video/Broadcast Meetings
 - Now required for cities 50,000 or over
- Cell & Video Observers
- Blogs, Apps & Searches

The
Dallas
Morning
News

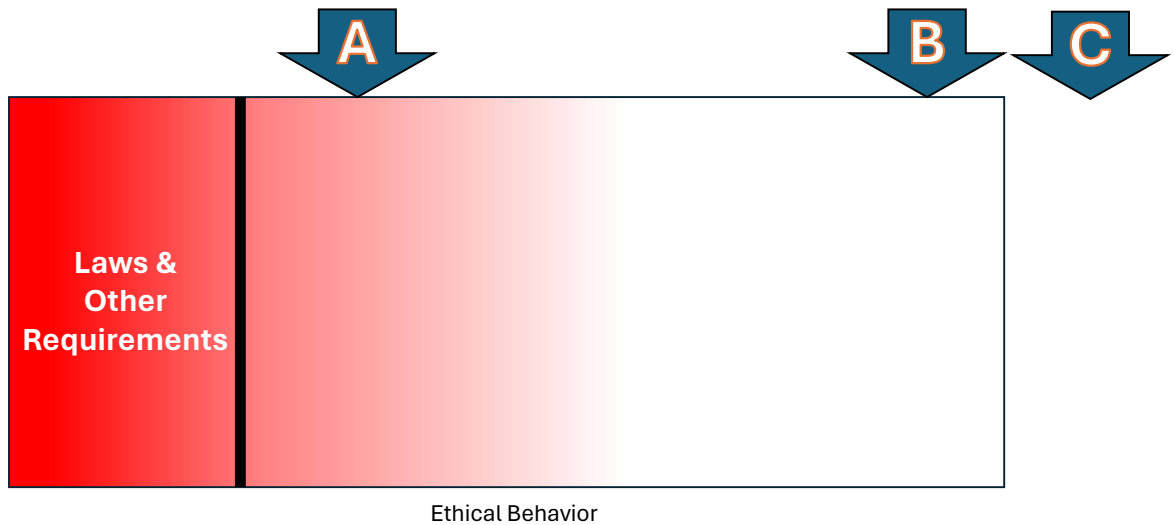


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Where Do You Want to Be?

What would most people think?



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Ethical Decision-Making Guidance

“Red Flags”:

- Distorted By Self-Interest
- Emotional Attachments: People, Place, Things
- Misleading Memories: Overlook, Undervalue

WHY
GOOD
LEADERS
MAKE
BAD
DECISIONS



Safeguards:

- Inject Fresh Experiences / Analysis / Ideas / ASK!
- Introduce Further Debate / Challenges
- Impose Stronger Governance

HBR / hbr.org , Feb., 2009. Campbell, Whitehead, Finkelstein

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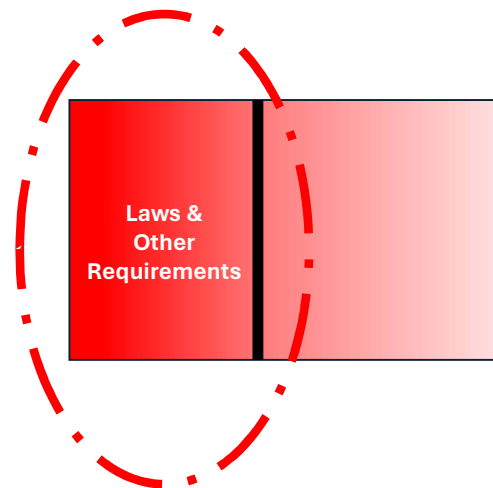


“Defend the Laws...”

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The Laws...

- Ethics In Texas Law
 - Gifts & Bribery
 - Financial Disclosure
 - Conflict of Interest
 - Open Government / Records
 - Nepotism
- Other Important Laws (*Not our review today...*)
 - Securities and Exchange Comm. (SEC)
 - Federal Grant Regulations
 - Labor Laws
 - Civil Rights
 - ...



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“...And the laws of this state”:

Sources for Guidance

- Some relevant State Laws
 - **Penal Code – Ch. 36 & 37** – Gifts, Honoraria, Bribery, Impersonations & Govt. Record Falsifications
 - **Local Govt. Code, Chap. 145** – Financial Statements
 - **LGC, Chap. 171** – Conflicts of Interest
 - **LGC, Chap. 176** – Family & Employment Relationship Disclosures



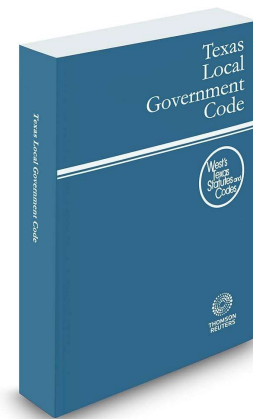
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Sources for Guidance

(more)

- Relevant State Laws
 - **Texas Govt. Code, Ch. 573** – Nepotism*
 - **TGC, Ch. 255** – Election Code
 - **TGC, Ch. 441** – Record Retention
 - **TGC, Ch. 551** – Open Meetings...(& training obligation)
 - **TGC, Ch. 552** – Public Information... (possible training obligation)



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Sources for Guidance

(more)

- Relevant State Laws
 - **TGC, Section 2252.908,**—
Disclosure of Interested Parties in Contracts

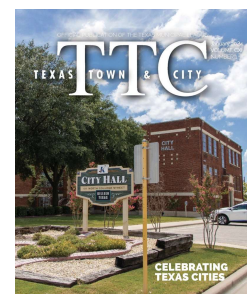


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Sources for Guidance

- City Attorney/Legal Counsel
- Texas Municipal League & Publications
- Texas Ethics Commission & Advisory Opinions
 - 512-463-5800 or www.ethics.state.tx.us
- City Charter
- City Ordinances, By-Laws, Codes of Conduct, Rules of Procedure



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Examine these closely...

- Your campaign finances
- Your travel & hospitality activities
- Gifts & honoraria
- Sponsorships
- Your land-use actions
- Your purchasing & contract actions
- Use of public equipment and facilities
- You meeting packet review
- ***Sometimes, even your presence***



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Your Ethical Attentions

- Be Informed / Orientations
- Be Mindful & Present
- Remember All Audiences / Impacts
- Group's Goals and Rules
- Deliberate & Decide Well
 - Decorum
 - Agenda
 - Input/Listening
 - Actions
- Use *Prudence*
- Value Your **Oversight Tools:**
 - Appointments & Advisory Boards
 - Budget & Fiscal Controls
 - Audits & Compliance Reviews
 - Management Performance
 - Transparency
 - Access/Availability
 - Communication/Outreach
 - Policies & Codes

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Local Code of Ethics/Conduct

- Local ordinance(s) that further establishes local standards and obligations
- Apply to Council and/or Advisory Boards
- Code will repeat / supplement and not contradict state laws
- TML references / examples



- *Ethics codes **don't...** make people ethical, ...make bad people good, or ...make people with poor judgment wise.*
- *But **they can** help define what's right, instill an ethical culture, and establish standards of conduct in areas not governed by law.*

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Staff's Ethical Behavior



- Staff conduct controlled in Personnel Policies
- City Manager – Texas and/or International City Management Associations Code of Ethics
- Finance Directors, City Secretary, Engineers, Accountants, Purchasing Agents, etc. have professional codes
- **Hire/Support** professionalism

TCMA Code of Ethics

as adopted by TCMA in April 1984 and with TCMA Board-approved revisions through June 2023

TENET 1 We believe professional management is essential to effective, efficient, equitable, and democratic local government.

TENET 2 Affirm the dignity and worth of local government services and maintain a deep sense of social responsibility as a trusted public servant.

TENET 3 Demonstrate by word and action the highest standards of ethical conduct and integrity in all public, professional, and personal relationships in order that the member may merit the trust and respect of the elected and appointed officials, employees, and the public.

TENET 4 Serve the best interests of all community members.

TENET 5 Submit policy proposals to elected officials; provide them with facts, and technical and professional advice about policy options; and collaborate with them in setting goals for the community and organization.

TENET 6 Recognize that elected representatives are accountable to their community for the decisions they make; members are responsible for implementing those decisions.

TENET 7 Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.

TENET 8 Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.

TENET 9 Keep the community informed on local government affairs. Encourage and facilitate active engagement and constructive communication between community members and all local government officials.

TENET 10 Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference and handle each problem without discrimination on the basis of prejudice and justice.

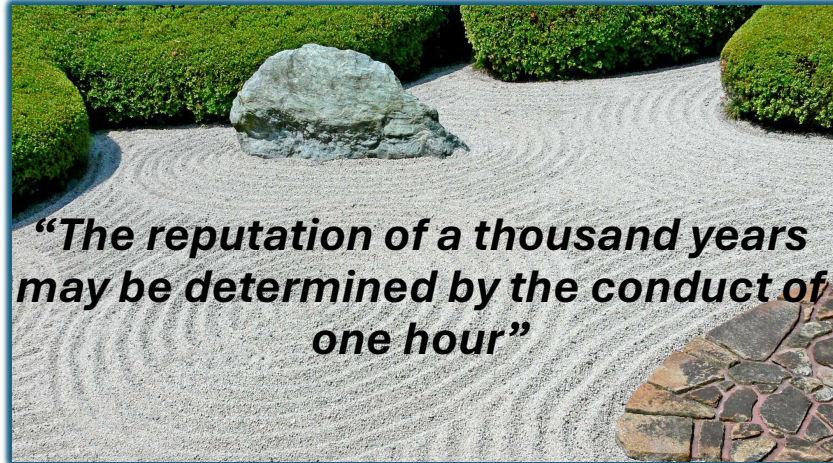
TENET 11 Manage all personnel matters with fairness and impartiality.

TENET 12 Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

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Japanese Proverb:

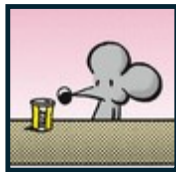


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What key question Rat *should have* asked...
What YOU should ask...

Rat



- *Can I Get Away With It?*

You



- **What's the Public Purpose?**
- **How Does This Benefit the Public?**

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Summary & Closing Thoughts

- Place **public interest** over all other considerations including personal or private interests.
- Make decisions on the **merits**
- Conduct government openly, efficiently, equitably, and **honorably**.
- Observe the **letter and spirit of the law**.
- Avoid appearances of impropriety or **unethical conduct**.

- *A topic for TML today...and for a long past...*



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The Athenian Oath



- *We will never bring disgrace to this our city by any act of dishonesty or cowardice, nor ever desert our suffering comrades in the ranks;*
...

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- *We will fight for the ideals and the sacred things of the city, both alone and with many;*

...

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- *We will revere and obey the city's laws and do our best to incite to a like respect and reverence those who are prone to annul or set them at naught; ...*



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- *We will strive unceasingly to quicken the public sense of public duty; ...*



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- *That thus, in all these ways, we will transmit this city not only not less, but greater, better, and more beautiful than it was transmitted to us.*

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Best Wishes.

Thank You.

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Dan Johnson

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Dan Johnson is the recently retired City Manager of Richardson, Texas. Johnson's 45 years as a public administrator have been served in a variety of capacities in the DFW Metroplex. Dan's most recent 25 years with the City of Richardson included his 2012 appointment as City Manager, and his prior service as Deputy City Manager for Richardson from 1996.

Prior to his move to Richardson in 1996, Johnson served for 11 years at the City of Carrollton, Texas, including three years as City Manager, and eight years as Deputy City Manager. Earlier service included responsibilities as Director of Regional Services for three years at the North Central Texas Council of Governments (D-FW metro area), and he was Budget Officer in Sherman, Texas, for five years.

Dan holds a Bachelors Degree in Political Science from Austin College, and a Masters in Public Administration from the University of North Texas. He is also a graduate of the Public Executive Institute of the LBJ School of Public Affairs. Johnson is the 1995 *Distinguished Alumni* recipient for the Department of Public Administration at the University of North Texas. He is a Past-President for the Urban Management Assistants of North Texas (UMANT), the North Texas City Management Association (NTCMA), and the Texas City Management Association (TCMA).

In 2022, Dan was named a "*Distinguished Member*" of the Texas City Management Association - one of only seven in the 100-year history of TCMA. He also received the TCMA Lifetime Achievement Award and is the inaugural recipient of TCMA's Excellence in Ethics and Integrity Award. Dan has received "Life Member" status in both ICMA and TCMA. Dan is the 2021 "Citizen of the Year" award recipient from the Richardson Chamber of Commerce. The North Central Texas Council of Governments (DFW) presented Dan with the *2022 Bill Pitsstick Commitment to Regionalism Award* for demonstrated regional care and service over his 45-year public administration career.

Dan serves on the Methodist Richardson Medical Center Advisory Board, the Methodist Health System Corporate Board, the University of Texas at Dallas Development Board and the Advisory Council for the UTDallas School of Economic, Political & Policy Sciences. He is also a Board Member of the University of North Texas Public Administration Advisory Board. He was the Past-Treasurer & Board Executive Committee Member of the North Texas Commission.

Dan, and his wife Tina, live in Richardson. Dan continues as an active public administration advisor and trainer on topics of municipal service, including Ethics & Governance, Economic Development, Public Finance & Budgets, Transit-Oriented Planning and Development, and Public Management & Leadership, among other topics. Dan serves as adjunct faculty for both UNT and UTDallas. He's the Local Government Policy Advisor to the North Texas Commission.

(🐶 Dan and Tina homeschool their miniature schnauzer, Luna!)

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