

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 180476

Amending Article XV of the Administrative Code of Kansas City, Missouri, related to the Code of Ethics, by repealing Sections 2-2030, and 2-2062 and enacting in lieu thereof sections of like number which requires reporting gifts of over fifty dollars, and requires the mayor pro tem to communicate a report of councilmembers' travel on a monthly basis to the city clerk, and enacts a new Section 2-2112, requiring the Ethics Commission to review the Code of Ethics and recommend changes on a biennial basis.

**Sec. 2-2030. Acceptance of gifts**

(a) *Definitions.* Unless the context specifically indicates otherwise, the terms as used in this division are defined as follows:

- (1) Gift means anything of value given to a person whether tangible or intangible, which would reasonably be considered of worth, use or service to the person to whom it is conferred. The term gift includes but is not limited to:
  - (A) Money;
  - (B) Products or merchandise;
  - (C) Works of art or collectibles;
  - (D) Stocks, bonds, notes or options;
  - (E) An interest in real property;
  - (F) Contracts or a promise of a future interest in a contract;
  - (G) An interest or a promise of a future interest in a business;
  - (H) Meals, beverages or lodging;
  - (I) Transportation for noncity purposes;
  - (J) Services, including loaned employees;
  - (K) Loans, loan guarantees, cosigning;
  - (L) Forgiveness of a debt;
  - (M) Discounts or rebates not extended to the public generally;
  - (N) Preferential treatment;

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- (O) Tickets or admissions to events, concerts or performances, other than those provided by the City;
  - (P) Free or discounted use of office facilities;
  - (Q) Loan of office equipment;
  - (R) Promise or offer of present or future employment;
  - (S) Use of autos, boats, apartments or other recreational or lodging facilities;
  - (T) Intangible rights such as cause of action;
  - (U) Licenses, patents, copyrights or any interest therein;
  - (V) Fees and honorariums for an appearance or speech, or for participation at any event, in his or her official capacity; excluding payment or reimbursement for reasonable and necessary expenses related to any such activity; and
  - (W) Any other items tangible or intangible having economic value.
- (2) A gift for purposes of this section does not include:
- (A) Gifts from any immediate family member, parent, emancipated child, grandparent, grandchild, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, great uncle, great aunt, first cousin, second cousin, or the spouse or domestic partner of any of these persons;
  - (B) Campaign contributions which are reported under RSMo. Ch. 130, as amended;
  - (C) Contributions to any cause or organization, including a bona fide charity, made in response to a direct solicitation from an officer or employee;
  - (D) Wages or salary paid for work or services from outside employment; or
  - (E) Compensation paid for goods or services to self-employed individuals; or

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- (F) Travel, expenses, registrations, and similar items provided to a person by a city department or affiliated entity such as the Economic Development Corporation or any of its agencies, Port Authority, or as a result of their membership in a not-for-profit organization existing to assist local governments, such as the National League of Cities, National Black Caucus, Missouri Municipal League, and the Mid-America Regional Council, and other similar groups.
- (3) Gifts totaling in value more than \$50.00 given to the official or employee or a member of his or her immediate family at the same or substantially the same time shall be deemed a single gift to the officer or employee.
- (4) Substantial interest in legislative or administrative action means persons or organizations which:
  - (A) Are regulated by the city;
  - (B) Provide goods and services to the city for compensation or profit;
  - (C) Seek employment with the city or any agency thereof;
  - (D) Will be directly and substantially affected, either financially or personally, by any contemplated legislative or administrative action;
  - (E) Have or seek contracts for goods or services with any department or agency of the city; or
- (b) *Acceptance of gifts.*
  - (1) No official or employee or an immediate family member of an official or employee shall knowingly accept any gift having a value in excess of \$50.00 but less than, or equal to, \$1,000.00 or the maximum allowed by Missouri law, whichever is less, from any person or organization having a substantial interest in any legislative or administrative action of the city, unless such gift is disclosed as required in this article.
  - (2) No official or employee or an immediate family member of an official or employee shall knowingly accept any gift having a value in excess of \$1,000.00 or the maximum allowed by Missouri law, whichever is less, from any person or organization having a substantial interest in any legislative or administrative action of the city.
- (c) *Disclosure.* Any official or employee who accepts a gift having a value of more than \$50.00 but less than, or equal to, \$1,000 or the maximum allowed by Missouri

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law, whichever is less shall disclose the receipt of that gift within fifteen (15) days of the end of the quarter in which the gift was received on a disclosure form provided by the City Clerk by filing the original disclosure form with the City Clerk. These records shall be available to the internal auditor, ethics compliance officer and director of the department to which assigned, the mayor if assigned to the mayor's office, the mayor pro tem if a council member or the council office or the city manager if assigned to the city manager's office or not otherwise assigned. Failure to file this gift disclosure form when required to do so shall be reported by the internal auditor to the City Clerk, internal auditor, ethics compliance officer and director of the department to which assigned, the mayor if assigned to the mayor's office, the mayor pro tem if a council member or assigned to the council office or to the city manager if assigned to the city manager's office or not otherwise assigned.

**Sec. 2-2044. Prohibited activities after leaving municipal service**

(a) *Prohibition.* No elected official, or employee of the city serving in an executive or administrative capacity, shall perform any service for any monetary or in-kind compensation during one year after termination of his or her office or employment by which performance he or she attempts to directly influence a decision of the city or any department or agency thereof.

(b) *Exception.* This section shall not be construed to prevent any person from:

- (1) Performing such service and receiving compensation therefor in an adversary proceeding having a record or right of appeal or in the preparation or filing of any public document; or
- (2) Submitting any bid and participating in any contract from a successful bid with the city for any goods or services which will be awarded to the lowest and best bidder; or
- (3) If an employee of the City in an executive or administrative capacity, discussing issues or projects, informing about issues or projects, providing an opinion, or making a recommendation on issues, projects or policy, related to duties as a full-time employee of an agency contracting with the City to provide services that furthers the work of the City, and is specifically approved by the City Council.

**Sec. 2-2062. Travel and other expenses**

(a) *Travel expenses - All officials and employees.*

- (1) *Report required.* An official or employee traveling on business for the city shall report all expenses incurred by the city for every business trip.

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- (2) *Third party expenses.* When expenses for an official or employee are incurred by a person other than that official or employee, the reimbursement request will clearly state by whom the additional expenses were incurred.
- (3) *Maintenance of reports.* These reports shall be maintained by each department or office. The mayor's office shall maintain reports for the mayor and all employees of that office. The mayor pro tem shall maintain reports for the members of the council and all employees of the council. The mayor pro tem shall communicate a report of travel by councilmembers to the clerk on a monthly basis.
- (4) *Reconciliation of advances.*
  - (A) *Deadline for reconciliation.* Expenses shall be reconciled within 30 days of incurring the expense, or the completion of travel, whichever is later. The director of finance is authorized to reduce this period through the director's manual of instructions applicable to all employees.
  - (B) *Consent to paycheck deductions.* To be eligible for travel advances, an official or employee will execute their consent to paycheck deduction in accordance with this section for the recovery of advances not properly reconciled as required by this section.
  - (C) *Automatic deduction from paycheck.* Within seven calendar days after the reconciliation is due, the director of finance shall notify the delinquent public official, including an employee, that the amount of any advance received by the official or employee that is not reconciled within seven days shall be deducted from the next or following paycheck depending upon administrative ability of the finance department to provide for the deduction, consistent with the policy and practices of the finance department. An advance that exceeds the net amount of a paycheck shall be spread over two or more pay periods until the advance is recovered based upon a plan authorized by the director of finance.
  - (D) *Reconciliation of expenses not precluded.* The official or employee may reconcile their expenses in accordance with this section and the policy and practices of the finance department after the recovery of the expense advance.
- (5) *Preclusion of travel advances.* Nothing in this code of ethics precludes the city manager or any department director from establishing a policy that denies travel advances to any or all officials or employees.

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(b) *Department expenses incurred for mayor and council members.* When a city department, other than the office of the mayor or the city council office, incurs any expense, the benefit of which goes to a councilmember, whether reimbursed to another or paid directly by the department, a report will be forwarded by that department to the internal auditor within ten days of incurring the expense.

**Sec. 2-2112. Review of Code of Ethics.**

The Ethics Commission shall review the Code of Ethics and recommend changes thereto on a biennial basis. The first review shall be completed by August 31, 2019.

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Approved as to form and legality:

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Saskia Jacobse  
Assistant City Attorney