

RESOLUTION NO. 333

A RESOLUTION OF THE CITY OF DARDENNE PRAIRIE AMENDING RESOLUTION NO. 163; AND ADOPTING A POLICY ON STANDARDS OF CONDUCT FOR CITY PERSONNEL FOR THE CITY OF DARDENNE PRAIRIE, MISSOURI

WHEREAS, pursuant to Section 79.150, RSMo., “The board of aldermen may prescribe and enforce such rules as it may find necessary for the expeditious transaction of its business[;]” and

WHEREAS, on September 20, 2006, pursuant to Resolution No. 163, the City adopted a policy establishing procedures to prevent fraud, waste, abuse and other irregularities in the City of Dardenne Prairie; and

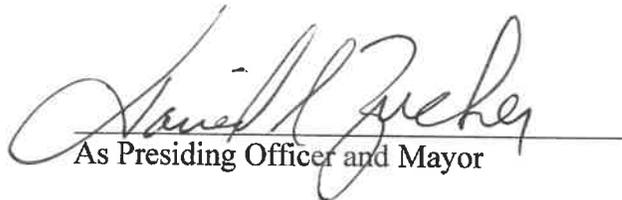
WHEREAS, the Board of Aldermen of the City of Dardenne Prairie, Missouri desires to amend the City’s policy;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF DARDENNE PRAIRIE, MISSOURI AS FOLLOWS:

SECTION 1. That Resolution No. 163 of the City of Dardenne Prairie, Missouri, be and is hereby amended by deleting Exhibit A thereto in its entirety, and replacing it, in lieu thereof, with a new Exhibit A, a copy of which is attached hereto as **Attachment I** and incorporated by reference herein.

SECTION 2. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption.

PASSED AND RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF DARDENNE PRAIRIE, MISSOURI, THIS 1st DAY OF APRIL, 2020.


As Presiding Officer and Mayor

Attest: Kim Clark
City Clerk

ATTACHMENT I

EXHIBIT A

CITY OF DARDENNE PRAIRIE
POLICY ON
STANDARDS OF CONDUCT FOR CITY PERSONNEL
Approved by Resolution No. 333 on April 1, 2020

The City of Dardenne Prairie (the "City") is committed to protecting its revenue, property, information and other assets from any attempt, either by members of the public, contractors, vendors, agents or its own employees, to gain by deceit, financial or other benefits at the expense of City taxpayers.

City officials and employees must, at all times, comply with all applicable laws and regulations. The City will not condone the activities of officials or employees who achieve results through violation of the law or unethical business dealings.

This policy sets out specific guidelines and responsibilities regarding appropriate actions that must be followed for the investigation of fraud and potentially fraudulent conduct.

Fraud and Other Similar Irregularities

A. For purposes of this policy, fraud is defined as an intentional, false representation or concealment of a material fact practiced to secure an unfair or unlawful gain to the perpetrator or another upon whose behalf he or she acts. Fraud shall include acts of theft, larceny, embezzlement, fraudulent conversion, false pretenses, forgery, corrupt practices and falsification of accounts. For purposes of this policy, other similar irregularities is defined as any activity involving questionable behavior or business dealings by members of the public, contractors, consultants, vendors, agents or City employees, that put City revenue, property, information and other assets at risk of waste or abuse, and/or causes waste or abuse of the same. Other similar fraudulent conduct includes the offering, giving, soliciting, or acceptance of any inducement or reward for the purpose of influencing the actions taken by an official or employee, and shall include other acts as described herein. Examples of fraud include, but are not limited to:

1. Misuse or embezzlement of funds;
2. Forgery or alteration of checks, bank drafts, invoices, time cards, time sheets, promissory notes, securities, or any other financial documents or accounts.
3. Falsifying time cards, time sheets, expense reports, or other report documents.
4. Misappropriation of funds, securities, supplies or any other asset.
5. Impropriety in the handling or reporting of money or financial transactions.
6. Seeking or accepting anything of material value from vendors, consultants, contractors, or persons providing services and/or materials to the City in exchange for an

official action or inaction on a matter which the City official, employee, vendor, consultant, contractor, and/or agent is empowered to act.

7. Destruction, removal, waste, abuse, or misuse of records, furniture, fixtures, equipment, information, materials, or property belonging to the City, except as otherwise permitted and/or required by law.

8. Any computer related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misuse of City-owned software.

9. Any claim for reimbursement of expenses that are not made for the exclusive benefit of the City.

10. The offering, giving, receiving, or soliciting of anything of value to influence an official act or a business decision.

11. Unauthorized disclosure of confidential, personal or proprietary information to others.

12. Failure to disclose economic or personal interest in a transaction that adversely affects the City.

Applicability

This policy applies to all Elected and Appointed Officials and employees of the City of Dardenne Prairie as well as any business or individual doing business with the City.

City Auditor

The City Auditor shall be the person designated by the Mayor, with the consent of the Board of Aldermen, to serve as the City Auditor for purposes of monitoring compliance with this policy, except as provided herein.

General Policy and Responsibilities

1. It is the City's intent to fully investigate any suspected acts of fraud as defined herein. An objective and impartial investigation will be conducted regardless of the position, title, length of service or relationship with the City of any party who might be, or becomes, involved in, or is, or becomes, the subject of such investigation.

2. Each Elected and Appointed Official is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud and potentially fraudulent activity or conduct. Management should be familiar with the types of improprieties that might occur within their area of responsibility and be alert for any indications of such activity or conduct.

3. The City Attorney has the primary responsibility for the investigation of all activity defined in this policy. The Acting President of the Board of Aldermen, in consultation with the Municipal Prosecuting Attorney, or such Special Counsel as may be employed by the City from time to time, has responsibility for investigation of activity of the City Attorney.

4. The City Attorney will notify the City Administrator of a reported allegation of fraudulent or potentially fraudulent conduct upon the commencement of the investigation to the extent practical; provided, however, if the City Administrator is the subject of an allegation of fraudulent conduct, the City Attorney will notify the Acting President of the Board of Aldermen of the commencement of the investigation to the extent practical. Throughout the investigation, these individuals will be informed of pertinent investigative findings.

5. In all circumstances where there are reasonable grounds to indicate that fraudulent conduct may have occurred, the City Attorney will contact the appropriate law enforcement officials.

6. Upon conclusion of the investigation, the results will be reported to the City Administrator, the Acting President of the Board of Aldermen, the City Attorney, and others as determined necessary, unless such person is the subject of the investigation, in which case the other aforementioned individuals shall be so notified.

7. The City will pursue every reasonable effort, including court ordered restitution, to obtain recovery of any losses from the offender or other responsible party or parties.

Procedures

1. All Employees

Any employee who has knowledge of an occurrence of fraudulent or potentially fraudulent activity or conduct, or has reason to suspect that such activity or conduct has occurred, shall immediately notify the City Administrator. If the employee has reason to believe that the City Administrator may be involved, or does not feel comfortable reporting the occurrence to the City Administrator, the employee shall immediately notify the City Attorney.

The employee shall not discuss the matter with anyone other than the City Administrator, the City Auditor, the City Attorney and the applicable law enforcement agency. Employees have a duty to cooperate during an investigation.

Employees who knowingly make false allegations will be subject to discipline, up to and including dismissal.

2. City Administrator

Upon notification from an employee of suspected fraudulent activity or conduct, or if the City Administrator has reason to suspect that fraudulent activity or conduct has occurred, the City Administrator shall immediately notify the City Attorney. The City Administrator shall not attempt to investigate the suspected fraudulent activity or conduct, or to discuss the matter with anyone other than the person who reported the activity or conduct, the City Auditor, the City Attorney and appropriate law enforcement officials.

3. City Attorney

Upon notification or discovery of suspected fraudulent activity or conduct, the City Attorney will promptly investigate the conduct. In all circumstances where there appears

to be reasonable grounds for suspecting that fraudulent activity or conduct has occurred, the City Attorney will contact the appropriate law enforcement officials.

4. Contacts/Protocols

After an initial review and a determination that the suspected fraud warrants additional investigation, the City Attorney will notify the City Administrator of the allegations. The City Attorney shall coordinate the investigation with the appropriate law enforcement officials.

5. Security of Evidence

Once suspected fraudulent activity or conduct is reported, the City Attorney shall take immediate action to prevent the theft, alteration, or destruction of relevant records or materials. Such actions include, but are not necessarily limited to, removing the records or materials and placing them in a secure location, limiting access to the location where the records or materials currently reside, and preventing the individual suspected of committing the fraud from having access to the records or materials. The records or materials must be adequately secured until the City Attorney obtains the records or materials to begin the audit investigation.

6. Personnel Actions

If a suspicion of fraud is substantiated by the investigation, disciplinary action, up to and including dismissal, shall be taken by the appropriate level of management, in consultation with the City Administrator, the Mayor, the Board of Aldermen and the City Attorney, in conformance with the City's Personnel Policies and Procedures.

Unless the City Attorney determines that exceptional circumstances exist, a person under investigation for fraud shall be given notice in writing of the essential elements of the allegations following the conclusion of the audit investigation and prior to disciplinary action being taken. Where notice is given, the person against whom allegations are being made may submit a written explanation to the City Attorney no later than seven (7) calendar days after the notice is received.

7. Confidentiality

All participants in an investigation of fraud shall keep the details and results of the investigation confidential. However, the City Attorney, City Administrator, and the appropriate law enforcement officials, may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.

8. Whistle-Blower Protection

Pursuant to Section 610.021(16) of the Revised Statutes of Missouri, as amended, records relating to municipal hot lines established for the reporting of abuse and wrongdoing are considered closed records and are not open to the public. Therefore, "whistle-blowers" can stay anonymous.

In addition, no employer or person acting on behalf of an employer shall:

- a.) Dismiss or threaten to dismiss an employee;
- b.) Discipline or suspend, or threaten to discipline or suspend, an employee;
- c.) Impose any penalty upon an employee; or
- d.) Intimidate or coerce an employee

because the employee has acted in accordance with the requirements of this policy. The violation of this section will result in discipline up to and including dismissal in accordance with the applicable federal, state and local administrative laws.

9. Media Issues

Any appointed or elected official, or employee, contacted by the media with respect to an alleged fraud or an investigation of such, shall refer the media to the City Administrator. The alleged fraud or investigation of such, shall not be discussed with the media by any person other than through the City Administrator, in consultation with City Auditor and the City Attorney.

If the City Attorney's office is contacted by the media regarding an alleged fraud or other similar irregularity, and/or an investigation of such, the City Attorney will consult with the City Administrator, as appropriate, before responding to a media request for information or interview. The City Administrator will determine and direct preparation of media releases and identify an appropriate City spokesperson, as required.

10. Documentation

At the conclusion of the investigation, the City Attorney will document the results in a confidential memorandum report to the City Administrator, and others as determined necessary. If the report concludes that fraud was likely committed, the report will be forwarded to the appropriate law enforcement officials.

The City Attorney will also be required to make recommendations to the appropriate City officials which will assist in developing procedures to prevent future similar occurrences.

11. Completion of Investigation

Upon completion of the investigation, including all legal and personnel actions, any records, documents and other evidentiary material will be returned by the City Attorney to the appropriate City department.

12. Reporting to External Auditors

The City Attorney will report to the external auditors of the City all information relating to investigations.

13. Training

New employees shall be trained at the time of hiring about the City's Policy on Standards of Conduct for City Personnel. This training explicitly covers expectations of all employees regarding:

- a.) Their duty to report certain matters and conduct;
- b.) A list of the types of matters, including actual or suspected fraud, to be communicated along with specific examples; and
- c.) Information on how to communicate those matters.

14. Annual Report

As directed by Board of Aldermen, the City Attorney will report, on an annual basis, information related to investigations of fraud undertaken during the year.