

HOW PHILLY WORKS 'Tis the Season...Gifts and City Employees

Is it okay to slip an L&I inspector \$30? Give a \$200 necklace to your district City Council member? Bake cookies for a city employee who helped you through the maze of city permits?

Gifts to people who work for city government don't just happen during the holiday season. And while some may be given in the spirit of friendship, others may come with strings attached. At least the public could perceive it that way.

Today at 1 p.m., at One Parkway Building, 1515 Arch Street, 18th floor, the Philadelphia Board of Ethics will hold a public hearing on a proposed regulation that spells out the dos and don'ts of the city's gifts policy. You can come to the hearing. You can even speak at the hearing. Or you can read this [HOW PHILLY WORKS](#) and wait until we let you know the outcome of today's discussion before giving your gift to a city employee.

- November 20, 2013

It's almost the holidays. Why shouldn't city employees get gifts like everyone else?

People who work in city government aren't just "everyone else." They work for, and are paid by, the taxpayers. When government employees accept gifts, it can create the appearance of improper influence – even if the gifts don't actually affect how they perform their jobs. This perception can undermine the public's trust in their government.

Remind me what the Board of Ethics is.

The Board of Ethics administers and enforces the city's campaign finance, financial disclosure, ethics, conflicts of interest and lobbyist registration and disclosure laws. Created by the voters in 2006, the Board has five members appointed by the mayor and confirmed by City Council. The Board gives ethics training to city employees and advises them on city rules affecting them.

What is the regulation being discussed today all about?

City rules prohibit employees from soliciting, accepting or receiving gifts, loans, gratuities, favors or services of "substantial economic value" that "might reasonably be expected to influence" them in performing their jobs. The regulation is the Board's effort to explain what the rules mean.

I'm not sure what "substantial economic value" means.

Join the crowd. The rules leave it up to city employees to decide what it means. Since what is "substantial" to one person may not be substantial to another, the regulation proposes a financial threshold for guidance: up to \$200 for non-monetary gifts and up to \$50 in cash. You can read the proposed regulation [here](#).



Can you give me some examples?

Here are two straight from the proposal: A lawyer who wants a job in the law department can give City Solicitor Shelley Smith a pre-paid \$49 debit card. A vendor with a Department of Parks and Recreation contract can give department head Mike DeBerardinis a \$199 vase.

What about the \$50 in cash?

A group of restaurant owners can each slip an L&I inspector \$5, \$10 or \$20 during his visit – as long as the cash doesn't top \$50 a year or is being given to influence the outcome of an inspection.

And what if it is being given to influence the outcome of an inspection?

The employee isn't supposed to accept it. The proposed regulation makes clear that employees can't take gifts from just anyone – from close family members, yes; from people trying to influence the way they do their job, never. City rules forbid city officials, employees and members of certain boards and commissions from soliciting or accepting any compensation or gratuity (including gifts, meals or invitations) that is given in order to influence how they perform their city jobs.

How does an employee know if a gift is given in order to “influence” them?

In opinions the Ethics Board gives employees who ask for advice, they use a “what-would-the-average-person-expect” test to determine whether a gift is given to tempt someone to act favorably towards the donor. But in real life, the donor's intent can be very hard to figure out. (No donor in their right mind would admit a gift is being given to influence city action.)

Seventy is all about ethics. What do you think about the proposed regulation?

We are very worried. We think the financial limits are too high. We believe it's dangerous to allow city employees to accept any cash at all. We made our views known in an [October OpEd](#) that appeared in the *Philadelphia Inquirer* and will testify at today's hearing.

Does the Nutter administration have anything to say about this?

The city's Chief Integrity Officer and Inspector General raised concerns similar to Seventy's in a [Daily News OpEd](#) yesterday and recommended that the Ethics Board follow the much more restrictive gifts policy in Mayor Nutter's [Executive Order](#).

Who does the Executive Order cover?

The Executive Order covers all employees who work for Mayor Nutter in executive branch departments and agencies. Non-executive branch employees – such as members of City Council, the City Controller, the Sheriff, City Commissioners and their staffs – are not covered by the mayor's Executive Order. But they do have to comply with the city rules we mentioned earlier.



Why are there two sets of rules?

Because the mayor doesn't think the city's rules are strict enough. But the Executive Order lasts only as long as Michael Nutter is mayor. The next mayor could get rid of it. Seventy believes two different rules are confusing and could lead employees to claim they didn't know which rules they have to live by. We will urge the Ethics Board to recommend the enactment of stronger rules by City Council so that a separate Executive Order is not necessary.

If the regulation passes, does it supersede the mayor's Executive Order?

No. The people covered by the Executive Order will still have to comply with it. And the Order could very well prohibit the acceptance of gifts that is otherwise allowed under the city's gifts rules. Again, the Executive Order is only good until a new mayor takes office in January 2016.

Didn't a high ranking city official go to jail for taking improper gifts?

You're probably thinking about former city Treasurer Corey Kemp. Yes, he certainly violated the city's gift rules by accepting Super Bowl tickets, a free deck for his house, cash, trips, and much more in exchange for steering city contracts to a lawyer and his allies. But that was the least of his problems. Convictions on numerous public corruption charges landed him in federal prison.

How do city employees know which ethics rules apply to them?

The Board of Ethics gives ethics trainings to city employees. The city also has a great [website](#) that lays out all applicable rules. When in doubt, the mayor's Chief Integrity Officer recommends the "six o'clock news" test: if you don't want to hear about yourself on the evening news, **don't do it.**

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