

Ethics Compliance & Conflicts of Interest Training

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Why Ethics Training?



As Councilmembers:

You give a tremendous amount of time and energy to serving Draper.

Ethics rules protect you personally

- from liability,
- reputational harm, and
- unintended violations that could follow you beyond your time on the Council.



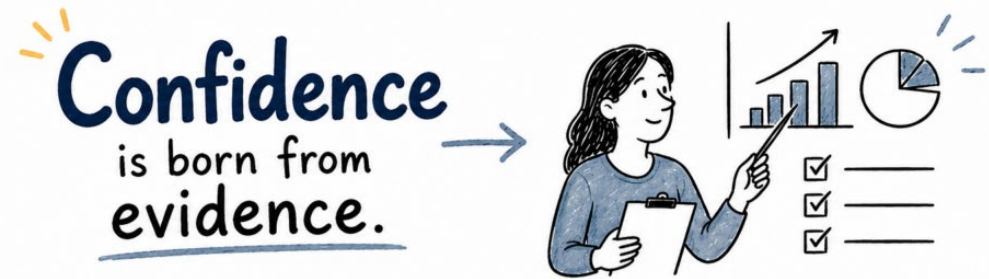
Ethics Rules Protect the City

- from legal exposure,
- financial risk, and
- loss of public trust
— which ultimately
affects every program
and service we
deliver.



Ethics Rules Keep the Public's Trust Strong

- 2024 state law updates have clearer annual disclosure obligations and
- stronger transparency requirements.



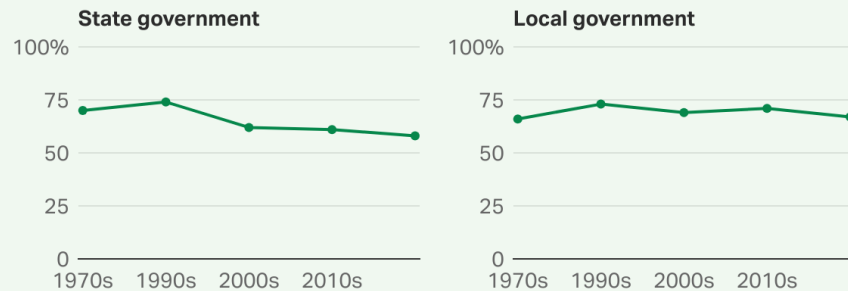
Good News: High Trust in State/Local Governments

Solid majorities of Americans express trust in their state and local governments

Currently, 59% of Americans trust their state government to handle state problems, and 65% trust their local government to handle local problems.

Trends in Americans' Trust in State and Local Governments

Figures are the percentages who have a great deal or fair amount of trust, averaged by decade.



Gallup did not measure trust in government between 1977 and 1996.

GALLUP

These figures are similar to the averages for the past decade — and for local government, largely in line with what Gallup measured in the 1970s. Average trust in state government has declined by 12 points since then, less than is seen for the five federal government branches or policy areas.

- *Gallup 9/2-16 2025 governance poll*

Bad News: Very Low Trust in the US Federal Government

“Americans’ trust in various US federal government institutions remains mired near five-decade lows.”

- Gallup 9/2-16 2025 governance poll

“Just 17% of Americans now say they trust the government in Washington to do what is right “just about always” (2%) or “most of the time” (15%).

- Pew Research Center 12/2/2025



Ethics Defined

- The English word ethics has its roots in the Ancient Greek word êthos (ἦθος), meaning 'character' and 'personal disposition'.
- Also known as: moral philosophy.
- The discipline concerned with what is morally good and bad and morally right and wrong. The term is also applied to any system or theory of moral values or principles.
- For purposes of this training: moral principals that govern a person's behavior, a code that establishes a minimum level of conduct practiced by a person or group of people.



"I often describe ethics as a bridge: on one side is power, on the other is trust. If that bridge breaks, people may see government as powerful but not fair. With ethics — through transparency, accountability, and integrity — we reconnect the two."

-- James Baldwin, (1924 – 1987) Civil Rights Activist

Applicable Laws and Requirements

Municipal Officers and Employees Act

Utah Code 10-3-1301 - 1313

Utah Public Officers and Employees Act

Utah Code 67-16-1 – 16

Draper City Municipal Code Title 19

Chapter 1: CODE OF ETHICS
FOR OFFICIALS AND
EMPLOYEES; RESPONSIBILITY
OF PUBLIC OFFICIALS

Chapter 2: DISCLOSURE;
CONFLICTS OF FINANCIAL
INTEREST



Quick Overview

Utah and Draper City's municipal ethics laws aim to:

- prevent conflicts of interest
- ensure public trust

They do this by:

- prohibiting officials from using their position for personal economic gain.
- Core prohibited actions include:
 - self-dealing,
 - accepting improper gifts,
 - misusing confidential information, and
 - participating in transactions where you have a private financial interest.





10-3-1302 Purpose

The purposes of this part are to establish standards of conduct for municipal officers and employees and to require these persons to disclose actual or potential conflicts of interest between their public duties and their personal interests.

DCMC 19-1-010: Goals



A. Application: Ethics is more than the avoidance of criminal behavior. It is a commitment for public servants to take individual responsibility in creating a government that has the trust and respect of its citizens. There needs to be a proactive approach in strengthening the emphasis on ethics and in guiding city elected officials and employees in upholding them. To preserve and maintain the integrity of responsible government and its decision making process, Draper City believes it is necessary that the identity, activities and expenditures of certain persons who engage in efforts to influence elected officials and employees of the city on matters within their official cognizance, either by direct communication or by solicitation of others to engage in such efforts, be publicly and regularly disclosed.

DCMC 19-1-010: GOALS!



B. Goals Specified: With subsection A of this section in mind, Draper City hereby adopts the following goals for the city's ethics program:

1. To promulgate and implement a **comprehensive approach** to ethics and integrity in Draper City government;
2. To **promote public confidence** in elected officials, appointed officials and employees by fostering the ethical operation of government;
3. To promote and **ensure compliance** with local, state, and federal ethics law;
4. To **centralize laws and regulations** on the ethical conduct of city elected officials, appointed officials and employees;
5. To **heighten knowledge and understanding** of the laws and ethical principles which are the inherent obligations of city elected officials and employees;
6. To **establish a system to train** city elected officials, appointed officials and employees to encourage compliance with these standards and to also **provide for periodic review**, and education on ethics;
7. To **enact an ethics officer system** that will continue to evolve and update our city's ethics program and to **provide guidance and education** to all city departments; and
8. To educate city officials and employees to **avoid the appearance of impropriety**.



DCMC 19-1-010: GOOOOOOOALS!



C. Level Of Ethics: Through this comprehensive ethics code and the related goals, the city will strive to elevate the level of ethics in local government, to provide honest and responsible service to the citizens of Draper City, and to maintain the confidence and trust of the public that this government serves.

So - What Could Possibly Go Wrong?!



Conflict of Interest

A conflict of interest is a situation where an individual or organization has competing personal, financial, or professional interests. These competing loyalties can make it difficult to remain impartial, creating a risk that their professional judgment or duties will be compromised by a secondary interest.

Four Main Types

1. Financial (direct or indirect monetary gain).
2. Relational (familial or social favoritism)
3. Organizational (competing allegiances or dual roles)
4. Informational (misuse of confidential or privileged data/info or communications)



Disclosure or Use of Confidential Information

UTAH: "It is an offense for an officer or municipal employee to disclose or improperly use private, controlled, or protected information acquired by reason of the officer's or municipal employee's official position or in the course of official duties in order to further substantially the officer's or municipal employee's personal economic interest or to secure special privileges or exemptions for the officer or municipal employee or for others." (10-3-1304(2)(a))

DRAPER CITY: "No city officer or employee with respect to any contract or transaction which is or may be the subject of an official act of the city shall, without proper legal authorization, disclose confidential information concerning the property, government, or affairs of the city, or use such information to advance the financial or other interests of such officer or employee or others." (19-2-030)



Use or Attempt to Use Official Position

UTAH: It is an offense

- To further substantially the officer/employee's personal economic interest, or
- Secure special privileges for the officer/employee or for others.

(10-3-1304(2)(b))

DRAPER CITY:

- Use of office for personal benefit follows state law.

(19-1-050).



"What's good for Milo Minderbinder, is good for the country."

Additional Note:

19-1-040: AGENTS OF PUBLIC PURPOSE:

City officers and employees are agents of public purpose and hold office for the benefit of the public. They are bound to uphold and impartially carry out Federal, State and City laws. They are bound to observe, in their official acts, the highest standards of performance and to discharge faithfully the duties of their office, regardless of personal considerations. Recognizing that the public interests must be their primary concern, their conduct in both their official and private affairs should be above reproach.





STATE ETHICS LAWS ALLOW THE FOLLOWING CONFLICTS WITH WRITTEN DISCLOSURE

- Compensation for assistance (representation of a person or business) in a transaction involving the municipality per 10-3-1305(2).
- Be employed by or own a substantial interest (more than \$5k) in a business entity regulated by the municipality per 10-3-1306.
- Be employed by or own a substantial interest in a business that does or anticipates doing business with the municipality per 10-3-1307.
- Personal interest or investment that creates a conflict between personal interests and elected officer's municipal duties per 10-3-1308.

Draper City



Draper City Prohibits:

19-2-020: PREACQUISITION OF INTEREST; INTEREST IN CONTRACT OR TRANSACTION:

- A. No city officer or employee with respect to any contract or transaction, which is or may be subject to an official act of the city shall acquire an interest in such contract or transaction at a time when the city officer or employee believes or has reason to believe that it will directly or indirectly be affected by an official act of the city.
- B. Unless a person has abstained from participating in the city decision to award or enter into a contract, no city officer or employee having the power or duty to perform an official act or action related to a contract or transaction, shall:
1. Have or thereafter acquire an interest in such contract or transaction;
 2. Have an interest in any business entity representing, advising or appearing on behalf of, whether paid or unpaid, any person involved in such contract or transaction;
 3. Have solicited present or future employment with a person or business entity involved in such contract or transaction by voting on the contract or transaction in question; or
 4. Have solicited, accepted or granted a present or future gift, favor, service or thing of value from or to a person involved in such contract or transaction.
- C. This section shall not impede a city officer or employee from applying for and/or receiving a business license, building permit or conditional use permit.

But ...what if you do?



If you have an interest in any proposed legislation or matter before the City Council, you must:

- disclose the nature and extent of that interest on the record during the meeting, and
- must leave the room during discussion, and
- not participate or vote.

19-2-010

Speaking of Disclosures

- All elected officers must complete and submit between Jan 1-31 every year you hold office.
- And within 30 days of starting new employment or significant change in value or ownership of any covered business entity or transaction involving the city.
- Submit to City Recorder for posting on City's website within 10 days + link to Lt. Gov.
- Remains public until you leave office
- These statements are public records
- Failure = MB + \$100 fine and reported to AG

Utah Code 10-3-1313, 20A-11-1604(6), and DCMC 19-2.



Additional Draper Restrictions

- 19-1-070: CITY ALLEGIANCE AND PROPER CONDUCT:
- A. No City officer or employee shall engage in private employment, or render services for a private interest, when such employment or service is incompatible with proper discharge of official duties or would tend to impair that officer's or employee's independence or judgment or action in the performance of those duties, unless otherwise permitted by law.
- B. No City officer or employee shall appear on behalf of any private person, other than himself, his spouse or minor children, before any City body. However, a member of the City Council may appear before City bodies on behalf of a constituent in the course of official duties as a representative of the electorate or in the performance of public or civic obligations.



No Gifts of Substantial Value



Or a substantial economic benefit tantamount to a gift, such as:

- a loan at an interest rate that is substantially lower than the commercial rate then currently prevalent for similar loans;
- compensation received for a private service rendered at a rate substantially exceeding the fair market value of the service.

(10-3-1304)

(Draper follows state law)

Economic Benefits Could Also Be:

- Free or heavily discounted goods, materials, or labor on personal projects for you.
- Free or discounted professional services.
- Favorable real estate or investment deals.
- Free or preferential use of property, facilities, or equipment.
- Debt forgiveness or reduction of an existing personal debt.
- Investment or business opportunities on preferential terms.
- Substantial entertainment, travel, or hospitality.
- Preferential treatment to your business by another business (better pricing, faster service, etc.)
- Finder's fees, commissions, or "referral" payments.
- Benefits to family members that economically benefit the official, i.e., a scholarship, job offer, internship, when it would not have been offered otherwise/but for the official's position.
- Use of someone else's time, expertise, or connections with clear economic value.



When You are Gifted Anything, Ask Yourself:

- Would the gift tend to influence a “reasonable person” in your position to depart from the impartial discharge of your public duties? Or
- Is the gift something a reasonable person in your position knows (or should know) under the circumstances is given primarily for the purpose of rewarding you for official action taken?





The Exception to the Gifts Rule:

- (a) an occasional nonpecuniary gift having a value of less than \$50;
- (b) an award publicly presented in recognition of public services;
- (c) any bona fide loan made in the ordinary course of business; or
- (d) a political campaign contribution.

(10-3-1304(3))

Draper's Ethics Title Also Prohibits:

- Asking a city council member for appointment to City service (either directly or indirectly) = disqualification!
- To appoint/remove, favor/discriminate against any appointed office because of the person's race, color, age, religion, sex, national origin, or functional limitation if they're otherwise qualified.
- No special treatment or advantage "to any citizen beyond that which is available to every other citizen."

DCMC 19-1-030



Your Voter:



I need a favor!

Magic Words:



Remember: No special treatment or advantage
“to any citizen beyond that which is available to
every other citizen.” (19-1-030(C))

77-7-26. Improper disposition or
cancellation of notice to appear or traffic
citation -- Official misconduct --
Misdemeanor.

(1)(a) It is unlawful and official misconduct
for any peace officer or other officer or
public employee to dispose of:

- (i) a notice to appear; or
- (ii) traffic citation.

(b) The provisions of Subsection (1)(a) do
not apply if the disposal is done with the
consent of the magistrate before whom
the arrested person was to appear.

(2) A person who cancels or solicits the
cancellation of a notice to appear or a
traffic citation, in any manner other than
as provided by law, is guilty of a class B
misdemeanor.

Draper's Ethics Title Also Prohibits:

No use of city vehicles, equipment, materials or property for personal convenience or profit, unless available to the public generally or provided per policy for official business.

No councilmember can bid on or purchase property offered for sale by the City.

19-1-060

No private employment or services rendered if "incompatible with proper discharge of official duties or would tend to impair" your independence or judgment or action in the performance of those duties.

19-1-070

All City officials and employees should avoid even the appearance of conflict between their public duties and private interests.

19-1-080

Political Activity of City Officer

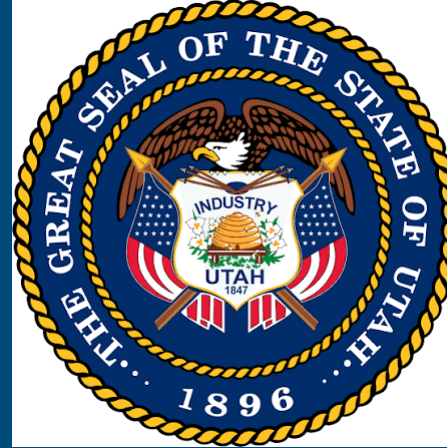
A city officer or employee may not

- use city equipment while engaged in campaigning or other political activity
- Coerce, command or advise an employee to contribute to your campaign
- Make employment status dependent on their support (or lack of support) for a party, person, etc.
- Solicit contributions on city property
- Promise appointments as a reward

19-1-090(B)(4 - 6), F & G



State Specific



- Effective 5/1/2024
- 10-3-1309. Inducing officer or employee to violate part prohibited.
- It is a class A misdemeanor for any person to induce or seek to induce an officer or a municipal employee to violate any of the provisions of this part.



PENALTIES FOR VIOLATION OF STATE LAW

- Removal from office/dismissal from employment if knowing/intentional violation, AND:
- F2 if total value of compensation, conflict of interest, or assistance > \$1,000.
- F3 if > \$250 but less than \$1,000.
- F3 if convicted 2x before when less than \$250.
- MA if over \$100 but less than \$250.
- MB if \$100 or less.

(Utah Code 10-3-1310)

PENALTIES FOR VIOLATION OF CITY CODE

- Judgment to enjoin or relinquish prohibited interest or the voiding of any contract or transaction.
- Knowing & intentional violations is an MB and may be dismissed from employment/removed from office.
- Intentional false reporting of an ethics violation is also an MB.

(DCMC 19-4-010 and 020)



DRAPER CITY
LEGAL DEPARTMENT

Employment with the City

Elected officials are prohibited from accepting employment with the city for 2 years following termination of their term of office.

19-1-100

Hiring of relatives prohibited unless the city manager determines that it serves the best interest of the city and does not create a conflict of interest.

19-1-110



Ethics Complaints Procedure

- Draper has not established a municipal ethics commission (you may by ordinance, if you desire).
- File complaints with the City Attorney per Title 19-3
- Or file with the State Political Subdivisions Ethics Review Commission

Corruption is a Whole New Ballgame

- Bribery or offering a bribe
- Receiving or soliciting bribes
- Threats to influence officials
- Official Misconduct (inside trading)
- Unauthorized action or failure of duty to knowingly harm another
- Unofficial misconduct: not taking the oath of office, failing to execute/file bond, acting beyond term expiration or removal, withholds or destroys documents.



Utah Code 76-8 Offenses Against the Administration of Government

Credibility is Fragile

“Few delights can equal the presence of one whom we trust utterly.” – George MacDonald

“Trust is earned in drops and lost in buckets.”
— Kevin Kelly, Excellent Advice for
Living: Wisdom I Wish I'd Known Earlier

“Trust takes years to build, seconds to break, and forever to repair.” -- (Unknown)



Questions or Comments?



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"Tonight is for the dreamers. Tonight is for the people who bring light into the world."