

Ethics Code and Municipal Campaign Finance Code Changes

Please note, changes to the Ethics Code and Municipal Campaign Finance Code have been approved and will be effective October 1, 2024. The following changes affect those individuals and entities doing business with the City:

Section	Final Details	Rationale
Ethics Code Sec. 2-58: Prohibited Interest in Discretionary Contracts	Clarifies that the one-year restriction related to prohibited interest in contracts by former City officers and employees is specifically related to the awarding of the contract by City Council.	Provides additional guidance that a former City officer and/or employee may submit a proposal for evaluation or participate in contract negotiations; however, the final awarding of the contract by City Council must occur at least one year after the end of service to the City.
Ethics Code Sec. 2-59: Disclosure of Parties, Owners, and Closely Related Persons	Clarifies that required disclosures must be made at the time a proposal is submitted but no later than 72 hours prior to action. Note: The disclosure form must be updated if any information changes before Council takes action on the transaction and within five business days of the change.	Early disclosure ensures transparency in the procurement process and provides sufficient time to verify eligibility and avoid late disqualifications.
Municipal Campaign Finance Code Sec. 2-309: Contribution Prohibitions	Prohibits business-specific PACs and all company board members (both for profit and non-profit) from contributing during high-profile contract prohibition periods. <i>Note: Change rescinds previous exception for Non-Profit Board Officers. Prohibits all non-profit board members from contributing during high-profile contract prohibition periods.</i>	Maintains public trust by preventing any perception of “pay to play” and ensures a level playing field for all entities seeking City contracts or zoning changes.

Frequently Asked Questions (FAQs)

1. Why were these code sections updated?

- The updates were made after an extensive review to enhance transparency, ensure fair competition, and maintain public trust. They aim to clarify existing rules and prevent conflicts of interest or unethical practices.

2. When do the changes take effect?

- The changes are effective **October 1, 2024**. At that time, all new solicitations and applications will be subject to the updated rules. Failure to comply may result in disqualification or penalties.

3. Do the changes regarding prohibited contributions affect all City contracts?

- No. Contribution restrictions are only applicable to a solicitation identified as **high-profile**. This measure ensures fairness by preventing financial contributions from influencing or appearing to influence the procurement process during prohibition periods.

4. Is a City Officer the same as a City Official?

- No. As defined in Sec. 2-52(e)(2), the term "officer" includes the Mayor, Councilmember, Municipal Court Judge, Municipal Court Magistrate and members of any board or commission which is more than advisory in nature. The term does not include members of the board of another governmental entity even if some or all of these members are appointed by the City.
- Section 2-42(v) defines the term "City official", and it includes higher level employees, and advisory board members. The list is updated by HR annually.
- Section 2-62(a) also has a definition of a "City official" for lobbying purposes.

Note: The term 'officer' is not interchangeable with 'official' in the Ethics Code.

5. When must disclosures of parties, owners, and related persons be made?

- Disclosures must be made at the time a proposal is submitted, but no later than 72 hours prior to any action by the City. Additionally, the disclosure must be updated as needed. This early disclosure ensures transparency and sufficient time for eligibility verification.

6. Who is prohibited from making contributions during high-profile contract periods?

- (1) Any individual seeking a high-profile contract;
- (2) Any owner, officer, officer of board, executive committee member, and general board member of an entity seeking a high-profile contract; (**AMENDED**)
- (3) The legal signatory of the high-profile contract;
- (4) Any attorney, lobbyist or consultant hired or retained to assist the individual or entity in seeking a high-profile contract;
- (5) Subcontractors hired or retained to provide services under the high-profile contract; and
- (6) Any first-degree member of the household of any person listed under in (1), (2), (3) or (5) of this subsection.
- (7) Any corporate PAC established or formed by the entity seeking a high-profile contract.
(**NEW**)

Note: The October 1st change eliminates the previous exception for Non-Profit Board Officers and adds prohibitions to Corporate PACs.

7. What are the contribution blackout periods for high-profile contracts?

- Under Section 2-309 of the Municipal Campaign Finance Code, the blackout period for high-profile contracts begins on the 10th business day after a contract solicitation is released and continues until the 30th calendar day following the contract's approval by City Council.

8. Where can I find a list of open and pending high-profile contracts?

- A list of open and pending high-profile contracts can be found on the Procurement website at: <https://www.sa.gov/Directory/Departments/Finance/About/Divisions/Procurement/Bidding-Contracting/High-Profile-Solicitations>.

9. How can vendors ensure compliance with the new codes?

- Vendors should review the updated codes and adjust their policies and procedures.

10. Where can I get more information or assistance?

- For more information on the code changes, please contact the City Auditor's Office at 210-207-0080 or by email at ethics@sanantonio.gov.
- For inquiries about a high-profile solicitation, please contact the Procurement Division staff member assigned to the relevant solicitation or reach out to the division at 210-207-5734 or by email at purchweb@sanantonio.gov.