

# Summary Outline of Civil Service Rule 2-8 Ethical Standards and Conduct

On March 27, 2003, the Civil Service Commission amended the Civil Service Rules governing ethical standards and conduct for nonexclusively represented employees [NEREs]. The amendments were effective immediately. A copy of the rules, as amended, are attached.

The amendments consolidated the ethical standards into a single revised rule, **Rule 2-8, Ethical Standards and Conduct**. As a result of the consolidation, two rules, Rule 2-9 (Disclosure of Contacts and Interest) and Rule 2-15 (Supplemental Employment), were repealed and the topics of the repealed rules were moved into the revised Rule 2-8.

## Outline of Rule 2-8 and Comments

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**New ▶**

### § 2-8.1: Ethical Conduct Required

This section establishes that (1) all classified employees are required to meet the ethical standards and (2) all appointing authorities are required to enforce the ethical standards.

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### § 2-8.2: Prohibitions

This section lists the conduct that is prohibited for classified employees:

**Original Prohibited Conduct:** The original prohibited conduct [in old §§2-8.1(a)-(e)] have been retained (with some modifications) in new §§2-8.2(a)(1)-(5):

**Change ▶**

**§(1)** continues to prohibit divulging confidential state information for financial gain. However, the last sentence in §1 was revised to make clear that the rule does not prohibit disclosures authorized in the Whistleblower Protection Rule (Rule 2-10).

**Change ▶**

**§(2)** continues to prohibit engaging in a private business transaction for financial gain that is based on the employee's official position. In addition, the amendment added a prohibition against agreeing to engage in any such transaction.

## § 2-8.2: Prohibitions (continued)

**§(3)** continues to prohibit an employee from soliciting, accepting, or agreeing to accept “anything of value” under circumstances that could reasonably be expected to influence the manner in which the employee performs work or makes decisions.

**New ▶**

In addition, the amendment added a prohibition against soliciting, accepting, or agreeing to accept “anything of value” from a “designated representative.”

**New ▶**

- The definition of “anything of value” in **Rule 9-1** has also been amended to now include “special favors or privileges not available to the public.”

**Change ▶**

- The new definition of “designated representative” in **Rule 9-1** is largely a retitling of the old definition of “person doing business with the state.”

**New ▶**

- There are two permissible exceptions to the prohibition against taking something of value, if approved by the employee’s appointing authority. One exception is for *de minimis* items; the other exception is for vendor-paid conferences, training, or meetings. [These exception are in **§2-8.7(a)**, below.]

**§(4)** continues to prohibit special favors, consideration, or treatment.

**§(5)** continues to prohibit employees from representing or acting as an agent for private interests where there is a conflict between the private interests and the employee’s official state responsibilities.

**Change ▶**

**§(6)** is a substantial revision of old §2-8.1(f). In old §2-8.1(f), an employee (and the employee’s immediate family) were prohibited from having any interest in a business over which the employee had decision-making authority as a classified employee. This subsection has now been rewritten to prohibit an employee from exercising any decision-making authority with respect to a business in which the employee (or a member of the employee’s immediate family) has a financial interest.

**New ▶**

**New Prohibited Conduct.** In new **§§2-8.2(a)(7) thru (12)**, a number of new express prohibitions related to supplemental employment were added:

**§(7)** prohibits engaging in supplemental employment that conflicts with state employment.

**§(8)** prohibits engaging in supplemental employment without express written consent of the appointing authority.

**§(9)** prohibits engaging in supplemental employment during actual-duty time.

**§(10)** prohibits requesting or using state sick leave to engage in supplemental employment.

**§(11)** prohibits using any state funds, property, or equipment in supplemental employment.

**§(12)** prohibits failing to report (a) personal or family interests in a business with which the employee has direct contact as a classified employee or (b) any supplemental employment or change in supplemental employment.

## § 2-8.2: Prohibitions (continued)

**New ▶**

**Prohibited Conduct for Attorney Classes.** In §2-8.2(b), the Commission added additional prohibited conduct for employees who are required to be a member of the Michigan Bar (e.g., Staff Attorney, Senior Attorney, Attorney Administrator, Administrative Law Examiner, Administrative Law Specialist). Employees in these classes are now prohibited from (1) representing outside interests that are adverse to the State of Michigan, (2) representing private interests before any state administrative agency, or (3) representing other state employees in any state matter (including, for example, Civil Service grievances or technical complaints).

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## § 2-8.3: Disclosure

This rule retains the basic requirements for employees to disclose to their appointing authorities (a) personal and financial interests and (b) supplemental employment.

**§(a): Personal and Financial Interests.** All employees must disclose to their appointing authority all personal and financial interests (of both the employee and the employee's "immediate family") in any business with which the employee has direct, official contact as a classified employee.

**New ▶**

- The rule requires disclosure at least annually.

**New ▶**

- The rule sets out a list of possible actions the appointing authority may take if it discovers an unacceptable conflict of interest between the employee's state duties and outside personal or financial interests.

**Change ▶**

- The rule no longer limits disclosure to only a listed subset of employees. Nonetheless, an appointing authority may properly limit disclosure to a subset of employees or classes of employees of its choosing [See §2-8.7(a)(3)].

**§(b): Supplemental Employment.** Employees are still required (1) to report all supplemental employment (including self-employment) to their appointing authorities and (2) to obtain approval from their appointing authorities before engaging in supplemental employment outside the classified service.

**New ▶**

**Exception:** Employees do not need to obtain approval for supplemental employment in the "uniformed services" (e.g., the National Guard or military reserves).

**New ▶**

- Newly-hired employees must report any existing supplemental employment.

**New ▶**

- Employees must also report any changes in their approved supplemental employment.
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**New ▶ § 2-8.4: Compliance**

All employees are required to comply with (1) Civil Service rules and regulations, (2) departmental work rules, (3) and any individualized requirements imposed by an appointing authority (such as a limitation on outside employment).

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**New ▶ § 2-8.5: Discipline**

The new rule expressly permits appointing authorities to discipline employees for violations of (1) Civil Service rules and regulations, (2) departmental work rules, (3) or any individualized requirements imposed by an appointing authority.

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**New ▶ § 2-8.6: Reporting Alleged Violations**

All employees are required to report alleged violations of the ethical standards to their appointing authority.

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**§ 2-8.7: Appointing Authority Guidance and Exceptions**

This rule permits appointing authorities to issue departmental work rules or other written directives to define, implement, or enforce the ethical standards.

**Change ▶** - Departmental work rules no longer require prior approval from the State Personnel Director.

**New ▶** - Appointing authorities may identify specific employees or classes of employees that are required to file disclosure reports.

This rule also sets out two permissible exceptions to the prohibition [in **§2-8.2(a)(3)**] against an employee taking “anything of value” from a “designated representative:”

**Change ▶** **§(b)** permits an exception for *de minimis* items [\$20.00 or less per item; \$80.00 maximum aggregate per quarter], if authorized by the appointing authority.

**New ▶** **§(c)** permits an appointing authority to authorize an employee to attend a conference, training, or meeting paid in whole or in part by a “designated representative” (e.g., a vendor).

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End of Summary