Local Officials Ethics & Conflict of Interest

With Road School coming up soon, ACEC continues to field many inquiries from member firms about the status of the INDOT-related Code of Ethics and Conflict of Interest policy for LPA clients who are involved in consultant selection. For background, the Conflict of Interest applies when federal aid funds are used on an LPA project, as required by Federal Highway Administration (FHWA).

ACEC continues to remain in regular communication with the local government associations (AIM, IACC, AIC) about their direction and is collaborating to help as needed, but it remains unsettled at this time for a few reasons.

To recap the option for locals, there are three paths:
1. Use INDOT’s policy as is, with a “nominal threshold” set at 0 for entertainment and gifts.
2. Use INDOT’s policy but establish its own financial threshold that is not considered a conflict.
3. Establish its own policy and threshold, but it needs to meet the spirit of the FHWA directive.

One reason that interest appears soft to adopt a new policy at the local level is that HB 1002, Road Funding, contains a provision to exchange fed aid funds for state dollars to cover the LPA program. If enacted, it could mitigate the need for a local unit to pass an ordinance. Therefore, there is a lot of interest to wait for a few months to see if this provision of the legislation passes this session.

In the meantime, there is not clear agreement about which of the three options is preferred by various locals, and some units have already adopted differing policies. Also, many questions exist about typical situations to try to exempt, or specify that would not be considered a conflict: ministerial duties of a job (signing a contract); pre-existing social relationships; events with groups of a certain size, such as 20 or more people; and more. ACEC has advanced these ideas, but no decisions have been made yet by other interested parties.

ACEC has contemplated preparation of a model ordinance for locals to use that would address these typical situations, as well as specify the handling of grievances and the legal dispute process, and has offered to work with locals on the effort if they wish to develop such a “tool.” But, most locals will not have anything in place before Road School, so for now, if there is no local policy established, then INDOT’s policy remains in effect, which carries a “nominal threshold” of zero dollars for gifts and entertainment.

Show your support for increased road funding in Indiana

Legislators are asking for our help! We need to show overwhelming support to our legislators out in their districts. Here’s what you can do:

- Attend a town hall meeting in your district and voice your support of HB 1002 to the legislators in attendance.
- Share your worst Indiana pothole photos and stories at "Tell Your Story - #IndianaPotholes."
- Register for Road Funding Day at the Indiana Statehouse held February 21. Click here for details and to register. Encourage your local mayors and commissioners to sign up too. Remember, we are inviting all legislators to attend the lunch portion of the program, but a personal invitation from you could be just the thing to get them to attend. Contact your legislator and invite them to join you for the luncheon. Don't miss out on this opportunity. You’ll want to be there.

Ethics Etc.

- ACEC is aware of the cancelled Welcome Reception at Road School and is working to plan a reception to fill the vacancy in the schedule. More details to come.

- ACEC is inviting local official clients to be guests of the association at the Annual Engineering Excellence Awards Banquet Luncheon on March 2, which recognizes outstanding projects completed by Indiana consulting engineers.