

**CONFLICT OF INTEREST -  
City Employee Renting  
Property from a Supervisor  
or Department Head**

**CITY OF CAMBRIDGE ETHICS COMMISSION**

**ADVISORY OPINION 06-2012**

The Ethics Commission for the City of Cambridge received a request for an advisory opinion on the following issue: May a Department Head lease a residential dwelling unit to a subordinate employee within his/her department, even where the Department Head is not the immediate supervisor of the employee/tenant. The Commission met on November 2, 2012, and authorized the issuance of this advisory opinion.

It is the opinion of the Ethics Commission that it would be a conflict of interest for a Department Head or other employee with supervisory responsibilities over a subordinate employee to be the landlord of the subordinate employee. Even where the Department Head may not have direct supervisory responsibilities over the subordinate employee, in that a mid-level manager may exercise direct supervisory and disciplinary duties over the subordinate employee, it would be a conflict of interest.

Section 2-14 (4)(a) states that “Conflicts of interest” exist where the participation in the negotiation or approval of any negotiated contract or arrangement or the expenditure of city funds could reasonably be expected to result in a conflict between the **private interests of the official** or employee **and the official duties of that person.**” [emphasis added]

The Department Head is responsible for the development of a budget for his department, inclusive of salaries. He/she is likewise ultimately responsible for all promotions and disciplinary actions of all employees within his/her department. The Department Head, by also being the landlord of an employee/tenant, would clearly have a private interest in having the employee maintain his/her employment or in having the employee promoted in order to continue leasing the unit from the employer/landlord, and/or affording higher rent.

The fact that an intermediate supervisor separates the employee/tenant from the direct supervisory control of the Department Head/landlord is irrelevant. The intermediate supervisor would be placed in a precarious position of having to make disciplinary decisions against the tenant of his direct boss/supervisor. The purpose of the ethics code is to avoid subjecting employees to these types of undue pressures and conflicts.

For the aforesaid reasons, it is the opinion of the Commission that a supervisor or Department Head within the same department as a subordinate employee, would place himself or herself in a conflict of interest situation and so should not be the landlord of that subordinate employee .

Issued this 2<sup>nd</sup> day of November 2012.

Charles McFadden  
Chairperson  
Ethics Commission, City of Cambridge