RESOLUTION No. 2012-18

A Resolution providing for certain amendments to the Personnel Policies Handbook Of the Muncie Sanitary District first adopted March 9, 2010 concerning Section 2.2 NEPOTISM

WHEREAS, the Board of Sanitary Commissioners (the "Board") has heretofore adopted by Resolution No. 2010-01 the Personnel Policies Handbook of the Muncie Sanitary District, adopted and dated March 9, 2010 (the "Personnel Policies Handbook"); and

WHEREAS, the Board wishes to modify that section of the Personnel Policies Handbook which deals with nepotism in the hiring and supervision of employees so as to bring the policies of the Muncie Sanitary District into conformity with Indiana Code 36-1-20.2 which became effective July 1, 2012.

BE IT THEREFORE RESOLVED, that the Board of Sanitary Commissioners does hereby adopt the following amendments to the Personnel Policies Handbook:

1) <u>CHAPTER 2 – EMPLOYMENT POLICIES</u>, <u>SECTION 2.2</u>, <u>NEPOTISM</u>, shall be amended by striking from that section the current language and substituting for that language the following unnumbered paragraphs to read as follows:

"Effective July 1, 2012 Indiana Code 36-1-20.2 requires that relatives may not be employed by the MSD in positions that result in one relative being in the direct line of supervision of the other relative. An employee who is employed by the MSD as of June 30, 2012, is not subject to the nepotism provisions of this law unless there is a break in the employee's employment after July 1, 2012.

Direct line of supervision is defined by Indiana Code as an elected officer or an employee who is in a position to affect the terms and conditions of another individual's employment, including making decisions about work assignments, compensation, grievances, advancement, or performance evaluation.

Indiana Code defines relative to include a spouse, a parent, a child or stepchild, a brother, sister, step-brother, or step-sister, a niece or nephew, an aunt or uncle, a daughter-in-law or son-in-law, an adopted child, and a brother or sister by half blood.

The MSD Administrator shall annually certify in writing that the MSD is in compliance with this nepotism rule as defined under Indiana Code 36-1-20.2. Such certification must be submitted to the MSD Board of Sanitary Commissioners no later than December 31 of each year.

An elected official or department head that is in violation of this policy may be subject to penalties for perjury which is a class D felony with up to three (3) years prison sentence. The MSD's failure to adopt policies under Indiana Code 36-1-20.2 (Nepotism) will result in the Department of Local Government Finance not approving the County's budget or any additional appropriations for the ensuing calendar year until the State Board of Accounts certifies the MSD is in compliance."

3) <u>EFFECTIVE DATE</u>, This Resolution shall become effective on and after its passage and shall remain in full force and effect until amended or repealed by this Board.

THIS RESOLUTION APPROVED this 10th day of July, 2012 by the Board of Sanitary Commissioners of the Muncie Sanitary District.

BOARD OF SANITARY COMMISSIONERS:

Tom Bennington, President

Steven Murphy, Vice-President

Teresa L. Ford, Secretary

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