**MEMORANDUM**

TO: The Cookie Monster, Property Manager

Monster Personnel File

FR: Miss Piggy, Director of Property Operations

DATE: September 2018

RE: Hiring of Relative

This memo confirms my discussion with you on August 15, 2018, and Y’s discussion with you on August 30, 2018, regarding the recent confirmed reports that you hired your brother to perform work on behalf of the agency.

We have confirmed that you did in fact retain your brother to perform property management duties on behalf of this agency, and that you paid for those services with your discretionary funds.

In addition, we have confirmed that two of your direct reports learned about this arrangement, and that you requested that they keep the matter a secret.

Finally, we have learned that there are other employees in this agency who learned about your conduct, and that were warned by your subordinates not to report the conduct to leadership or they would regret it.

[Agency’s] Nepotism and Employment of Relatives Policy states:

Hiring, promotion, or transfer of relatives, partners, those in a dating relationship, or those living in the same household is prohibited. These situations create either an actual or perceived conflict of interest and favoritism.

Close relatives, partners, those in a dating relationship or members of the same household are not permitted to be in positions that have a reporting responsibility to each other.

Close relatives are defined as husband, wife, domestic partner, father, mother, father-in-law, mother-in law, grandfather, grandmother, son, son-in-law, daughter, daughter-in law, uncle, aunt, nephew, niece, brother, sister, brother-in-law, sister-in-law, step relatives, cousins and domestic partner relatives.

[Agency’s] Code of Conduct clarifies the heightened duties expected of our leaders, of whom you are one. The Handbook states:

**“Additional responsibilities for leaders**

If you are an [ORG] leader {with supervisory authority], you have a special responsibility to lead with integrity. It is not enough for you to behave legally and ethically yourself. You also must take affirmative steps to influence your team members to do the same. This requires a visible commitment to promote ethical conduct and compliance with legal requirements, our Code, and [ORG] policies. This means you must:

* **Be a positive role model**. We all know actions speak louder than words, so let your actions demonstrate your belief that business goals never trump compliance with legal requirements and ethical principles.
* **Set the right tone from the top and from the middle**. Be comfortable talking with your team members about the importance of acting legally and ethically. Explain how our Code supports our purpose and values and ensures our success.
* **Understand your special obligation** to report behavior that you know - or should know – is illegal or violates [ORG]’s policies or ethical principles. Respond swiftly and appropriately to misconduct.
* **Enforce and hold all [ORG} employees accountable for compliance with ethical and legal standards**
* Thoughtfully complete your own ethics and compliance training in a timely manner, and make sure your team members do the same.
* Become familiar with the Code and the laws and policies that apply to [ORG]. Adopt and follow compliance processes designed to prevent violations.
* **Create an environment where team members know they can ask questions or raise concerns without fear of reprisal**. Be available to answer your team members’ questions and address their concerns.
* **Never retaliate** against anyone who reports a good faith concern or cooperates with internal investigations or audits. And don’t tolerate others who retaliate.
* **Celebrate achievement**. Recognize and reward team members whose behavior exemplifies our value of winning with integrity.

Your conduct violated [Agency’s’] Nepotism policy. [Elaborate on seriousness of violation].

Equally and perhaps more importantly, you used your leadership position to induce subordinates to support your violation the Policy, sending the message that you lack respect for [Agency] Policies and are therefore likely to overlook subordinates’ violation of them.

Your conduct is in direct contravention of your duty as an [agency] leader to be a role model and to enforce [agency] Policies at all times.

You have also created a work culture that includes favorites and that excludes and bullies those who are not your favorites. This corrosive and toxic work culture is evidenced by your subordinates’ threats to others not to inform leadership of your nepotism.

You have violated our trust in you as a leader in this agency.

[Action(s) to be taken]: