



**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF INTERGOVERNMENTAL SERVICES**

**SUBGRANT ADMINISTRATION GUIDE
PART I: GENERAL INFORMATION**

K. NEPOTISM – HIRING OF RELATIVES

This section prohibits the hiring of relatives and prohibits a subgrant organization employee from supervising a relative.

1. DEFINITIONS

- a. "Employee" means a person whose employment is not seasonal or temporary and whose actual performance of duty requires one thousand (1,000) or more hours during a fiscal year.
 - b. "Relative" means husband, wife, mother, father, stepmother, stepfather, mother-in-law, father-in-law, brother, sister, stepbrother, stepsister, half-brother, half-sister, brother-in-law, sister-in-law, daughter, son, stepdaughter, stepson, daughter-in-law, son-in-law, uncle, aunt, first cousin, nephew, or niece.
 - c. "Supervisory employee" means any individual having authority in the interest of the state agency to hire, transfer, suspend, layoff, recall, promote, discharge, assign, reward, or discipline other employees of a state agency; or the responsibility to direct other employees of a state agency, to adjust their grievances, or to effectively recommend an action if the exercise of authority is not of a merely routine or clerical nature, but requires the use of independent judgment.
2. Relatives may not work in any capacity in situations where one relative might supervise another.
3. Members of a subgrant organization's Board of Directors and/or executive staff members (i.e. Executive Directors, Prosecutors, Police Chiefs, etc.) shall not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a position in the agency any person who is;
- a. A relative of the Board member and/or executive staff member.
 - b. An employee of the subgrant organization or as a result of the Board member and/or executive staff member's action could be an employee of the subgrant organization.