

# Code of Ethics & Conflict of Interest

A special responsibility is imposed on all people who are entrusted with the disposition of the state's funds. As personnel, we are required to perform with the highest integrity while we are constantly being asked to manage more effectively, to secure better economic results, to speed up the process, and to be innovative in accomplishing our mission. This is a great challenge and an exciting one!

Elected and appointed state officials as well as all state employees are entrusted with the safety and welfare of the citizenry. In return for their confidence in state government, citizens expect that state employees' private interests will not conflict with public business.

Working as a state employee in any capacity or function requires maintaining integrity and credibility. In particular if one is involved in the nature of purchasing functions. This makes it critical that all players in the process remain independent, free of obligation or suspicion, and completely fair and impartial. To ensure these high standards a clear set of guidelines, rules, and responsibilities must be established to govern the behavior of employees. Credibility and public confidence are vital throughout the system. Any erosion of honesty, integrity, or openness is damaging to public programs or entities. The shadow of doubt can be as harmful as the conduct itself. It is with this in mind that the following policies and procedures are set forth.

This section states the ethical standards of conduct required of the Comptroller of Public Accounts (CPA) employees, vendors, potential vendors, and employees of other state agencies when acting under authority delegated from the CPA. Every person employed by a public purchasing agency should abide by a code of ethics. It is in accordance with state law and CPA Rule 1TAC 20.14 that all employees shall adhere to the following ethical standards:

## **A state employee may not:**

- ❖ participate in work on a contract by taking action as an employee through decision, approval, disapproval, recommendation, giving advice, investigation or similar action knowing that the employee, or member of their immediate family has an actual or potential financial interest in the contract, including prospective employment;
- ❖ solicit or accept anything of value from an actual or potential vendor;
- ❖ be employed by, or agree to work for, a vendor or potential vendor;

- ❖ knowingly disclose confidential information for personal gain; or be employed at a pay classification of a A 17 or B 9, Step 1 or higher if the spouse of an officer, manager, or paid consultant of a Texas trade association of businesses that contracts with the state. (Contact your Resource representative for verification of the new equivalent pay classification which became effective 09/01/97).

**A former employee:**

A former employee who had a pay classification of A 17 or B 9, Step 1 (see above note) or higher who ceases service or employment on or after January 1, 1992, may not represent any person or receive compensation for services rendered on behalf of any person regarding a particular matter (a specific investigation, application, request for a ruling or determination, rulemaking proceeding, contract, claim, charge or other proceeding, contract, claim, charge or other proceeding) in which the former employee participated during the period of employment, either through personal involvement or because the case or proceeding was a matter within the employee's official responsibility.

**A vendor or potential vendor may not:**

- ❖ offer, give, or agree to give an employee anything of value; or

**If a violation occurs:**

When an actual or potential violation of any of these standards is discovered, the person involved shall promptly file a written statement concerning the matter with an appropriate supervisor. The person may also request written instructions and disposition of the matter.

If an actual violation occurs or is not disclosed and remedied, the employee involved may be reprimanded, suspended, and/or dismissed. The vendor or potential vendor may be barred from receiving future contracts and/or have an existing contract canceled.

State employees have the right under law to have any ethics question reviewed and decided by the State Ethics Commission. If you wish to learn whether a specific action violates the ethics rules, please contact the State Ethics Commission, 1101 Camino La Costa, Austin, Texas 78752 or call them at (512) 463-5800 or 1-800-325-8506 for outside of Austin.

The ethics provisions of 1 Tex Admin Code §111.4 apply to employees, vendors and potential vendors acting under delegated authority. In consultation with the Comptroller's Office, the Ethics Commission is required, under Section 1.07 of House Bill 3560, to adopt new rules to implement the specific ethics provisions of that legislation as they relate to TPASS. Likewise, under Section 3.10 of House Bill 3560, the Ethics Commission is required to adopt new rules to implement the specific ethics provisions of that legislation as they relate to the Texas Facilities Commission.

# **CONFLICT OF INTEREST**

## **TEXAS GOVERNMENT CODE TITLE 10 SUBTITLE D**

### **SECTION 2155.003**

Under Section 2155.003 of the Texas Government Code, an employee may not have an interest in, or in any manner be connected with a contract or bid for a purchase of goods or services by an agency of the state; or in any manner, including by rebate or gift, accept or receive from a person to whom a contract may be awarded, directly or indirectly, anything of value or a promise, obligation, or contract for future reward or compensation. Any individual who interacts with public purchasers in any capacity is required to adhere to the guidelines established in Section 1.2 of the State of Texas Procurement Manual, which outlines the ethical standards required of public purchasers, employees, and vendors who interact with public purchasers in the conduct of state business.

Entities who are interested in seeking business opportunities with the State must be mindful of these restrictions when interacting with its employees.

I certify that I have read and understand the above statement.

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Employee Signature

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Date

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