



**GUIDELINES (Continued)**

- Equipment
- Vehicles
- Employee time on the job

**III. Conflict Of Interest**

The GSPC Laws define “potential conflict of interest” and “actual conflict of interest.” Both relate to taking official action that may result in financial benefit or avoiding a negative financial effect on the public employee, the employee’s relative or a business with which the employee or relative is associated.

1. **Potential Conflict of Interest** occurs when an action possibly could affect the financial interests of the public official, or the official’s relatives or associated businesses. Employees must inform their supervisor or manager if there is a Potential Conflict of Interest.

**Example:** An employee is involved in evaluating and selecting the firm who will be awarded a statewide automobile contract. One of the four finalists is the employee’s brother-in-law who is president of a local auto group whose proposal is under consideration. The employee must give notice of possible conflict because possibly his brother-in-law could benefit.

You must inform your Division Administrator in writing of potential conflicts of interest and the nature of the conflict. Your Administrator may assign another person to be responsible for the issue, or give you instructions on how to resolve the issue.

2. **Actual Conflict of Interest** occurs when such action definitely would result in financial or other benefits.

**Prohibited are:**

- A. Professional relationships or associations, which appear to compromise fairness, autonomy, or honesty.

**Examples:**

- 1) An employee has the responsibility of purchasing supplies and hiring services. The employee’s sister is opening a new construction office and needs office supplies. The employee orders office supplies at the state discount, then pays for the supplies from personal funds, thus giving the sister the financial benefit of the special state discount.
- 2) A state agency purchased a fleet of new cars at discount prices. An agency administrator ordered an additional car for himself and paid the fleet price for it with personal funds. The official position held allowed the employee to save money.

- B. Taking or considering any official action based on the promise of future work.

**GUIDELINES (Continued)**

A state employee who makes a decision in favor of a company in exchange for the promise of a job is violating the law. The employee is also violating the statute if they suggest or solicit that type of agreement. The employee is not being offered the job because of skills, talents or experience, but in exchange of a favor.

**Example:** A state employee needs to order software that is not available on state contract. A particular software company is anxious to start doing state business. Knowing that the employee would soon retire, but wanted to continue work in the public sector, the software company offers the employee a job in exchange for orders from the state.

**IV. Acceptance Of Gifts**

Under the Government Standards and Practices laws a gift is:

1. Something of value that an employee accepts and does not pay back equal value;
2. The waiving of a debt, as well as the giving of some object or service;
3. Something received by an official that is not available to the general public for the same price or conditions.

You or your family may not accept gifts from anyone with interest in state business or from anyone DAS does business with if the gift could appear to impair DAS objectivity and credibility.

For DAS purposes, the following items are not considered as *“gifts”* if they do not amount to more than \$100 per year per person.

- A calendar, scratch pad, plastic doodad, coffee cup, or a pen (a box of fifty for family and friends would be a gift).
- A package of candy, sweet rolls or other food made available to anyone in the building.
- Flowers, if put in a reception area for everyone to enjoy.
- A service or discount that is also available to people who are not public employees.

**V. Honoraria**

The statute says that an honorarium is a payment or something of economic value given to a public official in exchange for services “which custom or propriety” prevents the setting of the price. Traditionally, an honorarium has been the granting of a sum of money to an individual for giving a speech or performing a service in an official capacity. The employee can neither dictate, negotiate nor recommend the value of the honorarium.

DAS employees may accept honoraria for the good of DAS. Employees must deposit cash received in DAS’s cash account.

**VI. Violations**

Violations of this policy may result in disciplinary action. Breaches of GSPC laws or rules will be turned over to the GSPC office. Some violations are subject to civil or criminal penalties.

**PROCEDURES (For ethics questions or complaints)**

<b><u>Step</u></b>	<b><u>Responsible Party</u></b>	<b><u>Action</u></b>
1.	Employee	Takes ethics question or complaint to supervisor or manager.
2.	Manager/Supervisor	Talks with employee and gathers information and documentation.
3.	Administrator and Manager	Discuss complaint and determines if complaint is valid and how to answer the question or solve the complaint.  Notifies Assistant Director of DAS
4.	Administrator	Decides if answer/solution is adequate or if problem should be referred to GSPC for an: <ul style="list-style-type: none"><li>• <b>Informal Answer</b> by a staff member is not a legal protection against prosecution by the GSPC. However, GSPC staff people are knowledgeable about the statutes and familiar with past and current commission interpretations. Staff is committed to providing accurate advice and preventing violations of the statutes whenever possible.</li><li>• <b>Advisory Opinion</b> by the commission is binding. The commission cannot later prosecute for an action that follows the directions in an advisory opinion. Formal advisory opinions are discussed and approved by the full commission and are reviewed by an assistant attorney general.</li></ul>
5.	Manager/Supervisor	Contacts GSPC by:  Telephoning GSPC for informal verbal or written answer from staff person.  Writing an appropriate letter explaining the problem and asking for an opinion. The letter must have the administrator sign off, then the Director of Operation's approval before being sent to GSPC for written response.

## Internal Operations Manual

Employee Standards and Practices

107-05-010

### PROCEDURES (Continued)

<u>Step</u>	<u>Responsible Party</u>	<u>Action</u>
		Calling GSPC for an appointment to discuss the matter in person.
6.	Administrator, Manager and/or Supervisor	Acts on GSPC advice documenting all actions.