

Client Agency Policy & Operations Manual

SECTION: 30 Management and Fiduciary Operations

NUMBER: SCS-30-020

TITLE: Client Agency Code of Ethics

EFFECTIVE DATE: 5-6-02

APPROVED: Signature on file in State Controller's Division

PURPOSE and/or RESULTS DESIRED: To provide and establish written policies and guidelines clarifying ethical behavior of public employees of client agencies assigned to or contracting for services through Shared Client Services, State Controller's Division.

AUTHORITY: [ORS 291.015](#) Fiscal responsibilities of department; delegation of fiscal functions.
[ORS 244](#) Oregon Government Standards and Practices.

APPLICABILITY: Employees and Board/Commission members of Shared Client Service's Client Agencies.

ORS 244 takes precedent over the guidelines of this policy.

Nothing in this Section is intended to affect:

- (a) Any other law, regulation, or rule requiring disclosure of economic interest by any public official or public employee.
- (b) Any law, regulation, state policy, or rule prohibiting or authorizing specific conduct on the part of any public official or public employee.

POLICY: There is established a code of ethics policy that the conduct and financial dealings of the employees and board or commission members of Shared Client Service's client agencies shall present no actual or apparent conflict of interest between the public trust and private interest.

Public confidence in government is essential and must be sustained by establishing and enforcing rules to assure the impartiality and honesty of client agency employees in all public transactions and decisions.

Client agency employees and board and commission members are required to comply with the requirements of ORS 244.

GUIDELINES:

I. Just and Equitable Treatment

- A. Use of public property. No employee shall request or permit the use of agency or state owned vehicles, equipment, materials, or property or the expenditure of agency funds for personal convenience or profit. Use or expenditure is to be restricted to such services as are available to the public generally or for such employee in the conduct of official business.

- B. Obligations to citizens. No employee shall grant any special consideration or advantage beyond that which is available to every other citizen.
- C. Except as authorized by law and in the course of his or her official duties, no agency employee shall use the power or authority of his or her position with the agency in a manner intended to induce or coerce any other person to provide such agency employee or any other person with any compensation, gift, or other thing of value directly or indirectly.
- D. No agency employee may ask for, or receive, directly or indirectly, any compensation, gift, or thing of value, or promise thereof, for performing or for omitting or deferring the performance of any official duty, or action, by the agency other than the compensation, costs, or fees provided by law.

II. Conflict of Interest

No client agency employee or board and/or commission member shall engage in any act, which is in conflict with the performance of official duties. Without limiting the scope of this general prohibition, the following specific acts are prohibited:

- A. An agency employee shall be deemed to have conflict of interest if the employee directly or indirectly:
 - 1. Receives or has any financial interest in any purchase, sale or lease to or by the agency of any services or property when such financial interest was received or obtained with the prior knowledge that the agency intended to purchase, sell, or lease such property or service.
 - 2. Is beneficially interested, directly or indirectly, in any contract, sale, lease, option or purchase that may be made by, through, or under the supervision of the employee, in whole or in part, or accepts directly or indirectly, any compensation, gift or thing of value from any other person beneficially interested therein.
 - 3. Accepts or solicits for others, directly or indirectly, any employment, travel expense, service, information, compensation, gift or thing of value on more favorable terms than those granted to other state employees or the public generally, from any person doing business, or seeking to do business with the agency regarding a matter for which the employee has responsibility or with regard to which he or she may participate.
 - 4. Accepts, directly or indirectly, any gift, favor, loan, retainer, entertainment, travel expense, compensation or other thing of value from any person doing business or seeking to do business with the agency when such acceptance may conflict with the performance of the employee's official duties. A conflict shall be deemed to exist where a reasonable and prudent person would believe that the gift, compensation, thing of value, or more favorable terms, was given for the purpose of obtaining special consideration or to influence agency actions.
 - 5. Participates in, influences or attempts to influence, directly or indirectly, the selection of or the conduct of business or a transaction with a person doing or seeking to do business with the agency if the employee has a financial interest in or with said person.
- B. Discusses or accepts an offer of future employment with any person doing or seeking to do business with the agency if either:
 - 1. The employee knows or has reason to believe that the offer of employment was or is intended, in whole or in part, directly or indirectly, as compensation or reward for the performance or nonperformance of a duty by the employee during the course of agency employment or to influence agency actions pertaining to the business; or

2. The employee has responsibility for a matter upon which the person is doing or seeking to do business with the agency unless the employee has first disclosed in writing to his or her appointing authority that the employee intends to discuss future employment with a specific person and the appointing authority has designated, in a memorandum filed with the State Controller and a copy of which is maintained by the appointing authority, a method of providing for an alternative decision maker with regard to matters involving such person for which the employee otherwise would have responsibility;
- C. Within one year of entering agency employment, awards an agency contract or participates in an agency action benefiting a person that formerly employed him or her, provided, that participation other than contract award may be authorized in a memorandum by the appointing authority following written disclosure by the affected employee and that such authorization shall be filed with the State Controller and a copy maintained by the appointing authority.
 - D. Is an employee, agent, officer, partner, director or consultant of any person during or seeking to do business with the agency, unless such relationship has been disclosed as provided in this policy.
 - E. Engages in or accepts compensation or employment from, or renders services for, any person or a governmental entity, other than the agency, when such employment or service is incompatible with the proper discharge of official duties or would impair independence of judgment or action in the performance of official duties.
 - F. Enters into a business relationship outside the agency with any other employee of whom he or she has any state supervisory responsibilities.
 - G. Enters into a business relationship outside the agency government with any person with regard to a matter for which the employee has responsibility as a state employee.
 - H. Appears on behalf of a person before any regulatory governmental agency or in any action or proceeding against the interest of the agency in any litigation to which the agency is a party, unless the employee has a personal interest in the litigation and this personal interest has been disclosed to the regulatory governmental agency or adjudicating individual or body.
 - I. Directly or indirectly possesses a substantial or controlling interest in any person which does or seeks to do business with the agency, without disclosing such interest as provided in this policy.
 - J. Has a financial or other private interest in any action or proposed action of the board or commission, and participates in the action or proposed action without disclosing on the records of the board or commission the nature and extent of such interest;
 - K. Discloses or uses for the personal benefit of the employee or his or her immediate family any information acquired in the course of official duties which is not available to the public as a matter of public knowledge or public record or;
 - L. Participates or assists in any act by an immediate family member that, if such act were performed by the employee, would be prohibited by this policy.
 - M. A board or commission member who has a financial or other private interest in any decision, proposed legislation, or any other matter coming before the board or commission must disclose that interest on the records of the board or commission.

III. Conflict of Interest - Former Employees & Members of Client Agency Boards and Commission

- A. No individual who has served as a member of a board or commission may, within a period of two years after the termination of such service, appear before such board or commission, or receive compensation for any services rendered on behalf or in assistance of any person in relation to any action with respect to which such individual was directly concerned and in which he or she personally participated, either directly or indirectly, during the period of his or her service.
- B. All other agency employees are prohibited from attempting to influence for compensation their former agencies within one year after termination of agency employment providing that such prohibition shall not apply to former career service employees whose termination of agency employment is solely the result of a reduction in force due to lack of work, lack of funds, or considerations of efficiency so long as such former employee does not participate in work related to any application permit, approval or contract on which, while an agency employee, he or she personally participated or acquired information in the course of official duties which is not available as a matter of public knowledge or public record. For two years after leaving the agency employ, former employees are required to disclose past agency employment prior to participation in any agency action.
- C. No former agency employee may assist any person for compensation or share in compensation received by any person on matters concerning which the former employee is prohibited from participating personally.

IV. Duty to Notify Supervisor

- A. Any employee who becomes aware that he or she may have a potential or actual conflict of interest, which arises in the course of his or her official duties, shall notify in writing his or her supervisor or appointing authority of such potential conflict.
- B. Upon receipt of such notification the supervisor or appointing authority shall take action to resolve the potential or actual conflict of interest, including but not limited to, designating within a reasonable time an alternative employee to perform the duty that is involved in the potential conflict.

V. Violations of this Policy

- A. Violations of this policy may result in disciplinary actions up to and including dismissal. Violations of state and federal laws will be sent to the state Department of Justice, the Government Standards and Practices Commission, the Audits Division of the Secretary of State. Criminal violations may lead to prosecution and recovery of state losses.

PROCEDURES:

<u>Step</u>	<u>Responsible Party</u>	<u>Action</u>
1.	Board and Commission Members	Read this policy and become familiar with the content. Ask questions and seek clarification. Notify appropriate authorities if violations occur.
2.	Client Agency Head	Read this policy and become familiar with the content. Ask questions and seek clarification as appropriate. Train board and commission members in the policies and procedures of this policy. Notify appropriate authorities if violations occur.