

Oregon Public Employees Retirement System	Posted date January 13, 2006	Number 1.01.00.00.006.POL
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Policy:	Conflict of Interest and Standards of Conduct	
Objective:	Provides PERS employees with an understanding of the laws mentioned below	
References:	Oregon Constitution Article XV; Oregon Revised Statute (ORS) 244	

Policy

1. Employment for the state of Oregon, in particular Oregon Public Employees Retirement System (PERS), as a public trust, requires:
 - a. that its employees place loyalty to the state of Oregon, ethical principles, and law above private gain and other interests;
 - b. that employees follow the clear exposition of laws relating to state employee conflicts of interest, including pertinent sections of the Oregon Constitution Article XV, Section 7, and Oregon Revised Statutes (ORS), Chapter 244; and
 - c. that employees comply with the requirements of federal, state, and local laws. Specific requirements of law related to employee conflicts of interest include:
 - 1) Oregon Constitution Article XV, Section 7, which states: “No State Officers, or members of the legislative assembly shall directly or indirectly receive a fee, or be engaged as counsel, agent, or attorney in the prosecution of any claim against this state.”
 - 2) ORS Chapter 244.

2. The standards of conduct listed above are expected of all PERS employees and shall include, but are not limited to, the avoidance of any action which might result in or reasonably be expected to create the appearance of:
 - a. using public office for private gain,
 - b. giving preferential treatment to any person or entity,
 - c. impeding department efficiency or economy,
 - d. losing complete independence or impartiality,
 - e. making a departmental decision outside of official channels, or
 - f. affecting adversely the confidence of the public and/or membership in the integrity of the fund and the state.

Origination date: March 19, 1993

Last revision/review: January 6, 2006

ORS 244.040(1) states:

“No public official shall use official position or office to obtain financial gain for the public official, other than official salary, honoraria, or reimbursement of expenses or for any member of the household of the public official or for any business with which the public official or a member of the household of the public official is associated.”

3. In accordance with this statute, PERS employees shall not (not-all inclusive):
 - a. engage in any personal business or indirect financial interest that places them in a position of conflict between their private interests and the public interest of the state and/or the retirement trust, as related to their position;
 - b. use directly or indirectly inside information to further a private gain if that information is not available to the public and was obtained by reason of their departmental position;
 - c. use their position to induce, coerce, or in any manner influence any person, including subordinates, to provide any benefit (financial or otherwise) to themselves or others;
 - d. take any actions which create conflicts or appearance of conflicts of interest with official duties, including creating, updating, deleting, or otherwise processing specific transactions or associated supporting documentation related to his or her own or a related party's membership, benefit, or other account (this statement does not include batch processing, such as annual earnings postings to entire segments of membership accounts, etc.); or
 - e. solicit, accept, or agree to accept any gratuity for themselves, members of their families or others, either directly or indirectly from, or on behalf of, any source that:
 - 1) is engaged in or seeks business or financial relations of any sort with the trust,
 - 2) conducts operations or activities regulated or significantly affected by agency decisions, and
 - 3) has interests that may be substantially affected by the performance or nonperformance of the official duties of agency employees.
4. The general prohibitions against receipt of gratuities shall not apply to:
 - a. community social/business activities attendance and participation at which the purpose and interest of state government and the agency is further served,
 - b. proper vendor provided promotional training activities which would facilitate use of their products by the agency or the state,
 - c. acceptance of unsolicited advertising or promotional items that are less than \$10 in retail value, and
 - d. situations which in the sound judgment of the individual, his/her supervisor, and the executive director, the state or agency's interest will be served by the employee participation in activities otherwise prohibited.

Note: Written reports should be made to the Executive Director in advance.

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5. PERS employees may not accept personal reimbursement from any source, outside of authorized state per diem, for expenses incidental to official travel.
 6. PERS employees will not solicit a contribution from other departmental employees for gifts to an official superior, make a donation or give a gift to an official superior, or accept a gift from other departmental employees subordinate to them. (Does not prohibit voluntary gifts or contributions of nominal value on special occasions, such as marriage, illness, transfer, or retirement.)
 7. Agency facilities, property, and manpower shall be used only for official agency business. All employees have a duty to protect and preserve agency property.
 8. PERS employees shall not engage in outside employment or other outside activity with or without pay that:
 - a. interferes with or is not compatible with agency duties,
 - b. may reasonably be expected to bring discredit on the state or agency activities, and
 - c. involves the use of confidential information obtained as a result of their agency employment, except and unless such information is generally available to the public and considered so by law.
 9. Agency personnel, during regularly assigned working hours and while on state-owned or department-leased or controlled property, shall not use, carry, or conceal alcoholic beverages, or illegal drugs, nor shall they participate in any gambling, betting, or lottery activity.
 10. PERS employees must declare any potential conflicts of interest.

ORS 244.120(1) states:

“When met with a potential conflict of interest, a public official shall: ... (d) If the public official is any other appointed official subject to this chapter, notify in writing the person who appointed the public official to office of the nature of the potential conflict, and request that the appointing authority dispose of the matter giving rise to the potential conflict. Upon receipt of the request, the appointing authority shall designate within a reasonable time an alternate to dispose of the matter or shall direct the official to dispose of the matter in a manner specified by the appointing authority.”
 11. Employees who have information that causes them to believe that any other agency employees have breached or violated any statutory or departmental standard of conduct shall first bring the matter to the attention of the individual concerned. If a remedy is not forthcoming or the individual is one’s supervisor, a report should be made to the appropriate agency authority.
 12. Only the PERS executive director is obliged by statute to comply with the financial disclosure requirements and all other rules set by the Oregon Government Ethics Commission.

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13. These standards of conduct and proposed policy listed in section 1 are not intended nor should be construed in such a manner, as to violate any of the individual constitutional or legal rights of the individual agency employee.
 14. These policy statements shall be distributed to all current employees and new employees, as hired.
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Employee acknowledgment:

I have read and understand the foregoing. I further understand that this document shall be retained in my personnel file where I may refer to it at any time. I understand that not following this policy can lead to discipline up to and including dismissal.

Employee print name

Employee signature

Date