

Section 1.2

Code of Ethics & Conflict of Interest

A special responsibility is imposed on everyone who is entrusted with the disposition of state funds. As purchasing personnel, we are required to perform with the highest integrity while constantly being asked to manage state contracts more effectively, secure better economic results, speed up the procurement process and be innovative in accomplishing our mission.

State officials and 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.

The nature of purchasing functions makes it critical that all participants in the process remain independent, free of obligation or suspicion, and completely fair and impartial. Maintaining the integrity and credibility of a purchasing program requires a clear set of guidelines, rules and responsibilities to govern the behavior of purchasing employees. Credibility and public confidence are vital throughout the purchasing and contracting system.

This section sets out the ethical standards of conduct required of TPASS employees, vendors, potential vendors, and employees of other state agencies when acting under authority delegated from the TPASS. Every person employed by a public purchasing agency should abide by a code of ethics. In accordance with state law and TPASS Rule (34 Texas Administrative Code §20.41), agencies, when purchasing under TPASS-delegated authority, shall adhere to the following ethical standards:

A state employee may not:

- participate in any work on a contract knowing that the employee, or member of that employee's immediate family, has an actual or potential financial interest in the contract, including, but not limited to, prospective employment. The term "participate" includes, but is not limited to, decision making, approval, disapproval, recommendation, giving advice, investigation or similar action.
- 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 A17 or B 9, Step 1 or higher if he or she is the spouse of an officer, manager, or paid consultant of a Texas trade association of businesses that contracts with the state. (See your Human Resources representative for verification of the equivalent pay classification which became effective 09/01/97).

A former employee:

A former employee who had a pay classification of A17 or B 9, Step 1 (see above note) or higher who ceases service or employment with a state agency 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) 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 (see Texas Government Code § 572.054 Representation by Former Officer or Employee of Regulatory Agency Restricted; Criminal Offense).

A vendor or potential vendor may not:

Offer, give, or agree to give a state employee anything of value.

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 for disposition of the matter.

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

Purchasing professionals have the right under law to have any ethics question reviewed and decided by the Texas Ethics Commission. If you wish to learn whether a specific action violates the ethics rules, please contact the Texas Ethics Commission, 201 E. 14th Street, 10th Floor, Austin, Texas 78701 or call them at (512) 463-5800 or (800) 325-8506 outside of Austin.

The ethics provisions of [1 Texas Administrative Code §45](#) 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 TPASS.

Conflict of Interest:

All purchasing staff of a state agency who have been delegated the authority to purchase must also sign a Conflict of Interest statement each year. One copy of the signed statement should be given to the employee, with a copy to the employee's supervisor and other copies distributed according to individual agency requirements. The following is the Conflict of Interest statement used by TPASS.

CONFLICT OF INTEREST

TEXAS GOVERNMENT CODE §2155.003

Under Texas Government Code §2155.003, a TPASS 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 public purchasers of TPASS or purchasers from other state agencies.

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

Employee Signature

Date

Printed Name

cc: Personnel File
Supervisor's File