

Ethical Conduct Policy

Title:	Ethical Conduct
Applies To:	Officers, employees, volunteers and members of Department of Enterprise Services (Enterprise Services) boards and commissions
Authorizing Sources:	<ul style="list-style-type: none">• State law - RCW 42.52; Ethics in Public Service• State law - RCW 42.20; Misconduct of Public Officers• State law - RCW 42.40; State Employee Whistleblower Protection• State law - RCW 42.52.120 Compensation for Outside Activities• State law - RCW 42.52.080; Employment after Public Service• State law - RCW 39.26.020 Ethics in public contracting• State rule - WAC 292 Ethics in public service
Related DES Policy:	<ul style="list-style-type: none">• Acceptable Use of Information Technology Assets Policy• Whistleblower Policy
Information Contact:	Contracts and Legal Services
Effective Date:	October 1, 2011
Last Update:	February 13, 2014
Sunset Review Date:	October 1, 2017
Approved By:	<hr/> Chris Liu Director

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Purpose

This policy implements the requirements of state ethics laws, fosters an environment where employees understand they hold a public trust and informs employees about their ethical responsibilities.

APPROVED
Executive Ethics Board

Date: 7-11-14

Policy Statement

The ethics laws are designed to protect state employees from conflicts of interest or from engaging in activities where their interests or loyalties could be divided or may be questioned.

Enterprise Services employees are to be familiar with the state ethics laws, rules and other related policies and act in a way that is consistent with law, rules and policies.

Compliance with the ethics requirements is an individual responsibility. Maintaining a working knowledge of the requirements will help ensure proper and ethical actions by employees.

Employees are to base their conduct on these core ethical principles:

- Objectivity - Employees must place the public's interest before any private interest or outside obligation – choices need to be made on the merits.
- Selflessness - Employees should not take actions or make decisions in the performance of their position in order to gain financial or other benefits for themselves, their family, or their friends.
- Stewardship - Employees have a duty to conserve public resources and funds against misuse and abuse.
- Transparency - Employees must practice open and accountable government. They should be as open as possible about their decisions and actions, while protecting truly confidential information.
- Integrity - Employees should not place themselves under any financial or other obligation to outside individuals or organizations that might influence them in the performance of their official duties.

Failure to follow the requirements of this policy may result in corrective or disciplinary action up to and including dismissal.

The Contracts and Legal Services Division manages the agency's ethics program and is the central point of contact for internal agency advice about ethics issues.

The Executive Ethics Board provides an informative web site and their staff may also be contacted for guidance.

General

A. Enterprise Services will provide ethics requirements and information to employees.

Enterprise Services posts this ethics policy and related information on the agency's internal web site.

To promote green or sustainable practices, Enterprise Services will normally provide information in electronic form or as web site links.

Employees will receive a copy of this policy at their new hire orientation.

B. Enterprise Services will provide ethics training to employees.

The Human Resources Training Manager will coordinate ethics training for employees within their first two months of employment.

Supplemental training or educational communications will be provided to employees in a timely manner after any significant changes to the ethics requirements. Additional supplemental training is available through the Executive Ethics Board or through the Enterprise Services Ethics Officer.

C. Employees will attend ethics training once every 36 months.

Employees are required to attend basic ethics training at least once every thirty-six (36) months. This training can be in-person through scheduled classes conducted by the Executive Ethics Board or by the Enterprise Services Ethics Officer, or electronically delivered through the Learning Management System. Employees' fulfillment of this requirement will be tracked through the Learning Management System.

D. Former employees continue to have ethical responsibilities for a period of time.

State law does not allow former state employees to gain an advantage as a result of their decisions or actions while employed by the state. State law also does not allow former state employees to help other people with certain kinds of transactions.

To avoid conflicts of interest:

1. A current employee who is thinking about doing business with the state after leaving state employment; or
2. A former employee who wishes to do business with the state;

Should, in advance:

1. Review RCW 42.52.080 and RCW 42.52.090 and related statutes; and
2. Seek their own legal advice if desired.

E. Employees should report actual, potential or perceived ethics violations.

1. Employees, suspecting or alleging unethical action, should report it to the agency's Ethics Officer, the Director of Human Resources, the Executive Ethics Board, or the State Auditor's Office.
2. When appropriate, an investigation will be conducted by Enterprise Services. The investigation may result in corrective and/or disciplinary action.
3. Employees not comfortable with this reporting process may instead report it to the Executive Ethics Board. You are not required to provide your name. See the Executive Ethics Board website for information and complaint forms.
4. Employees will notify their supervisor in writing in advance of any situation that could possibly involve a personal conflict of interest. Supervisors will notify their Division Head, who will review potential conflicts and notify the agency's Ethics Officer and the Human Resources Director of any situations they believe requires further review or formal investigation.
5. Enterprise Services may also report ethics violations to the Executive Ethics Board. The Executive Ethics Board may decide to conduct an independent investigation and may impose civil fines beyond the actions of Enterprise Services.

Confidential Information

F. Employees have a duty to maintain confidential information.

Enterprise Services employees have an obligation to maintain confidential information acquired as part of their official position. Employees may not disclose confidential information to a person not authorized to receive it; disclose or use confidential information for personal benefit or to benefit another person; or, accept employment or engage in business if it might reasonably be expected to require or induce the disclosure of confidential information.

The state ethics law also makes it an ethical violation for an employee to intentionally conceal a record if he or she, knew that the record was required to be released under the Public Records Act, is under a personal obligation to provide the record, but failed to do so. (See RCW 42.56 Public Records Act.)

Financial Transactions

G. Enterprise Services employees are prohibited from having a financial interest in certain contracts and/or other kinds of transactions involving the agency.

Employees are prohibited from being beneficially interested, directly or indirectly, in a contract, sale, lease, purchase, or grant that is made by, through, or under their supervision (in whole or in part), or to accept, directly or indirectly, any compensation, gratuity, or reward from any other person beneficially interested in the contract, sale, lease, purchase, or grant. Enterprise Services employees may not participate in a transaction involving Enterprise Services and an organization of which the employee is an officer, agent, employee, member, or in which the employee owns a beneficial interest.

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Acceptance of Gifts

H. Enterprise Services holds its employees to a stricter set of rules governing gifts.

1. Enterprise Services is a regulatory and purchasing agency and considers all its employees to be "Section 4" employees.
 - a. As "Section 4" employees, there are additional restrictions on what Enterprise Services employees can receive from certain persons or entities.
 - b. Prohibited gifts shall not be diverted to family or friends. If in doubt, decline it.
 - c. Enterprise Services is a diverse agency involved with many kinds of outside businesses and organizations. Employees are encouraged to contact the Ethics Officer if they have questions about Sections 2.a – c, below.
2. The only items or gifts that employees are allowed to accept from a person:
 - a. Regulated by Enterprise Services;
 - b. Seeking to provide goods and services to Enterprise Services or to other state agencies through Enterprise Services;
 - c. Participating in Enterprise Services' contractual matters.

Are the following:

- i. Unsolicited advertising and promotional items of nominal value;
- ii. Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item (without any significant cash or resale value);
- iii. Unsolicited items received for the purpose of evaluation, if of no beneficial interest;
- iv. Publications related to official duties;
- v. Food and beverages at hosted receptions related to official duties;
- vi. Token beverages offered by a taxpayer as a gesture of common courtesy to an Enterprise Services employee performing their duties at a taxpayer's business. So long as the "gestures of common courtesy" are extended to all of the taxpayer's employees, visitors and customers;
- vii. Admission to and food and beverages consumed at a charitable or civic event;
- viii. Items from family and friends if clear purpose was not to influence;
- ix. Customary items related to outside business (not connected to state duties);
- x. Items exchanged at social events between co-workers;
- xi. Items not otherwise permitted when returned or donated to charity within 30 days;
- xii. Campaign contributions;
- xiii. Discounts available to the individual as a member of a broad based group;
- xiv. Awards, prizes, scholarships, or other items provided in recognition of academic or scientific achievement.

3. Employees are specifically prohibited from accepting the following gifts:
 - a. All food gifts, even token gifts such a cookie, except for food accepted during hosted receptions listed above in H.2;
 - b. Flowers, plants and floral arrangements;
 - c. Expenses (travel, room, and meals) for a speech and/or seminar;
 - d. All other gifts, regardless of value that are not specifically allowed by state law.

Exception: A prohibited gift may be accepted if it is returned to the donor, donated to charity, or given out to the public within 30 days.

4. The Director may approve for the agency to accept certain gifts, but must be careful and consider if there may be an actual or a perceived conflict of interest.

Honoraria

I. An employee may not accept an honorarium unless specifically authorized by a Deputy Director or Director. Under no circumstances may an employee receive an honorarium if:

1. The person or entity offering the honorarium is seeking, or is reasonably expected to seek, a contract or grant from Enterprise Services and the employee is in a position to participate in the terms or award of the contract or grant; or
2. The person or entity offering the honorarium is regulated by Enterprise Services and the employee is in a position to participate in the regulation; or
3. The person or entity offering the honorarium is seeking or opposing, or is reasonably likely to seek or oppose, enactment of legislation or Enterprise Services rules or policy and the employee may participate in the enactment or adoption of such legislation, rules, or policy.

Use of State Resources

J. Employees must conserve, safeguard, and appropriately use state resources under their control or provided for the performance of their duties.

Electronic storage or e-mailing of confidential or highly sensitive information requires extra security measures; contact Enterprise Technology Solutions for assistance.

Exception: E-mails involving only the addresses that are listed in the State's Global Address Book in Outlook (i.e. inside of the secure state government network) do not require extra security measures.

Employees may make *de minimis* personal use of state resources when the use is not specifically prohibited.

1. Enterprise Services employees may make de minimis personal use of state resources only when the following conditions apply:

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- a. There is little or no cost to the state.
 - b. Any use is brief in duration, occurs infrequently, and is the most effective use of time or resources.
 - c. The use of state resources does not interfere with the performance of official duties.
 - d. The use does not disrupt or distract from the conduct of state business due to volume or frequency.
 - e. The use does not disrupt other employees and does not obligate them to make personal use of state resources; and
 - f. The use does not compromise the security or integrity of state information or software. Read Enterprise Services' Information Technology Security Program Policy for specific security requirements.
 - g. The use is consistent with the current Collective Bargaining Agreement.
2. Employees are always prohibited from the following attempted or actual use of state resources:

- a. Any use for the purpose of conducting an outside business or outside employment; or
- b. Any use for the purpose of supporting, promoting, or soliciting for an outside organization or group unless permitted by law or authorized by the Director; or
- c. Any use in support of, or opposition to, a political campaign, including election of a person to an office or a ballot proposition; or
- d. Commercial uses such as advertising or selling; or
- e. Any use that is otherwise prohibited by or incompatible with Enterprise Services' mission, business, rules or policy; or
- f. Illegal Activity; or
- g. Any private use of state equipment that has been removed from state facilities or other official duty station.

Examples of activities for personal use that are always prohibited are:

- Example 1: Data streaming audio or streaming video from the internet to an agency computer for extended periods of time.
- Example 2: Online gambling or viewing images and materials that are pornographic or involve sexual content. If you accidentally click on an adult site, immediately close it out and notify your supervisor
- Example 3: Using your phone or computer to conduct employment or other services for your private financial gain or the benefit of an outside entity.
- Example 4: Discrimination, racism, bullying or harassment.

K. Enterprise Services may allow limited usage of state resources to achieve indirect agency benefits.

1. The Director may authorize in advance the limited use of state resources for activities or events that:
 - a. promote organizational effectiveness;
 - b. enhance job-related skills;

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- c. builds teams;
 - d. improves morale; or
 - e. Supports the health, safety, and well-being of employees.
2. Activities authorized by the Director are listed as an appendix to this policy.
 3. Planning and soliciting for approved charitable events and activities may be conducted during the work day so long as the planning and soliciting meets the criteria of section J.1 above.
 4. Managers and supervisors should never personally solicit donations, gifts, or contributions from employees who work under their supervision or over whom they have influence. This prohibition is not limited to donations to outside charitable organizations, but for all fundraising efforts, including those listed in Appendix A Approved Employee Activities and Events
 5. Aside from Director authorized charitable activities or events, staff engaged in any charitable solicitation should avoid conveying the perception that the solicitation is supported or endorsed by managers or supervisors.

L. Enterprise Services may monitor usage of all state resources for business and compliance purposes.

Enterprise Services may monitor use of state resources unannounced on a periodic basis to determine compliance with this policy or for personnel issues.

All electronic internet access records, messages, and other files are reproducible, are not private, and are subject to disclosure under public disclosure laws. Deleted files may still be subject to recovery, review, and disclosure.

The monitoring, review or investigation of employee e-mail accounts, internet usage, or personal computer activity will be done in accordance with Enterprise Services' Information Technology Security Program or Loss of Funds or Property policy.

Outside Employment

M. Employees will not knowingly seek outside employment that could conflict with their official duties.

Employees will not seek outside employment that is, or could be, perceived as conflicting with their official duties.

Outside employment includes, but is not limited to:

- Private employment;
- The ownership or operation of a private business;
- Employment as a consultant, advisor, or other independent contractor;
- Employment in another subdivision of the department or in another state, federal, or local government entity;
- Becoming a state contractor or grantee.

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N. Employees must inform Enterprise Services of outside employment.

Employees that have additional jobs outside of Enterprise Services must inform their supervisor using Enterprise Services' Notification of Outside Employment form.

Employees that want to contract with or obtain a grant from a state agency may need to get advance approval by the Executive Ethics Board before starting or entering into a contract.

O. Outside employment must not detract from performance of state job duties.

An employee may not engage in outside employment if the demands of such employment prevent the satisfactory performance of their state duties. Outside employment must not be inconsistent with RCW 42.52 which establishes a code of ethics for public officers and employees.

P. Outside employment with a contractor or vendor may be allowed.

An employee may accept outside employment with an employer who provides goods or services to Enterprise Services or the state if:

1. The employment has been approved in advance by the employee's Division Assistant Director after consult with the Ethics Officer; and
2. The nature of the employment is clearly unrelated to the duties or services provided by the employee to Enterprise Services or the state; or
3. The employee has no opportunity to influence the relationship between the outside employer and Enterprise Services or the state; or
4. The employment includes only performance on contracts authorized by Enterprise Services or the state, when:
 - a. Those contracts are not expressly created or authorized by the employee;
 - b. Those contracts are not expressly created or authorized by staff subject to the employee's direction; and
 - c. The employment will not be perceived as conflicting with the employee's official duties.

Q. Caution should be taken to avoid possible conflicts of interest.

Employees may not accept employment or engage in any outside activity (e.g. business, charitable, political, professional, etc.) that they might reasonably expect would require or persuade them to reveal confidential information used in their official position.

Employees should not solicit or accept any offer of employment if they have reasons to believe the offer has been made or would be made for the purpose of influencing the performance of their official duties and obligations.

An employee may not use their official position to influence customers for any reason related to the employee's outside employment.

Appendices

- Appendix A - Approved Employee Activities and Events
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Definitions

- **Confidential information** means specific information that is not available to the general public or is protected by law. Confidential information cannot be released to the public and is exempt from public disclosure.
- **Employee** means officers and employees of Enterprise Services, volunteers doing work for Enterprise Services, and members of Enterprise Services Boards and Commissions.
Exception: The state Ethics Laws and Sections M through Q of this policy in regard to outside employment do not apply to volunteers.
- **Highly sensitive** means information that, in your judgment, could be very embarrassing to individuals, our agency, or the state if it were unnecessarily distributed to unintended recipients.
- **Hosted reception** means a social event involving a diverse group of people, some of whom are regulated by the agency and others, who are not, and some who provide goods or services to the agency and some who do not.
- **Meal** means a sit-down meal where the guests are expected to sit down to eat.
- **Section 4 employee** means all Enterprise Services employees in the context of this policy.
- **State resources** means the same as public resources, public facilities and facilities of an agency where used in state law or rule.

State resources includes, but are not limited to, funds, facilities, tools, property, systems such as the telephone, internet and email, and employees and their time during working hours, use of stationery, postage, machines, and equipment, vehicles, office space, intangible and intellectual property, electronic data, images, files, and software, publications of the agency, and clientele lists of persons served by the agency.

- **Transactions involving Enterprise Services** means a proceeding, application, submission, request for a ruling or other determination, contract, claim, case, or other similar matter that the employee or former employee believes, or has reason to believe (1) is, or will be, the subject of Enterprise Services action; (2) is one to which Enterprise Services is or will be a party; or (3) is one in which Enterprise Services has a direct and substantial proprietary interest.

"Transactions involving Enterprise Services" does not include the preparation, consideration, or enactment of legislation, including appropriation of moneys in a budget, or the performance of legislative duties by an employee; or a claim, case, lawsuit, or similar matter, except for Enterprise Services employees who participated in the underlying transaction involving the agency.

History

Adopted:

October 1, 2011 Policy first adopted

Amended:

- February 13, 2014 This update addresses maintenance changes and content changes.
Maintenance changes repair broken hyperlinks and update division names.
Content changes while minor, are necessary in order to:
- Emphasize ethics training opportunities;
- Make sure DES's policy requirements are in alignment with state ethics laws and requirements of the Executive Ethics Board.
- October 30, 2013 This update transitions the contact for ethics issues from the agency Internal Auditor to the agency Ethics Officer.
- October 17, 2012 This update addresses maintenance changes and content changes.
Maintenance changes add a Contents section and a History section,
In addition, the policy number has been changed to reflect that content ownership of this policy has been transferred from the Human Resources Division to the agency Legal Program under the Contracts and Legal Division.
Content changes address substantial changes to limited use of state resources by employees (see Appendix A).
The following activities have been added:
- Wellness Program;
 - Implement and manage contract for employees to purchase agency branded clothing for personal use
- May 29, 2013 This update addresses necessary maintenance changes to repair broken hyperlinks, and add links to state law regarding procurement reform.
No policy content was changed by this update.

Need a copy of a prior version of this policy? E-mail jack.zeigler@des.wa.gov