
OFFICE OF FINANCIAL MANAGEMENT POLICY

4.05 Ethics (previously number 2.01)

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PURPOSE

This policy provides guidance and outlines the standards of ethical conduct to be followed by Office of Financial Management (OFM) employees. This policy implements the requirements of the Ethics in Public Service (state ethics law) ([Chapter 42.52 RCW](#)).

SCOPE

This policy applies to all OFM employees, both exempt and classified. For purposes of this policy, "OFM employees" do not include employees of units who are administratively attached to OFM but who report directly to the Office of the Governor or agencies established within the Office of the Governor. Employees of units not included in this policy shall follow the ethics policy issued by the Office of the Governor or the policy issued by their employing agency.

POLICY

To protect the public trust and promote the public interest, all OFM employees are expected to be familiar with the state ethics law and to act in a manner consistent with the general provisions and specific restrictions detailed in this policy. For purposes of this policy and the state ethics law, all OFM employees are regarded as "Section 4" employees.

GENERAL RESPONSIBILITIES

Ethics Advisor. The Director for Legal and Contract Services is the OFM Ethics Advisor. The Ethics Advisor will designate a back-up, whose name will be posted on the OFM [Ethics web page](#). The Ethics Advisor is the lead for issues related to ethics and will:

- Maintain the agency ethics intranet web page.
- Provide ethics training to all new employees and refresher training to all OFM employees.
- Respond to questions related to the ethics law.
- Review and make recommendations on complaints/allegations of ethics violations.
- Provide updates from the Executive Ethics Board, and other educational communications relating to ethics requirements.

The Leadership Team, managers, and supervisors must:

- Model and promote ethical behavior consistent with the state ethics law.
- Encourage employees and contractors to ask questions and share their concerns or complaints.
- Document and take appropriate action when incidents occur, including consulting with the Ethics Advisor or OFM HR when there are questions or concerns related to appropriate actions or this policy.

- Not leverage their position for private benefit or financial gain.
- Not use their position to establish or promote personal or financial relationships with clients, providers, employees, volunteers, interns, work study students, or contractors.
- Not condone, minimize, or ignore violations of this policy.

Employees will follow the state ethics law and:

- Serve the public with the highest level of ethical standards, including honesty, integrity, respect, concern, and responsiveness, to promote an environment of public trust, racial equity, and social justice.
- Be independent and impartial in carrying out their duties, avoiding actions that create even the appearance of using their positions for personal gain or private benefit.
- Protect the integrity of the decision-making process by recognizing and avoiding conflicts between their public duties and private interests and activities.
- Avoid any use of state resources for personal gain or for the benefit or gain of other outside individuals or organizations.
- Consult with the Ethics Advisor when questions arise as to whether conduct or circumstances may be a violation of this policy.
- Participate in ethics training. All new OFM employees must take the OFM Ethics training (Ethics 101) at the first opportunity after their start date. OFM employees must also take the OFM refresher ethics training every three years.
- Review this ethics policy within one month of their start date and annually thereafter.

SPECIFIC ETHICS PROVISIONS

Receipt of Gifts ([RCW.52.150](#))

All OFM employees are designated as “Section 4” employees and are prohibited from accepting certain gifts from a specific category of donors under any circumstances.

Gifts that are presumed to not influence employees and may be accepted by OFM employees are:

- Unsolicited advertising and promotional items of nominal value, such as pens or coffee mugs.
- Unsolicited tokens of appreciation in the form of plaques, trophy, awards, or similar items.
- Unsolicited items received for purpose of evaluation if no beneficial interest or the employee does not have a personal interest in the eventual use or acquisition of the item.
- Informational material, publication, or subscriptions related to performance of official duties.
- Food and beverages consumed at hosted receptions where attendance is related to the employee’s official duties.
- Admission to and the cost of food and beverages consumed at events sponsored by or in conjunction with a civic, charitable, governmental, or community organization.
- Items that are not included in the definition of gifts and may be accepted by OFM employees are:
 - Items from family and friends, where it is clear beyond a reasonable doubt that the gift is not made as a part of any design to influence the agency employing the state officer or state employee.

- Items related to the outside business of a state officer or state employee that are customary and are not related to the officer or employee's official duties.
- Items exchanged among state officers or state employees, or a social event hosted by officers or employees of coworkers.
- Items that a state officer or state employee is authorized by law to accept.
- Items returned by the recipient or donated to a charitable organization with 30 days of receipt.
- Campaign contributions reported under [Chapter 42.17A RCW](#).
- Discounts available to an individual state officer or state employee as a member of an employee group, occupation, or similar broad-based group.

Because of the complex nature of these restrictions, it is recommended that employees discuss the acceptability of a gift with the Ethics Advisor.

Use of State Resources ([RCW 42.52.160](#))

State resources should be used for purposes reasonably related to the conduct of official duties or official state purposes. State resources include equipment (such as computers, e-mail, telephones, voice mail, photocopiers, and FAX machines), vehicles, supplies, postage, funds, and personnel. State resources also includes state facilities (buildings and office space) during or outside work hours for activities not related to work.

Permitted Uses

To the extent authorized by OFM, state resources may be used for:

- Training and career development;
- Membership or participation in professional associations that enhance job-related skills;
- State or agency-sponsored health, safety, or diversity fairs;
- Management of or access to state-provided or sponsored benefits including health, deferred compensation, and retirement; and
- Search and application for state jobs.

Prohibited Uses

OFM employees shall not use state resources for their own private benefit or gain, or for the benefit or gain of other individuals or outside organizations.

The following activities are specifically prohibited:

- Sending emails of a sexually explicit nature, including but not limited to, jokes, pictures, innuendos, etc.;
- Accessing Internet sites that contain sexually explicit material;
- Conducting or promoting any business venture or sales of goods or services;
- Borrowing or using state equipment for a non-work-related purpose (see exceptions below);
- Using state property or personnel to support or oppose an election campaign or ballot proposition;
- Publishing a state telephone number, either internally (i.e., office bulletin boards) or externally (i.e., newspaper ad or flyer) for the purpose of any activity conducted for

unauthorized private gain;

- Using a supervisory position to coerce or influence employees to purchase goods or services, to participate in non-work-related activities, to perform work for any individual or entity's private benefit or gain, or to join any organization or business, whether for-profit or not-for-profit;
- Using state resources that have been removed from state facilities or other official duty stations, even if there is no cost to the state; and
- Engaging in any illegal activity.

Permitted Personal Use of State Resources

In accordance with [WAC 292-110-010\(3\)](#), de minimis personal use of state resources is allowed if all of the following conditions are satisfied:

- There is little or no cost to the state;
- The use is brief in duration;
- The use occurs infrequently;
- The use does not interfere with the performance of any employee's official duties;
- The use does not compromise the security or integrity of state property, information systems, or software;
- The use is not to conduct an outside business, further private employment, or realize a private financial gain; and
- The use is not to support, promote the interests of, or solicit for an outside organization.

Agency Approved Use

The Washington State Executive Ethics Board requires agencies to establish a policy to authorize limited use of state time and resources for certain activities. The following uses are authorized for OFM employees, subject to the identified guidelines:

- Employee recognition, including birthdays, longevity, appreciation, or other similar celebrations.
- State or intermittent agency-sponsored health activities.
- Other previously approved agency-sponsored activities, such as the Fun Committee bake sale, ice cream social, potlucks, and Super Bowl and Academy Awards contests.

All approved activities must be conducted within the parameters of the de minimis use rule.

Use of State Resources to Support Charities, Including Fundraising Activities

Employees may not use their official state positions to solicit donations from private organizations and businesses. In addition, employees may not solicit gifts, grants, or donations from businesses or organizations that have business dealings with OFM. "Business dealings" include being subject to OFM regulation, having a contractual relationship with OFM, or lobbying OFM for legislation or funding in the state budget.

Employees, with the prior approval of the OFM Deputy Director or OFM Ethics Advisor, may conduct passive fundraising (i.e., sale of products for a charity) for charitable purposes at the workplace, but not during work time or in a way that interferes with the work of others. Passive fundraising means order forms or other materials placed in areas that employees frequent, such

as break rooms or on bulletin boards. Soliciting employees through agency email or directly soliciting employees during working hours or by using any state resource is not authorized.

Agency Combined Fund Drive (CFD) coordinators may make reasonable use of state resources for official CFD activities. The use of state resources should be reasonable, involve little or no cost to the agency, and not disrupt the conduct of official business in state offices.

Coordinators must avoid endorsement or direct involvement in commercial activities even if the activity benefits CFD. Examples include (1) distributing commercial product sales brochures and order forms or (2) collecting product order forms and distributing products in the workplace on paid state time.

OFM authorizes several agency-wide charitable activities, some of which are organized and/or sponsored by the CFD:

- Dr. Martin Luther King, Jr. Day of Service (January)
- ICSEW Clothing Drive (April)
- Well Fed - Well Read Food and Children's Book Drive (April)
- YMCA Agency Challenge (May)
- ICSEW Drive for YWCA "Other Bank" (August)
- OFM Charity Golf Tournament (Fall)
- United Way Day of Caring (September)
- State Employee Combined Fund Drive (October through December)
- Holiday Adopt-a-Family Silent Action, Chili Feed and Giving Tree (November/December)

All charitable activities outside the CFD require the prior approval of the OFM Deputy Director or OFM Ethics Advisor. To obtain approval, the charitable activity Lead must submit a request to the [Ethics Officer](#), containing the following information:

- Name of employee requesting approval
- Other employees who will be coordinating the event
- Event name
- Description of event, including state resources that will be used
- Event dates, including duration of event and amount of prep time needed
- Purpose of the event.

Approval or disapproval will be provided, along with any conditions required to be followed. No use of resources may be used prior to receiving this approval.

No Expectation of Privacy

There is no right to privacy when using state resources. Technologies such as electronic mail, facsimile transmissions, the internet, and voicemail create a record and cannot be considered private. Such records may be subject to disclosure under the Public Records Act or may be disclosed for audit or state operational or management purposes.

Disclosure of Confidential Information and Concealment of Public Records ([RCW 42.52.050](#))

OFM employees have an obligation to maintain confidential information acquired as part of their official position. Employees may not disclose confidential information to an unauthorized person, 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.

OFM employees may not intentionally conceal a record if the employee knows that the record was required to be released under the Public Records Act, and is under a personal obligation to provide the record (See [Chapter 42.56 RCW](#), Public Records Act, and [OFM Policy 1.04](#), Disclosure of Public Records.)

Compensation for Outside Activities ([WAC 292-110-060](#))

OFM employees have an ongoing duty to report any outside employment. Employees shall not:

1. Engage in outside employment and receive compensation for services from sources other than the state of Washington if (a) the services are not actually performed by the employee; (b) the services are within the course of the employee's official duties; (c) the services involve transactions with the state that the employee may not assist in because they relate to the employee's official state duties; or (d) the employee has a reason to believe that the outside employment involves a person who:
 - has or is seeking to obtain a contractual or other business relationship with OFM;
 - conducts operations or activities that are regulated by OFM; or
 - has interests that may be substantially affected by the employee's performance or nonperformance of official duty.
2. Ask for or receive directly, or indirectly, any compensation, gratuity, or reward, or promise of such benefit, other than the employee's normal compensation, for performing or not performing an official duty.
3. Have a direct or indirect interest in any contract, sale, lease, or purchase over which the employee has any supervision.
4. Use or refer to the employee's position at OFM when performing duties in outside employment.
5. Accept outside employment when financed by funds administered by OFM.
6. Accept outside employment where the employee's judgment in official matters might be affected by circumstances of personal and/or economic interest.
7. Accept outside employment if it interferes with the employee's ability to perform his or her job duties as a state employee or conflicts with OFM's vision, mission and/or priorities.

OFM employees with employment outside OFM are required to complete a [Request for Approval for Outside Employment form](#). After approval by the employee's division director and the OFM Deputy Director or OFM Ethics Advisor, the request form will be added to the employee's official personnel file.

Honoraria ([RCW 42.52.130](#))

An employee may not accept an honorarium unless specifically authorized by the OFM Deputy Director or OFM Ethics Advisor. Under no circumstances may an employee receive an honorarium if:

- the person or entity offering the honorarium is seeking, or is reasonably expected to seek, a contract or grant from OFM and the employee is in a position to participate in the terms or award of the contract or grant;
- the person or entity offering the honorarium is regulated by OFM and the employee is in a

position to participate in the regulation; or

- the person or entity offering the honorarium is seeking or opposing, or is reasonably likely to seek or oppose, enactment of legislation or OFM rules or policy and the employee may participate in the enactment or adoption.

Financial Interests in Transactions ([RCW 42.52.030](#))

OFM employees should not have a financial interest in certain contracts and/or other kinds of transactions involving the agency. OFM 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. OFM employees may not participate in a transaction involving OFM with an organization of which the employee is an officer, agent, employee, member, or in which the employee owns a beneficial interest.

"Transactions involving OFM" mean 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 OFM action; (2) is one to which OFM is or will be a party; or (3) is one in which OFM has a direct and substantial proprietary interest.

"Transactions involving OFM" 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 OFM employees who participated in the underlying transaction involving the agency.

Employment of Former State Employees ([RCW 42.52.080](#) and [RCW 42.52.090](#))

OFM employees may not accept employment or compensation from an employer within one year of leaving state employment, if all three of the following conditions are present:

1. during the two years immediately preceding termination of state employment, the employee negotiated or administered a contract with the new employer;
2. the contract(s) had a total value in excess of \$10,000; and
3. duties with the new employer would include fulfilling or implementing the contract.

Employees may not, within two years following termination of state employment, have a beneficial interest in a contract or grant which was expressly authorized or funded by executive action in which the employee participated.

OFM employees may not let offers of future employment or compensation from a future employer influence the performance or nonperformance of state duties.

Assisting in Transactions Involving the State ([RCW 42.52.040](#))

Current OFM employees shall not:

1. Assist another person, except in the course of the employee's official duties or incident thereto, whether or not for compensation, in any transaction involving the state: a) in which the employee has at any time participated, or b) if such transaction involving the state is or has been under the employee's official responsibility at any time within a period of two years preceding such assistance.

2. Share in any compensation received by another for assistance which the employee is prohibited from rendering pursuant to paragraph 1 above.

Former OFM employees shall not assist another person in a transaction involving the state in which the employee participated during employment with the state.

Use of State Resources for Political Campaigns ([RCW 42.52.180](#))

OFM employees are prohibited from campaigning during working hours for or against a ballot proposition or assisting in the campaign for the election of any person to any office. Employees also are prohibited from using public facilities (office space, computers, telephones, electronic mail, data processing equipment, word processing and copying equipment, and any other public-owned property) whether during or after work hours for political campaigns. Employees may not state or imply that job performance might be judged according to a willingness to use their own time on a campaign.

OFM employees may participate in political campaigns on their own time and have the right to vote and express their opinions on all political subjects and candidates, to hold any political party office, or to participate in the management of a partisan, political campaign to include constitutional amendments, referenda, initiatives, and issues of similar character, and for nonpartisan offices. OFM employees shall not hold a part-time public office in a political subdivision of the state when the holding of such office is incompatible with, or substantially interferes with, the discharge of official duties in state employment as determined by the OFM Director. OFM employees are responsible for notifying the OFM Director in writing of their decision to seek public office and to provide any additional information when requested by the OFM Director for the purpose of determining continued agency employment.

Within the "normal and regular conduct" exception under [RCW 42.52.180\(2\)\(d\)](#), OFM employees may conduct research into the likely impact of the passage of a ballot proposition for the purpose of gathering the facts directly related to the agency's responsibilities, to provide public records in response to requests made by the supporters or opponents of ballot propositions, and to publish factual information showing the comparative effects of measures on the same subject or the expected effect of a single measure. In addition, OFM may engage in activities necessary to produce fiscal impact statements for ballot measures as required under [RCW 29A.72.025](#).

Actual or Perceived Ethics Violations

Employees are responsible for their own behavior. However, if a person with authority to direct, control or influence the action of an OFM employee is aware of an employee's violation of the use of public resources for political campaigns, the person with direct control or influence over that employee has a responsibility to stop the prohibited behavior.

Employees who believe that a violation of Chapter 42.52 RCW or this policy has occurred may submit an oral or written complaint to the OFM Ethics Advisor, the OFM HR Director, OFM Director, or OFM Deputy Director. When appropriate, an investigation will be conducted by the OFM Ethics Advisor or outside investigator if warranted. The investigation may result in corrective and/or disciplinary action.

Employees may also file a complaint with the Washington State Executive Ethics Board or a whistleblower complaint with the State Auditor's Office.

RELEVANT LAWS AND OTHER RESOURCES

[Chapter 42.52 RCW – Ethics in Public Service Act](#)


[Chapter 42.17A RCW - Campaign Disclosure and Contribution](#)

[Chapter 42.56 RCW – Public Records Act](#)

[Title 292 WAC – Ethics in Public Service Rules](#)

[Executive Ethics Board – \(includes advisory opinions and frequently asked questions\)](#)

[OFM Ethics Web Page](#)

Approved by:  _____ 8/30/2024
David Schumacher, Director Date