220-RICR-30-00-3

TITLE 220 - DEPARTMENT OF ADMINISTRATION

CHAPTER 30 - PURCHASES

SUBCHAPTER 00 - N/A

PART 3 - CODE OF ETHICS AND PROFESSIONAL BEHAVIOR

3.1 CODE OF ETHICS AND PROFESSIONAL BEHAVIOR

A. All state employees shall be subject to the provisions of R.I. Gen. Laws § 36-14 and all regulations promulgated by the Rhode Island Ethics Commission, and any special provisions of this section.

B. R.I. Gen. Laws § 36-14-1 It is the policy of the state of Rhode Island that public officials and employees must adhere to the highest standard of ethical conduct, respect the public trust and the rights of all persons, be open, accountable and responsive, avoid the appearance of impropriety, and not use their positions for private gain or advantage.

C. R.I. Gen. Laws § 36-14-5 Prohibited Activities under the Rhode Island Conflict of Interest Statutes.

1. No person subject to the code of ethics shall have any interest, financial or otherwise, direct or indirect, or engage in any business, employment, transaction or professional activity, or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his duties or employment in the public interest and of his responsibilities as prescribed in the laws of this state.

2. No person subject to the code of ethics shall accept other employment which will either impair his independence of judgment as to his official duties or employment or require him, or induce him, to disclose confidential information acquired by him in the course and by reason of his official duties.

3. No person subject to the code of ethics shall willfully and knowingly disclose, for pecuniary gain, to any other person, confidential information acquired by him in the course of and by reason of his official duties or employment or use any such information for the purpose of pecuniary gain.

4. No person subject to the code of ethics shall use in any way his public office or confidential information received through his holding any public office to obtain financial gain, other than that provided by law, for himself

or spouse (if not estranged) or any dependent child or business associate or any business by which said person is employed or which said person represents.

5. No person subject to this code of ethics or spouse (if not estranged) or dependent child or business associate of such person or any business by which said person is employed or which such person represents, shall solicit or accept any gift, loan, political contribution, reward, or promise of future employment based on any understanding that the vote, official action or judgment of said person would be influenced thereby.

6. No person shall give or offer to any person covered by this code of ethics, or to any candidate for public office, or to any spouse (if not estranged) or dependent child or business associate of such person, or any business by which said person is employed or which such person represents, any gift, loan, political contribution, reward, or promise of future employment based on any understanding that the vote, official action or judgment of said person would be influenced thereby.

D. In accordance with the provisions of R.I. Gen. Laws § 37-2-9(2)(o), the following supplemental State Code of Procurement Ethics shall be adopted.

1. Universal Code of Ethics applicable to all state employees involved in the procurement process:

   a. To consider, first, the interests of the state in all transactions;

   b. To support and carry out state policies;

   c. To buy without prejudice;

   d. To avoid any conflict of interest with respect to procurement, or the appearance thereof;

   e. To obtain the maximum ultimate value for each dollar of expenditure;

   f. To subscribe to and work for honesty and truth in buying and selling, and to denounce all forms and manifestations of commercial bribery; and

   g. To respect obligation and to require that obligations to the state be respected, consistent with good business practice.

2. Relations With Suppliers - A primary responsibility of purchasing personnel shall be to maintain good relations with suppliers and potential suppliers. Relationships shall be maintained in a manner which assures that no conflict of interest situations arise.

a. All potential suppliers shall be afforded the courtesy of a fair opportunity to present their capabilities and products.

b. Reasonable effort shall be made to provide fair bidding opportunities to all qualified and interested suppliers.

c. R.I. Gen. Laws § 37-2-9(2)(g) State officials shall observe a commitment to maintain the confidentiality of information submitted by suppliers and potential suppliers.

   (1) Supplier proposals shall be treated in confidence with regard to technical approach and terms and conditions.

   (2) Distribution of information contained in supplier proposals shall be limited to those having a "need to know" as determined by the Purchasing Agent.

   (3) Under no circumstances shall confidential information be made available to other vendors.

d. Personnel are prohibited from engaging in any conduct which may tend to cause any existing or prospective supplier of goods or services to believe that his relationship with the state will be affected by his purchasing or failing to purchase goods or services from any representative of the state.

e. Under no circumstances may a vendor provide to a procurement official nor may a purchasing agent (any person authorized by a state agency in accordance with procedures prescribed herein acting within the limits of authority to commit state funds to obtain goods and services) accept any goods or services, regardless of monetary value, for personal use for less than fair market value.

f. Personnel are prohibited from accepting gifts or gratuities in any form for themselves or their families (spouses, parents, children, sister, brothers, in-laws, etc.) from contractors, subcontractors or suppliers now furnishing or desiring to furnish supplies or services to the Office of Purchases.

   (1) Gifts or gratuities shall mean, but are not limited to money, merchandise, advertising media (any merchandise carrying a vendor's name or logo), gift certificates, trips (individually or in groups), cock-tail parties, dinners, evening entertainment, sporting events, etc.

g. Social interaction between personnel involved in the procurement process and any present or prospective contractors, subcontractors or suppliers and their representatives creating the impression of

favoritism shall be avoided. However, this regulation does not prohibit social interactions between state employees and representatives of suppliers which are clearly of a personal nature, in which the parties involved would normally be expected to reciprocate, and in which no reimbursement from the state is sought by the employee. For example, the supplier's representative may be an acquaintance, neighbor, relative or former state employee. The responsibility rests on the individual employee to regulate his/her own actions and to seek advice from Purchasing Management or the Ethics Commission if concerned about an apparent conflict of interest.

3. It shall be the obligation of all state employees to avoid conflicts of interest with respect to procurement, and to report promptly to the Chief Purchasing Officer all instances where a conflict exists or is suspected to exist.

   a. Conditions under which a conflict of interest may be held to exist include, but are not limited to the following:

      (1) Where a procurement official with a principal responsibility for a category of goods or services:

         (AA) receives personal enrichment as a result of an award, or

         (BB) holds a secured financial interest in a firm offering such goods or services, or,

         (CC) receives indirect or subsequent income, by way of employment, retainer, consultancy, or other remuneration from a firm offering such goods or services, or,

         (DD) has an immediate family member or blood relative holding an equity interest, or a management or directorial position in a firm offering such goods or services;

      (2) Where any state employee divulges or withholds information (including, but not limited to, price, design, or requirement information) with the intent or result that one vendor is competitively advantaged over another.

      (3) Under any circumstances described in R.I. Gen. Laws § 36-14

4. The Chief Purchasing Officer shall have the responsibility to investigate all claims with respect to conflicts of interest in procurement, to issue determinations which define whether or not conflict, in fact, existed, and to take action to resolve such conflict.

   a. Resolution of conflict may include, but shall not be limited to, the following measures: Reassignment of the procurement official or other state employee involved; Termination of employment of the procurement official or other state employee involved; and Debarment of any and all vendors who may be involved.

5. All employees of the Office of Purchases shall be required to sign and submit annual disclosure statements with respect to Purchasing Conflicts of Interest. Any and all purposeful or willful withholding of knowledge of or disclosure of conflict shall be held to be fraudulent activity, and may result in the immediate termination of the employment of that individual.

6. Membership and active participation in the meetings and activities of local purchasing organizations are encouraged.

7. Samples provided by vendors shall be deemed to be the property of the state which the Chief Purchasing Officer may determine appropriate for donation to charitable organizations or needy individuals.

8. Promotional programs and campaigns available through airlines, rental companies, hotels, motels, etc., which provide bonuses and rebates, and result from state paid travel, shall be applied toward state use or benefit and not personal use.

9. Purchasing personnel shall not make purchases for personal use in the name of the state or through the use of any state procurement forms.

220-RICR-30-00-3

TITLE 220 - DEPARTMENT OF ADMINISTRATION

CHAPTER 30 - PURCHASES

SUBCHAPTER 00 - N/A

PART 3 - CODE OF ETHICS AND PROFESSIONAL BEHAVIOR (220-RICR-30-00-3)

Type of Filing: Refile Capabilities

Department of State

01/04/2022	N/A
Regulation Effective Date	Original Signing Date
E-SIGNED by Department of State on 2021-12-20 10:43:01 EST	December 20, 2021
Department of State Initials	Department of State Date