

ETHICS

It is the policy of Cameron County that all purchasing shall be conducted strictly on the basis of economic and business merit. This policy is intended to promote the interest of the citizens of Cameron County.

To avoid violation of, or the appearance of violation of, the policies in this manual, officials and County employees are prohibited from:

seeking or accepting, directly or indirectly, any loans, services, payments, entertainment, trips, gifts, or merchandise, or money in any amount from a business or an individual during, or seeking to do, business with the County.

It is important to remember that County purchasing operates in full view of the public. In order to guarantee an open purchasing process and economy in purchasing, the Commissioners' Court has determined that competitive bidding will be used, as much as possible, in the purchase of goods and services for the County.

Cameron County intends to maintain a cost-effective purchasing system conforming to good management practices. To be successful, the system must be backed by proper attitudes and cooperation of not only every department head and official, but also every supervisor and employee of Cameron County. The establishment and maintenance of a good purchasing system is possible only through a cooperative effort.

The purchasing process is not instantaneous. Time is necessary to complete the steps required by the State law. In order to accomplish typically purchasing of products and services at minimum cost to Cameron County, all departments must cooperate fully. Prior planning and the timely submission of requisitions are essential to expedite the purchasing process and to ensure that the process is orderly and lawful.

1. Code of Ethics (Model Procurement Code - State and Local Governments)

- a. It shall be a breach of ethics to attempt to realize personal gain through employment with Cameron County by any conduct inconsistent with the proper discharge of the employee's duties.
- b. It shall be a breach of ethics to attempt to influence any employee of Cameron County to break the standards of ethical conduct set forth in this code.
- c. It shall be a breach of ethics for any employee of Cameron County to participate directly or indirectly in a procurement when the employee knows that:
 - the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement;
 - a business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
 - any other person, business or organization with whom the employee, or any member of the employee's immediate family, is negotiating or has an arrangement concerning prospective employment is involved in the procurement.
- d. Gratuities - It shall be a breach of ethics to offer, give or agree to give, any employee or former employee of Cameron County, or for any employee or former employee of Cameron County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or sub-contract, or solicitation or proposal therefore pending before this government.

- e. Kickbacks - It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by, or on behalf of, a sub-contractor under a contract to the prime contractor or higher tier sub-contractor for any contract for Cameron County, or any person associated therewith, as an enticement for the award of the sub-contract or order.
- f. Contract Clause - The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation therefore.
- g. It shall be a breach of ethics for any employee or former employee of Cameron County to knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

2. Ethical Practices

- a. Avoid the intent and appearance of unethical or uncompromising practice in relationships, actions and communications.
- b. Demonstrate loyalty to the employer by diligently following the lawful instructions of the employer, using reasonable care and only authority granted.
- c. Refrain from any private business or professional activity that would create a conflict between personal interests and interests of the employers.
- d. Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, favors, or services for present or potential suppliers who might influence, or appear to influence, purchasing decisions.
- e. Handle information on a confidential and proprietary nature to employers and/or suppliers with due care and proper consideration of ethical and legal ramifications and govern-mental regulations.
- f. Promote positive suppliers' relationships through courtesy and impartiality in all phases of purchasing cycle.
- g. Refrain from reciprocal agreements that restrain competition.
- h. Know and obey the letter and spirit of the laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.
- i. Encourage that all segments of society have the opportunity to participate by demon-strating support for small, disadvantaged and minority-owned businesses.
- j. Enhance the proficiency and stature of the purchasing profession by acquiring and main-taining current technical knowledge and the highest standards of ethical behavior.

3. Conflict of Interest

Employees engaged in the purchasing function are expected to be free of interests or relation-ships that are actually, or potentially, unfavorable or detrimental to the best interests of the County and shall not engage or participate in any commercial transaction involving the County, its affiliates, divisions or subsidiaries in which they have a significant undisclosed financial interest.

Any employee engaged in purchasing who has assumed, or is about to assume, a financial or other outside business relationship that might involve a conflict of interest must immediately inform the supervisor of the circumstances involved. This information is to be reviewed at an appropriate level for decision on whether a conflict of interest is present and, if so, what course or action is to be taken. A conflict of interest exists when an employee:

- a. has an outside interest that materially encroaches on time or attention that should be devoted to the affairs of the County;
- b. has a direct or indirect interest in relationship with an outsider that is inherently unethical or that might be implied or construed to be, or make possible, personal gain due to the employee's ability to influence dealings; render the employee partial toward the outsider for personal reasons or otherwise inhibit the impartiality of the employee's business judgment; place the employee or the organization in an equivocal, embarrassing, or ethically questionable position; or reflect on the integrity of the organization;
- c. takes personal advantage of an opportunity that properly belongs to the County;
- d. uses County property without approval;
- e. discloses vendors' trade secrets, or any other proprietary information, to unauthorized persons.

4. Purchases by Employees

Employees may *not* purchase, through the County, any materials purchased or used by the County. (Exception - safety shoes should be according to the procedures provided by the Auditor's Office - pertaining.)

5. Purchases by Employers

It shall be the policy of the County not to purchase any goods or services from any employee or close relative of employee.

6. Nepotism - Degrees of Relationship; Nepotism Prohibitions (formerly VTCS Article 5996)

The nepotism statutes are intended to define degrees of relationship, both relationships by consanguinity (blood) or by affinity (marriage), for purposes of determining allowable (prohibited) transactions between persons.

For example, a public official may not appoint, confirm the appointment or vote for the appointment a person related to the public official within the prohibited degree by either consanguinity or affinity. Likewise, the public official may not agree with another public official to trade appointments, (appoint someone related to the other public official in a prohibited degree in exchange for the other public official appointing someone related to the public official in a prohibited degree).

A person is related to another by consanguinity if one is a descendant of the other or if they share a common ancestor. If one person is descended from another, the degree of relationship by consanguinity is determined by the number of generations that separate them. Therefore, a parent and child are related in the first degree, while a grandparent and child are related in the second degree, and so on.

If two persons share a common ancestor, the degree of relationship is found by adding the number of generations between the individual and the nearest common ancestor, and the number of generations between the relative and the nearest common ancestor.

So, for example, to determine the degree of relationship between a person and a cousin who is the son of the person's father's brother (the person's uncle), first determine the nearest common ancestor. In this case, it is the person's grandparent, who is also the cousin's grandparent. There are two generations between the person and the grandparent (second degree of consanguinity), and two generations between the cousin and the grandparent (second degree of consanguinity). Adding the number of degrees, we find the person and the cousin are related in the fourth degree of consanguinity.

A person is related to another by affinity if:

- they are married to one another; or
- the spouse of one of the individuals is related by consanguinity to another individual.

A husband or wife is related to each other in the first degree of affinity. The degree of relationship by affinity with another individual related by consanguinity to the husband or wife is the same as the underlying relationship by consanguinity. So, if two individuals are related to one another in the second degree by consanguinity, the spouse of one of the individuals is related to the other in the second degree by affinity.

For further explanation of nepotism, see the Chart of Nepotism (next page).