

Ethics Guidelines

Conflict of Interest

Only the highest ethical principles will be employed by all persons involved in the procurement process. It is the responsibility of each member of the UNT System staff and of **Procurement Services** to take all appropriate steps to assure that the UNT System does not knowingly enter into a purchase commitment which could result in a conflict of interest. A conflict of interest exists when some factor (e.g., financial or personal interest of a vendor) interferes or appears to interfere with a purchaser's ability to be completely impartial and loyal to the interests of UNT System. For example, purchase of materials from a company owned by an employee of UNT System may be a conflict of interest. See the guideline below.

Note: *All employees involved in the procurement of goods or services and the management of contracts are required to disclose any direct or indirect interest, including financial, personal or business, in a vendor whose products or services are being considered for purchase. Employees must disclose any potential conflicts of interest using the **Conflict of Interest Disclosure Form**. See **Conflict of Interest in Purchasing and Contracting** on the UNT System Business Support Services webpage for more information. The form should be submitted to Business Support Services with the ePro requisition or with submission of the contract. If the potential conflict of interest is related to a purchasing card transaction, the execution of a contract, or some other situation that does not involve an ePro requisition or contract submission, the employee should email the form to **Business Support Services**.*

UNT System Employees as Vendors

Purchases are not permitted from any employee of UNT System when

- that employee or member of their immediate family has an actual or potential; financial interest in the transaction;
- that employee is in a position to influence the transaction; or
- the transaction does not involve employee authored intellectual property.

However, the UNT System recognizes that on occasion there may be a circumstance that requires such a transaction. In such cases, **Procurement Services** will consult with the Office of General Counsel and review the transaction to make a determination.

All requisitions to individuals for services are routed to the UNT System Tax Accountant for approval. The UNT System Tax Accountant reviews the requisitions to determine employment status. Current employees who perform additional service must be paid through the payroll system regardless of the funds used and even if the nature of the service is separate from the individual's employment with the UNT System component. Individuals who have been employed by the UNT System and/or one of its components during the past 12 months must also be paid through the payroll system.

Business Transactions With Employees

No purchase of any kind shall be made from any officer or employee of the State of Texas or any of its agencies unless the cost of the goods or services is less than they can be purchased from any other known source and no sales of equipment shall be made to such persons unless the price is more than can be obtained from any other known source.

Purchases for Personal Use

The UNT System does not make purchases of merchandise for resale to employees or permit personal purchases with departmental or project funds. Additionally, the UNT System component's letterhead shall not be used for ordering personal items to be paid for by an individual. Use of state postage for personal use is prohibited by Texas law.

Gifts, Gratuities, and Honorariums

The Code of Ethics/Standards of Conduct for the UNT System requires personnel to refrain from accepting or soliciting any gift, favor, or service that might reasonably tend to influence the employee in the discharge of his/her official duties or that the employee knows or should know is being offered with the intent to influence his/her official conduct. Employees will refrain from accepting any gifts, gratuities or entertainment from vendors who do business or who wish to do business with UNT System. See Human Resources Policies pertaining to **Employee Ethics and Standards of Conduct**.

Gifts and other items for personal use given by the UNT System to employees, family members of employees, students, officials and other officers of other universities, officials of state or federal agencies, or local dignitaries must be purchased following institutional policies and procedures. Gifts include tips, tokens of appreciation given in honor of retirement or accomplishment and other items for personal use or of a personal nature.

Gifts to faculty and staff (both monetary and non-monetary) must follow policy pertaining to Faculty and Staff Gifts and Awards which requires review and approval from Human Resources. Depending on the value, approval from appropriate Vice Chancellors, Vice Presidents, or Deans may be required. The value of the gift may also require review by the UNT System Tax Accountant. All approvals, (usually in the form of an email) should be attached to the requisition.

Purchasing cards should not be used for purchase of gifts without an approved exception request on file with **Procurement Services**. See **Gift Cards**.

Honorariums are, by definition, gifts to an individual. Honorariums are appropriate from all local funds as long as the individual is providing a service to a UNT System component. See **Speakers, Performers, Judges, Officials** and their travel expenses.

Honorariums for individuals not performing a service must be paid from unrestricted Gift funds.

Unauthorized Purchases

The UNT System is obligated to make payment for goods and services only when **Procurement Services**, by issuing a purchase order, obligates the funds. Any other commitments are considered unauthorized purchases, and the individual making an unauthorized commitment may incur a personal obligation to the vendor. "After the Fact" or "Confirmation Orders" sent to Procurement Services after the fact, as a general rule, **should be avoided**. See **After-The-Fact Orders**.

In emergency situations, employees may be eligible for reimbursement on items personally purchased for the UNT System component. See **Reimbursement to Employees (Non-Travel)** and **Reimbursement to DeptID/ProjID Holders (Non-Travel)**.