**I. Governing Regulation**

This guideline is governed by System Policy [*07.01 Ethics*](http://policies.tamus.edu/07-01.pdf), System Regulation [*07.03 Conflicts of Interest, Dual Office Holding and Political Activities*](http://policies.tamus.edu/07-03.pdf), and Administrative Procedure [*10.30 Outside Employment*.](https://tfsfinance.tamu.edu/modules/finance/admin/admin_procedures/1030%20Outside%20Employment.docx)

**II. Purpose**

To provide guidance for conflicts of interest.

**III. Contracting and Procurement**

A. Employees are prohibited from having a direct or indirect financial or other interest, engaging in a business transaction or professional activity, or incurring any obligation that is in substantial conflict with the proper discharge of the employee’s official duties and responsibilities.

B. Any employee who exercises discretion or makes decisions regarding the award of a bid, contract, or purchase of goods or services from a private vendor must promptly disclose to the agency any potential conflict of interest that is known by the employee. A “potential conflict of interest” under this section means an interest, financial or otherwise, that could potentially conflict with the conscientious performance of an employee’s official duties and responsibilities, including interests that could create the appearance of impropriety. If an employee or any of the following family members have an interest in the vendor, a potential conflict of interest exists:

|  |  |  |  |
| --- | --- | --- | --- |
| * Spouse * Spouse’s child * Spouse’s parent * Spouse’s sibling | * Spouse’s grandparent * Spouse’s grandchild * Child’s spouse * Parent’s spouse | * Sibling’s spouse * Grandparent’s spouse * Grandchild’s spouse * Parent | * Child * Sibling * Grandparent * Grandchild |

C. If a potential conflict of interest exists, the employee must promptly notify their supervisor. The employee must also complete a [Potential Conflict of Interest Disclosure Form](https://tfsfinance.tamu.edu/modules/finance/admin/procedures/Potential%20Conflict%20of%20Interest%20Disclosure%20Form.pdf) and submit it to the Policy and Review Coordinator.

D. The Policy and Review Coordinator will review the disclosure and notify the employee, their supervisor and the Purchasing Department Head of the determination.

1. If a conflict of interest exists, the Purchasing Department Head will discuss with the employee and their supervisor the appropriate actions to be taken to eliminate or mitigate it.
2. The Purchasing Department Head will document the actions taken in an e-mail to the employee, their supervisor, and the Policy and Review Coordinator.

**V. Non-elective State or Federal Office**

1. Appointments to a non-elective office with a board, commission or other state or federal entities must be reviewed for potential conflict of interest and approved by the Director.
2. Employees considering such an appointment must notify their supervisor. They must also complete a [Potential Conflict of Interest Disclosure Form](https://tfsfinance.tamu.edu/modules/finance/admin/procedures/Potential%20Conflict%20of%20Interest%20Disclosure%20Form.pdf) and submit it to the Policy and Review Coordinator. The employee must provide or attach the duties and responsibilities of the office appointment on the Potential Conflict of Interest Disclosure Form.
   1. The Policy and Review Coordinator will review the disclosure and notify the employee and their supervisor of the determination. If a conflict of interest exists, the employee cannot accept the appointment.
   2. If a conflict of interest does not exist, the Policy and Review Coordinator will prepare a memo and route for the Director’s approval. Copies of the approved memo will be distributed to the employee and their supervisor.

**V. Political Activities**

A. Employees may run for election and serve as members of the governing bodies of school districts, cities, towns, or other local governmental districts.

B. Any employee elected to such a position may not receive any salary for serving as a member or such governing bodies.

C. If an employee wishes to announce as a candidate and seek election to a county, state, or federal office, they may not conduct campaign activities during official business hours unless they have requested and received permission to use leave time for such purpose.

**VI. Outside Employment**

Agency employees are not allowed to perform outside employment related to services provided by the agency. Conditions for outside employment approval and the approval process are found in Administrative Procedure [*10.30 Outside Employment*.](https://tfsfinance.tamu.edu/modules/finance/admin/admin_procedures/1030%20Outside%20Employment.docx)

**VI. Recordkeeping**

Records of conflict of interest reviews will be retained by the Policy and Review Coordinator.

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