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**LAMAR UNIVERSITY**  
**MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES**

**SECTION: Financial Services**

**AREA: Procurement and Payment Services**

**Employee Ethics**

**MAPP 05.05.08**

**I. POLICY**

A. Lamar University (LU) adheres to the belief that public employment is a public trust. Any attempt to realize personal gain through conduct inconsistent with the proper discharge of an employee's duties is a breach of the public trust. As such, LU employees are subject to the standards of conduct of the University and the Texas State University System (TSUS). Employees of the University exercising either delegated purchasing authority or who participate directly or indirectly in the procurement process are bound to honor the standards of conduct delineated in the University's policies and procedures and the TSUS Rules and Regulations.

**II. PURPOSE AND SCOPE**

A. This policy falls under the authority of the laws, statutes, rules, and regulations of the State of Texas and TSUS, including, but not limited to, the following: the TSUS Rules and Regulations, Chapter III, Paragraph 10, and Chapter VIII; the Texas Education Code, Chapter 51, Subchapter A; and the Texas Government Code, § 573.002 and § 2262.004.

**III. DEFINITIONS**

- A. **Major Stockholder** is a person who directly or indirectly owns or controls more than 10 percent interest or a pecuniary interest with a value exceeding \$25,000 in a business entity.
- B. **Procurement and Payment Services Personnel** is an employee of a state agency who makes decisions on behalf of the state agency or recommendations regarding:
1. contract terms or conditions on a major contract;
  2. who is to be awarded a major contract;
  3. preparation of a solicitation for a major contract; or
  4. evaluation of a bid or proposal.

**IV. EMPLOYEE ETHICS: PRINCIPLES AND PROCEDURES**

A. **Honor.** Employees acknowledge and honor the standards of conduct and the policies and procedures of the University and TSUS.

- B. **Conduct.** Employees shall conduct purchasing without favoritism and without arbitrariness or caprice.
- C. **Pecuniary Interest.** No employee shall enter into discussion or participate directly or indirectly in a procurement in which the employee has pecuniary interest.
- D. **Conflict of Interest.** No employee shall enter into discussion or participate directly or indirectly in a procurement in which the employee has a conflict of interest. Employees who breach an ethical standard of conduct will be subject to disciplinary action and may be subject to criminal prosecution for fraud. Fraud is a deliberate action intended to deceive another for personal gain. Potential conflict must be disclosed.
- E. **Gifts.** An employee (or employee family member) shall not accept or solicit any gift, favor, service, trips, or loan that might reasonably appear to influence the employee in the discharge of official duties.
- F. **Benefits for Performing Official Duties.** An employee shall not solicit, accept, or agree to accept any benefit for having exercised official powers or for having performed official duties. Faculty and staff who participate in the evaluation of vendor bids and proposals are required to sign and abide by Conflict of Interest and Non-Disclosure forms that apply specifically to the solicitation being evaluated. Evaluation team members must sign a separate form for every bid/proposal they evaluate.
- G. **Nepotism Disclosure.** Texas Government Code 2262.004, Required Nepotism Disclosure.
1. Before a state agency may award a major contract for the purchase of goods or services to a business entity, each of the state agency's purchasing personnel working on the contract must disclose in writing to the administrative head of the state agency any relationship to the purchasing personnel it is aware about that the employee has with an employee, a partner, a major stockholder, a paid consultant with a contract with the business entity, the value of which exceeds \$25,000 or other owner of the business entity that is within a degree described by Texas Government Code § 573.002, Degrees of Relationship, Nepotism Prohibition.
  2. Any person who makes decisions or recommendations at any point throughout the process of major contract development, evaluation, award, monitoring and re-award are required to disclose in writing to the evaluation team leader and the Director of Procurement and Payment Services or designee any relationship the prescribed person has with the respondent or potential respondent(s) with pecuniary interest value of \$25,000 or higher who directly or indirectly controls more than 10% interest in the respondent's company.
  3. Before awarding or re-awarding any major contract any person as described above must comply with the following:
    - Disclosure must be provided by signing the [State Auditor's Office \(SAO\) Nepotism Disclosure Form \(ND Form\)](#) which will be provided during the solicitation or contract review process. (**Note.** Report broken policy links to the LU Office of Financial Services.)

**V. REVIEW AND RESPONSIBILITY**

Responsible Party: Chief Financial Officer

Review Schedule: Every three years on or before September 1

**VI. APPROVAL**

Jamie Larson	05/06/2022
Chief Financial Officer	Date
Dr. Jaime R. Taylor	05/07/2022
President	Date

**REVISION LOG**

Revision Number	Date	Description of Changes
1	05/05/2022	Version created.
	05/07/2022	Version approved by President.