



ARIZONA DEPARTMENT OF ADMINISTRATION  
STATE PROCUREMENT OFFICE

---

## TECHNICAL BULLETIN No. 001

---

TITLE **Procurement Ethics**  
REVISION **Number 5**  
DATE **February 2, 2015**

---

### I. Authority

#### A. Applicable Statute

- A.R.S. § 41-2511 Authority of the director
- A.R.S. § 41-2512 Delegation of authority or functions by the director
- A.R.S. § 41-2517 Procurement officers and procurement employees; violation; classification; exception
- A.R.S. § 41-2616 Violation; classification; liability; civil penalty; enforcement authority
- Title 41, Article 8 Conflict of Interest of Officers and Employees

#### B. Applicable Administrative Code

- A.A.C. R2-7-201 State Procurement Administrator: Duties and Qualifications
- A.A.C. R2-7-202 Delegation of Procurement Authority to State Governmental Units
- A.A.C. R2-5A-501 Standards of Conduct

### II. Definitions

- A. Ethics. (1) A principle of right or good conduct or a body of such principles. (2) A system of moral principles or values. (3) A code of conduct. (4) Prohibits breach of the public trust by any attempt to realize personal gain by a public employee through conduct inconsistent with the proper discharge of the employee's duties. Strong ethical principles are required for public procurement personnel and both the National Institute of Governmental Purchasing (NIGP) Inc. and the Institute of Supply Management (ISM) have articulated ethical codes for their membership. The Universal Public Purchasing Certification Council (UPPCC) has also published a Code of Ethics. [Source: NIGP Dictionary]
- B. National Institute of Governmental Purchasing (NIGP). Is a national, membership-based, non-profit organization providing support to professionals in the public sector purchasing profession. NIGP provides its members with education, professional networking, research, and technical assistance. Their mission is to develop, support and promote the public procurement profession through premier educational and research programs, professional support, and advocacy initiatives that benefit members and constituents. [Source: NIGP Dictionary]

TITLE Procurement Ethics  
REVISION Number 5  
DATE February 2, 2015

- C. Gift. Is any gratuity, special discount, favor, hospitality, service, economic opportunity, loan or other benefit received without equivalent consideration and not provided to members of the public at large. [Source: A.R.S. § 38-541]
- D. Significant Procurement Role. Means any role that includes any of the following duties: (a) Participating in the development of a procurement. (b) Participating in the development of an evaluation tool. (c) Approving a procurement or an evaluation tool. (d) Soliciting quotes greater than ten thousand dollars for the provision of materials, services or construction. (e) Serving as a technical advisor or an evaluator who evaluates a procurement. (f) Recommending or selecting a vendor that will provide materials, services or construction to this state. (g) Serving as a decision maker or designee on a protest or an appeal by a party regarding an agency procurement selection or decision. [Source: A.R.S. § 41-741]

### III. Policy

- A. Purpose. This policy is offered as a general guideline to deal with various aspects of ethical behavior. It is the policy of the Arizona State Procurement Office that the State governmental units maintain the highest ethical standard consistent with professional public procurement, best practices and zero tolerance for unethical behavior.
- B. Incorporated by Reference. The National Institute of Governmental Purchasing (NIGP) Code of Ethics is hereby incorporated into this policy. ([www.aznigp.org](http://www.aznigp.org))
- C. Procurement Conduct and Values. The following procurement conduct and values serve as a tool for best practice procurement. Any person employed by the State of Arizona who purchases goods and services, or is involved in the purchasing process for the State, shall:
  - 1. Never solicit or accept money, loans, credits or prejudicial discounts, and avoid the acceptance of gifts, entertainment, favors, or services from present or potential suppliers that might influence, or appear to influence purchasing decisions.
  - 2. Promote positive supplier relationships by providing an environment where all business concerns are afforded an equal opportunity to compete for State of Arizona business.
  - 3. Conduct all purchasing activities in accordance with Federal Regulations, Arizona State Procurement Statutes, Administrative Rules, Executive Orders, and State Procurement Office Technical Bulletins and Standard Procedures, while remaining alert to and advising management regarding the legal ramifications of purchasing decisions.
  - 4. Display the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect and inspire opportunity by the avoidance of appearance or intent of unethical or compromising practice in relationships, actions and communications.

TITLE Procurement Ethics  
REVISION Number 5  
DATE February 2, 2015

5. Demonstrate loyalty to the State of Arizona and employing agency by diligently following all lawful instructions while using professional judgment, reasonable care, and exercising only the authority granted.
6. Enhance the proficiency and professional status of procurement by seeking further educational endeavors.
7. Refrain from any private or professional activity that would create a conflict or the perception of a conflict, between personal interests and the interest of the State of Arizona.
8. Constantly strive for the highest standards of ethical behavior; trust, respect, fairness, integrity and credibility.
9. Not accept any position or have employment discussions with a person or firm lobbying or potentially responding to the solicitation, if identified as having a significant procurement role in the solicitation.

#### **IV. Effective**

This Technical Bulletin is hereby authorized and effective this 2<sup>nd</sup> day of February 2015, unless otherwise revised or repealed.



Barbara M. Corella, C.P.M., CPPB

State Procurement Administrator