

**School of Nursing  
Ethics Training  
RCW 42.52**

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Internal Audit

# Agenda

- Why Important
- Overview of Ethics Board
- Major Subject Areas of the Law
  - ✓ Conflicts of Interest
  - ✓ Gifts
  - ✓ Use of University Resources
  - ✓ Outside Employment

# Why this deserves your attention

- Washington's Ethics Act is long & complicated
  - ✓ written with general, traditional government agencies in mind
  - ✓ applies to State employees only
- Having a good “internal compass” and common sense is not enough
- Ethics compliance is important to the UW's success

# Why this deserves your attention

- If you violate the Act, you can be fined, embarrassed, fired or otherwise disciplined
- Regulations, investigation and enforcement are directed at the employee
- University does not 'stand' between the employee and the Ethics Board

# Challenges for UW Employees

- The Act doesn't neatly fit the UW's education-research mission and culture
- Medicine, sports, treasury and other activities operate more like businesses than government agencies

# Additional Considerations

## Managers

- Knowingly allowing subordinates to violate ethics laws can subject manager to charges

## Students

- Only State employees are subject to State ethics law
- During work hours students must comply with ethics rules.

# The Executive Ethics Board

5 members appointed by the Governor

- Exempt State employee
- Classified State employee
- State Auditor nominee
- Attorney General nominee
- Citizen at large

# Investigations

## Origin

- Complaints
- Referrals from the State Auditor's Office
- Newspapers, radio, TV

## Investigators

- Ethics Board
- State Auditor's Office
- UW Internal Audit
- UW Human Resources
- UW Supervisor

# Ethics Board Sanctions

- Civil penalty of up to \$5,000 per violation
- Letter of reprimand
- Recommendation to suspend or terminate employment, or prosecution
- Payment of damages
- Payment of investigative costs
- Rescind action taken by the violator

# “Ethics In Public Service Act”

## Core Principles

- No conflicts of interest for State employees
- State employees may not receive, accept, take, seek or solicit anything of economic value as a gift.
- State resources should only be used for official business
- Outside Work/ Activity incompatible with Public Duties

# Conflicts of Interest

- Conflict of Interest involves the concepts of benefit and bias
- A State employee may not use their position to secure special privileges or exemptions
- You cannot get “extra” or outside compensation for your official duties
- Post-State employment restrictions are designed to ensure former employees do not obtain an advantage

# Conflicts of Interest – Example #1

Question: I am the office administrator for a small UW department. My husband is a partner in a web design company. I know they do good work and charge reasonable prices. Can I call his company to help update our departments web page?

Answer: No.

- You cannot participate in an agency decision in which you have a financial interest.
- You would be deemed to have a financial interest in your husband's business.

# Conflicts of Interest – Example #2(a)

Question: I am a instructor at UW and own a painting company. Can I hire several students from my current summer class to work part-time for me at my painting company?

Answer: No.

- You essentially regulate students in your current class in that you provide credit/grades to them.
- You may however hire students who were in last quarters class.

# Conflicts of Interest – Example #2(b)

Question: I am a PI and researcher at UW and am in charge of a laboratory to conduct the research. Can I hire my son/daughter during the summer to work part-time for me in the lab?

Answer: No.

- You essentially benefit from hiring your son/daughter. You can not benefit from a decision you make in the conduct of your position at the UW.
- A colleague may hire your son/daughter for their lab, if they meet all of the position's specifications and you are not involved in the hiring process.

# Conflicts of Interest – Example #3(a)

Question: You teach a class at UW and have assigned the book you authored. Can you make a profit on the sale of your book to your students?

Answer: No.

- You are considered to be using your position as instructor for personal gain.

How to deal with this situation:

See Internal Audit Ethics Advisory #1:

- refuse payment/donate proceeds

# Conflicts of Interest – Example #3(b)

Question: You have authored a book, it is assigned to students taking classes at UW. Can you make a profit on the sale of your book to the students?

Answer: It depends.

- If you are involved in the decision to use the book – NO; otherwise – OK.

# Conflicts of Interest – Example #4

Question: I won a door prize at a conference I attended. Can I keep it?

Answer: That depends.

- You may not keep a door prize if the UW paid for the conference and you are attending the conference on State time. If so, you must give it to the UW.
- If you paid for the conference and attend it on your own time (including using vacation time to attend), then you may retain the door prize.

# Conflicts of Interest – Example #5

Question: I put my business card in a “fishbowl” at my neighborhood coffee house? I won a free drink. Can I keep it?

Answer: No.

- You may not use your University business card for personal reasons.
- If you want to participate in these types of drawings, use a personal calling card.

# Gifts

## **Broad Definition of Gift:**

Anything with an economic value for which you have given nothing in return.

## **The General Rule:**

Never accept a gift, gratuity or any thing of value if it could be reasonably expected to influence your judgment or action.

# Gifts - Limitations

## Two Types of Employees:

- Those who DO NOT participate in decisions to acquire goods & services
- Those who do (section 4 employees)

Different rules apply

# Gifts

## Gifts You May Accept if Section 4 DOES NOT Apply to You

- Informational materials, promo items of nominal value, and others
- Items up to value of \$50 from a single source in a calendar year
- Items you may accept that exceed \$50
  - Unsolicited flowers, plants
- Items exempt from definition of 'gift'
  - Item from friend or family
  - Item exchanged with co-worker, and others

# Gifts

**Stricter rules apply to employees who participate in decisions to acquire goods and services (section 4 employees)**

‘Participate’ means to take part personally and substantially through approval, disapproval, decision, recommendation, the rendering of advice, investigation or otherwise.

# Gifts

## Gifts You May Accept if Section 4 DOES Apply to You

- Gifts from friends and family NOT intended to influence University;
- Awards/prizes in recognition of academic or scientific achievement;
- Promo items of nominal value;
- Food & beverages at hosted receptions related to your official duties; and others.

# Gifts

**The rules about free food and beverage are complex, but here are a few tips:**

- All employees (even “section 4”), can generally accept free food and beverage at hosted receptions related to the employee's official duties or at civic, charitable, governmental and community events.
- But that wouldn't cover a “sit-down meal” ...
- Non-section 4 employees can usually accept a “sit-down meal” if it is related to the employee's official duties.

# Gifts

- Also...

The value of gifts given to an **employee's family** shall be attributed to the employee for the purpose of determining whether the limit has been exceeded, unless an independent business, family or social relationship exists between the donor and the family member.

# Gifts – Example #1

Question: My office recently hosted a group of visitors from a technology company. They later sent us a thank you gift for doing a nice job. Can we keep it?

Answer: It depends.

- If the gift is for official UW use, no problem.
- If the gift was for individuals, they may accept it if the value is under \$50.
- Of course, for any employee that has a “Section 4” relationship to the giver, only a few kinds of small gifts may be accepted.

# Gifts – Example #2

Question: You attend a product demonstration at a vendor's office, he offers you coffee. Can you accept it?

Answer: Yes

- All employees (even “section 4”), can generally accept free food and beverage which is generally offered to all employees and guests at a vendor's office.

# Gifts – Example #3

Question: You attend a educational conference at a hotel, a vendor sponsors dinner for all attendees. Can you accept it?

What if he sponsors a dinner in a nearby restaurant?

Answer: Yes ..... and No.

- All employees (even “section 4”), can generally accept meals as part of a conference program.
- But that wouldn’t cover a “**sit-down meal**” away from the conference which may be open to all or limited groups at the conference.

# Gifts – Example #4

Question: You attend a reception at a local park as part of your role at the University, the park provides coffee and donuts for all attendees and requests donations. Can you accept food and drink?

Answer: Yes, but.....

- All employees (even “section 4”), can generally accept free food and beverage at hosted receptions related to the employee's official duties or at civic, charitable, governmental and community events.

# Gifts – Example #5

Question: I am a manager who is responsible for making product recommendations to our director. A vendor hosted an event to display new products. After the event, the vendor invited event attendees to watch a Mariner's game at a vendor-rented suite. Can I go?

Answer: No

You are considered to have a "section 4" relationship with the vendor. Therefore, you are limited on the types of gifts you can accept from the said vendor.

# Use of Resources

- Generally, State resources are to be used only for State purposes, not private benefit or gain
- Some limited personal use is allowed if brief and no cost to the agency
- **Zero Tolerance** for using State resources for **campaigning** or to support **non-University business**
- One exception: research employees can make minimal use of University resources

# Use of Resources

You may always use UW resources to

Perform your UW  
job

# Use of Resources

Incidental personal use of resources is

**(de minimus rule)** permitted if:

- brief, infrequent (a few minutes a day)
- creates little or no cost for the State
- is not disruptive to State work
- does not compromise the security or integrity of State property, information or software

# Use of Resources

## You may **NEVER** use UW resources for

- Conducting an outside business or private employment
- Political use, including lobbying, election campaigning, promoting or opposing a ballot or initiative
- Supporting, promoting, or soliciting for any outside organization or group unless provided for by law or authorized by an agency head
- Use of consumable State resources (spare parts, postage, envelopes, etc.)

# Use of Resources

## Computer, E-Mail, Internet & Other University Communication Technologies

- No expectation of privacy
- Data on State computers is considered a public record and is not private
- Use of computers leaves a very clear trail of everything, even after work is deleted

# Use of Resources

## Can't I just Reimburse the University?

- **No**.....it is still considered a personal benefit, and can cause an administrative burden to the State.
- Also, even though there may be no incremental cost to the University, use is still considered a gain to the employee, and is an ethics violation.

# Use of Resources

## Research Employees Exception

May use their personally assigned University resources (office, telephone and computers) and e-mail to conduct outside work activities related to their research and technology transfer activities.

# Use of Resources – Example #1

Question: Can I use my UW issued computer to surf the web, shop on-line, check facebook or twitter during breaks or when I am not busy at work?

Answer: Generally, no.

- UW computers are provided for UW business use, not personal use.
- However, personal use can occur but must be brief and infrequent and can not interfere with your work.
- What about if I am using for PTA? – still no.

# Use of Resources – Example #2

Question: I am purchasing an iPad for my department using my UW Procard. Can I purchase a second one for me and reimburse the UW for the cost?

Answer: No.

- This would constitute personal use.
- There would be a cost to UW of processing your reimbursement check.

# Use of Resources – Example #3

Question: I am going on vacation to Hawaii to get some sun. Can I use my UW Travel Card to pay for my airfare and hotel?

Answer: No.

- The card may have your name on it and you pay the bill each month, but the UW is liable if you do not pay the credit card company.
- You can only charge items on the card which are reimbursable by UW. Anything else is considered personal use and is not allowed.

# Use of Resources – Example #4

Question: I do catering for events on the weekend and occasionally receive a phone call, send an e-mail, or fax a menu to clients. Is this allowable?

Answer: No.

- This would be considered conducting an outside business on state time and is not allowed even if the use of University resources is brief and infrequent.

# Use of Resources – Example #5

Question: Can I sell magazine subscriptions at my office to help raise funds for my child's charitable organization?

Answer: Maybe.

- The Ethics Act generally prohibits use of State facilities to support private organizations – even charities.
- But agencies may permit such activities where they promote “organizational effectiveness.”
- So, if the UW has approved the activity (it serves a UW mission or a collegial work environment), it is permitted.
- Note: (1) Charitable activities must not interfere with official work and (2) Supervisors must not pressure subordinates to participate.

# Outside Work

- Employees may engage in outside work or part-time employment provided that it does not conflict with or negatively impact employees' ability to fulfill their University employment obligations, and that it does not otherwise negatively impact the University.
- Must be pre-approved whether or not work is for compensation.
- You may receive pay, honoraria or expense reimbursement.

# Outside Work

- Legitimate and actually performed
- Not part of your regular University work, or under your supervision
- Cannot assist others with University transactions under your control
- Not for an organization or person from whom the law prohibits receipt of gifts
- Does not result in the unauthorized disclosure of confidential information

# Outside Work

- Advance review and approval of outside work or employment is required whenever the activity relates to or could conflict with the employee's University job responsibilities or status as a University employee (when in doubt, disclose)
- Request for Approval of Outside Work – Professional & Classified Staff - Form 1301
- Faculty - Request for Approval of Outside Work for Compensation - Form from Provost Office
- Faculty – Annually must complete Form 1461

# Outside Work

## Who Approves?

- Pro Staff / Classifies Staff - Immediate supervisor will review and recommend approval/disapproval to the Administrative Unit Head for final review and approval
- Faculty - Dean and Provost must pre-approve

# Outside Work

## Conditions for approval:

- Is not a detriment to University obligations
- Does not affect job performance
- Not in conflict with discharge of employee's official duties
- Done outside employee's normal work schedule (or vacation taken)
- Must clearly identify that employee is not a representative of the University

# Outside Work for State Agency

If the outside work is for another State agency, all the “Outside Work for Pay” limits apply, plus:

- It must result from an open competition or receive advance approval from the Ethics Board
- A copy of the contract is to be filed with the Ethics Board

**If you don't want your mother to  
read about it in tomorrow's  
Seattle Times...**

**Don't do it**

# Resources

- UW

APS 47.02 Personal Use of University Facilities, Computers & Equipment by UW Employees  
<http://www.washington.edu/admin/rules/APS/47.02.html>

APS 47.03 Outside Consulting & Part-time Employment by Professional or Classified Staff  
<http://www.washington.edu/admin/rules/APS/47.03.html>

Human Resources  
<http://www.washington.edu/admin/hr/>

Internal Audit  
(206) 543-4028 , <http://f2.washington.edu/audit>

- Executive Ethics Board

<http://ethics.wa.gov>

- Training materials
- FAQs
- Newsletter

# The Laws

- **RCW 42.52.020** Activities Incompatible with public duties  
(Conflict of Interest)
- **RCW 42.52.030** Financial interests in transactions
- **RCW 42.52.040** Assisting in transactions
- **RCW 42.52.050** Confidential information
- **RCW 42.52.070** Special privileges
- **RCW 42.52.080** Employment after public service
- **RCW 42.52.110** Compensation for official duties or nonperformance
- **RCW 42.52.120** Compensation for outside duties
- **RCW 42.52.140** Gifts
- **RCW 42.52.160** Use of State resources
- **RCW 42.52.180** Use of State resources for political campaigns