

# ETHICS & CONFLICTS OF INTEREST

*Presented by:*

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# Florida's Constitution

- Florida is a forerunner in protecting public trust.
- Almost 40 years ago, the Florida Constitution was revised to require a code of ethics for public employees.
- In 1976, the Sunshine Amendment was adopted, which created a Commission on Ethics to investigate complaints of breaches of public trust.

# Chapter 112

- Chapter 112, Florida Statutes, establishes the Code of Ethics for Public Officers and Employees.
- The goal of the Code is to:

*“promote the public interest and maintain the respect of the people for their government.”*

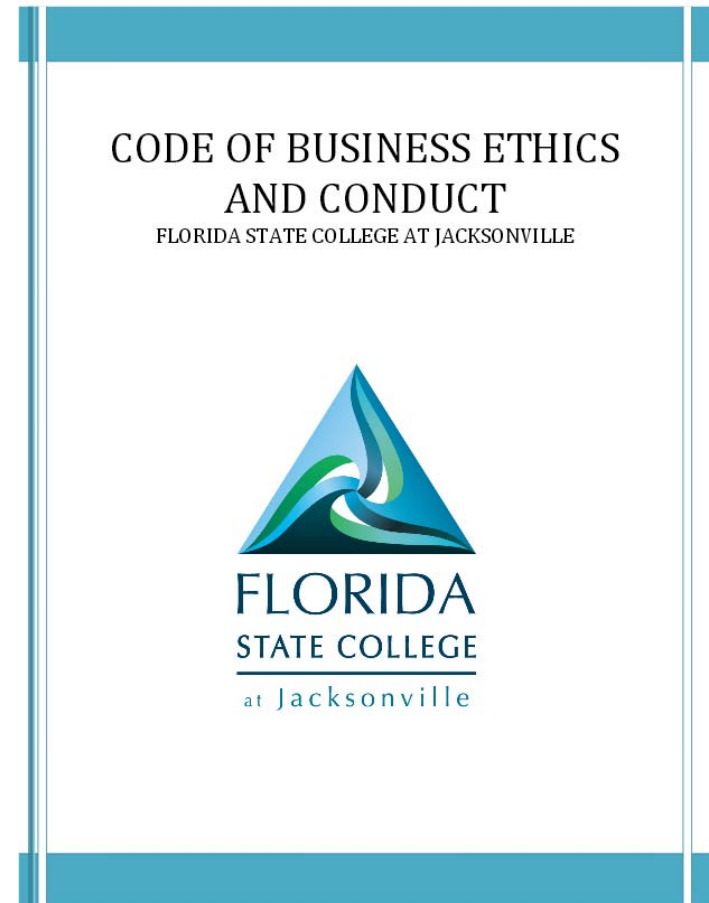
Source: 2005 Guide to the Sunshine Amendment

# What is Ethics?

- A set of distinct moral values required to determine morally correct actions.
- They are:
  - Good and bad
  - Moral duty and obligation
  - Standards of right and wrong
  - Principles of conduct
  - Fairness and equity
  - Values-based

# What is a Workplace Ethics Code?

- A formal document that dictates moral standards that can guide both employee and organizational behavior.



# What Does the Code of Ethics Do?

- Defines the values of an organization.
- Sets the tone for expected behavior.
- Promotes discussion for the gray areas.
- Provides guidance to the decision makers.
- May decrease retaliation when misconduct reported.
- May protect the organization when misconduct occurs.

# What is Contained in the Code of Ethics?

- Statement of organizational values
- Conflicts of interest
- Political activities and contributions
- Equal Employment Opportunity
- Use of College resources
- Financial accounting and disclosure
- Whistle-blower policy

# Types of Ethical Codes

State Code  
of Ethics for  
Public  
Employees

Institution  
Code of  
Ethics

Professional  
Code of  
Ethics

Personal  
Code of  
Ethics



# Types of Misconduct

- Abusive behavior
- Putting one's own interest above the organization
- Internet abuse
- Lying to employees
- Misreporting hours worked
- Improper hiring practices
- Safety/Environmental violations
- Lying to stakeholders
- Discrimination

# Common Reasons for Unethical Behavior

- Pressure to succeed, get ahead, meet deadlines, fit in with coworkers or organizational culture.
- Unsure of the right thing to do.
- Self interest, personal gain, ambition.
- Misguided loyalty
- Do not know or care about ethics (apathy).

# Keywords and Phrases for Compliance

## Public Officials should act:

- Independently
- Impartially

## Public Officials should not:

- Use their position for private gain.
- Ask for gifts for themselves.

# Prohibited Actions and Required Disclosures

- Ethics rules typically fall into two categories:
  - Rules that specify actions an employee is prohibited from taking.
  - Rules that require certain disclosures.

# Prohibited Actions - Gifts

- Gifts include almost anything of value (e.g., real or personal property, preferential rates, forgiveness of debt, transportation, lodging, food, beverage, dues, and entrance or admission fees).
- Solicitation and Acceptance of Gifts
  - General Rule: Cannot solicit or accept anything of value in exchange for influencing official action.
  - If the gift is not intended to influence official action, do not accept if it is valued over \$100.

# Prohibited Actions - Gifts

- “Reporting” employees, including, but not limited to, procurement employees, are subject to an extensive set of rules governing acceptance of anything of value.
- If you receive a gift and are concerned about the propriety of accepting, ask your supervisor or contact the OGC.

# Prohibited Actions - Other

Employees (including spouses and minor children) cannot:

- accept compensation given to influence official action.
- use office to obtain special benefits for self or others.
- disclose or use information not provided to public for their own or other's benefit.

# Prohibited Actions – Employment and Business Relationships

- Doing business with the College.
- Holding a conflicting employment or contractual relationship – outside activities.
  - Special considerations
    - Acting as a private citizen
    - Use of College space
    - Reporting
    - Copyrights & Patents
- Voting, if a conflict exists.



# Prohibited Actions - Nepotism

- Individual Responsibility: Employees of the College may not supervise or recommend the appointment, employment, or advancement of any relative to a position in which the employee exercises jurisdiction or control.
- “Relative” defined very broadly: includes spouse, sibling, daughter/son-in-law, first cousin, grandparent, those living as same residence, and step-children/parents/siblings.

# Prohibited Actions – Post-Employment

- Two- year restriction on post-employment lobbying for certain individuals.
- Restrictions affecting post-employment involvement with certain contracts if:
  - Personal
  - Substantial

# Required Disclosures

- Outside Activities - Form
  - Compensated
  - Uncompensated
- Sponsored Research
  - Grants
  - Projects, et al.

# The Commission on Ethics

- Processes ethics complaints
- Conducts investigations
- Statute of Limitations: Five years from the alleged violation.
- Whistleblower's Act: Protects employees against retaliation for filing complaints.



# Commission Recommendations

- 2002 Case: Commission recommended Gov. “impose a public reprimand and civil penalty” of \$5,000 on an allegation that a Council member used official influence to void a parking ticket issued to his wife.
- 1999 Case: Commission recommended public reprimand and civil penalty of \$5,000 for acceptance of tickets and complimentary admissions.

# Hypothetical #1

Director John B. Good has an opening in his office for a computer tech. Director Good's first cousin recently graduated with a 4.0 GPA in computer science and is applying for the tech position.

1. Should Director Good recommend that the hiring committee select his cousin? No.
2. What if the prospective employee is the Director's fiancée? No.
3. Should the Provost or Vice President be informed of the situation? Yes.

# Hypothetical #2

FSCJ employee James is privy to a conversation between the Athletic Director and a sports apparel company, *XL Athletics*. During the course of the conversation, the Director agrees to recommend that FSCJ enter into a contract with *XL Athletics* for the next three seasons.

# Hypothetical #2 (cont'd)

Over the course of the next several days, James:

1. Tells his sister to buy as much of Super Shield's stock as possible because they are about to "hit it big";
2. Ensures the Super Shield rep that the contract will be extended to four seasons if Super Shield provides Associate Athletic Director's charity softball team with new jerseys (a total value of \$95); and
3. Tells his wife to return the \$125 gift certificate she mysteriously received in the mail from *XL Athletics*. Any problems?



# Hypothetical #3

Professor Sammy Smart is asked to serve as the chair of the board for an organization that seeks cures to rare, childhood illnesses. As chair, Professor Smart will be required to spend approximately five hours a month handling board matters.

1. Is Professor Smart required to disclose this activity? Yes.

# FSCJ Policies & Procedures

- FSCJ Board Rule 6Hx7-3.61, Code of Ethics
- FSCJ Board Rule 6Hx7-2.28, Standards of Conduct and Compliance for Employees
- FSCJ Administrative Procedure 02-0211, Standards of Business Conduct and Ethics
- *These are accessible at*  
<http://www.fscj.edu/discover-fscj/gov-admin/policies-and-procedures/>.

# Additional Resources Available

- FSCJ's Code of Business Ethics and Conduct: <http://fscj.s3.amazonaws.com/22860/code-business-ethics.pdf>
- Ethics Resource Center: <http://www.ethics.org/>
- Ethics & Equity Hotline: <https://secure.ethicspoint.com/domain/media/en/gui/38831/index.html>

Any questions about ethics may be directed to the Office of the General Counsel.

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