

## Facilities Management Department Policy Statement #13

### Guidelines for Dealing with Contractors, Vendors and Suppliers

---

#### 1. Purpose

The purpose of these guidelines is to outline standards of conduct and practices with respect to relationships with outside contractors, subcontractors, vendors and suppliers so that our organization is seen as a model of honesty and integrity. Improper activities, or the perception of improper activities, can damage Facilities Management's reputation and otherwise result in serious adverse consequences to the Department and to employees involved.

#### 2. General

At all times, Facilities Management employees shall:

- A. Adhere to State, General Administration, and University of North Carolina at Charlotte policies regarding safeguard of the public trust.
- B. Adhere to the spirit as well as the letter of all applicable laws and regulations.
- C. Avoid actual conflicts of interest, as well as the appearance of conflicts of interest, or unprofessional conduct in interactions with contractors, subcontractors, vendors, and suppliers.
- D. Act in the best interests of the University in all interactions with contractors, subcontractors, vendors, and suppliers.
- E. Seek guidance if it is unclear if an interaction or relationship with a contractor, subcontractor, vendor, or supplier may be improper or may create a potential, or actual, conflict of interest.

#### 3. Specific Guidelines

- A. Employees must avoid conflicts of interest as well as the appearance of conflicts of interest. The term "conflict of interest" refers to any situation in which financial or other personal considerations may directly and significantly affect, or have the appearance of directly and significantly affecting, an employee's judgment in carrying out his/her job. Common conflicts of interest can include (but are not limited to):
  - i. Receiving compensation for serving in a professional association;
  - ii. Being related to, or receiving any sort of benefit from, an individual or entity doing business with the University;
  - iii. Participating in an external business or consulting firm related to university job duties; and
  - iv. Receiving any gifts or favors from a contractor, subcontractor, vendor, or supplier that does business with the University.

- B. All employees must immediately disclose to their supervisor in writing (email is acceptable) any situation in that is or could result in an actual or potential conflict of interest, or could create the appearance of a conflict of interest, including any family or business relationships with contractors, subcontractors, vendors, or suppliers being used by their unit. Supervisors will report this information through their chain of command to their director.
- C. All EHRA (Exempt from the State Human Resources Act) employees, SHRA (State Human Resources Act) employees in management or supervisory positions, and any employees who are involved in the selection of contractors, vendors, and suppliers are also required to annually disclose activities, interests and relationships annually pursuant to University Policy 102.2, Conflict of Interest and Commitment.
- D. Employees are obligated to ensure contractors, vendors and suppliers are fairly compensated for work done or goods delivered to the University per approved contracts and agreements.
- E. Employees shall ensure contractors, vendors, and suppliers are not overpaid or paid for work not completed or goods not delivered.
- F. Employees are obligated to employ only qualified contractors, vendors, and suppliers.
- G. Employees may not accept any personal gifts or favors from contractors, subcontractors, vendors, and suppliers in violation of N.C. Gen. Stat. § 133-32. This means that an employee may not accept any personal favor or gift of any value (including meals, entertainment, or discounts on items or services purchased for personal use) if that employee has one or more of the following duties:
  - i. Preparing plans, specifications, or estimates for contracts;
  - ii. Awarding or administering contracts (including purchasing supplies or materials from a vendor); or
  - iii. Inspecting or supervising construction.
- H. Employees may not solicit or receive any gift, reward, or promise of reward in exchange for recommending, influencing, or attempting to influence the award of a contract.
- I. Employees who might receive a direct benefit from a contract the university has with a contractor, vendor, or supplier, but who is not involved in making or administering the contract, may not attempt to influence any other person who is involved in making or administering the contract.
- J. Employees may not conduct private business with contractors, subcontractors, vendors and suppliers with whom they work as part of their university employment.
- K. Social interaction with contractors, vendors, and suppliers with whom an employee works as part of his/her university employment is generally permitted under the following rules:
  - i. Lunch or dinner with contractors, vendors and suppliers is generally permitted if the employee pays for his/her own meal.
  - ii. Attending contractor, vendor or supplier-sponsored meetings (including conferences, "Lunch and Learns," award banquets, etc.) where food and drink are available is permitted if:
    - a. The meeting is primarily related to the employee's duties and responsibilities;
    - b. There are 10 or more people are in attendance;
    - c. The reception or meeting has a formal agenda, and notice has been given at least 10 days in advance;

- d. Any food, beverages, transportation, or entertainment must be provided to all attendees or defined groups of 10 or more attendees as part of the meeting or in conjunction with the meeting; and
- e. Any entertainment must be incidental to the principal agenda of the meeting.
- iii. Attending paid sporting or performance events when the ticket is purchased by a contractor, subcontractor, vendor, or supplier is permitted, but the employee must pay fair market value for the ticket and any other associated expenses.

#### **4. Other Relevant Resources**

In addition to these guidelines, all Facilities Management employees should be familiar with the following policies and laws:

University Policies documented in the SPA Employee Handbook

University Policy 101.18, Gifts, Awards, and Prizes

University Policy Statement 804, Standards of Ethical Conduct

Personnel Information Memorandum (PIM) #22, Secondary Employment

University Policy 102.2, Conflicts of Interest and Commitment

N.C. Gen. Stat. § 14-234 and N.C. Gen. Stat. § 133-32.

**Initially Approved:** March 31, 2016