

Purchasing Code of Conduct (Conflicts of interest)

Personal relationships are an inherent aspect of sourcing and supply management. Sourcing and supply management professionals interact extensively with vendors' representatives. Individuals in many other functional areas in both the buying and supplying organizations also interact extensively with each other. The development of personal relationships from such interactions is both expected and desirable as it leads to relationships based on understanding and trust. It must also be recognized that the purchasing decision must not be influenced by anything other than what is in the best interest of the organization, and that personal relationships that develop beyond what is necessary to ensure understanding and trust may be inappropriate. It is important for OVCDC personnel to closely monitor the nature of relationships with vendor representatives to ensure that personal friendships do not develop that would result in decisions not in the organization's best interest.

To avoid misunderstandings with vendors and service providers, the following requirements will govern all employee contacts with vendors.

- Nothing of value shall be requested or accepted from vendors. Incidental items such as calendars, pens, and like items with a value of less than \$25 can be accepted. Receipt of an item with a value of greater than \$25 shall be reported to the Executive Director and OVBT Audit Committee for disposition using the Gift Disclosure Form.
- Informational contacts with prospective vendors are a valuable source of data to OVCDC. These contacts are necessary but should be guided by good judgment. The employee must avoid promises or implications of future business and requests for complimentary services or supplies, which may create the impression of an obligation on the part of OVCDC or the impression of benefit to the employee from a specific vendor. If an OVBT member or OVCDC employee knows or has reason to know he/she will receive any tangible or monetary benefit for the purchase this must be reported to OVBT Audit Committee, Executive Director and Finance using the Conflict of Interest Disclosure Form submitted to contracts@ovcdc.com.
- Vendor requests for price histories or the opportunity to examine a part, process, or site shall be routed through Finance/Purchasing.
- Vendors that offer gifts or gratuities in exchange for favorable consideration for purchases should be reported to the Executive Director and the OVBT Audit Committee for corrective action and possible legal action.
- OVBT members and OVCDC employees are prohibited from recommending or approving an award of any OVCDC purchase to a vendor and from approving any payment amount to a vendor where a conflict of interest exists. A conflict of interest exists when an OVBT member or OVCDC employee is

recommending or approving a particular vendor for award of an OVCDC purchase and the vendor is a family member or employs a family member of the OVBT Board member or employee. A conflict of interest also exists when an OVBT member's or OVCDC employee's family member is employed by or has control of a substantial interest in a vendor/business entity that is being considered for award of a purchase by OVCDC. When a conflict of interest is present, the OVBT member or OVCDC employee shall disclose this fact in writing as follows:

- The Executive Director and any OVBT member must disclose the conflict in writing to the OVBT.
- The written disclosure must be made and fully approved before the time of the recommendation and prior to award of any purchase to the vendor.
- For OVBT Members, when a conflict of interest exists, following written disclosure, the Board member must abstain from discussing or recommending the vendor(s) involved in the purchase, or casting an OVBT vote for or against the purchase.
- OVCDC staff members must disclose the conflict in writing using the Conflict of Interest Disclosure Form by completing the Form and submitting the Form to contracts@ovcdc.com.
 - For purchased estimated to be \$50,000 or less, the Form will be routed by the Purchasing/Contracts Administrator to the Director of Finance and Executive Director to be approved;
 - For purchases estimated to be \$50,000 or more or for any purchase where there is no estimate of the purchase amount on the Form, the Form will be routed by the Purchasing/Contracts Administrator to the Director of Finance, Executive Director and then to the Internal Auditor who will present the form to the Audit Committee and ultimately to the OVBT for final approval;
- Fully approved Written Disclosures of Conflict of Interest of the Executive Director and OVBT Members will be filed and maintained by the OVBT Executive Assistant for Audit.
- Fully approved OVCDC employee Conflict of Interest Disclosure Forms will be filed and maintained by the Purchasing/Contracts Administrator for Audit.

The term "family member" used in the Purchasing Policy and Procedures and this Code of Conduct will apply as defined in the OVCDC Human Resources Policy and Procedures.

The term "vendor" includes individual(s) and business entity(ies).

I acknowledge that I have received, read, understand and will comply with this Purchasing Code of Conduct.

Date: _____

Signature

Please Print Name