



ARKANSAS DEPARTMENT OF THE MILITARY  
OFFICE OF THE ADJUTANT GENERAL  
CAMP JOSEPH T. ROBINSON  
NORTH LITTLE ROCK, ARKANSAS 72199-9600

ASA HUTCHINSON  
GOVERNOR

KENDALL W. PENN  
MAJOR GENERAL  
THE ADJUTANT GENERAL

NGAR-DOTM

29 August 2019

MEMORANDUM FOR ALL DEPARTMENT OF THE MILITARY (DOTM) STATE EMPLOYEES  
AND SUPERVISORS

SUBJECT: Department of the Military (DOTM) Policy 42-2019, Anti-Fraud-Code of Ethics

1. DOTM - Human Resources, is responsible for the creation, uploading, revision and dissemination of state policies and procedures. These policies assist the agency in maintaining a competent workforce.
2. The purpose of this policy is to implement systems and procedures that aid in the prevention of fraud and support the DOTM's culture and environment of honesty and ethical behavior. This policy is consistent with R1-19-4-505 of the Arkansas Financial Management Guide.
3. Point of contact for this memorandum is Scott Stanger at (501) 212-5167.

A handwritten signature in dark ink, appearing to read "K. W. Penn".

KENDALL W. PENN  
Major General  
The Adjutant General

Encl.  
Anti-Fraud Code of Ethics Policy

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## **DEPARTMENT OF THE MILITARY Code of Ethics**

The DOTM Code of Ethics (Code) is the written document that supports the culture of ethical and efficient service to the citizens of the State provided by this department. The Code describes the behavior expected of employees that perform these services.

### **DOTM - Code of Ethics**

DOTM employees must comply with all applicable laws and regulations. DOTM will not condone employee conduct that either violates, or has the appearance of violating, the law, including the ethical provisions. This includes receiving payments for illegal acts, indirect contributions, rebates, or bribery.

If an employee is uncertain about the application or interpretation of any legal or procedural requirement, the employee should ask for guidance from his or her immediate supervisor.

### **Conflicts of Interest**

DOTM employees must perform their duties in an ethical manner. Employees must not use their position or knowledge gained from their position for private or personal advantage. Arkansas Code Annotated (ACA) 21-8-304 lists certain activities that are ethically prohibited activities for state employees and officials. If an employee becomes involved in a situation that could be considered a prohibited activity, the employee should immediately communicate all the facts to his or her immediate supervisor.

### **Outside Activities, Employment, and Directorships**

DOTM employees should avoid acquiring any business interest, engaging in outside employment or participating in any activity outside the DOTM that would conflict with his or her official duties.

### **Relationships with Clients and Suppliers**

Employees must adhere to ACA 19-11-705 in their relationships with clients and suppliers to avoid any conflict of interest. In addition, any employee who has or obtains any benefit from a state contract with a business in which the employee has a financial interest shall make a disclosure to the Director of DFA in accordance with ACA 19-11-706 and the Rules and Regulations for implementing Governor's Executive Order 98-04.

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### **Gifts, Entertainment, and Favors**

Employees must not accept entertainment, gifts, personal favors or preferential treatment that could influence, or appear to influence, their decisions in performing their job functions. Specific procurement law addressing gratuities is codified in ACA 19-11-707 and included in Part 4 of the Procurement Law and Regulations promulgated by the Office of State Procurement. Refer to Rules and Gifts issued by the Arkansas Ethics Commission for detailed rules on gifts at: <http://arkansasethics.com/rules/Rules on Gifts.doc>

### **Kickbacks and Prohibited Commissions**

DOTM employees must not receive kickbacks, prohibited commissions or other prohibited payments from third parties. Violations of this rule will result in imposition of the penalties provided by law. Specific procurement law addressing kickbacks and commissions is codified in ACA 19-11-707 and 19-11-708 and included in Part 4 of the Procurement Law and Regulations promulgated by the Office of State Procurement.

### **Organization Funds and Other Assets**

Employees who have access to DOTM funds in any form must follow the prescribed procedures for recording, handling, and protecting money as detailed in DFA's Financial Management Guide or other explanatory materials, or both. If an employee has knowledge of fraud or waste of public assets, the employee should immediately advise his or her immediate supervisor.

Personal use of DOTM funds or assets is strictly forbidden.

### **Organization Records and communications**

The DOTM books and records must reflect accurate and timely recording of all business transactions. Full disclosure of assets, liabilities, receipts and disbursements must be made. Employees must not make or engage in any false record or communication whether internal or external, including but not limited to:

False expense, attendance, production, financial, or similar reports and statements

False advertising, deceptive marketing practices, or other misleading representations

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### **Hiring Procedures & Disciplinary Procedures**

The DOTM does not discriminate in hiring, promoting, and administering disciplinary actions Ark. Code Ann 21-3-203 and 21-12-103. All DOTM employees are expected to perform their jobs honorably, professionally, competently, and diligently, in compliance with DOTM policies. Employees are also expected to perform their jobs and communicate with the public, clients, and other employees, with respect and professionalism, the uniform conduct standards policy located in the DOTM Handbook is established to provide uniform standards concerning work-related behaviors, which define and convey the expectations of the DOTM to its employees.

### **Training**

The DOTM provides adequate training for all state employees designed to meet the continuing need for employment development and improved job performances and satisfaction. Classes are designed to assist agencies with practical training solutions for efficient and effective public service. The course catalog may be viewed on the Office of Personnel Management (OPM) website, or on the Learning through Empowering Arkansas State Employees (EASE) (<https://ease.arkansas.gov/>). Online registration for employees with AASIS/EASE User IDs and passwords can be accomplished <https://ease.arkansas.gov/>. You may contact the AASIS/EASE Help Desk at (501) 683-2255 for assistance with AASIS/EASE IDs or passwords.

Non-AASIS/EASE users and Service Bureaus will still be able to complete the Training Program Registration Form (Non-AASIS/EASE Users Only) and submit by email.

OPM Training can be reached by calling (501) 682-1846 or by emailing [OPM.Training@dfa.arkansas.gov](mailto:OPM.Training@dfa.arkansas.gov).

### **Dealing With Outside People and Organizations**

Employees must not use their position or affiliation with the DOTM when communicating regarding matters not involving DOTM business. Employees must not use organization identification, stationery, supplies, and equipment for personal or political matters.

When communicating publicly on matters that involve the DOTM business, employees must not speak for the DOTM on any topic, unless they are certain that the views they express are those of DOTM management, and that it is the DOTM management's desire that such views be expressed publicly.

When dealing with anyone outside the DOTM, including public officials, employees must take care not to compromise the integrity or damage the reputation of the DOTM or any other entity.

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### **Prompt Communications**

Employees of the DOTM shall respond promptly and accurately to all requests for information and complaints regardless of the source.

### **Privacy and confidentiality**

When handling financial and personal information about customers or others with whom the DOTM has dealings, observe the following principles:

Collect, use, and retain only the personal information necessary for DOTM business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information.

Retain information only for as long as necessary or as required by law.

Limit internal access to personal information to those with a legitimate business reason to have the information. Use personal information only for the legitimate business purpose for which it was obtained. Release of any information to persons not involved with the stated business purpose should be made by management in response to a Freedom of Information Act request. Any tax information that is confidential pursuant to ACA 26-18-303 should not be disclosed, except as allowed by law.

### **Reporting Suspected Fraud**

DOTM employees have a responsibility to report occurrences of ethical violations, fraud, waste or abuse of SUBJECT: Department of the Military (DOTM) Policy 42-2019, Anti-Fraud-Code of Ethics resources that can be verified through investigation. DOTM employees shall be protected against any form of retaliation, including discharge, for reporting, in good faith, occurrences of ethical violations, fraud, waste or abuse of DOTM resources as stated in the Arkansas Whistleblower Act (ACA 21-1-601-609). Investigations to substantiate reported allegations will be conducted in a confidential manner.

Allegations of ethical violations or fraud may be reported to the Arkansas State Employee's Fraud, Waste, and Abuse Report Center (1-800-952-8248) or to the Office of Accounting- Internal Audit Section by telephone (682-0370). A complainant may also choose to report fraud, waste, or abuse by completing a Complaint Form obtained at the following web site- --

[http://www.arkansas.gov/dfa/accounting/acc ia fraud reporting.html](http://www.arkansas.gov/dfa/accounting/acc%20ia%20fraud%20reporting.html). Complaint forms can be mailed directly to the Office of Accounting - Internal Audit Section at the following address:

Department of Finance and Administration Office of Accounting-Internal Audit Section 1515 West 7<sup>th</sup> Street, Room 215  
Little rock, AR 72201

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My signature on this document indicates that I have read and fully understand the prohibited activities and my responsibilities to the DOTM as listed in this code of ethics.

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Signature

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Date

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Printed Name