

Ethics and Integrity Training for Contractors

Introduction

- The overall scope of the Commission's Contractor Integrity Provisions, which are included in the course materials, is to contract with vendors who will observe high standards of honesty and integrity and conduct themselves in a manner that fosters public confidence in the integrity of the Commission's contracting and procurement process.

Contracting Standards

In accordance with the Contractor Integrity Provisions, Contractors shall:

- Maintain the highest standards of honesty and integrity during the performance of all contracts with the Commission.
- Take no action in violation of state or federal laws and regulations or any other applicable laws, regulations, ordinances or directives.
- Establish and implement a written business integrity policy, which shall include the requirements of the Contractor Integrity Provisions and be visibly posted in an easily-accessible area where Vendor employees frequent.

*Contractor is defined as the individual or entity that has entered into a contract with the Commission. The term includes vendors, independent professionals, consultants and suppliers.

Contracting Standards

- By submitting a bid or proposal, executing a contract or submitting a bill, invoice or request for payment, Contractors certify and represent to the Commission that they have not violated any of the Contractor Integrity Provisions in connection with the submission of the bid or proposal, during contract negotiations or during the term of the contract, including any extensions of the contract.

Contracting Standards - Financial Interests

- Contractors shall not have any Financial Interest in any contractor, subcontractor or supplier providing services, labor or materials to the Commission without first disclosing such interests in writing to the Commission, including, but not limited to, at the time of bid or proposal submission or upon submission of an executed contract to the Commission.
- If a Contractor acquires any such Financial Interest, the Contractor shall have an ongoing obligation to disclose such financial interests to the Commission throughout the life of the Contractor's contract(s) with the Commission.
- A "Financial Interest" means either:
 - Ownership of more than a five percent interest in any business; or
 - Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.

Contracting Standards - Written Certifications

- Each contractor will be required to certify to the Commission in writing that within the last five (5) years it and its related entities have not:
 - Been indicted or convicted of a crime involving moral turpitude or business honesty or integrity;
 - Been suspended, debarred or otherwise disqualified from entering into any contract with any governmental agency;
 - Had any business license or professional license suspended or revoked;
 - Had any sanction or finding of fact imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust; and
 - Been, or is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigating agency and/or civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

Contracting Standards - Compliance and Notification Requirements

- Contractors shall:
 - Comply with the requirements of the Lobbying Disclosure Act, 65 Pa.C.S. §13A01 et seq.
 - Notify the Commission if the Contractor has reason to believe that there has been a breach of ethical standards by a Commission employee or officer (including any known violations of the Commission's Code of Conduct).
 - Cooperate with the Commission in investigating any alleged breach of ethical standards or Contractor non-compliance with the Contractor Integrity Provisions.

Contracting Standards - Violations

- If a Contractor violates any of the Contractor Integrity Provisions, the Commission may:
 - Terminate the Contractor's contract(s),
 - Claim liquidated damages,
 - Seek damages for all additional costs and expenses incurred in obtaining another Contractor to complete performance of the Contractor's contract(s), and
 - Debar or suspend the Contractor from doing business with the Commission and Commonwealth.

Conflict of Interest

- Contractors doing business with the Commission or seeking to do business with the Commission shall be required to affirm in writing that no conflict of interest exists or to disclose if a conflict exists.
- Contractors shall have an ongoing obligation during the performance of their contract(s) to disclose any matter that might affect their continued compliance with Commission policies related to procurement and contracting.

Conflict of Interest

- If, during the term of any contract with the Commission, including extensions, the Contractor requests to add a new team member (i.e., key staff or subcontractor), the Contractor shall submit to the head of the issuing department or head of the Commission's procurement department a written request seeking approval to add the new team member.
- The Contractor shall include in the written request a justification for the request and affirmation that no conflicts exist.

Conflict of Interest

- Under the Commission's Code of Conduct, Commission employees are prohibited from engaging in conduct that constitutes an actual or perceived conflict of interest and must avoid any financial or business dealings that would affect the employee's objectivity, impartiality or independence of judgment.
- A conflict of interest can be actual or perceived, i.e., employees are not permitted to use Commission time and/or resources for personal matters or personal matters for others.

Conflict of Interest

- Commission employees are also prohibited from using the authority of their office/employment or any confidential information received through their Commission office/employment for the private financial benefit of themselves, their immediate family members or a business with which they or an immediate family member are associated.

Contracting Standards - Avoiding Conflicts

- Contractor and Contractor employees, affiliates, agents and representatives shall not offer, give, or agree to offer or give, directly or indirectly, any gratuity or pecuniary benefit to any Commission employee in violation of the Pennsylvania Public Official and Employee Ethics Act, the Commission's Code of Conduct or any other federal or state law in connection with the performance of work under any contract with the Commission.

Contracting Responsibility

- Contractor Responsibility is the process of determining that a Contractor possesses the technical and financial capability to fully perform the project requirements in all respects and the integrity and reliability to assure good faith performance of a contract.

Contactoꝛ Responsibility Standards

- The Commission participates in the Commonwealth's Contractoꝛ Responsibility Program to
 - Ensure the Commission contracts only with responsible contractoꝛs; and
 - Identify, evaluate and appropriately sanction contractoꝛs that do not meet the standards of responsibility, that render deficient performance or that engage in wrongdoing or other inappropriate activities.

Contractor Responsibility Standards

- In order to contract with the Commission, the Contractor
 - must be current with its Commonwealth tax liabilities as well as filing and other reporting obligations.
 - has no documented instances of unsatisfactory or deficient performance on prior Commission or Commonwealth projects.
 - has not defaulted on a contract with the Commission or Commonwealth.
 - has not been suspended or disbarred.

QUESTIONS

- Should you have questions regarding these materials, please contact the head of the Commission's procurement department at (717) 939-9551.