

## Why Code of Conduct is Important<sup>1</sup>

All state employees must perform their duties in an ethical/honest manner and appropriately utilize agency resources/information in the performance of their job duties.

Agency leadership must set the ethical tone within their organizational culture to help employees not only know and understand what behaviors are expected, but also understand they will be held accountable for not meeting those expectations.

The words and actions of senior leadership, which instill an attitude of integrity and control consciousness within the organization, are commonly referred to as **Tone at the Top**.

## Agency Leadership Specific Responsibilities<sup>2</sup>

Agency heads and managers must establish, document and maintain a formal code of conduct/ethics program, which includes the following provisions:

- Code of conduct/ethics-related training
- Process for applicable employees to certify their knowledge of and agreement to abide by the code of conduct (applicable employees at a minimum must include the agency head, senior management, and all accounting, auditing, financial reporting and tax filing employees)
- Retaliation-free communication channels for reporting code of conduct violations and significant internal control deficiencies
- Process for investigating and resolving reports of suspected code violations
- Method for reporting applicable illegal acts or, “not public” data breaches to the Office of the Legislative Auditor (OLA)

<sup>1</sup> Source: MMB Statewide Policy 0103-01, *Code of Conduct*

<sup>2</sup> Source: MMB Statewide Procedure 0103-01.1, *Code of Conduct*

Public service is a public trust. Beyond strict legal requirements, **state employees** have a responsibility to act ethically and with integrity in all their official dealings

## Statewide Employee Responsibilities

- Read and become familiar with the MMB Statewide Operating Policy 0103-01, *Code of Conduct* and your agency’s specific policy/procedure provisions
- Conduct yourself in an honest and ethical manner, and to the best of your abilities in the performance of your required and assigned duties
- Comply with all applicable laws, statutes, policies, procedures, and rules related to your position responsibilities
- Comply fully with internal, legislative and external auditors
- Report significant internal control deficiencies and suspected code of conduct violations, including unlawful access or use of government data classified as “not public” to your supervisor or other designated agency channels
- Report any evidence of theft, embezzlement, or unlawful use of public funds, property or other resources to OLA
- Complete code of conduct training and certification requirements as directed by your agency management team

## Code of Conduct Violations

- Disobeying laws, statutes, policies, procedures, or rules
- Providing false, incomplete, inaccurate, or unreliable information
- Failing to cooperate with auditors
- Giving preferential treatment
- Inappropriately accessing “not public” government data
- Failing to report instances of ethics/conduct violations

## Ethics Violations

[MS 43A.38]

- Acceptance of **gifts or favors**, except those of nominal value specified in MS 43A.38, subd. 2.
- Use of **confidential information** to further your private interests
- Accepting **outside employment** or becoming involved in a business or activity that will require disclosure of confidential information.
- Use of **state time, property or equipment** for your private interests or any other use not in the interest of the state.
- **Conflict of interest situations**, such as:
  - Outside employment or volunteer work where you have direct/indirect control, inspection, review, audit or enforcement of the organization
  - Outside employment which would affect your independence or judgment in your state job
  - Use of your state position to secure benefits, privileges or advantages not available to the general public
  - Acting as an agent or attorney in any matter pending before your employing agency
  - Soliciting a financial agreement for yourself, or any non-state entity, for services being offered or to be offered by the state

Your supervisor, or a person in your agency designated to handle conflicts of interest, should be notified if you are involved in a conflict of interest situation that cannot be avoided or resolved. The MMB Commissioner’s Office may be contacted in writing to obtain a formal response to a specific conflict of interest question.

If you see others involved in unethical or risky behaviors in the workplace, you have a responsibility under the code of conduct to **report** the situation using the **designated agency reporting channels, and the OLA as applicable**

## **MS 43A.38 CODE OF ETHICS FOR EMPLOYEES IN THE EXECUTIVE BRANCH**

Employees shall not

- Accept gifts, other types of compensation or promises of future employment from any source, except the state, for activities related to the job duties of the employee
- Use confidential information or state time/resources for their private interests
- Become involved in potential conflict of interest situations

### **MS 3.971 LEGISLATIVE AUDITOR**

Subd. 9. **Obligation to notify legislative auditor.**

Agency chief executive, financial, or information officers must promptly notify the legislative auditor when the officer obtains information indicating that public money or other public resources may have been used for an unlawful purpose, or when the officer obtains information indicating that government data classified by chapter 13 as not public may have been accessed or used unlawfully.

### **MS 609.456 REPORTING TO AUDITOR REQUIRED**

Subd. 2. **Legislative auditor.**

An employee shall promptly report in writing to the legislative auditor a detailed description of alleged incidents of theft, embezzlement, or unlawful use of public funds or property.

### **MS 181.932 DISCLOSURE OF INFORMATION BY EMPLOYEES (Whistleblower Act)**

An employee who makes a good faith report or provides evidence of an ethics/code of conduct violations, significant internal control weakness or other unlawful act is protected from being disciplined, discharged, threatened, penalized or otherwise discriminated against by their employer for filing a report or bringing forth evidence.

## **Related Policies and Procedures**

The code of conduct policy and procedure supplement the following statewide directives:

**MMB HR/LR Policy/Procedure #1417, Code of Ethics**  
(<http://www.mn.gov/mmb/images/codeofethics-1417.docx>)

**MMB HR/LR Policy and Procedure #1332, Code of Ethics – Acceptance of Discounts**  
(<http://mn.gov/mmb/images/1332-codeofethics.docx>)

**MMB HR/LR Policy and Procedure #1423, Appropriate Use of Electronic Communication and Technology**  
(<http://www.mn.gov/mmb/images/appropuseoftech-1423.docx>)

**State Agency Bulletin 98.30, Preventing Conflicts of Interest in the Acquisition of Goods, Services, and Utilities**  
(<http://www.mmd.admin.state.mn.us/pdf/alpappnpolicy4.pdf>)

**MMB Statewide Operating Policy 0102-01 Internal Control**  
(<http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-1/0102-01-internal-control-policy.docx>)

## **Resources**

**Code of Conduct Training & Certification**  
(<http://mn.gov/mmb/internalcontrol/executivebranchagencyrequirements/codeofconducttraining/index.jsp>)

**MMB Code of Ethics Website**  
<http://mn.gov/mmb/employee-relations/labor-relations/resources-for-agencies/code-of-ethics.jsp>

**OLA Reporting Website**  
<http://www.auditor.leg.state.mn.us/reporting.htm>



# **Code of Conduct: A Quick Reference Guide**

## **A Key to a Strong Ethical Culture**

A publication of Minnesota Management & Budget  
Internal Control and Accountability Unit  
<http://mn.gov/mmb/internalcontrol/>