



**ARKANSAS DEPARTMENT OF VETERANS AFFAIRS**

**501 Woodlane Drive, Suite 401N**

**Little Rock, AR 72201**

**SARAH HUCKABEE SANDERS**  
GOVERNOR

**KENDALL W. PENN**  
RET. MAJOR GENERAL  
SECRETARY

15 April 2023

**MEMORANDUM FOR EMPLOYEES OF ARKANSAS DEPARTMENT OF VETERANS AFFAIRS**

**SUBJECT: Arkansas Department of Veterans Affairs (ADVA) Code of Ethics**

1. ADVA Human Resources is responsible for the creation, revision, and dissemination of agency policies and procedures in order to assist in the maintenance of an effective workplace.
2. This memorandum is intended to serve as an update to the ADVA Code of Ethics and is applicable to all ADVA employees. This policy shall remain in effect until revoked or superseded.
3. Point of contact for this memo is Melissa Butler at (501) 682-1954.

A handwritten signature in blue ink, appearing to read "K. Penn", is positioned above the typed name.

**KENDALL W. PENN**  
MAJOR GENERAL, Retired  
SECRETARY

## **ARKANSAS DEPARTMENT OF VETERANS AFFAIRS**

### **Code of Ethics**

The Arkansas Department of Veterans Affairs (ADVA) Code of Ethics is the written document that supports the culture of ethical and efficient service to the citizens of the State. The Code of Ethics describes the behavior expected of employees that perform these services.

#### **Code of Ethics**

ADVA employees are expected to fulfill their responsibilities and perform their jobs in a professional manner, which includes compliance with all applicable laws and regulations. ADVA will not condone employee conduct that either violates or has the appearance of violating the law, including the ethical provisions.

If an employee is uncertain about the application or interpretation of any legal or procedural requirement, the employee should ask for guidance from the ADVA Chief of Staff.

#### **Conflicts of Interest**

ADVA employees must perform their duties in an ethical manner. An employee 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**

ADVA employees should avoid acquiring any business interest, engaging in outside employment, or participating in any activity outside of ADVA that would conflict with their official duties. ADVA employees must consult with their supervisor before engaging in any outside employment to ensure that the employment does not conflict with their official duties.

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

ADVA 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 Secretary of the Department of Transformation and Shared Services (TSS) in accordance with ACA § 19-11-706.

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

ADVA 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 Subchapter 7 of the Procurement Laws and Rules promulgated by TSS Office of State Procurement.

Refer to Rules on Gifts issued by the Arkansas Ethics Commission for detailed rules on gifts at: [arkansasethics.com/rules/](http://arkansasethics.com/rules/)

## **Kickbacks and Prohibited Commissions**

ADVA 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 Subchapter 7 of the Procurement Laws and Rules promulgated by TSS Office of State Procurement.

## **Organization Funds and Other Assets**

ADVA employees who have access to ADVA funds in any form must follow the prescribed procedures for recording, handling, and protecting money as detailed in the Arkansas Financial Management Guide, other explanatory materials, or both. Personal use of ADVA funds or assets is strictly forbidden.

## **Organization Records and Communications**

ADVA's records must reflect accurate and timely recording of all business transactions, including assets, liabilities, receipts, and disbursements.

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

## **Communicating with Outside People and Organizations**

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

When communicating publicly on matters that involve ADVA business, employees must not speak for ADVA on any topic, unless ADVA management has authorized the views and the public expression of those views.

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

### **Privacy and Confidentiality**

ADVA employees are responsible to safeguard personal information to ensure the confidentiality of the information. When handling sensitive information about customers or others with whom ADVA has dealings, employees shall observe the following principles:

1. Collect, use, and retain only the personal information necessary for ADVA business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information.
2. Retain information only for as long as necessary or as required by law. Protect the physical security of this information.
3. 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 ADVA management in response to a Freedom of Information Act request or other requests consistent with state or federal law.

### **Reporting Suspected Fraud**

ADVA employees have a responsibility to report occurrences of ethical violations, fraud, waste, or abuse of ADVA resources. Employees shall be protected against any form of retaliation, including discharge, for good faith reporting of occurrences of ethical violations, fraud, waste, or abuse of ADVA resources as stated in the Arkansas Whistleblower Act (ACA §§ 21-1-601 et seq.) Investigations to substantiate reported allegations will be conducted in a confidential manner by the Office of Internal Audit.

Allegations of ethical violations or fraud may be reported to the Arkansas State Fraud, Waste, and Abuse Report Center (1-800-952-8248) or to the Office of Internal Audit by telephone (501-682-0370). An employee may also choose to report fraud, waste, or abuse by completing an online complaint form found at [www.ig.arkansas.gov/internal-audit/what-is-fraud-waste-and-abuse/](http://www.ig.arkansas.gov/internal-audit/what-is-fraud-waste-and-abuse/). Complaint forms completed online will be submitted directly to the Office of Internal Audit fraud email at [OIA.fraud@arkansas.gov](mailto:OIA.fraud@arkansas.gov). A printable complaint form can also be found at [www.ig.arkansas.gov/internal-audit/anti-fraud-program-elements/model-anti-fraud-code/](http://www.ig.arkansas.gov/internal-audit/anti-fraud-program-elements/model-anti-fraud-code/) and emailed to [OIA.fraud@arkansas.gov](mailto:OIA.fraud@arkansas.gov) or mailed to the mailing address found at [www.ig.arkansas.gov/internal-audit](http://www.ig.arkansas.gov/internal-audit).

In addition, employees with supervisory fiduciary responsibility over all fiscal matters shall report any loss of public funds that amounts to one thousand dollars (\$1,000) or more in one calendar year to Arkansas Legislative Audit within five (5) business days of the date that the employee learns of the loss of funds in accordance with ACA § 25-1-124. This includes any

apparent unauthorized disbursement of public funds or an apparent theft or misappropriation of public funds. In accordance with ACA § 25-1-124, any employee with supervisory fiduciary responsibility over all fiscal matters who purposely fails to report the loss of funds within the five (5) business days to Arkansas Legislative Audit is guilty of a Class A misdemeanor. ADVA employees with supervisory fiduciary responsibility include, but are not limited to Secretary of ADVA, Chief of Staff, Chief Financial Officer, Long Term Care Division Director, and Arkansas Veterans Cemeteries Director.

**ARKANSAS DEPARTMENT OF VETERANS AFFAIRS  
Code of Ethics**

**Code of Ethics Acknowledgement Statement**

As required by the ADVA Anti-Fraud Policy, a Code of Ethics Acknowledgement Statement is to be completed upon establishment of the Code of Ethics, within 30 days of hire, and on an annual basis. Please indicate which applies:

- Implementation of the Code of Ethics
- Within 30 days of hire ( \_\_/\_\_/\_\_ )
- Annually
- Other ( \_\_\_\_\_ )

My signature on this document indicates that I have read and fully understand the prohibited activities and my professional ethical conduct responsibilities as an employee described in the ADVA Code of Ethics. I understand that violation of this Code of Ethics can result in disciplinary action up to and including termination, as well as referral to prosecuting authorities.

\_\_\_\_\_  
Employee Printed Name                      Signature                      Date

\_\_\_\_\_  
Supervisor/Manager Printed Name                      Signature                      Date