

	Responsible Executive: Senior Vice President for University Finance and Business Services	
	Responsible Office: Contracts, Purchasing and Risk Management	
	Effective Date: 1/1/1999	Last Revised: 7/1/2025
	Policy Title: 12. Conflict of Interest (Interim)	

Definitions

Refer to 1. Procurement General Provisions

Policy

Under Arizona Revised Statutes (A.R.S.) [§ 41-2501.F](#), the Arizona Board of Regents is mandated to establish rules that outline procurement policies and procedures, ensuring they are substantially similar to those detailed in A.R.S. Chapter 23. The Arizona Board of Regents Policy Manual, specifically Article H-University Procurement Code, sets forth procurement policies for the Arizona Board of Regents in alignment with A.R.S. requirements.

Section [3-901](#) of the University Procurement Code sets forth conflict of interest policies for University Procurements. This University Policy supplements such Section [3-901](#).

Section I: Responsibility

- A. All University employees will comply with the State of Arizona conflict of interest laws. It is the responsibility of the University employee to understand and comply with the requirements of the law. University employees may face civil and criminal penalties for legal non-compliance.
- B. CPRM shall maintain a substantial interest disclosure list and shall review the list to identify potential conflicts of interest prior to Awarding a Contract.
- C. The Procurement of supplies, equipment, or services from any University employee is strictly prohibited unless Awarded through a public competitive Solicitation conducted by CPRM. CPRM will not initiate a competitive Solicitation process solely to permit an employee to bid on a University Procurement.

Section II: Ethics in Procurement

- A. The University's reputation for fair, honest, and consistent treatment of Vendors can best be accomplished if procurement is completed solely on the merits of

the transaction. All University personnel should conduct themselves in such a manner as to foster public confidence in the integrity of the University Procurement operations.

B. All persons engaged in the Procurement process, whether in CPRM or any other University department, will adhere to the following code of conduct taken from the National Association of Educational Procurement Code of Ethics.

- i. Give first consideration to the objectives and policies of my institution.
- ii. Strive to obtain the maximum value for each dollar of expenditure.
- iii. Decline personal gifts or gratuities.
- iv. Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
- v. Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
- vi. Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- vii. Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
- viii. Make every reasonable effort to negotiate a mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third-party review, insofar as the established policies of my institution permit.
- ix. Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- x. Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
- xi. Foster fair, ethical and legal trade practices.

Section III: Gifts and Gratuities

- A. Any gift to the University must be reported to the NAU Foundation and all monetary gifts must be deposited in the NAU Foundation for the purpose of acknowledging the gift and issuing an official NAU gift receipt.
- B. Vendor promotional items are those items that are received because of a Vendor's marketing promotion. An example of a promotional item is when a Vendor advertises that you will receive a sport duffel bag with your purchase of \$175 or more. These items may be accepted but are considered the property of the University. These items can be used by departments for distribution through drawings at University events.
- C. University employees are prohibited from accepting or soliciting, directly or indirectly, any item of economic value as a gift, gratuity, favor, entertainment, or loan that is or may appear to be intended to influence official conduct in any way. This is especially relevant when the gift comes from individuals seeking contractual or other business or financial arrangements with the University, such as Vendors whose interests might be significantly impacted by the employee's actions or inactions. This prohibition applies to both current and potential Vendors and Contractors, as well as agents representing them.
- D. Permissible Gifts to University Employees:
 - i. Unsolicited advertising or promotional materials such as pens, scratch pads, and calendars.
 - ii. Occasional business lunches or food and refreshments of insignificant value.
 - iii. Other items of nominal or minor value (e.g., a box of candy or fruitcake) that are merely tokens of appreciation and not related to any particular transaction.

Section IV: Anti-Kickback

- A. In connection with any Contract between the University and another party, under no circumstances shall a University employee receive from, or offer to the other party, or an employee of the other party, a Kickback.
- B. A University employee who becomes aware of a violation of this policy shall report such violation to the Chief Procurement Officer or designee.

Related Information*

[Arizona Board of Regents Policy](#)

[Arizona Revised Statutes, Chapter 23](#)

Policy History*

6/30/2025: Interim policy approved effective 7/1/2025.

* Related Information and Policy History are solely for the user's convenience and are not part of the official university policy.