

<p style="text-align: center;"><b>ARIZONA</b> Department of Emergency and Military Affairs</p> <p style="text-align: center;"><b>POLICY LETTER</b></p>	<p style="text-align: center;"><b>POLICY LETTER NO. 40.06</b></p>	
	<p style="text-align: center;"><b>DATE 1 JULY 2013</b></p>	<p style="text-align: center;"><b>OPR State Activities</b></p>
<p><b>SUBJECT:</b> Enhanced Procurement Integrity</p>	<p style="text-align: center;"><b>REGULAR POLICY LETTER DISTRIBUTION (POLICY LETTER 10.01)</b></p>	
<p>References: (a) A.R.S. § 38-501, <i>et seq.</i>, Conflict of Interest of Officers and Employees  (b) A.R.S. Title 41, Chapter 23, Arizona Procurement Code  (c) DEMA Directive 40.2, Departmental Procurement (State)  (d) Arizona Administrative Code, R2-5A-501</p> <p><b>PURPOSE:</b></p> <p>1. This policy, coupled with applicable regulations and instructions, constitutes the Enhanced Procurement Integrity Policy for members of the Arizona Department of Emergency and Military Affairs (AZ DEMA).</p> <p><b>APPLICABILITY:</b></p> <p>2. This policy applies to all state employees of AZ DEMA.</p> <p><b>POLICY:</b></p> <p>3. It is the policy of AZ DEMA to ensure compliance with Arizona statutes and regulations regarding procurement integrity. To that end, all state employees of AZ DEMA are prohibited from awarding a contract to (whether for construction, goods or services) or purchasing from (by way of a Purchasing Card, also known as a P-Card, or otherwise) any Business in which a state employee of AZ DEMA has a Substantial Interest or a Relative of a state employee of AZ DEMA has a Substantial Interest (each a "Prohibited Source"). Nothing in this policy, however, shall be construed to prevent any state agency other than AZ DEMA from awarding a contract to (whether for construction, goods or services) or purchasing from (by way of a Purchasing Card or otherwise) any Business in which a state employee of AZ DEMA has a Substantial Interest or a Relative of a state employee of AZ DEMA has a Substantial Interest.</p> <p>4. In order to ensure compliance with the above policy, upon initial hire to AZ DEMA all state employees shall complete and submit to the Chief Human Resources Officer, AZ DEMA a Disclosure Statement Form. The Chief Human Resources Officer, AZ DEMA shall submit such completed Disclosure Statement Forms to AZ DEMA Procurement Office (State) within five (5) business days of such form's completion. Further, all state employees of AZ DEMA are responsible to submit a new Disclosure Statement Form to the Chief Human Resources Officer, AZ DEMA any time there is a change to the reportable information.</p> <p>5. AZ DEMA Procurement Office (State) shall maintain an up-to-date list of Prohibited Sources based on the responses on such Disclosure Statement Forms. AZ DEMA Procurement Office (State) shall make such list available on the agency's website and shall promptly notify all members of AZ DEMA of updates to such list by email.</p> <p>6. State employees of AZ DEMA are entitled to rely on the current list of Prohibited Sources when making contracting and purchasing selections unless such state employee of AZ DEMA knows or reasonably should know that a Business would be considered a Prohibited Source under this policy (regardless of whether such Business is included on the then current list of Prohibited Sources maintained by AZ DEMA Procurement Office (State)).</p> <p>7. The point of contact reference this memorandum is ARNG JAG at (602)-267-2588.</p>		



HUGO E. SALAZAR  
Major General, AZ ARNG  
The Adjutant General

DEFINITIONS APPLICABLE TO THIS POLICY

1. Business. Means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity (see DEMA Directive 40.2, § 4).
2. Substantial Interest. Means any pecuniary or proprietary interest, either direct or indirect, other than remote interest (see A.R.S. § 38-502).
3. Relative. Means the spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse (see A.R.S. § 38-502).
4. Prohibited Source. Any Business in which a state employee of AZ DEMA has a Substantial Interest or a Relative of a state employee of AZ DEMA has a Substantial Interest.
5. P-Card or Purchasing Card. Means a credit card provided through State contract to State employees, State organizations, or State departments for the purpose of conducting purchase or payment activities for a valid public purpose (see DEMA Directive 40.2, § 4).