July 14, 2017

Rose Y. Celestin
Interim Director of Procurement
University of Arkansas at Pine Bluff

RE: Advisory Opinion No. 2017-06

Dear Ms. Celestin:

This letter is in response to your request for an advisory opinion regarding the Arkansas conflict of interest statutes, in accordance with Ark. Code Ann. §19-11-715(b). This opinion is based upon the following facts that have been presented to me. It should be noted that if one or more of these facts are later shown to be incorrect, that could result in a revised opinion.

1. You are the Interim Director of Procurement at the University of Arkansas at Pine Bluff;
2. Your office is seeking to contract with Deborah Pyland to work with the implementation team of the Ellucian Student Planning Module (“SPM”) and the SPM consultant;
3. Deborah Pyland is the Director of Retention for Southeast Arkansas College;
4. The total amount to be paid to Deborah Pyland for her consultant services is $7,500.

Act 483 of 1979, codified in part at Ark. Code Ann. §19-11-701 et seq. (the “Act”), along with the Governor’s Executive Order 98-04, places strict ethical guidelines on the employees of the State of Arkansas. The ethics portion of the Act prohibits state agency contracts with a business in which an employee has a financial interest.

However, the above rule does not apply to employees of state-supported institutions of higher learning under Ark. Code Ann. §19-11-717(b)(1). That statute states, in part, that, “[n]othing in the Arkansas Procurement Law, §19-11-201 et seq. . . shall prevent a state agency from contracting for goods or services . . . with an organization that employs or contracts with a regular, full-time or part-time employee of a state-sponsored institution of higher learning in situations in which the employee of the state-sponsored institution of higher education will provide some or all of the goods or services under the contract.” In accordance with this exemption in Ark. Code Ann. §19-11-717(b)(1) for employees of state-supported institutions of higher learning, the proposed transaction you described does not appear to violate Arkansas Procurement Law.

Please be advised that Ark. Code Ann. §19-11-717(c) requires that all employees of institutions of higher education who receive such benefits disclose such benefits obtained during any calendar year. This document must be filed with the Secretary of State’s office not later than January 31 of
each year. The employee should also ensure that the requisite approvals for the institution of higher learning by which he or she are employed are obtained.

This advisory opinion is issued in accordance with Ark. Code Ann. § 19-11-715(b). Compliance with the above course of conduct is deemed to constitute compliance with the ethical standards of the Act and Executive Order 98-04.

Sincerely,

Larry W. Walther
Director

cc: Edward Armstrong, Office of State Procurement