



**DISTRICT OF COLUMBIA GOVERNMENT
OFFICE OF RISK MANAGEMENT**

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Chief Risk Officer

D.C. OFFICE OF RISK MANAGEMENT
ADMINISTRATIVE ISSUANCE SYSTEM

Administrative Order No. AO-12-01

Date: January 13, 2012

SUBJECT: Ethics of receiving gifts or food items from vendors who have business or financial relationships with either the Office of Risk Management (ORM) or the District.

ORIGINATOR: Phillip A. Lattimore III, Esq., Chief Risk Officer

DISTRIBUTION: ORM Employees, Contract Employees at ORM, and Activities Occurring on Government Premises

1. Purpose

The purpose for this Administrative Order (Order) is to inform employees of the D.C. Office of Risk Management (ORM) of the ethics rules for receiving gifts and food items.

2. Applicability

This Order applies to all ORM employees, contract employees performing work on behalf of ORM, and activities occurring on ORM premises.

3. Policy

District regulations prohibit employees from soliciting or accepting gifts from "prohibited sources." A prohibited source is anyone who has or seeks contractual, business or financial relations with the District. Moreover, government officials are prohibited from allowing the use of government property for unapproved government activity, and from taking any action that may create the public perception and/or appearance that the government lacks independence or is not an impartial entity. DPM §§ 1806.1 and 1803.1.

A. Sedgwick CMS and its subcontractors, along with vendors who have business dealings with ORM, are prohibited sources.

Sedgwick CMS and each of its subcontractors, along with vendors who have business dealings with ORM, are "prohibited sources" under the District's Personnel regulations because they either have a business or financial relationship with the District. DPM §

1803.2(b)(1). Moreover, Sedgwick and its subcontractors provide services that are subject to regulation by the District, and they have an interest that could be “favorably affected” by the performance or non-performance of ORM employees in that ORM employees make decisions about whether to use subcontractor services (i.e. physicians and vocational services) for program purposes. DPM §1803.2(b)(2)-(3).

B. Employees May Receive Promotional Material That Is Of Nominal Value.

Prohibited Sources may at times bestow upon ORM employees promotional items (i.e. calendars, notepads). These items may fall within one of the exceptions to the District’s prohibition against employees’ receipt of gifts from prohibited sources if these materials are of nominal value. DPM §1803.3(d). However, employees should consult with the agency’s ethics counselor/officer before receiving any gift or promotional material from a vendor who provides services to ORM to determine whether it is appropriate to receive such a gift. *See* Section F Below.

C. Generally, Prohibited Sources May Not Routinely Provide ORM Employees with Foods or Snacks.

Generally, vendors who have a business or financial relationship with ORM are prohibited from providing ORM employees with foods, snacks or refreshments that are not related to an educational session or annual holiday-type event. DPM §1803.3(b). Although these items may appear on first glance to be of nominal value, the frequency in which these items may be offered to ORM or other government employees may take it outside of the “nominal” context and impermissibly influence an employee to make a decision about whether to use a vendor service for program purposes. Consequently, neither foods nor snacks can be provided to ORM employees by prohibited sources.

Although subcontractors may provide food items to other non-government contract employees who may be assigned to work at a government worksite (if permitted by private company policy), the frequent delivery of foods to the premises of a government agency for contract employees, who work alongside of government employees, may create the public perception and/or appearance that the government agency lacks independence or impartiality, especially if government employees have access to these food items --- which is often the case at ORM. The public may perceive that the delivery of foods or snacks to the premises of a government agency by a subcontractor influences contract and government employees to make decisions about whether to use the subcontractor’s services (i.e. additional medical examination, vocational rehabilitation services). This perception alone is reason to prohibit such activity.

D. Educational Lunches Allowed Under Limited Circumstances

Prohibited sources may provide lunches of nominal value if the lunches were provided during a “luncheon meeting” or educational lecture on a relevant program topic (i.e. the Public Sector Workers’ Compensation Program). According to an ethics opinion, this session must be a “real working meeting at which food is brought in to facilitate the continuation of the work and is not itself the focus of the meeting.”

E. Holiday Lunch Allowed Under Limited Circumstances

A holiday lunch (i.e. Christmas party) may be permitted since it occurs infrequently, may be authorized by the Director of ORM, serves an overarching governmental business objective (i.e. team building and acknowledging work during the year), and is of nominal value.

F. Approval of Director Required

No gift, promotional material or food item may be brought onto any ORM premises by any prohibited source, including Sedgwick or any of its subcontractors, or any other vendor who does business with ORM or the government, without prior approval of the Director. The Director will consult with the agency's Ethics Officer and/or General Counsel before rendering a decision about whether such items may be brought on premises or bestowed on government employees.

4. **Supersession** - None

5. **Effective Date:** This Order is effective immediately.


Phillip A. Lattimore III, Esq.
Chief Risk Officer

Attachment: Acknowledgment Form