

BOARD OF ETHICS
WASHINGTON SUBURBAN SANITARY COMMISSION

ADVISORY OPINION # A-12-03

SUBJECT: CODE OF ETHICS § 3-2(a) RESTRICTIONS ON OTHER EMPLOYMENT AND FINANCIAL INTERESTS

By request dated April 5, 2012, a WSSC employee (Requestor) has asked the Board of Ethics (Board) to issue an advisory opinion as to whether the WSSC Code of Ethics (Code) prohibits the employee, a Business Technology Analyst III, from participating in a joint venture within the Washington Suburban Sanitary District. Requestor disclosed that one of the companies with which Requestor plans to joint venture is currently a WSSC contractor.

A joint venture is a contractual business undertaking of two or more individuals, groups of individuals, companies or corporations who jointly undertake a business transaction for mutual profit, contributing assets and sharing risks. Interested parties choose to enter joint ventures in order to share strengths, minimize risks, and increase competitive advantages in the marketplace.

Section 3-2(a) of the Code generally restricts an employee from engaging in outside employment if it is of such a nature which does or may create a conflict of interest or the appearance of a conflict of interest. Specifically, Section 3-2(a) states:

An employee must not engage in outside employment if the hours of such employment conflict with the employee's normal work shift at WSSC or where the outside employment is of such a nature which does or may create a conflict of interest or the appearance of a conflict of interest.

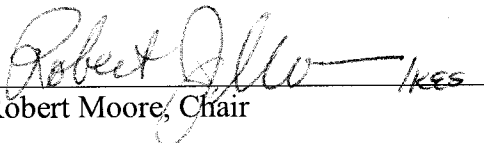
Assuming that Requestor intends to seek outside work that does not conflict with Requestor's normal work hours at WSSC, the issue to be determined is whether Requestor's participation in a joint venture together with a WSSC contractor would create either a conflict of interest or the appearance of a conflict of interest.

Under the circumstances presented here, the Board advises that Requestor's participation in the joint venture with a WSSC contractor creates an appearance of a conflict of interest and is, therefore, prohibited by Section 3-2(a) of the Code. Since Requestor's proposed joint venture includes a business that is a WSSC contractor, this creates the appearance that Requestor has some influence over the WSSC contract held by the other joint venture member, even if Requestor does not or cannot exert such influence. In addition, the joint venture relationship with a WSSC contractor gives the appearance that Requestor could offer some assistance to the joint venture member in obtaining future WSSC contracts. Finally, since Requestor's joint venture incorporates a business that has an existing contract with WSSC, there is a potential conflict of interest due to the financial interest Requestor has in the joint venture. The Board recognizes that Requestor acknowledges that Requestor must not participate or become involved

in any WSSC related matters involving any joint venture member that has a contract with WSSC. However, this is simply not enough to overcome the appearance that Requestor, as a WSSC employee working together with a WSSC contractor, would be involved in such matters.

Based on the specific facts presented, the Code prohibits Requestor from partnering in the joint venture. Requestor must remain mindful that WSSC business be conducted at all times in an impartial manner to avoid any potential conflict of interest or appearance of conflict of interest. Should circumstances change or additional concerns arise, Requestor should seek further guidance from the Board.

On motion by Steve Hausman, seconded by George Pruden, II, the Board agreed at its meeting held on August 9, 2012 to adopt the foregoing advisory opinion.


Robert Moore, Chair

9-5-12

Date