A. NOTICE TO EMPLOYEES. Each agency shall provide written notice to all finalists for a contract, containing a description of the employment restrictions required in Ark. Code Ann. §19-11-706, along with the civil and administrative remedies provided in Ark. Code Ann. §19-11-712, which may be imposed upon employees who breach these disclosure requirements, and the criminal penalties provided in Ark. Code Ann. §19-11-707, upon conviction of a knowing violation of the disclosure requirements. The required Employee Disclosure Requirements/Restrictions Notice is located on Pages 28 and 29 of the Regulations.

(1) Agencies shall provide the Employee Disclosure Requirements/Restrictions Notice to all finalists for agency employment. The Notice shall be considered to be part of the application, and the application will be deemed incomplete until the acknowledgment is signed and submitted by the finalist.

(2) Agencies must maintain the employee’s acknowledgement of receipt of the Employee Disclosure Requirements/Restrictions Notice in the employee’s personnel file.

(3) Agencies shall post a copy of Section 12 of the Regulations in a conspicuous place that is easily accessible to all employees, along with a sample reporting of benefit forms (Employee Disclosure Requirements Form) and a notice informing employees from whom in the agency they may obtain copies of the Employee Disclosure Requirements Form.

B. DISCLOSURE OF BENEFIT RECEIVED FROM CONTRACT. All employees are required to report to the Director of the Department of Finance and Administration any benefit from any state contract with a business in which the employee has a financial interest, including:

(1) Ownership of any interest or involvement in any business relationship from which, or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive, more than $1,000 per year, or is equivalent;

(2) Ownership of more than a five percent (5%) interest in any business or

(3) Holding a position in a business such as an officer, director, trustee, partner, employee, or the like, or holding any position of management.

For purposes of the reporting requirements of this section, “Employee” and “State agency,” as defined in Ark. Code Ann. §19-11-701, are adopted as follows. “Employee” includes an individual drawing a salary from a state agency, whether elected or not, and any nonsalaried individual performing personal services for any state agency. “State agency” includes any office, department, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branch of this State.

Reports shall be made in writing addressed to Director, Department of Finance and Administration, P.O. Box 3278, Little Rock, Arkansas 72203-3278. Reports shall be considered complete if made on the Employee Disclosure Requirements/Restrictions Notice form or if the report contains all of the information required on the Employee Disclosure Requirements Form. All reports made pursuant to this section by present state employees shall be transmitted to the Director no later than 30 days following the receipt of the benefit from any state contract with a business in which the employee has a financial interest. All reports made pursuant to this section by a person who has a financial interest in the business at the time that person becomes a state employee shall be transmitted to the Director no later than 30 days following the first day of state employment.

C. FAILURE TO DISCLOSE. If any agency determines that an employee knew or should have known of a benefit from any state contract in a business in which the employee has a financial interest, but such employee failed to disclose such benefit to the Director of the Department of Finance and Administration, the agency shall immediately report the violation to the Director of the Department of Finance and Administration.

D. REMEDIES AGAINST EMPLOYEES.

(1) In addition to civil and administrative remedies, the Director of the Department of Finance and Administration may impose, after notice and an opportunity for a hearing, any one (1) or more of the following for failure of the employee to disclose:

(a) Oral or written warnings or reprimands;
(b) Forfeiture of pay without suspension;
(c) Suspension with or without pay for specified periods of time; and
(d) Termination of employment.

(2) The value of anything received by an employee in breach of these restrictions shall be recoverable by the State.

E. CRIMINAL PENALTIES.

(1) Pursuant to Ark. Code Ann. §19-11-702, any employee or non-employee who knowingly violates these restrictions shall be guilty of a felony and upon conviction shall be fined in any sum not to exceed ten thousand dollars ($10,000) or be imprisoned not less than one (1) nor more than five (5) years, or shall be punished by both.

(2) No former employee shall knowingly act as a principal or agent for anyone other than the state in connection with any:

(a) Judicial or other proceeding, application, request for a ruling, or other determination;

(b) Contract;

(c) Claim; or

(d) Charge or controversy

in which the former employee participated personally and substantially through decision, approval, disapproval, recommendation, rendering of advice, investigation, or otherwise while an employee, where the state is a party or has a direct and substantial interest.

(3) No former employee, within one (1) year after cessation of the former employee’s official responsibility in connection with any:

(a) Judicial or other proceeding, application, request for a ruling, or other determination;

(b) Contract;

(c) Claim; or

(d) Charge or controversy

shall knowingly act as a principal or an agent for anyone other than the state in matters that were within the former employee’s official responsibility, where the state is a party or has a direct and substantial interest.

F. REMEDIES AGAINST EMPLOYEES.

(1) In addition to civil and administrative remedies, the Director of the Department of Finance and Administration may impose, after notice and an opportunity for a hearing, any one (1) or more of the following for breach of the employment restrictions:

(a) Oral or written warnings or reprimands;

(b) Forfeiture of pay without suspension;

(c) Suspension with or without pay for specified periods of time; and

(d) Termination of employment.

(2) The value of anything received by an employee in breach of these restrictions shall be recoverable by the State.

G. CRIMINAL PENALTIES.

Pursuant to Ark. Code Ann. §19-11-702, any employee or non-employee who knowingly violates these employment restrictions shall be guilty of a felony and upon conviction shall be fined in any sum not to exceed ten thousand dollars ($10,000) or be imprisoned not less than one (1) nor more than five (5) years, or shall be punished by both.

STATE OF ARKANSAS
Department of Finance and Administration
Employee Disclosure Requirements
In Compliance with Governor’s Executive Order 98-04
Arkansas Code Annotated §19-11-701
Pursuant to Arkansas Code Annotated §19-11-701, employees are required to disclose any benefit received or solicited from a state contract. Specifically:

- Any employee who receives or solicits any benefit from any state contract in a business in which the employee has a financial interest shall report the benefit to the Director of the Department of Finance and Administration.

- Any employee who receives or solicits any benefit from any state contract in a business in which the employee has a financial interest shall report the benefit to the Director of the Department of Finance and Administration.

- Any employee who receives or solicits any benefit from any state contract in a business in which the employee has a financial interest shall report the benefit to the Director of the Department of Finance and Administration.

- Any employee who receives or solicits any benefit from any state contract in a business in which the employee has a financial interest shall report the benefit to the Director of the Department of Finance and Administration.

This employee disclosure shall be made within 30 days after an employee has actual or constructive notice of a benefit received or to be received. Such disclosure shall be made by completing the Employee Disclosure Requirements Form and forwarding completed form to:

- Director, Department of Finance and Administration
- P.O. Box 3278
- Little Rock, AR 72203-3278

Employee Name: ____________________________
Address: ____________________________
Location: ____________________________
Date: ____________________________

This FORM MAY BE OBTAINED FOR THE PURPOSES OF DISCLOSURE
FROM:

LOCATION: ____________________________