MESSAGES FROM THE OFFICERS

Joe Benjamin, CPPO, CPPB, FCCM
FAPPO President

Greetings FAPPO Membership and Happy New (FAPPO) Year! It is my honor to serve as your President this year and I would like to welcome our two newest FAPPO Officers who were elected to serve in the 2014/2015 term, Fatima Calkins, Treasurer and Laurie Victory, Secretary. We are looking forward to another great year in the association. As always we extend our deepest thanks and appreciation to all of the committee members, volunteers, speakers, sponsor and exhibitors who contributed to a great conference in May. We have already hit the ground running in our planning for both the Fall Workshop, “Negotiating the Path” October 16, 2015 at the Hilton Historic Bayfront in St. Augustine, FL. Our Fall Workshop Chair, Alan Weaver has a great program in the works centered around the theme of the art of negotiations. Our annual conference chairs are already hard at work planning for the Annual Conference, where we will be “Proving our Professionalism” at the Rosen Centre, Orlando as well. We are taking your survey suggestions from this past conference and using them to make the annual conference an even better experience.

I’d like to thank everyone who volunteered to serve on committees this year. Your contributions to the association help us to continue to be a leader amongst professional procurement associations.

Remember that we are in the midst of membership renewals and the deadline is Sept. 1st. Make sure to see the Membership Chair, Marian Pace’s message on membership renewal in this newsletter.

On behalf of the FAPPO leadership, we thank you for your continued support.

It was great seeing everyone who attended the 48th Annual Conference and Trade Show in Orlando where we had the theme "Elevate our Professionalism". Our membership elected Fatima Calkins to be or new Treasurer and Laurie Victory for Secretary. Congratulations to both!!! I look forward to working with both of you, as well as Joe, our new President!

It has been a privilege and honor to serve as your FAPPO Treasurer for the past year. As your new Vice President, I have a new challenge as I start working on the program for the 49th Annual Conference and Trade Show with the theme "Proving Our Professionalism". We are looking carefully at the attendees surveys from the conference and will be working hard to improve wherever possible. We welcome any and all suggestions and comments that you may have. As I go through this year as Vice President, I will start recruiting for committees for the following year, so please think about volunteering. Any of the officers would be more than happy to talk to you about the different committees and positions in those committees.

I look forward to seeing you at the Fall Workshop in St. Augustine, FL.
Greetings to all FAPPO Members,

Hope you are all enjoying your families this summer. To extend that family fun, remember to sign up for the Fall Workshop which will be held in beautiful St. Augustine. The agenda is coming together and we expect a really great workshop.

As a new officer of FAPPO, I am already enjoying the tasks at hand. I attended my first board meeting last month and was able to meet many of the committee members and past presidents. What a great group we have! They are working diligently to make this year’s experience one you will not forget.

Hope to see you in St. Augustine.

Laurie Victory, CPPB
FAPPO Secretary

Fatima F. Calkins, CPPO, CPPB, FCCM
FAPPO Treasurer

Hello FAPPO Members,

Hope everyone is having a great summer! I would like to take a moment to congratulate our FAPPO members that obtained their CPPO/ CPPB certification this past May. Our Fall Workshop Committee has been working so hard in putting together an awesome program, “Negotiating the Path” and have invited great speakers.

It is not too early to start planning for our next conference! Remember that by volunteering, presenting, or facilitating you earn FBucks towards your annual conference expenses. Get involved and start working on your award submittal or volunteer your services! Don’t forget to pay your dues by September 1st! Look forward to seeing you at the Fall Workshop in St. Augustine.
NOTICE!!!!!

We are starting early this year!!! FAPPO is looking for the Best of the Best! The application for the FAPPO Award of Excellence and the FAPPO Best Practice Award will now be available to the full membership during the month of September this year. This will allow your organization to start early on your submission, which will be due on February 3, 2016, and provide you with plenty of time to spend any FAPPO Bucks that you earn through submission of an entry. Please be watching the FAPPO web-site for the revised form at http://www.fappo.org/Content/Awards, so that you can get started early!

Any questions about the program should be directed to Keith Glatz, CPPO, FCPM, FCPA, at keith.glatz@tamarac.org or (954) 597-3567. We look forward to seeing you participate in the program!

FALL WORKSHOP

The FAPPO Fall Workshop will be held at the Hilton St. Augustine Historic Bayfront in St. Augustine on October 16, 2015.

Mark your calendars now!!

Registration details coming soon.
Hello FAPPO and welcome to the New Year. Don’t forget it is time to renew your membership!

Renewals may be processed on-line through http://www.fappo.org:

- Log-in as a member
- It is a great time to verify your membership record is accurate - Use the link to “Update Your Member Information” to verify and update
- Click on the line “Renew Your Membership” or print a manual renewal form to pay by check

Membership FAQ’s

- **When does my membership expire?**
  - Memberships not renewed and paid by September 1st are expired

- **Why am I considered a “new member” when I have been a previous member?**
  - Those whose membership expire for a full fiscal year will be considered a “new member” the next time they register for membership

- **What are the negative impacts of not renewing a FAPPO membership?**
  - FAPPO benefits are forfeited if a member does not pay their dues by September 1 for the current year.
  - The Scholarship programs require that you must be a current member in good standing for 1 year prior to submitting for a scholarship. This would also include scholarship requests for NIGP classes.
  - FAPPO Bucks – Membership must have paid their dues for the current year by September 1st to qualify for redeeming FAPPO Bucks.
  - If a member renews and pays for membership after September 1st and was offered a transfer of FAPPO Bucks by another member they would not be qualify to use the transferred FAPPO Bucks.

Check out the NEW Membership Guide at https://www.fappo.org/docs/MemberGuide0415.pdf for member benefits and information.

Please contact your membership chair, Marian Pace, if you have any questions about your FAPPO Membership at mpace@pgorda.us or 941-575-3348.
Public Procurement Practice

ETHICAL PROCUREMENT

STANDARD

It is essential that public procurement professionals and stakeholders adhere to a well-defined and established code of ethics. The public procurement organization should have an adopted code of ethics and require its employees to uphold the code and seek commitment to it by all those with whom they engage.

Definition

Ethical procurement prohibits breach of the public’s trust by discouraging a public employee from attempting to realize personal gain through conduct inconsistent with the proper discharge of the employee’s duties.

Element 1.1: Conflict of Interest
Public Procurement professionals shall:
- Avoid any private or professional activity that would create a conflict of interest or the appearance of impropriety
- Avoid engaging in personal business with any supplier representative or similar person
- Avoid lending money to or borrowing money from any supplier
- Avoid any and all potential for nepotism
- Avoid any overlap of duties in the procurement process
- Safeguard the procurement process from political or outside influence

Element 1.2: Conduct with Suppliers
Business dealings with suppliers must be fair and transparent. Procurement shall:
- Refrain from showing favoritism or being influenced by suppliers through the acceptance of gifts, gratuities, loans or favors
- Safeguard supplier confidentiality
- Refrain from requiring suppliers to pay to be included on an approved or preferred supplier list
- Refrain from requesting donations of goods or services to the public entity
- Select suppliers on the basis of meeting appropriate and fair criteria
- Discourage the arbitrary or unfair use of purchasing leverage or influence when dealing with suppliers
- Avoid the exertion of undue influence or abuses of power
- Treat all suppliers fair and equal
Public Procurement Practice

ETHICAL PROCUREMENT (Cont’d)

Element 1.3: Corruption
Public procurement professionals who become aware of any corrupt activity have a duty to report such to their employing organizations to alert their senior management. Public procurement shall not tolerate bribery or corruption in any form. Forms include, but are not limited to:

- **Bribery** is the offering, promising, giving, authorizing or accepting of anything of value to influence another person in the award or execution of any public contract, or for any person associated with the procurement process, or for anyone else in order to obtain or retain a business or other improper advantage. Bribery often includes (i) kicking back a portion of a contract payment to government or party officials or to employees of the other contracting party, their close relatives, friends or business partners or (ii) using intermediaries such as agents, subcontractors, consultants or other third parties, to channel payments to government or party officials, or to employees of the contracting parties, their relatives, friends or business partners.

- **Extortion or Solicitation** is the demanding of a bribe, whether or not coupled with a threat, if the demand is refused. Procurement professionals will oppose any attempt of extortion or solicitation and are encouraged to report such attempts through available formal or informal reporting mechanisms.

- **Trading in Influence** is the offering or solicitation of an undue advantage in order to exert an improper, real, or supposed influence.

- **Laundering the proceeds of the corrupt practices mentioned above** is the concealing or disguising the illegitimate origin, source, location, disposition, movement or ownership of property and/or money, knowing that such is the proceeds of crime.

- **Nepotism** is the use of authority or influence to show favoritism to relatives or friends without merit.

Element 1.4: Business gifts and hospitality
The offer and receipt of business gifts and entertainment are sensitive areas for public procurement professionals, despite being recognized as standard private sector business practice. Public procurement organizations should develop a clear policy on accepting business gifts and procurement professionals and suppliers must comply with any such policy as well as prevailing laws. Minimal guidelines include:

- Not soliciting or accepting money, loans, and credits or prejudicial discounts, gifts, entertainment, favors or services from present or potential suppliers which might influence or appear to influence a procurement decision/process

- Avoiding meals or other hospitality with suppliers

Element 1.5 Other Policies and Considerations
Ethical practices should be defined and embedded in other policies, procedures and practices which overlap public procurement. Other policies in the procurement space which will need to be considered may include the subjects of:

- Competition and anti-competitive practices
- Supplier diversity
- Supplier equality
- Corporate Social Responsibility (CSR)
- Sustainability
- Anti-discrimination policy
- Transparency
Public Procurement Practice

ETHICAL PROCUREMENT (Cont’d)

Element 1.6: Ensuring compliance

Ensuring compliance, focusing on high risk areas, understanding suppliers’ operations and offering guidance and support when improvement is necessary or appropriate should ensure that the strategic and operational risks associated with unethical practices are minimized.

Public procurement professionals need to focus on ensuring compliance with their ethical code and the policies that it touches upon. To ensure this compliance, the focus:

- Should take place in parallel with the development of monitoring procedures
- May take time, or need to be introduced in phases
- May require prioritization of areas associated with ethical issues which might be of greater risk to the organization.

Background

Ethics are the principles which define behavior as right, good and appropriate. Employees in public service are bound to uphold certain values (See: Values and Guiding Principles). Any attempt to realize personal gain by conduct inconsistent with the proper discharge of the employee's duties is a breach of the public trust.

The value of the transactions in the procurement process along with pressures to lower costs could result in bribery, corruption and other practices which could be deemed unethical. In the public sector where goods and services are funded by public expenditure, it is imperative that procurement operates ethically, with impartiality, transparency, and professionalism.

Ethical procurement best practice starts with the employees in procurement following an ethical code which dictates their behavior and actions while conducting business. Ethical procurement practices should be extended to all stakeholders in the procurement cycle. Ethical procurement should also include an understanding of suppliers’ operations and the procurement professional should offer guidance and support when improvement is necessary or appropriate.

1. Any organization, group, or individual that can place a claim on the organization's resources or services are affected by what the organization does or the services it provides. (NPC, 2015). Public procurement dictionary of terms. Herndon, VA: NPC.
2. Gain may be monetary and/or non-monetary in nature.
5. Form of favoritism based on accountability and familiar relationships whereby someone in an official position exploits his her power and authority to provide undue favor to a family member or friend, even though he or she may not be qualified or deserving. (Transparency International, 2007). The anti-corruption plain language guide. Retrieved from www.transparency.org.
6. For example: appropriate checks and balances should be in place so that the requisitioning, ordering and reviewing functions do not report to the same supervisor.
7. Ibid.
8. It is important to ensure compliance with all applicable legislations, such as restraint of trade and anti-bribery legislation, which address anti-competitive practices and abuse of dominant position.
10. Ringfencing in relation hospitality: the procurement professional should pay for meals as frequently as the supplier and be mindful of any potential conflict with personal and/or hospitality.
12. Inclusion of economic, social, and environmental considerations as they relate to the procurement process.
13. Including conflict of interest clauses in procurement staff and stakeholders involved directly in the procurement process.

Norma M. Showley Memorial Scholarship Fund

“There are those who give with joy, and that joy is their reward.”
- Kahlil Gibran

Additional information is available at:
- Norma Showley Scholarship Fund general information
- Norma Showley History
- Scholarship Fund Donation Form
- Application

The Procurement Funnies

I NEED A $1,600 HANDHELD BAR CODE SCANNER TO FINISH MY LAB TESTS.

OKAY. APPLY FOR A CAPITAL BUDGET VARIANCE, PREPARE AN RFP, GET THREE BIDS, FORM A TEAM TO EVALUATE THE BIDS, THEN PREPARE A PURCHASE ORDER.

NEVER MIND. I'LL JUST LEARN HOW TO READ BAR CODES BY SIGHT. QUITTER.

Our Disaster Recovery Plan Goes Something Like This...
GET CONNECTED!

Here’s how **YOU** can join the conversation:

Follow [@FAPPO_Inc](http://twitter.com/FAPPO_Inc) for news, resources and updates about FAPPO and engage in the conference discussion using 
*#FAPPOConf*.

“Like” the [FAPPO](http://facebook.com/FAPPO) fan page on Facebook to see how others are discussing, teaching and sharing procurement news.

Join the FAPPO group on [Linkedin](http://www.linkedin.com) to participate in procurement discussions and information exchange opportunities.

Join the FAPPO group on [GovLoop](http://www.govloop.com) for additional interaction with government procurement professionals.

Subscribe to the official [FAPPO Blog](http://www.fappo.org/Blog) for access to procurement articles and updates or to submit a list serve inquiry.

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Calendar of Events:
[www.fappo.org/CalendarEvent/List](http://www.fappo.org/CalendarEvent/List)

Career Opportunities:
[www.fappo.org/CareerOpportunity/List](http://www.fappo.org/CareerOpportunity/List)