



CODE OF CONDUCT

As provided by Section 10-16-11 NMSA 1978, the State of New Mexico Department of Finance and Administration adopts this policy as the code of conduct and ethics for all its employees.

A. Public Trust & Confidence.

1. You must treat your government position as a position of public trust. You shall use your position, powers, and the resources of the State only to promote the public interest and not to obtain personal benefits or pursue private interests.
2. You must conduct yourself in a way that justifies the trust and confidence the people of New Mexico have placed in you by always maintaining the integrity of public office and ethically fulfilling the high duties of public office.
3. You shall not use or disclose confidential information obtained by virtue of your employment for your own or another person's private gain.

B. Personal Conduct

All employees of the Department of Finance and Administration (DFA) are employed by the people of the State of New Mexico. As public servants, all DFA employees are expected to uphold the highest standards of personal conduct. Employees should dedicate their full time and attention during the workday to fulfilling their official duties. Each employee, regardless of their position, is expected to go out of their way to be helpful and courteous to any citizen who contacts this Department.

DFA has zero tolerance for threats or acts of violence in the workplace. Workplace violence includes physical assaults, actions, and statements that reasonably cause a person to believe their personal safety, or the safety of others, is at risk. Employees who engage in physically abusive or violent behavior will be subject to disciplinary action up to and including termination of employment or termination of any contract, and referral to law enforcement.

Except for Service Dogs, no employee shall bring any pets or other animals to work.

C. Conflict of Interest

1. No employee shall solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or other item of monetary value from any person, corporation, or group that:
 - a) has (or is seeking to obtain) a contractual or other business or financial relationship with the state;
 - b) conducts operations or activities which are regulated by the state; or



New Mexico
Department of Finance
and Administration

- c) has interests which may be substantially affected by the performance or non-performance of official duties.

The prohibition does not apply to occasional non-monetary gifts of insignificant value, public service awards, reasonably priced loans from authorized lending institutions, political campaign contributions actually used in a political campaign, or gifts exchanged between friends who work for the state government.

2. Employees shall not participate in any official acts that directly affect business in which they have a financial interest. “Official acts” are defined as decisions, recommendations, approvals, disapprovals, or other actions involving the use of discretionary authority, except that the term does not include acts of general applicability. “Financial interest” is defined as an interest held by an individual, their spouse, or dependent minor children that is:
 - a) an ownership interest in a business; or
 - b) any current or potential employment for which negotiations have already started.

If the public interest requires, the Governor may grant an exception for an employee by stating the exception and the reasons in writing. The exception becomes effective when the employee submits this in writing to the Secretary of State.

3. Employees must not use information gained through their work with the DFA for their own or anyone else's personal benefit. Employees shall not accept outside employment that would result in financial gain for themselves or their external employer from any official actions by the DFA.
4. An employee of the DFA, or a business in which such an employee has a significant interest, shall not enter into any contract with the state unless the employee has disclosed their substantial interest and unless public notice and competitive bidding occur in accordance with the Procurement Code. “Substantial interest” is defined as an ownership interest exceeding twenty percent.
5. All DFA employees with financial interests that could be affected by DFA actions must disclose the nature of those interests to the Department Secretary when they start working for the DFA and each January afterward.
6. DFA employees shall not use their supervisory roles or employment relationships with other state employees to initiate, discuss, encourage, or otherwise facilitate business dealings of any kind among employees.
7. Individuals who have been state employees within the past year must not personally represent a person or business before the state if they are seeking a contract or favorable action valued at more than \$1,000 and if the contract or action directly



New Mexico Department of Finance and Administration

results from an official act by the employee. Additionally, a former employee must not assist any person or business in pursuing a contract or favorable action from the state if their official act while employed directly led to the contract or action.

8. A former employee of the DFA shall not represent someone in dealings with the state government on a matter in which the former employee was personally and substantially involved while employed.
9. For one year after leaving DFA employment, a former employee shall not represent anyone for pay before the DFA.

D. Outside Employment

Any employee of the Department may hold an outside job or invest in or acquire an interest in a private business, provided there is no conflict of interest as outlined in Section 2(b) above or any interference with the employee's job with the DFA. Under no circumstances shall any outside employment activities be conducted during work hours with the state, nor shall any state property, equipment, or supplies be used for outside employment. Any outside employment that may affect an employee's position with the DFA, directly or indirectly, must be reported annually by submitting a completed Request for Employment Form to the supervisor for final written approval by the Department Secretary.

E. Use of State Property for Personal Purposes

Employees must not use state property, licensed software, equipment, or supplies for personal reasons unless and until DFA has set up reimbursement rules. This specifically includes using state telephones for personal long-distance calls, using FAX machines (please refer to the DFA policy on state telephone and FAX machine use), using state automobiles for personal errands, and using copying machines for personal business.

F. Nepotism

1. Employees within DFA shall not hire, participate in hiring processes (such as reviewing applications, conducting interviews, making recommendations, etc.), promote, or have direct supervision over an employee who is related within the third degree. Relationship by blood or marriage within the third degree includes spouse, domestic partner, parent, mother-in-law, father-in-law, stepparent, children, domestic partner's children, son-in-law, daughter-in-law, stepchild, brother, stepbrother, brother-in-law, stepsister, sister-in-law, grandparent, grandchild, uncle, aunt, nephew, niece, great-grandchild, and great-grandparent.
2. There is no ban on relatives working in DFA or its divisions, as long as one relative does not hire, promote, or supervise another. "Supervise" means having the authority to assign work, direct other employees, discipline them, evaluate their performance, and recommend salary increases, promotions, transfers, etc.



New Mexico Department of Finance and Administration

3. If a person is hired who would normally become the direct supervisor of a current employee related within the third degree, the newly-hired supervisor will not supervise that employee. Instead, that employee will be supervised by the next available level of supervision. For example, if a person is hired as a Bureau Chief for a bureau that has a current employee related within the third degree of the new Bureau Chief, the Bureau Chief will not supervise that employee. The employee will be supervised by the Division director responsible for the bureau. Similarly, if the new hire is a division director with a third-degree relationship to an existing employee, the supervisory role will be assigned to a Deputy Secretary designated by the Secretary.

G. Participation in Community Organizations

All DFA employees are encouraged to participate in community activities. Employees who serve on the governing boards of nonprofit, private community organizations should be mindful, however, of potential conflicts of interest that could arise if the organization in question seeks state financial assistance. In such cases, an employee serving on the board must refrain from participating in any state agency decision regarding grant proposals related to that organization. Additionally, an employee on the board of such an organization shall abstain from voting on any action that affects the DFA.

H. Political Activities

1. Permitted Political Activities. The DFA employee:

- a) are encouraged to register and vote;
- b) have the right to express their opinions on all political subjects and candidates;
- c) may wear non-distracting political badges or buttons while on duty; and
- d) may participate in the following activities as long as they are on approved leave or not on duty:
 - serve as convention delegates,
 - attend political rallies,
 - sign nominating petitions and make voluntary contributions to political organizations,
 - engage in political activity, and
 - serve as an election official.

2. Prohibited Political Activities. The DFA employees are prohibited from:

- a) using official authority or influence to interfere with or affect the outcome of an election or nomination for office, or for any other political purpose;



New Mexico Department of Finance and Administration

- b) directly or indirectly coercing, attempting to coerce, commanding, or advising a state or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for a political purpose;
- c) threatening to deny promotions to any employee who does not vote for certain candidates, requiring employees to contribute a percentage of their pay to a political fund, influencing subordinate employees to buy tickets to political fund-raising dinners and similar events, advising employees to participate in political activities, and similar practices;
- d) engaging in political activity while on duty;
- e) lobby for or against any legislation, rule, or other governmental action using DFA resources without prior written approval from the Secretary; or
- f) being an officer of a political organization.

3. Public Office

- a) All DFA employees, in accordance with State Personnel Board (SPB) Rule 1.7.6.11 NMAC, if covered by the Hatch Act:
 - 1. may be candidates in nonpartisan elections if, upon filing or accepting the nomination and throughout the entire campaign, they are on authorized full-time, continuous leave without pay. A nonpartisan election is any election for public office where the candidate's party affiliations are neither indicated nor required.
 - 2. may not be candidates in partisan elections.
- b) All DFA employees, according to SPB Rule 1.7.6.11 NMAC, who are not subject to the Hatch Act, may run for any public office if they are on authorized full-time, continuous leave without pay at the time of filing, accepting the nomination, and throughout the campaign.
- c) Any DFA employee may hold a nonpartisan county or municipal political office while employed at DFA.
- d) Under Section 10-9-21 (B) NMSA 1978, being a member of a local school board or an elected official of any post-secondary educational institution does not be considered holding political office.

I. Fraudulent Conduct



New Mexico Department of Finance and Administration

Employees must not engage in fraudulent conduct for themselves or others and are required to report any such conduct immediately to their supervisor. “Fraudulent Conduct” includes theft, embezzlement, or misappropriation of the DFA or other state funds or property; misuse of state or DFA property; misuse of state or DFA procurement cards or credit cards; any intentional act that results in a significant misstatement in financial statements; unauthorized access; knowingly allowing others to engage in the described fraudulent conduct; knowingly concealing the fraudulent conduct of others; failing to report the fraudulent conduct of others; or violating applicable state or federal laws or rules related to the use or misuse of agency resources. The term also includes any dishonest or unethical act involving the resources of the DFA or the State of New Mexico.

J. Retaliation

No reprisals or retaliation shall be taken against any employee of the Department who reports to an appropriate authority any suspected wrongdoing by an official or another employee of this Department. When reporting alleged misconduct, it is preferred to follow the chain of command so the Department can be informed, evaluate the situation, and take prompt corrective action. However, if the employee believes that following the usual chain of command might hinder the reporting process, they may go directly to the Department Secretary.

K. Responsibility Regarding Conflicts

Every DFA employee is responsible for informing their supervisor of any activity or relationship—whether business, community, or family—that might conflict with their duties and responsibilities at the DFA or create the appearance of impropriety. This obligation must be maintained, and any potential or actual conflicts must be reported in accordance with the requirements of §§ 10-16-A-1 to 10-16-A-8, NMSA 1978.

L. Employee Fraternization Requirements

Romantic relationships between supervisors and their direct reports, or those over whom they have hiring, promotion, or evaluation authority, are strictly prohibited. Such relationships can cause conflicts of interest, favoritism, and coercion, which harm workplace morale and integrity. Employees must disclose any existing or developing romantic relationships, especially those involving supervisory roles or potential conflicts of interest. Disclosure should be made immediately to the Human Resources Department to enable appropriate actions to address any conflicts.

1. **Conduct in the Workplace or While on Duty:** While DFA does not prohibit dating among coworkers, all employees must behave professionally while on duty or on department property. Inappropriate behaviors, such as intimate contact or personal communications that may cause discomfort to others, are not allowed.
2. **Conflict of Interest Mitigation:** To address actual or perceived conflicts of interest arising from workplace relationships, the NM DFA may take actions such as



New Mexico Department of Finance and Administration

reassigning duties, transferring employees, or requiring disclosure to prevent bias in decision-making. These measures aim to uphold fairness and objectivity in the workplace.

3. **Prohibitions on Inappropriate Behavior:** Unprofessional conduct, such as public displays of affection or comments about appearance, is not allowed in order to maintain a respectful workplace. Employees must ensure their actions do not embarrass, create awkwardness, or make coworkers uncomfortable.
4. **Reporting and Enforcement Requirements:** Employees can report violations of this policy through established channels, including anonymously if preferred. Violations may lead to disciplinary action, up to and including termination, especially for repeated or serious infractions. DFA is committed to promptly and fairly investigating all reports, ensuring that no employee faces retaliation for reporting inappropriate behavior.

M. Compliance with other Policies and Procedures

In addition to the Code, Employees are subject to other DFA policies, procedures, rules, and guidelines, including, but not limited to, the following;

1. Policies and Procedures for Americans with Disabilities Act;
2. Alternative Work Schedule Policy;
3. Complaint Resolution Policy;
4. Discipline Policy and Procedure;
5. Domestic Violence and Workforce Violence Policy;
6. Dress Code;
7. Drug and Alcohol Abuse Policy;
8. Equal Employment Opportunity Policy;
9. Fair Labor Standards Act – Exempt Overtime Compensation Policy;
10. Family Medical Leave Policy;
11. Fitness-Wellness-Policy;
12. Grievance Complaint Policy;
13. Harassment Policy;
14. Jury or Court Duty Policy;
15. Leave Request Approval Policy;
16. Mandatory Training Policy;
17. Paid Parental Leave Policy
18. Pay Administration Policy;
19. Telework During Emergency Policy
20. Time and Attendance Policy;
21. Transfer and Use of Donated Annual Leave Policy;
22. Whistleblower Policy; and
23. Workers Compensation Policy

N. Distribution



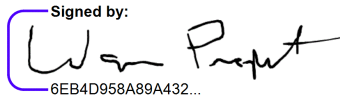
New Mexico
Department of Finance
and Administration

A copy of this code of conduct and certification of receipt will be distributed annually to every employee and contractor of the DFA and the Department. All new employees must receive a copy of the code of conduct upon hiring and certify receipt within thirty days of starting employment.

O. L. Disciplinary Action

In accordance with § 10-16-11, NMSA 1978, and SPB rules, violations of any part of this code may result in disciplinary action, such as suspension, demotion, or dismissal.

APPROVED BY:

Signed by:

6EB4D958A89A432...

1/16/2026

Wayne Propst
CABINET SECRETARY

Date



New Mexico
Department of Finance
and Administration

APPENDIX A

ACKNOWLEDGMENT FORM

I, _____, acknowledge that I have received a copy of the DEPARTMENT OF FINANCE AND ADMINISTRATION CODE OF CONDUCT, currently effective as of the date of the signature of the Cabinet Secretary.

Further, I acknowledge that I have read this Code of Conduct and understand its contents, including all of my associated duties and responsibilities. Moreover, I understand that a potential disciplinary procedure is connected to any failure to comply with those duties and responsibilities.

By signing this Acknowledgment Form, I affirm that I will abide by my incumbent duties and responsibilities as provided in the Code of Conduct, and I understand that disciplinary action may in fact be taken in the absence of my compliance with this Code of Conduct.

Signature

Date