

DEPARTMENT OF COMMUNITY AFFAIRS
CODE OF ETHICS

I. PURPOSE

To state the Code of Ethics for employees of the New Jersey Department of Community Affairs.

This code is intended to complement the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et. seq.) and to establish the general standards of conduct necessary for the proper and efficient operation of the Department. This Code supersedes all previous Departmental codes of shall apply, effective November 1, 1989, to all persons employed by the New Jersey Department of Community Affairs. This Code of ethics is adopted to maintain public trust and confidence, and inform Department employees of the standards of conduct expected of them.

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II. DEFINITIONS

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"Code" - shall mean this Code of Ethics.

"Department" - shall mean the Department of Community Affairs and all of its divisions, bureaus, offices, boards, councils, commissions, agencies and/or authorities which are, or may be, under the direct authority of the Department of community Affairs, and includes the Governor's council on Physical Fitness, the Public Guardian's Office and the Office of the Ombudsman for the Institutionalized Elderly.

"Employee" - shall mean any person holding an office or employment in the Department, whether classified, unclassified, or senior Executive Service member, temporary or permanent, in a part-time or full-time capacity.

"Ethics Liaison officer" - shall mean the Director, Human Resources or his* designee.

"Immediate family" - shall mean the person's spouse, child, parent, sibling or other person residing in the same household.

All references in this Code to "special Department officer or employee" shall be deemed to incorporate the definitions of "special State officer or employee" contained in N.J.S.A. 52:13D-13. All references in this Code to "State agency," "person," "interest," "cause, proceeding, application or other matter," "member of the immediate family" and other similar terms shall be deemed to incorporate the definitions of those terms contained in N.J.S.A. 52:13D-13.

*NOTE: The use of masculine pronouns is intended solely for ease of reading. It should be understood that his, him, etc. refer to both male and female employees.

III; BASIC POLICY AND STRUCTURE OF THE CODE

The Department of Community Affairs, as a department of the New Jersey State government, exists to serve the public interest. All employees must therefore conduct themselves in the course of their duties in a manner, which fosters the respect, trust and confidence of the public. They must avoid any activity or association which, is or appears to be, a violation of the public interest.

This Code of Ethics differentiates among three types of activities that potentially could undermine public trust and confidence in the Department:

- (1) Activities that so clearly constitute a conflict of interest or a violation of public trust that they are expressly prohibited, such as the acceptance of a gift or favor from anyone doing business with the Department or the solicitation or acceptance of a bribe.
- (2) Activities that may raise questions about an employee's integrity such as the receipt of an offer of a bribe or gift. Although the employee may have done no wrong, he is under an obligation to report such activities to the Department's Ethics Liaison Officer.
- (3) Activities that may result in the appearance of a conflict of interest, such as receiving an invitation to an event from someone doing business with the Department or engaging in any employment other than an employee's job with the Department. Employees are required to notify the Department's Ethics Liaison Officer and to obtain permission before engaging in such activities

In any instance in which an employee is not certain what the standard of conduct should be, the employee should seek the advice of the Department's Ethics Liaison officer in order to avoid the possibility of violating this Code or the Conflicts of Interest Law.

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IV. USE OF STATE PROPERTY

An employee shall use the property and funds under his official control in strict accordance with prescribed procedures, and not for personal gain or benefit. Department property, equipment, funds, or other assets shall be used only for Department business, and not for personal use.

V. ACCEPTANCE OF GIFTS

It is the policy of the Department of Community Affairs whether directly or indirectly that no employee shall accept any gift or other thing of value from any firm, organization, association, or individual doing business with the Department or from those who could reasonably be expected to do business with the Department.

Any gift or other thing of value offered by or received from a person, firm or corporation with which an employee has contact in his official capacity must be reported and remitted immediately to the Department's Ethics Liaison Officer, who shall then make a determination as to whether or not the gift, favor, employment, offer of employment, or other thing of value can be accepted. The report shall clearly describe the gift, identify the donor, and set forth the circumstances under which the gift was offered. It is not necessary to notify the Department's Ethics Liaison Officer of receipt of normal advertising matter such as pens, pencils, calendars, etc.

A. With respect to the acceptance or solicitation of any gift, favor, service at preferential rates, employment, offer of employment or any other thing of value, all employees are subject to the provisions of the New Jersey Conflicts of Interest Law which states:

"No state officer or employee, special state officer or employee, or member of the Legislature shall solicit, receive or agree to receive, whether directly or indirectly, any compensation, reward, employment, gift or other thing of value from any source other than the State of New Jersey, for any service, advice, assistance or other matter related to his official duties, except reasonable fees for speeches or published works on matters within his official duties and expect, in connection therewith, reimbursement of actual expenditures for travel and reasonable subsistence for which no payment or reimbursement is made by the State of New Jersey.. (N.J.S.A. 52:13D-24.)

Reasonable fees for speeches or published works related to an employee's official duties, or reimbursements for actual expenditures connected therewith for travel and reasonable subsistence, which are not paid by the Department, may be accepted only after approval by the Ethics Liaison Officer.

Except as noted elsewhere, employees are responsible for full payment of the costs of their meals, beverages, lodging, travel and entertainment and may not accept the same from any entity, person, partnership or corporation which is licensed, regulated, inspected, supervised or otherwise doing business with the Department, contemplating such business or seeking to influence official actions.

B. The acceptance of any gifts, preferential loans, services at preferential rates, discounts, gratuities or anything of monetary value from a person doing business with the Department, or the granting of special treatment or favors to such persons for the purpose of obtaining personal gain is prohibited under this section, the term "person" includes employees, agents, or organizations doing business with the Department, contemplating doing business with the Department, or seeking to influence official actions.

This section covers gifts, loans, services, discounts, gratuities, or anything of monetary value that is made directly or indirectly to an employee. "Made indirectly" means made to an organization designated by the employee.

C. Examples of gifts include cash, liquor, food, personal or household goods, use of cars, lodging or other favored treatment. This section also includes a prohibition (with the limited exception of subsection D below) against the acceptance of beverages or entertainment from persons or firms doing business with the Department or contemplating doing business with it or seeking to influence official actions.

D. Any employee who receives an invitation to any business-related function (such as a conference, ground-breaking, ribbon cutting, meal, open house, cocktail party, fund-raiser, holiday party or other social function, an appearance involving an honorarium, etc.) from or with a firm or person doing business with the Department or contemplating doing business with the Department, should report the invitation through his or her supervisor, to the Department's Ethics Liaison Officer. A determination will then be made in consultation with appropriate persons, as to whether: (1) representation of the Department is appropriate; (2) acceptance of the invitation is in conflict with the Code; (3) the Department might wish to underwrite the costs incurred for participation in the activity as an alternative to accepting the invitation as offered.

VI. CONFLICT OF INTEREST

A. Policy

1. A Department employee shall not have any interest, financial or otherwise, direct or indirect, or engage in any business, transaction or professional activity, which is in conflict or could appear to be in conflict with the proper discharge of his duties.
2. No employee should knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public that he may be engaged in conduct that may be in violation of his trust as a public employee.

B. Contracting with the State

1. The Conflicts of Interest Law prohibits an employee from knowingly undertaking or executing (in whole or in part) any contract, agreement, sale, or purchase having a value of \$25.00 or more which is made, entered into, awarded, or granted by any State agency. The above prohibition also extends to partners and business associates. An employee is prohibited from executing an agreement of sale with a state agency through any corporation in which he owns or has control of more than 1% of the stock. Similarly, an employee is prohibited from using any other person to execute an agreement or sale with a state agency for his own use or benefit. (See N.J.S.A. 52: 13D-19).
2. The New Jersey Conflicts of Interest Law exempts only three categories of contracts from the general prohibition. Before entering into a contract falling within any of these categories, approval must be obtained from the Executive Commission on Ethical Standards through the Department's Ethics Liaison Officer. The three categories of contracts are:
 - those purchases, contracts, agreements, or sales that are made after public notice and competitive bidding;
 - those that may be awarded without public advertising and competitive bidding pursuant to Section 5 of Chapter 48 of the Laws of 1944 (N.J.S.A. 52:34-10); and
 - any contract of insurance entered into by the Director of the Division of Purchase and Property, Department of the Treasury, pursuant to Section 10 of Article 6 of Chapter 112 of the Laws of 1944 (N.J.S.A. 52:27B-62).
3. No employee shall act as an officer or agent of a State agency for the transaction of any business with himself or with a corporation, company, association, or firm in the pecuniary profits of which he has an interest. No employee of the Department shall act in his official capacity in any matter wherein he has a direct or indirect personal financial interest that might be expected to impair his objectivity or independence of judgment. There is also a rule of common law that no government official or employee may act in any matter in which he has a direct or indirect interest. (See N.J.S.A. 52: 13D-20.)

4. No employee of the Department shall represent, appear for, or negotiate on behalf of, or agree to represent, appear for, or negotiate on behalf of, whether by himself or by or through any partnership, firm or corporation in which he has an interest or by any partner, officer or employee of any such partnership, firm or corporation, any person or party other than the State in any negotiations for the acquisition or sale by the State or a State agency of any interest in real or tangible or intangible personal property, or in any proceedings relative to such acquisition or sale before a condemnation commission or court; provided, however, nothing contained in this section shall be deemed to prohibit any person from representing himself in negotiations or proceedings concerning his own interest in real property. (See N.J.S.A. 52:13D-15.)

C. Appearance before the State of the Department

1. No State officer or employee shall represent, appear for, or negotiate on behalf of, any person or party, other than the State, in connection with any cause; proceeding, application, or other matter pending before any State agency, other than those listed below. This prohibition extends to any partnership, firm, or corporation in which the employee has an interest or to any partner, officer or employee of that partnership or firm. State employees are not prohibited from representing a person or party in any of the following instances:

- before a court of record;
- in regard to a claim for worker's compensation;
- in a proceeding related to the determination or review of transfer, inheritance or estate taxes
- in connection with the filing of corporate or other documents
- in the office of the Secretary of State;
- before the Division on Civil Rights;
- before the New Jersey State Board of Mediation;
- before the New Jersey Public Employment Relations Commission;
- before the Unsatisfied Claim and Judgment Fund Board solely for the purpose of filing a notice of intention; or
- before any State agency on behalf of a county, municipality, school district, or any authority, agency, or commission

EXCEPT WHERE THE STATE IS AN ADVERSE PARTY AND PROVIDED THAT THE EMPLOYEE IS NOT HOLDING OFFICE OR EMPLOYMENT IN THE STATE AGENCY IN WHICH ANY SUCH PROCEEDING IS PENDING. (See N.J.S.A. 52:13D-16(a), N.J.S.A. 52:13D-16(b), N.J.S.A. 52:13D-16).

VII. MISUSE OF OFFICIAL POSITION OR INFORMATION

A. No employee shall use or attempt to use his official position with the Department to secure unwarranted privileges or advantages for himself or for others.

B. No employee shall use confidential information (information not available to the public) obtained in his work within the Department to further his private interests or the interests of others.

C. No employee shall use or disclose for another's use, whether or not for direct or indirect monetary gain, any information not generally available to members of the public, which he or she acquires by reason of his official duties.

VIII. OUTSIDE EMPLOYMENT AND ACTIVITIES

A. Employment and Activities Prohibited

No employee shall accept employment or render services for any private or public interest when that employment or service is incompatible or in conflict with the discharge of his official duties, or when that employment may tend to impair his objectivity or independence of judgement in the performance of such duties. In addition, the hours of outside employment may not conflict with the work hours required for the discharge of official duties.

No Department employee shall act in his official capacity in any matter wherein he has a direct or indirect personal interest that might reasonably be expected to impair his objectivity or independence of judgment. (See N.J.S.A. 52:13D-23(e) (4))

1. Approval for All Employment

All outside employment whether compensated or not must be disclosed in writing on the Department's Conflict of Interest Questionnaire, Form DCA/HR/12, prior to being undertaken and is subject to Department approval. Service for any other State, county, regional or municipal government body, agency, commission, department or board whether compensated or not is also considered to be employment.'

In order to be approved, outside employment must be limited in scope to avoid the potential for having any dealings with entities or individuals or subsidiaries or affiliates who have business dealings with the Department, or who are likely to have business dealings with the Department. In this regard, business dealings include direct dealings as a contractor or vendor or in direct dealings as a subcontractor, architect, engineer, accountant, attorney or any other role.

2. Notification of Relative's Employment

All employees are required to notify Department management regarding any member of their immediate families employed by a contractor, consultant, vendor or any other company or firm doing business with the Department. Such notification shall be provided in writing on the Department's Conflict of Interest Questionnaire, Form DCA/HR/12.

3. Notification of License

An employee licensed by a specific agency of State government to engage in any particular business, profession, trade or occupation shall disclose that information on Department Conflict of Interest Questionnaire, Form DCA/HR/12.

Such licenses shall include, but are not limited to, those for accountants, architects, attorneys, electricians, insurance brokers, counselors, land surveyors, plumbers, professional engineers, professional planners, real estate agents and brokers, etc. Questions concerning possible conflicts of both outside employment as well as outside non-compensated activities should be addressed to the Department's Ethics Liaison Officer. Any advisory opinions rendered by the Ethics Liaison Officer will be forwarded to the Executive Commission on Ethical Standards for approval, disapproval, or modification.

IX. POST EMPLOYMENT RESTRICTIONS

Any employee officer and special officer of the Department is subject to the provision of the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-17), which states:

"No state officer or employee or special State officer or employee, subsequent to the termination of his office or employment in any State agency, shall represent, appear for, negotiate on behalf of, or provide information not generally available to members of the public or services to, or agree to represent, appear for, negotiate on behalf of, or provide information not generally available to members of the public or services to, whether by himself or through any partnership, firm or corporation in which he has an interest or through any partner, officer or employee thereof, any person or party other than the state in connection with any cause, proceeding, application or other matter with respect to which such State officer or employee or special state officer or employee shall have made any investigation, rendered any ruling, given any opinion, or been otherwise substantially and directly involved at any time during the course of his office or employment. Any person who willfully violates the provisions of this section is a disorderly person, and shall be subject to a fine not exceeding \$500.00 or imprisonment not to exceed six months, or both. Direct and substantial involvement, as used in this section, may exclude persons that have been engaged in a cause, issue or project on a routine, non-decision making basis.

Questions concerning possible post employment conflicts should be addressed to the Department's Ethics Liaison Officer prior to termination of employment.

X. SPECIAL CASINO RELATED CONSIDERATIONS

A. Concurrent Casino Employment Restrictions

No employee of the Department, nor any member of his immediate family, nor any partnership, firm or corporation with which any Department officer or employee is associated or in which he has an interest, nor any partner, officer, director or employee or person while he is associated with such partnership, firm or corporation, shall hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for, or negotiate on behalf of, any holder or applicant for a casino license, or any holding or intermediary company with respect thereto, in connection with any cause, application or matter (N.J.S.A. 52:13D-17.2b).

B. Post Employment Casino Restriction

No employee of the Department who is subject to financial disclosure by law or executive order or who has responsibility for matters affecting casino activity, nor any member of his immediate family, nor any partnership, firm or corporation with which such person is associated or in which he has an interest, nor any partner, officer, director or employee while he has is associated with such partnership, firm or corporation, shall, within two years next immediately following termination of the office or employment of such person, hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for or negotiate on behalf of, any holder of, or applicant for, a casino license in connection with any cause, application or matter, or any holding or intermediary company with respect to such holder of, or applicant for, a casino license in connection with any phase of casino development permitting, licensure or any other matter whatsoever related to casino activity (N.J.S.A. 52:13D-17.2c)

C. Expiration

In the event that the Legislature repeals or suspends Section 4 of P.L. 1981 c. 142 (C. 52:13D-17.2), in whole or in part, the companion sections of this code shall, to the same extent, be deemed repealed or suspended and of not effect.

XI. POLITICAL ACTIVITY PROHIBITIONS

An employee shall not directly or indirectly use or seek to use his authority or the influence of his position to control or modify the political action of another person. An employee during the hours of duty shall not engage in political activity; nor shall he at any other time participate in political activities, which would impair his usefulness in the position in which he is employed. A state employee retains the right to vote as he chooses and to express his opinions on political subjects and candidates.

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XII. VIOLATIONS AND SANCTIONS

An employee who violates this Code of Ethics may be subject to sanctions in accordance with the Conflicts of Interest Law (N.J.S.A. 52: 13D-12 et. seq.) and the New Jersey Code of criminal Justice (N.J.S.A. 2C: 1-1 et. seq.). Such sanctions include fines, prison terms, removal or suspension from office and ineligibility for future State employment. In addition to the above, Department employees who violate this Code of Ethics are subject to disciplinary action by the Department. Given the severe consequences of violating this Code, all employees are advised to adhere to it strictly and to seek advice from the Ethics Liaison officer if they have any questions concerning their obligations under it.