

**New Jersey
Department of Labor**

**Code of
Ethics**

New Jersey Department of Labor Code of Ethics

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Introduction

As public employees, we hold the public's trust and must adhere to the highest ethical standards. We need to avoid even the appearance of a conflict of interest which may compromise the public's trust.

The Code of Ethics describes the kinds of activities and situations which all NJDOL employees must avoid. Although this booklet covers a lot of material, we encourage you to become familiar with the Code.

This booklet contains information extracted from other official sources and is intended to provide appropriate guidance to New Jersey Department of Labor employees. For the full text of the appropriate official State guidance documents, employees may want to review New Jersey Executive Order No. 10, the Conflicts of Interest Law (N.J.S.A. 13D-12 et seq.) and the standards promulgated by the Executive Commission on Ethical Standards (N.J.S.A. 19:61-1.1 et seq.).

If you have any questions, please contact the Departmental Ethics Liaison Officer at (609) 292-2910.

When in doubt, check it out!

I. Purpose

This Code supplements the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.) and supersedes our previous Code of Ethics. It applies to all employees of the New Jersey Department of Labor.

II. Definitions

“Code” - shall mean this Code of Ethics.

“Employee” - shall mean any person employed by or serving as an officer or special State officer with the New Jersey Department of Labor.

“Ethics Liaison Officer” (ELO) - shall be the Commissioner's designee for oversight of and rendering of advice in regard to ethics-related issues within the Department of Labor.

“Event” – Shall mean meeting, conference, seminar, speaking engagement, symposium, training course, ground-breaking, ribbon-cutting, meal, open house, cocktail party, fundraiser, holiday party, social function, or similar event that takes place away from the employee’s work location, is sponsored or co-sponsored by a non-State government source and the invitation for which is extended to the employee because of his/her official position.

“Immediate Family Member” - shall mean the employee's spouse, child, parent or sibling residing in the same household.

“Interested Party” – 1. Any person, employee, representative or agent thereof, who is or may reasonably be anticipated to be subject to the regulatory, licensing or supervisory authority of the employee’s agency; 2. any supplier, employee, representative or agent thereof; 3. any organization that advocates or represents the positions of its members to the employee’s agency; or 4. any organization a majority of whose members are as described in 1 through 3 above.

“NJD0L or Department” - shall mean the New Jersey Department of Labor.

“Person” – shall mean any natural person, association, organization, firm, partnership or corporation.

“Recusal” – shall mean the process by which a person is disqualified, or disqualifies him/herself from involvement in a work-related matter because of a conflict of interest.

“Relative” – a spouse, parent, child, sibling, grandparent, grandchild, uncle, aunt, nephew, niece, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-

law, sister-in-law, first cousin, whether in whole or half blood, by marriage, adoption or natural relationship and the spouse of any such person.

“Special State Officer” - shall mean individuals who serve without compensation, such as members of NJDOL or those of “in, but not of” entities associated with the Department as well as commissions, councils, or advisory boards.

“State Agency” – shall mean any of the principal departments in the executive branch of State government, and any division, board, bureau, office, commission or other instrumentality within or created by such department and any independent State authority, commission, instrumentality or agency, as well as any interstate agency to which New Jersey is a party, to the extent permitted by applicable laws.

“State Official” – shall mean any State officer or employee or special State officer as defined in NJSA 52:13D-13 or employee as defined in the Conflicts of Interest Law.

“Vendor” - shall mean any general contractor, subcontractor, consultant, person, firm, corporation, or organization engaging in, or seeking to do, business with NJDOL.

III. Policy

NJDOL is committed to serving the workers, employers, and the citizens of New Jersey effectively and efficiently. All employees must conduct themselves, in the course of their duties, in a manner which will merit the respect, trust, and confidence of the citizenry. Employees must avoid any outside employment, activity, or association which is, or appears to be, a violation of the public interest.

Listed below are three types of activities which could undermine public trust and confidence in the Department:

- ◆ Activities which so clearly constitute a conflict of interest that they are prohibited. Example: the acceptance of a gift or favor from anyone doing business with the Department or the solicitation of a bribe.
- ◆ Activities which may raise questions about an employee's integrity. Although the employee may have done no wrong, he or she is under an obligation to report such activities to the Ethics Liaison Officer. Example: an offer of a bribe or gift.
- ◆ Activities which may give the appearance of a conflict of interest. Employees are required to notify the Ethics Liaison Officer and, in some cases, obtain permission before engaging in such activities. Example: receiving an invitation to an event from someone doing business with the Department.

The foregoing are examples and do not represent the full spectrum of activities circumscribed by the Code. When in doubt, employees should seek guidance from the Ethics Liaison Office through their supervisor.

IV. Use of State Property

Employees shall not use State property or funds for the personal use or benefit of themselves or others.

V. Use of Official Title and Stationary

Employees shall not permit the use of their official title for the purpose of fundraising for a private organization.

Official stationary is to be used for the conduct of the Department's business. It should not be used for personal business or for any purposes that could create an impression that the State officer or employee was engaged in an unwarranted use of his or her position.

Official stationary must also not be used if its use would tend to imply State or departmental endorsement for programs or events which have not been approved.

VI. Acceptance of Gifts and Favors

- A. Employees shall report all gifts, favors, services, employment, offers of employment, or any thing of value received as a departmental employee from those persons or entities with whom the Department or employee conducts business or from those who seek to conduct business with the Department or to contract services therewith to their immediate supervisor and to the Ethics Liaison Officer.
- B. Employees shall not accept any gift, favor, service, or any thing of value that might create the impression that it was given or offered for the purpose of influencing them in the discharge of their official duties.
- C. Unsolicited gifts of nominal value (i.e. complimentary articles offered to the public in general and gifts received as a result of mass advertising mailings to the general business public) may be retained by the employee or the Department for general use if it does not create a perception of a conflict of interest. Example: An appearance of a conflict of interest may be created if an employee uses a pocket calendar conspicuously marked with the name of a company which NJDOL regulates; displaying a wall calendar from a vendor could create the impression of an endorsement.
- D. In planning retirement functions, the responsible group or individual must choose between two approved alternatives to fund the value of any gifts to be presented:
 - ◆ Gifts may be funded by a maximum contribution of \$5 per person, collected from invitees to the retirement function. If this method of funding is used, no maximum value is set for the cost of the gifts; but contributions of more than \$5 per invitee are not permitted.

- ◆ When no maximum is set on individual contributions, the total value of retirement gifts to the retiree, spouse, and dependent(s) must not exceed \$1,000. If, instead of presenting gifts to the retiree, spouse, and dependent(s), a monetary contribution is made to a qualified organization, under I.R.S. Code 501(c)(3), no limit is placed on the maximum value of the contribution.

VII. Attendance at Events

- A. Employees who desire to attend events such as conferences, seminars, speaking engagements and training courses must receive advance approval by submitting the Request for Approval of Attendance at Event Form to their Director and/or Assistant Commissioner. These requests must also be carefully reviewed and approved by the Department's Ethics Liaison Officer prior to the event to avoid any ethics conflict.
- B. For events sponsored by an interested party, the Department shall pay the reasonable expenses of the employee associated with attending the event and neither the Department nor the employee shall receive any direct or indirect benefit including any honorarium or fee from the sponsoring organization or any other source.
- C. For events sponsored by an entity other than an interested party, the Department may pay the reasonable expenses of the employee associated with attending the event and the employee shall not accept entertainment collateral to the event such as a golf outing or meals offered in other than a group setting.
- D. For events sponsored by an interested party designed to provide training, the dissemination of information, or the exchange of ideas and the employee is making a speech, participating in a panel or is an accompanying resource person for the speaker and/or participant, a direct or indirect benefit may be provided to the employee if the benefit is identical to the benefits to other speakers or panel participants. The employee shall not accept an honorarium or fee for a speech or presentation at these types of events.
- E. All events sponsored by an interested party will be subject to approval by the Department's Ethics Officer; the approved form will be forwarded to the Executive Commission on Ethical Standards.

VIII. General Restrictions

- A. Employees shall not have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity which is, or could appear to be, in substantial conflict with the proper discharge of their duties.
- B. Employees shall not knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public with knowledge of their acts that they may be engaged in conduct that violates their trust as a State employee.

- C. Employees should not use or attempt to use their official position to secure unwarranted privileges or advantages for themselves or others.
- D. Employees shall not act in their official capacity on any matter in which they have a direct or indirect personal or financial interest that might reasonably be expected to impair their objectivity or independence of judgment.
- E. Employees shall not undertake any employment or service, whether compensated or not, that might reasonably be expected to impair their objectivity and independence of judgment in the exercise of their official duties.
- F. Employees shall not undertake or execute any contract, agreement, sale, or purchase valued at \$25 or more which is entered into, awarded, or granted by any State agency, except as noted in VIII K below; however, special State officers with departmental duties involving the purchase of property or services are only prohibited from contracting with NJDOL.
- G. Employees shall not act on behalf of a State agency for the transaction of any business with themselves or with an entity in which they own or control more than 10% of the stock.
- H. Employees, or any entity in which they have an interest, shall not represent, appear for, or negotiate on behalf of any person or party other than the State in connection with any matter pending before the Department or any other State agency; however, Special State officers are only prohibited from appearing before NJDOL.
- I. Employees, or any entity in which an employee has an interest, shall not represent any party in connection with any matter pending before the Department.
- J. Employees who are licensed by the State to engage in any business, profession, trade, or occupation shall disclose that information on the Department's Conflict of Interest Questionnaire, Form HR-229, to the Ethics Liaison Officer who will ensure that copies are transmitted to the Executive Commission on Ethical Standards. Such licenses include, but are not limited to, those for accountants, architects, attorneys, electricians, insurance brokers, land surveyors, plumbers, professional engineers, professional planners, real estate agents, etc.
- K. Employees are permitted to enter into purchases, contracts, agreements, or sales with any State agency, made or let after public notice and competitive bidding or may be made or let without public advertising or bids pursuant to N.J.S.A. 52:34-10; however, prior approval must be obtained from the Executive Commission on Ethical Standards.
- L. Employees shall not accept compensation for published work(s) created as part of their official duties on State time utilizing State resources.

IX. Misuse of Official Position

- A. Employees shall not disclose information which is not available to the public during, or after separation from, State service.

X. Outside Employment and Activities

- A. Employees shall annually disclose outside employment and business interest by submitting the Department's Conflict of Interest Questionnaire, Form HR-229 to the Department's Ethics Liaison Officer for approval and transmittal to the Executive Commission on Ethical Standards..
- B. Employees shall not accept employment or provide services for any private or other public entity, whether compensated or not, when that employment or service is in conflict with their official duties or when that employment may tend to impair their objectivity or independent judgment. The hours of outside employment shall not conflict with their departmental work hours.
- C. Employees shall not act in their official capacity on any matter wherein they have a direct or indirect personal interest.
- D. Employees seeking outside employment, whether compensated or not, must first file the Department's Conflict of Interest Questionnaire, Form HR-229, which is subject to the Department's Ethics Liaison Officer's approval and transmittal to the Executive Commission on Ethical Standards. Service for any other State, county, regional, or municipal governmental body, agency, commission, department, or board, whether compensated or not, is also considered to be employment.
- E. Employees participating in outside professional organizations should not use State equipment and time for activities which are not related to their jobs and not approved by supervision. To ensure that there is no conflict of interest, employees should report their professional affiliations to the Ethics Liaison Officer on Form HR229.

Voluntary activities which do not pose a conflict of interest with departmental employment (eg: CYO Director or Little League Coach) need not be reported.

- F. Employees are required to report on Form HR-229 any immediate family member employed by a contractor, consultant, vendor, or any other company or firm doing business with the Department.
- G. Employees who have direct and substantial contact with any vendor doing business with the Department must not circulate resumes or seek employment with that vendor until all business contacts have ceased between the vendor and the Department. If an employee is solicited for potential employment by a vendor with whom he/she has direct and substantial contact, that solicitation must be disclosed immediately to the employee's supervisor and to the Department's Ethics Liaison Officer.

Questions about soliciting employment with any vendor should be discussed with the Department's Ethics Liaison Officer. Division-specific examples of prohibited outside activities appear at the end of the document (Section XVII).

XI. Post-Employment Restrictions

After leaving State service, employees are prohibited from representing, appearing for, negotiating on behalf of, or providing information not generally available to members of the public or services to or agreeing to perform any such activities whether by themselves or through any partnership, firm or corporation in which they have an interest in connection with any cause, proceeding, or other matter with respect to which the employee shall have made any investigation, rendered any ruling, gave any opinion, or had been otherwise substantially and directly involved while employed by the Department.

Questions concerning possible post-employment conflicts should be addressed to the Department's Ethics Liaison Officer prior to termination of employment or to the Executive Commission on Ethical Standards subsequent to termination.

XII. Vendor Guidelines

Vendors and contractors who deal with the Department's various divisions and offices must be made aware of N.J.A.C. 12:3-1, Section 12:3-1.6, which deal, respectively, with debarment from contracting and conflicts of interest.

No State vendor may pay, offer to pay, or agree to pay any gift or thing of value to any State employee with whom the vendor transacts business. Any gift or thing of value received by a departmental employee from a vendor must be reported, in writing, to the Ethics Liaison Officer.

The full text of the New Jersey Department of Labor Code of Ethics for Vendors is available from the Department's Ethics Liaison Officer. You may request a copy by telephone at 609-292-2910.

XIII. Casino-Related Restrictions (N.J.A.C. 52:13D-17.2)

- A. NJDOL employees who are not subject to financial disclosures by law or executive order and their immediate family members must request a waiver from the Executive Commission on Ethical Standards before accepting employment in the casino industry.
- B. Employees who are subject to financial disclosures by law or executive order shall not hold any interest in, or employment with, any casino license holder or applicant for a casino license while employed by NJDOL and for a period of two years following separation from State service. Immediate family members must request a waiver from

the Executive Commission on Ethical Standards before accepting employment in the casino industry.

XIV. Political Activity

- A. Under NJ Department of Personnel regulations, an employee shall not use his or her authority or influence to control or modify the political action of another person. An employee shall not participate in political activity during the work day. A State employee retains the right to vote as he or she chooses and to express his or her opinions on political subjects and candidates.
- B. Under the Federal Hatch Act, executive branch employees in any State agency whose principal employment involves an activity financed in whole or in part by Federal loans or grants:
- ◆ May not run for nomination or be a candidate for public office in a partisan election.
 - ◆ May not use official authority or influence to interfere with or affect the results of an election or a nomination for office.
 - ◆ May not directly or indirectly coerce contributions from subordinates in support of a political party or candidate.

A violation by an employee may be cause for removal and/or a loss of Federal loans or grants to the Department.

XV. Guidelines on Recusal

- (a) An employee must recuse him/himself from a matter if he/she has:
1. Any financial interest, direct or indirect, that is incompatible with the discharge of the employee's public duties.
 2. Any personal interest, direct or indirect, that is incompatible with the discharge of the employee's public duties.

An incompatible financial or personal interest includes, but is not limited to, outside employment; a debtor/creditor relationship; a fiduciary relationship; a source of income; any matter pertaining to a relative or cohabitant; a relationship with a person providing funds, goods or services without compensation; any matter pertaining to a business associate or business investment; and a leadership role in a professional or trade organization, which might reasonably be expected to impair an employee's objectivity and independence of judgment in the exercise of his/her official duties or might reasonably be expected to create an impression or suspicion among the public having knowledge of his/her acts that he/she may be engaged in conduct violative of his/her trust as an employee.

- (b) An incompatible financial or personal interest may exist in other situations which are not clearly within the provisions of (a), depending on the totality of the circumstances. An employee should contact his/her Department's Ethics Liaison Officer or the Executive Commission on Ethical Standards for guidance in such cases.
- (c) An employee must seek the advice of the Department's Ethics Liaison Officer or the Executive Commission on Ethical Standards as to the propriety of participation in a matter if any person requests that an employee recuse him/herself from that matter.

Procedure for recusal

- (a) an employee finds that an incompatible financial or personal interest exists on a matter, the employee must recuse him/herself from that matter. The recusal must be absolute, i.e., the employee must have no involvement with the matter from which he/she has recused him/herself.
- (b) All recusals, other than those provided for in (c) below, must be memorialized in writing. The writing must:
 - 1. Specify the reason for and the date of recusal;
 - 2. Specify the duration of the recusal (which may be expressed in terms related to the pendency of the matter in the Department);
 - 3. Specify the effect of the recusal on the employee and the Department (e.g., that the employee is not to be contacted or involved or participate in any manner concerning the matter from which he/she has been recused);
 - 4. Name the person who is to assume responsibility and authority for the matter from which the employee has been recused (if applicable); and
 - 5. Be disseminated to all persons who might be affected by the employee's recusal and to the Department's Ethics Liaison Officer, who shall maintain the writing for as long as the employee serves in his/her position. (If the employment thereafter is short term, the documents should still be maintained).
- (c) Where the Department maintains a public record of a proceeding, i.e., a Board or Commission meeting, formal written recusal is not required; however, the following procedures must be followed:
 - 1. To the extent feasible, meeting materials involving a matter from which the employee must recuse him/herself should not be distributed to the employee.
 - 2. At the subject meeting, the employee must place his/her recusal and the reason for such recusal on the record prior to any discussion of the matter.
 - 3. The employee must leave the room at a non-public portion of the meeting while the matter in question is under discussion.

Sample Recusal Statement: Seeking Employment

DATE: _____

TO: Department's Ethics Liaison Officer
Executive Commission on Ethical Standards

FROM: Name of Employee

SUBJECT: Recusal – Seeking Employment with (Name of Outside Organization)

This is to notify you that I am seeking employment with (Name of Outside Organization).

My seeking employment may present an actual or appearance of a conflict of interest; therefore, I must disqualify/recuse myself from any official duties that involve the above organization. I understand that I may not participate in any way as an employee in any matters regarding the above organization. Furthermore, I understand that it would be appropriate for any matters specifically involving the above-named organization to be referred to my supervisor without consulting me or informing me that such matters are pending. This action is taken with the concurrence of my Division Director, as indicated below.

I understand that this recusal will remain in effect until I inform you in writing that all employment seeking activity has terminated and I receive written permission from the Department's Ethics Liaison Officer to resume interactions with the outside organization.

Employee's Name

Recommend:

(Name of Employee's Director/Supervisor) Date

Approve:

Ethics Liaison Officer Date

Sample Recusal Statement: Conflicts

DATE:

TO: Designee(s)

FROM: Name of Employee

SUBJECT: Recusal

Because I may be seen to have a conflict of interest in matters affecting (names of individuals/companies). I am delegating all responsibility and authority for handling any such matters to you. Please ensure that I am screened from any information or communications on any such matters. By copy of this memorandum, I am instructing (names of colleagues/subordinates) to ensure that I do not receive any communications on any matters affecting (names of individuals/companies).

C: Subordinates responsible for screening communications
Department's Ethics Liaison Officer
Executive Commission on Ethical Standards

XVI. Violations and Sanctions

Employees who violate this Code are subject to sanctions in accordance with the Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.), the Code of Criminal Justice (N.J.S.A. 2C:1-1 et. seq.) and the Civil Service Act (N.J.S.A. 11A:1-1, et seq.). The sanctions may include fines, prison terms, removal or suspension from office or employment, and ineligibility for future State office or employment.

XVII. Division-Specific Examples of Prohibited Outside Activities

A. Auditors in the Division of Employer Accounts may not be permitted to engage in incompatible activities including:

- Accounting – Engaging in accounting, the use, analysis and interpretation of financial records when such activity involves any entries leading directly or indirectly to inclusion on forms NJ927 and/or WR-30 or any classification of workers as non-employees.
- Bookkeeping – Engaging in bookkeeping, the recording of transactions, the record making phase of accounting, when such activity is directly or indirectly related to the preparation of forms NJ927 and/or WR-30 or any classification of workers as non-employees.
- Preparation of Tax Returns for Compensation – Engaging in the preparation of tax returns for compensation, gift or favor if such return requires employment classification determinations or includes services performed by workers identified as non-employees, such as casual workers, temporary or seasonal help or another category of worker usually considered an employee.

XVIII. Reporting Complaints Alleging Violations

Employees who have a complaint about an alleged violation should prepare a memorandum/letter describing the incident(s) and forward it to:

Ethics Liaison Officer
NJDOL - 12th Floor
PO Box 110
Trenton, NJ 08625-0110

All complaints will be acted upon in accordance with departmental procedures.

REMEMBER: When in doubt, check it out!