



**CORPORATE-WIDE
POLICY AND PROCEDURE**

NUMBER

2.03A

EFFECTIVE DATE

3/13/19

SUPERSEDES

MANUAL

General Administration

SOURCE

**Corporate Compliance &
Ethics Administration**

KEY SUBJECT

Supplemental Code of Ethics

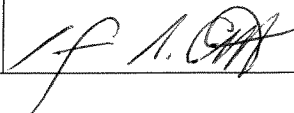
TITLE

Supplemental Code of Ethics

KEY SUBJECT

All NJ TRANSIT Employees

APPROVAL(S)



The New Jersey Conflict of Interest Law (N.J.S.A. 52:13D-12 et seq.) establishes specific standards of conduct for State employees and officers. Pursuant to the Law, the State Ethics Commission has issued a Uniform Ethics Code to govern and guide the conduct of State officers and employees and special State Officers and employees in State agencies in the Executive Branch of State Government and to serve as the primary code of ethics for such agencies. NJ TRANSIT has adopted the Uniform Ethics Code, which shall apply to all NJ TRANSIT board members, officers, and employees, agreement and non-agreement. [See CWP 2.03]

Additionally, P.L. 2018, c. 162 (effective December 20, 2018) requires that the Board of the NJ TRANSIT Corporation (hereinafter "NJ TRANSIT") adopt a code of ethics, in consultation with the Chief Ethics Officer, applicable to each board member, officer, and employee that, at a minimum, includes the applicable standards established by State law. In accordance with both N.J.S.A. 52:13D-23 and P.L. 2018, c. 162, NJ TRANSIT has adopted this Supplemental Code of Ethics to address the particular needs and problems of NJ TRANSIT. This Supplemental Code of Ethics is intended to supplement the Uniform Ethics Code and shall apply to all NJ TRANSIT board members, officers, and employees, agreement and non-agreement.

Ethics Requirements Imposed by P.L. 2018, c. 162:

This Supplemental Code of Ethics (approved by the Board on March 13, 2019, 2019), is intended to acknowledge and comply with the following requirements imposed by P.L. 2018, c. 162.

- NJ TRANSIT shall employ a Chief Ethics Officer, who shall be provided staff, equipment, and resources, as the Board deems appropriate, in order to investigate allegations and suspicions of unethical conduct or illegal activity within the corporation and to determine whether the corporation is in compliance with applicable State law. The Chief Ethics Officer shall operate independently of the Executive Director and shall report directly to the Board of Directors. The Executive Director shall not have any role in hiring, firing, disciplining, or directing the Chief Ethics Officer.
- The Chief Ethics Officer shall establish a whistleblower access and assistance program which shall include, but not be limited to: establishing toll-free telephone and facsimile lines available to employees; offering advice regarding employee rights under applicable state and federal laws and advice and options available to all persons; and offering an opportunity for employees to identify concerns regarding any issue at the corporation.

- The Board of Directors of NJ TRANSIT adopt a policy that provides guidelines for when it is appropriate for the Chief Ethics Officer to forward the findings of a preliminary investigation conducted by the Chief Ethics Officer along with a recommendation of discipline to the State Ethics Commission, Office of the Attorney General, county prosecutor's office, or any other appropriate agency for further investigation or action.

Hotline & Ethics Online:

As required by P.L. 2018, c. 162, the Chief Ethics Officer has established a whistleblower access and assistance program. A toll-free telephone and eFax line are available to all employees. Anyone with reason to believe that a violation of any law or policy has occurred or may occur is encouraged to immediately report what they know or suspect. Reports may be submitted verbally or in writing, via any of these methods:

Toll Free Hotline: (833) 749-3782

eFax: (973) 863-4641

Email: WhistleblowerComplaints@njtransit.com

Mail: Compliance & Ethics Department
One Penn Plaza East, 8th floor
Newark, New Jersey 07105

Reports can be submitted anonymously. However, sufficient information about the suspected violation must be provided to permit investigation.

The whistleblower access and assistance program may be used not just to report violations but also to obtain advice regarding employee rights under applicable state and federal laws and advice and options available to all persons. It also provides an opportunity for employees to identify concerns regarding any issue at the corporation.

Additional ethics information is available on @transit. The Ethics Online webpage has links to the State Ethics Commission website, including the online ethics training. It also contains ethics forms, such as the Request for Approval for Attendance at Events, Personal and Business Relationship Disclosure Form and the Statement of Outside Employment & Activities.

Ethics Investigative Process:

The NJ TRANSIT Ethics Department receives complaints from various sources. They may be made through our toll free hotline (833-749-3782), via email (Ethics_Dept@njtransit.com), or through any of the methods listed above.

The complainant may remain anonymous. If the complainant does identify him/herself, that information remains confidential except as necessary to comply with the law and this policy.

Upon receipt of a complaint alleging an ethics violation, NJ TRANSIT is required to notify the State Ethics Commission. It is within the discretion of the Commission to direct NJ TRANSIT to transfer

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the complaint to the Commission for handling. Complaints may also be submitted directly to the State Ethics Commission through its toll free hotline (888-223-1355), or in writing to:

28 W. State Street
P.O. Box 082
8th floor
Trenton, New Jersey 08625
OR
Email: ethics@ethics.nj.gov

When NJ TRANSIT's Ethics Department investigates a complaint, the staff first reviews it for an initial determination as to whether the alleged conduct falls within the Ethics Department's jurisdiction. The staff initiates a preliminary investigation, which may include (among other things) interviews of the complainant, the officer or employee involved, and any other individuals who possess knowledge of the circumstances surrounding the alleged conduct. The interviewee, if covered by a collective bargaining agreement, may be accompanied by a union representative, but such representation is not required. Interviews are occasionally conducted via telephone. Investigations also frequently involve the review of documents, such as work emails, cell phone and company motor vehicle records. During the course of the preliminary investigation, all information is kept confidential.

The Chief Ethics Officer shall forward the results and findings of a preliminary ethics investigation conducted by the Ethics Department to other appropriate agencies for further investigation or action under the following circumstances:

- The Chief Ethics Officer shall forward the results and findings of **all** ethics investigations conducted by the Ethics Department to the State Ethics Commission.
- The Chief Ethics Officer shall forward the results and findings of a preliminary ethics investigation to the Office of the Attorney General and to the county prosecutor's office if the investigation finds evidence of a violation of a criminal law.
- The Chief Ethics Officer shall forward the results and findings of a preliminary ethics investigation to the NJ TRANSIT Auditor General if the investigation finds evidence of fraud, waste or abuse. If it involves federally-funded Superstorm Sandy recovery or resilience efforts, the Chief Ethics Officer shall also forward the results and findings to the Office of the State Comptroller's Fraud Prevention Hotline (comptrollertips@osc.state.nj.us).
- The Chief Ethics Officer shall forward the results and findings of a preliminary ethics investigation to the Chief of EEO if the investigation finds evidence of unlawful discrimination.

All NJ TRANSIT disciplinary actions of a State officer or employee based on violations of the Uniform Ethics Code or this Supplemental Code of Ethics are effective only when approved by the State Ethics Commission. If the Commission conducts an investigation and determines that a NJ TRANSIT officer or employee, or special officer or employee has violated the ethics laws or codes, it may, in accordance with the provisions of N.J.S.A. 52:13D-21(i), impose a fine, terminate, demote, suspend, censure, reprimand, or order restitution.

The Conflicts of Interest Law also permits the Commission to impose a civil penalty of between \$500 and \$10,000 for violations of post-employment restrictions by former State officers and employees and special State officers and employees. The Commission may also refer a matter to the Division of Criminal Justice. Any person who willfully violates section 17 of the Conflicts Law is a disorderly person and is subject to a fine not to exceed \$1,000 or imprisonment not to exceed six months, or both.

Anti-Nepotism Policy:

Employees who are supervisors or exercise authority regarding personnel actions shall disclose to the Chief Ethics Officer any financial, familial or dating relationship involving anyone in their chain of command. They shall provide information as may be necessary to determine whether the employee is in compliance with the prohibitions set forth in Section XIII of the Uniform Ethics Code. Recusals shall be executed whenever a conflict exists. All recusals will be filed with the State Ethics Commission.

Prior to the day of all employment interviews, all panel members are to complete an interview disclosure form to identify any potential conflict of interest. These forms will be reviewed timely by the assigned Business Agent (or other person designated by Human Resources) who will consult with the Ethics Department to address any potential conflicts.

In connection with all offers of employment, the prospective employee will be required to disclose any financial, familial or dating relationship involving anyone in the department or unit where the position is located.

Contracting with NJ TRANSIT:

NJ TRANSIT prohibits its officers and employees and special officers and employees from contracting with NJ TRANSIT under any circumstance. Any NJ TRANSIT officer or employee or special officer or employee who misrepresents or omits pertinent information with regard to this policy during the procurement process will be subject to discipline by NJ TRANSIT.

Personal and Business Relationship Disclosures

NJ TRANSIT employees and officers and special State officers and employees who are involved in the procurement process must fill out a Personal and Business Relationships Disclosure (PBRD) Form. Involvement in the procurement process includes: drafting, reviewing, evaluating or awarding contracts; substantively assisting in those tasks; or authorizing payment under such contracts. All Board members, members of the Executive Management Team, employees within the Procurement Department, and anyone else involved in the procurement process must complete the PBRD on an annual basis. They should also review the form periodically and update it when there is a material change to any response.

Financial Disclosure Requirements

Executive Order No. 2, promulgated by Governor Murphy on January 17, 2018, requires the annual filing of Financial Disclosure Statements (“FDS”) by certain designated State employees and board members. Designated State employees include the “executive or administrative head and any assistant heads of . . . any independent authority” NJ TRANSIT, as an independent authority, is subject to the FDS requirements.

All members of the NJ TRANSIT Board of Directors shall file FDS forms in accordance with Executive Order No. 2, or any similar requirement imposed by statute, Executive Order or other law. Additionally, the following NJ TRANSIT employees shall file FDS forms in accordance with Executive Order No. 2, or any similar requirement imposed by statute, Executive Order or other law: the Executive Director, the Deputy Executive Director, all employees who serve on the Executive Management Team, all employees at Grades 35 and 36, and all Directors and Senior Directors to whom the Chief of Procurement has delegated procurement authority.

Board Members’ Additional Disclosure Requirements:

Pursuant to P.L. 2018, c. 162, each board member shall annually disclose to the Board of Directors and to the Chief Ethics Officer any contributions made within the preceding two years to any candidate for political office; candidate committee; joint candidate committee; political committee; continuing political committee; political action committee; State, county, or municipal party committee; legislative leadership committee; or any similar committee. Additionally, board members must disclose to the Board and to the Chief Ethics Officer any conflicts, or the appearance of a conflict, of a personal, financial, ethical, or professional nature that could inhibit the board member from performing the board member’s duties in good faith and with due diligence and care.

Retaliation:

NJ TRANSIT protects employees from retaliation should they disclose, threaten to disclose or intend to disclose possible violations of the Conflicts Law to the Board, to management or the Chief Ethics Officer. Anyone who believes they have been retaliated against should contact the Compliance & Ethics Department, via any of these methods:

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eFax: (973) 863-4641
Email: WhistleblowerComplaints@njtransit.com
Mail: Compliance & Ethics Department
One Penn Plaza East, 8th floor
Newark, New Jersey 07105

Cross-References:

New Jersey Uniform Ethics Code

Plain Language Guide to New Jersey's Executive Branch Ethics Standards

CWP 2.03 Code of Ethics

CWP 2.03B Code of Ethics for Vendors

CWP 2.03C Political Activity (Hatch Act)

CWP 2.16 Conscientious Employee Protection