

DEPARTMENT OF HUMAN SERVICES
INTER-OFFICE COMMUNICATION

TO: ALL DHS EMPLOYEES

FROM: JAMES M. DAVY
COMMISSIONER *JMD*

DATE: April 2005

RE: DHS Revised Code of Ethics – Administrative Order 4:05

I am pleased to announce that the Department of Human Services has revised its Code of Ethics. It is now more comprehensive and complements the provisions of the New Jersey Conflicts of Interest Law (N.J.S.A. 52:130-12 et seq.)

The Department of Human Services exists to serve the public interest. All Department employees must therefore conduct themselves in the course of their duties so as to hold 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 trust. To maintain public trust and confidence, this revised Code of Ethics, which is incorporated in Administrative Order 4:05, is adopted for the purpose of informing Department officers and employees of the standards of conduct and responsibilities that govern them.

Full time Department officers and employees, part time officers and employees, as well as uncompensated members of the Department's advisory bodies are now bound by the revised Code of Ethics. The new Code of Ethics eliminates the Department and Division Conflict of Interest Review Boards to streamline the review of Outside Activity Questionnaires by the appropriate Ethics Liaison Officer. A list of DHS' Ethics Liaison Officers is attached for your information.

In addition, the Code of Ethics now contains the following significant new sections:

- ❖ **Definitions of key terms used throughout the code;**
- ❖ **Outside Activity and Employment and Reporting of any Outside Activity or Employment;**

- ❖ **Notification of Relative's Employment;**
- ❖ **Contracting with the State of New Jersey;**
- ❖ **Appearances and Representation;**
- ❖ **Gifts. All of the State's gift guidelines have been incorporated into the Code of Ethics, and Administrative Order 4:14 (Acceptance of Gifts, Entertainment and Gratuities by Department of Personnel) has been rescinded;**
- ❖ **Attendance at Events;**
- ❖ **Use of State Property;**
- ❖ **Misuse of Position or Information;**
- ❖ **Employment of Relatives and Cohabitants;**
- ❖ **Joint Ventures and Private Financing of Department Activities;**
- ❖ **Recusal;**
- ❖ **Post-Employment Restrictions;**
- ❖ **Casino-Related Consideration;**
- ❖ **Political Activity; and**
- ❖ **Penalties.**

Please take the time to read the revised Code of Ethics and familiarize yourselves with its provisions. All DHS Staff will be expected to follow the requirements of the Code of Ethics. Should you have any questions about how particular provisions of the Code of Ethics relate to you, please contact the appropriate Ethics Liaison Officer listed on your contact sheet.

JMD:04
Attachments

DEPARTMENT OF HUMAN SERVICES

ORIGINAL ISSUE DATE: November 1, 1977

LATEST REVISION: March 7, 2005

SUPERCEDES: Administrative Order 4:14, Acceptance of Gifts, Entertainment and
Gratuities by Department Personnel

SUBJECT: Department of Human Services' Code of Ethics

I. PURPOSE

The purpose of this Order is to provide notice of and establish the Department of Human Services' Code of Ethics. This Code is intended to complement the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.) and applicable regulations of 19:61-1.1 et seq. and to establish the general standards of conduct necessary for the proper and efficient operation of the Department of Human Services (the Department). It outlines how all Department officers and employees and special Department officers and employees, whether compensated or not compensated, should conduct themselves both in and out of the work environment.

II. SCOPE

This Order has Department-wide applicability including, but not limited to, Department officers and employees and special Department officers and employees.

III. AUTHORITY

NJSA 52:13D-12 et seq. - New Jersey Conflicts of Interest Law

N.J.A.C. 19:61-1.1 et seq.

IV. DEFINITIONS

The following terms, when used in this Order, have the meanings indicated.

Allowable Entertainment Expenses means the costs for a guest speaker, incidental music and other ancillary entertainment at any meal at an event, provided they are moderate and not elaborate or excessive, but does not include the costs of personal recreation, such as being a spectator at or engaging in a sporting or athletic activity which may occur as part of that event.

Cohabitants means non-related persons who share a household under circumstances where there is financial interdependence.

Department Officer or Employee means any person, other than a special Department officer or employee, holding an office or employment in the Department.

Direct Benefit means acceptance by a Department officer or employee from the sponsor of an event or any other person of travel, meals, accommodation, waiver of conference or event fee or any other costs associated with attending the event for which no payment is made by the State but is not intended to mean nominal refreshments such as nonalcoholic beverages and snacks.

Event means a 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 Department officer or employee's work location, is sponsored or co-sponsored by a non-State government source and the invitation for which is extended to the Department officer or employee because of his/her official position.

Gift means anything of value including, but not limited to, loans, services, discounts, gratuities, cash, liquor, food, personal or household goods, use of cars, lodging and other favored treatment or anything of monetary value given directly to an employee, or indirectly as in given to a Department officer or employee's relative, co-habitant or organization designated by the Department officer or employee.

Government Entities means federal, State, county and municipal agencies, including Rutgers University and the State colleges.

Immediate Family Member means the person's spouse, child, parent, or sibling in the same household, or such other person who shares the same household and financial interdependence.

Indirect Benefit means acceptance by a Department officer or employee from the event sponsor or any other person of reimbursement for costs of travel, meals, accommodation, event fees, or any other costs associated with attending the event for which no reimbursement is made by the State but is not intended to mean nominal refreshments such as nonalcoholic beverages and snacks.

Interested Party means (1) any person, or employee, representative or agent thereof, who is or may reasonably be anticipated to be subject to the regulatory, licensing or supervisory authority of the Department; (2) any supplier, or employee, representative or agent thereof; (3) any organization that advocates or represents the positions of its members to the Department; and, (4) any organization a majority of whose members are as described in sections 1 through 3 above.

Reasonable Expenditures for Travel or Subsistence means commercial travel rates directly to and from an event and food and lodging expenses which are moderate and neither elaborate nor excessive.

Relative means an individual's spouse or the individual's or spouse's parent, child, brother, sister, aunt, uncle, niece, nephew, grandparent, grandchild, son-in-law, daughter-in-law, stepparent, stepchild, stepbrother, stepsister, half brother or half sister, whether the relative is related to the individual or the individual's spouse by blood, marriage or adoption.

Special Department Officer or Employee means (1) any person holding an office or employment in the Department for which office or employment no compensation is authorized or provided by law, or no compensation other than a sum in reimbursement of expenses, whether payable per diem or per annum, is authorized or provided by law; or (2) any person, holding a part-time elective or appointive office or employment in the Department.

Thing of Value includes, but is not limited to, compensation; money; a stock, bond, note or other investment in an entity; employment, offer of employment; gift; reward; honorarium; favor; goods, service; loan; forgiveness of indebtedness; gratuity; property or real property; labor; fee; commission; contribution; rebate or discount in the price of any thing of value; an automobile or other means of personal transportation; entertainment; or any other thing of value offered to or solicited or accepted by a Department official in connection with his or her official position.

V. POLICY AND PROCEDURES

- A. No Department officer or employee shall act in his or her official capacity in any matter wherein he or she has a direct or indirect personal financial interest that might be expected to impair his or her objectivity or independence of judgment. There is also a rule of common law that no Department officer or employee may act in any matter in which he or she has a direct or indirect interest.
- B. The primary obligation of any Department officer or employee is to the Department and its clients. As a department of State government, the Department of Human Services exists to serve the public interest. Therefore, all Department officers and employees must conduct themselves in the course of their duties so as to hold 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 trust. To maintain public trust and confidence, this Code of Ethics, as incorporated in this Order, is adopted with the purpose of informing Department officers and employees of the standards of conduct and responsibilities that govern them.
- C. No Department officer or employee shall have any interest, financial or otherwise, direct or indirect, or engage in any business, transaction or professional activity that is in conflict or could appear to be in conflict with the proper discharge of his or her duties.
- D. No Department officer or employee shall knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public that he or she may be engaged in conduct violative of his or her trust as a Department officer or employee.
- E. Outside Activity and Employment
 1. No Department officer or employee shall engage in any outside activity or employment or render services, including but not limited to volunteer services, for

any private or public interest when that activity or employment is incompatible or in conflict with the discharge of his or her official duties or when that activity or employment may tend to impair his or her objectivity or independence of judgment in the performance of such duties. In addition, the hours of outside activity or employment may not conflict or coincide with work hours needed for the discharge of official duties, nor in any way interfere with the performance of those duties. Nor shall the Department officer or employee use State equipment or supplies for such activities.

2. It is the policy of this Department to encourage Department officer and employee growth through participation in outside professional organizations. Department officers and employees participating in such organizations shall not, however, utilize State equipment and time for professional organizational activities that are not related to their official duties. Furthermore, when participating in professional organizations, Department officers and employees shall ensure that there is no conflict of interest or barrier to the fulfillment of their official duties and responsibilities. All such activity is considered outside activity and must be reported pursuant to V.E.8. below.
3. A Department officer or employee holding an active license or certification issued by a specific agency of State government to engage in any particular business, profession, trade or occupation shall disclose such active license or certification. The New Jersey Executive Commission on Ethical Standards shall review such disclosure. Such licenses and certifications shall include, but not be limited to, those for attorneys, social workers, accountants, architects, electricians, insurance brokers, land surveyors, plumbers, professional engineers, professional planners, real estate agents and brokers, physicians, teachers, nurses, beauticians and psychologists. All such licenses and certifications reflect potential outside activity and must be reported pursuant to V.E.8. below.
4. No Department officer or employee shall serve in a consultant relationship to any public agency, nor see patients or clients for a fee when such fee is provided by or paid from New Jersey public funds, except upon approval pursuant to Section V.E.8.
5. Department officers and employees must give written notice, pursuant to Section V.E.8, when serving or seeking to serve on the Board of Directors, Advisory Board, or other such entity to any agency or business.
6. Department officers and employees must disclose any outside employment, business or financial relationship with other Department officers or employees, particularly subordinates or supervisors in their chain of command. Questions on supervisor/subordinate ethics conflicts should be referred to the Ethics Liaison Officer.

7. No Department officer or employee shall have a professional therapeutic relationship with any client of the Department or any of its divisions, whether such relationship is compensated or not compensated.

8. Reporting of Any Outside Activity or Employment

- a. Prior to being undertaken, Department officers and employees shall disclose, in writing, any outside activity and employment, whether compensated or not. Such disclosure shall be on the DHS Outside Activity and Employment Questionnaire. Any such outside activity or employment is subject to Department approval by the assigned Ethics Liaison Officer. After such approval, the above-referenced Questionnaire shall be forwarded to the New Jersey Executive Commission on Ethical Standards for review.
- b. Upon assuming office or employment for the Department of Human Services and, at least once every three years thereafter, every Department officer and employee must receive and sign a receipt for this Administrative Order and must complete a DHS Outside Activity and Employment Questionnaire (Attachment A). If the Department officer or employee's circumstances change within the three-year period with regard to information submitted, the form must be completed and resubmitted to the appropriate Ethics Liaison Officer. Such submission shall occur within 30 calendar days prior to any change in circumstances, when feasible.

- F. Notification of Relative's Employment

1. Department officers and employees are required to notify Department management regarding any relative or cohabitant employed by a contractor, consultant, vendor or any other company or firm doing business with the Department.
2. Department officers and employees are required to notify the Department of any relative or cohabitant who is employed by the Department of Human Services.
3. Department officers and employees are required to notify the Department of any immediate family member who is employed by a casino.
4. Notifications required by this section shall be disclosed on the DHS Outside Activity and Employment Questionnaire.

G. Contracting with the State of New Jersey

1. No Commissioner, Deputy Commissioner, Special Deputy Commissioner, Assistant Commissioner, Division Director, Deputy Division Director, Assistant Division Director, Chief Executive Officer, Deputy Chief Executive Officer, or any person acting in one of these capacities may have any personal, contractual or business relationship with another officer or employee or special State officer or employee of the Department.
2. Department officers and employees are prohibited from knowingly undertaking or executing (in whole or in part) any contract, agreement, sale or purchase of the value of \$25 or more that is made, entered into, awarded or granted by any State agency. Note, special Department officers and employees are only prohibited from such contracting activities if they have responsibilities in connection with the purchase or acquisition of property or services by the Department.
3. The prohibition in G.2 above also extends to partners and business associates. Department officers and employees are prohibited from executing an agreement of sale with a State agency through any corporation in which he or she 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 or her own use or benefit.
4. Only three categories of contracts are exempt from the general prohibition. The three categories of contracts are:
 - a. those purchases, contracts, agreements, or sales that are made after public notice and competitive bidding;
 - b. 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,
 - c. 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 and the Laws of 1944 (N.J.S.A. 62:27B-62).
5. No Department officer or employee shall act as an officer or agent for a State agency for the transaction of any business with a corporation, company, association, or firm in the pecuniary profits of which he or she has an interest (except that ownership or control of 10% or less of the stock of a corporation shall not be deemed an interest within the meaning of the law).

6. Entering a rental agreement for rental space with the State of New Jersey may be permissible pursuant to the law. Any Department officer or employee considering any such agreement shall consult with the appropriate Ethics Liaison Officer prior to entering into any such agreement.
7. The Conflicts of Interest Law does not alter or affect any other laws regulating public contracts. Department officers and employees must, therefore, be mindful that this Code of Ethics and the Conflicts of Interest Law contracting provisions are not the only public contracting provisions with which they must comply.
8. Before entering into a contract falling within this section, approval must be obtained from the Executive Commission on Ethical Standards through the appropriate Ethics Liaison Officer. Disclosure shall be made on the DHS Outside Activity and Employment Questionnaire.

H. Appearances and Representation

1. No Department officer or employee shall represent, appear for, or negotiate on behalf of or agree to represent, appear for, or negotiate on behalf of, whether by himself or herself or by or through any partnership, firm, or corporation in which he or she 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 or herself in negotiations or proceedings concerning his or her own interest in real property.
2. No Department officer or employee shall represent, appear for or negotiate the acquisition or sale of any interest in real or tangible or intangible personal property by the State on behalf of a party other than the State.
3. No Department officer or employee shall represent, appear for or negotiate on behalf of a party other than the State in any cause, proceeding, application or other matter pending before the State except as otherwise permitted in Section H.6. below.
4. No Department officer or employee shall represent, appear for or negotiate on behalf of a party other than the Department in any case, proceeding, application or other matter pending before the Department.

5. No Department officer or employee shall act as an officer or agent of the State in any transaction in which he or she has a pecuniary interest.
6. Department officers and employees are not prohibited from representing a person or party in any of the following instances:
 - a. before a court of record;
 - b. in regard to a claim for workers' compensation;
 - c. in a proceeding related to the determination or review of transfer, inheritance or estate taxes;
 - d. in connection with the filing of corporate or other documents in the Office of the Secretary of State;
 - e. before the Division of Civil Rights;
 - f. before the New Jersey State Board of Mediation;
 - g. before the New Jersey Public Employment Relations Commission;
 - h. before the Unsatisfied Claim and Judgment Fund Board solely for the purpose of filing a notice of intention; or
 - i. in any proceeding on behalf of a county, municipality, school district or any authority, agency or commission of any thereof except where the State is an adversary party and provided that the employee is not holding office or employment in the State agency in which any such proceeding is pending.

I. Gifts

1. No Department officer or employee shall solicit or receive any compensation, reward, employment, gift or other thing of value for any service, advice, assistance or other matter related to the Department officer or employee's official duties. Any compensation, reward, gift or other thing of value offered to a Department officer or employee from any source other than the State of New Jersey for any service, advice, assistance, or other matter related to a Department officer or employee's official duties shall be declined. Gifts or benefits of trivial or nominal value, such as complimentary articles offered to the public in general are not presumed to violate this section unless circumstances exist which create reasonable doubt as to the intention with which the benefit or gift was offered. Questions concerning the receipt of gifts in connection with

State employment should be referred to the appropriate Ethics Liaison Officer.

2. A Department officer or employee must disclose to and notify the appropriate Ethics Liaison Officer and the Department officer/employee's supervisor of any offer or receipt of any thing of value from any party.
 - a. Upon consultation with the appropriate Ethics Liaison Officer, the Department officer or employee shall return the thing of value to the donor or, in the case of a perishable thing of value, donate it to a nonprofit entity in the name of the donor. A list of nonprofit entities may be obtained from the Ethics Liaison Officer.
 - b. Upon a determination by the appropriate Ethics Liaison Officer that the gift is trivial and of minimal value, the Department officer or employee may retain and use the unsolicited gift or benefit. These trivial gifts may include complimentary articles offered to the general public, and gifts received as a result of mass advertising mailings to the general business public if such use does not create an impression of a conflict of interest or a violation of the public trust.
 - c. The Ethics Liaison Officer shall keep records of all such occurrences, including but not limited to, names of the Department officers, individuals, and companies involved, and the final disposition of the thing of value.
3. Department officers and employees shall not accept nor distribute "safe driver" or similar cards that are distributed by police organizations to individuals or groups of employees in their capacities as State employees.
4. Department officers and employees shall not accept meals provided under circumstances from which it might reasonably be inferred that the purpose was to influence the discharge of their duties. Refer to Section J.3 below for policy regarding special circumstances for speaker engagements.
5. When a Department officer or employee purchases goods or services from a vendor for personal use, the Department officer or employee may accept the State discount only if such discount is generally offered to the public.
6. Gifts to retirees shall be limited to either of two alternate methods: (a) gifts may be funded by a maximum contribution of \$5 per person, collected from invitees to a 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 invitees are not permitted; or (b) the maximum value of retirement gifts cannot exceed \$1,000. If this method is used, there is no

maximum set on the individual contributions, but the total value of retirement gifts and/or monetary tokens to the retiree, spouse and dependent(s) cannot exceed \$1,000.

J. Attendance at Events

1. In determining whether a Department officer or employee's attendance at an event sponsored by a non-State government entity is appropriate, the appropriate supervisor shall evaluate whether the attendance serves a legitimate State purpose. Invitations extended to a Department officer or employee because of his or her government position, must be reviewed and approved by the assigned Ethics Liaison Officer prior to attendance to avoid any possible conflict of interest.
2. Department officers and employees may be invited to events wherein complimentary benefits are offered. These direct or indirect benefits may include payment of travel expenses, accommodations, meals, waiver of conference or event fees or any other costs associated with attending the event. Any Department officer or employee who is offered complimentary direct benefits or indirect benefits in conjunction with an event sponsored by an "interested party" as defined in Section IV. above must decline acceptance of these benefits, unless they are subject to the "Speaker Exception" in section J.3. below. Complimentary nominal refreshments such as nonalcoholic beverages and snacks may be accepted.
3. If a Department officer or employee is making a speech, participating in a panel discussion or is an accompanying resource person for the speaker and/or panel participant at an event designed to provide training, dissemination of information or the exchange of ideas, which is sponsored by an interested party, both the speaker and resource person may accept a direct or indirect benefit, or if a Department officer or employee attends an event sponsored by an entity other than an interested party, the Department officer or employee may be permitted to accept direct or indirect benefits. These benefits may include the following:
 - a. Reimbursement or payment of actual and reasonable expenditures for travel or subsistence and allowable entertainment expenses associated with attending an event in New Jersey if such expenditures are not paid for by the State of New Jersey;
 - b. Reimbursement or payment of actual and reasonable expenditures for travel or subsistence outside New Jersey, not to exceed \$500.00 per trip, if these expenditures are not paid for by the State of New Jersey. The \$500.00 per trip limitation shall not apply if the reimbursement or payment is made by:

- i. A nonprofit organization of which the Department officer is, at the time of reimbursement or payment, an active member as a result of the payment of a fee or charge for membership to the organization by the State; or
 - ii. A nonprofit organization that does not contract with the State to provide goods, materials, equipment, or services.
4. An interested party shall not provide a direct or indirect benefit to the State official in order to facilitate his or her attendance.
5. A Department officer or employee shall not accept an honorarium or fee for a speech or presentation at any event.
6. Approvals granted by the Ethics Liaison Officer under the speaker exception (J.3) will be forwarded to the Executive Commission on Ethical Standards for review.
7. Any Department officer or employee who wishes to attend an event which arises out of or is related to his or her official duties, after first obtaining approval from his or her supervisor and/or other appropriate Department/Division personnel, shall submit to the assigned Ethics Liaison Officer a "Request For Approval For Attendance at Event" form for review and approval prior to the date of the scheduled event. If two or more Department officers and/or employees are attending the same event under identical circumstances, one form shall be submitted to the Ethics Liaison Officer with a list of names of the other Department officers and/or employees who plan to attend the event. The Ethics Liaison Officer will make a written determination of approval or disapproval on the form and return it to the attendees.

K. Use of State Property

1. Department officers and employees are expected to refrain from the personal use of any Department equipment and supplies. Where circumstances dictate personal use, it shall be kept to a minimum and, where appropriate, the employee shall reimburse the State for such personal use, e.g., reimbursement for personal telephone calls.
2. Department officers and employees shall not remove from the State worksite any State equipment or supplies for personal use or consumption.

L. Misuse of Position or Information

1. No Department officer or employee shall use or attempt to use his or her position with the Department to secure unwarranted privileges or advantages for himself, herself or others.
2. No Department officer or employee shall use confidential information (information not available to the public) obtained in his or her work within the Department to further his or her private interest or the interests of others. In any case where the Department officer or employee needs to determine whether the information requested is public information (which must be released on appropriate request), the Department officer or employee shall consult with the appropriate Open Public Records Act (OPRA) custodian before releasing the information.
3. Department officers and employees, whether during State service or after separation from State service, shall not disclose to any unauthorized person any information gained during State service which is not available to the public.

M. Employment of Relatives and Cohabitants

1. No Department officer or employee shall use his or her State position to secure an unwarranted privilege or advantage for any relative or cohabitant. No Department officer or employee shall act in any Department employment matter involving a relative or cohabitant, wherein they have a direct or indirect financial interest, or wherein their actions might create the appearance of ethical misconduct.
2. Department officers or employees shall not work in a direct supervisor-subordinate relationship with a relative or cohabitant. There must be an intermediate supervisory level between the two, and the higher placed Department officer or employee shall have no supervisory or signatory authority regarding personnel matters affecting the subordinate Department officer or employee.
3. A relative of the Governor, Commissioner, Deputy Commissioner, Special Deputy Commissioner, Assistant Commissioner, or anyone acting in any of the capacities shall not be employed in an unclassified position in the Department of Human Services.
4. A relative of a Division Director, Deputy Division Director, or Assistant Division Director may not be employed in an unclassified position in the division in which the Director, Deputy Director, or Assistant Director exercises authority, supervision or control.

N. Joint Ventures and Private Financing of Department Activities

1. All proposals for joint ventures between private entities and the Department or any of its components or private financing of Department activities must be reviewed and approved by the assigned Ethics Liaison Officer prior to entering into such arrangements. When seeking approval of a joint venture or private financing proposal, the Department/Division shall provide the following information to the assigned Ethics Liaison Officer:
 - a. the nature of the event or activity to be funded, including approximate date, time, duration, location, cost and identities of participants and attendees;
 - b. the identities of joint sponsors or donors, including their relationship to the Department/Division (e.g., vendor, regulated entity, trade organization);
 - c. identification of any amenities, such as an overnight stay at a hotel, meals or transportation, that could accrue to the personal benefit of a Department officer or employee or special Department officer or employee; and
 - d. identification of the role to be played by the Department/Division (e.g., providing speakers, lending the name of the agency to the invitation, funding a portion of the cost).
2. The assigned Ethics Liaison Officer shall make a determination as to whether the joint venture or private financing arrangements would be problematic under Executive Order No. 189 of 1988, the Department Code of Ethics, the Conflicts of Interest Law, any statutory provisions dealing with financing of an agency's activities or dealing with charitable activities, and/or the criteria in the Executive Commission on Ethical Standards "Guidelines Regarding Joint Ventures And Private Financing of State Activities."
3. The assigned Ethics Liaison Officer shall forward all joint venture and private financing determinations to the Executive Commission on Ethical Standards. The Executive Commission on Ethical Standards may accept, modify or reject all such determinations.

O. Recusal

1. A Department officer or employee must recuse himself or herself from a matter if he or she has (a) any financial interest, direct or indirect, that is incompatible with the discharge of his or her official duties; or, (b) any personal interest, direct or indirect, that is incompatible with the discharge of his or her official duties.

2. Any Department officer or employee, participating on an approved board or commission, must recuse himself or herself from any issue coming before the board or commission which involves the Department.
3. If there is any question as to the appropriateness of participation in any activity or issue, guidance shall be requested of the Ethics Liaison Officer and/or the Executive Commission on Ethical Standards.

P. Circulating Résumé's Prior to Leaving State Service

1. Department officers and employees who have direct and substantial contact with any consultants or vendors doing business with the State must refrain from circulating resumes or in any manner seeking employment with those firms while still in State service. If a Department officer or employee is solicited for potential employment by a firm with which he/she has direct and substantial contact, that solicitation must be disclosed immediately to the Department officer/employee's supervisor and the assigned Ethics Liaison Officer to avoid a situation where a Department officer or employee may appear to be using his/her official position to gain an unwarranted advantage.
2. Department officers and employees who do not have direct and substantial contact with consultants or vendors doing business with the State may circulate resumes and enter into discussions regarding potential employment with those firms as long as they avoid a situation that may give rise to an unwarranted advantage. Discussions, interviews and negotiations shall not take place on State time.

Q. Post-Employment Restrictions

1. Department officers and employees are subject to certain restrictions as to employment after State service. The restrictions discussed below apply to employment after State service and extend into the period of retirement. Questions concerning the applicability of the post-employment restrictions to any given set of facts and circumstances shall be referred to the Executive Commission on Ethical Standards. Such referral should be made prior to engaging in any post-employment.
2. No former Department officer or employee or special Department officer or employee shall represent, appear for, negotiate on behalf of or provide information or services not generally available to the public or agree to perform any of those activities for any party, other than the State, in connection with those causes, proceedings, applications or other matters in which the Department officer or employee or special Department officer or employee had made any investigation, rendered any ruling, given any opinion or been otherwise substantially and directly involved while in State employment. There is no time

limit on this prohibition. These restrictions apply to specific causes, proceedings, applications or other matters in which a former Department officer or employee or special Department officer or employee was "substantially and directly involved" while in State employment.

3. Any Department officer or employee subject to financial disclosure by law or executive order or who has responsibility for matters affecting casino activity, or any member of his or her immediate family, or any partnership, firm or corporation with which the employee is associated or has an interest, or any partner, officer, director or employee associated with the firm, partnership or corporation, shall not hold any interest in or employment with any casino license holder or applicant for a casino license for a period of two years following separation from State service. Waivers to this restriction may be granted by the Executive Commission on Ethical Standards.
4. Any former employee who willfully violates the provisions of this section is subject to a disorderly person offense, and shall be subject to a fine not to exceed \$500.00 and referral to the Division of Criminal Justice for appropriate action.

R. Casino-Related Consideration

No Department officer or employee shall hold any employment with or own or control more than 1% of outstanding shares of stock in any casino license holder or applicant for a casino license. Exceptions may be made to this restriction for qualified employees where a waiver has been obtained from the Executive Commission on Ethical Standards.

S. Political Activity

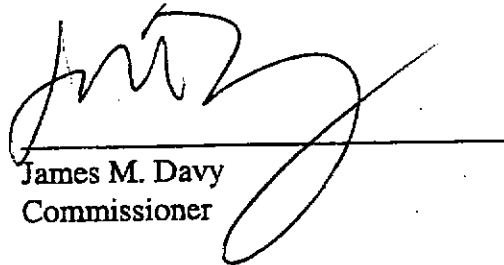
1. No Department officer or employee shall directly or indirectly use or seek to use his or her authority or influence of his or her position to control or modify the political action of another person. A Department officer or employee during the hours of duty shall neither engage in political activity; nor shall he or she at any other time participate in political activities so as to impair usefulness in the position in which he or she is employed. A Department officer or employee retains the right to vote as he or she chooses and hold opinions on political subjects and candidates.
2. Hatch Act Provisions are contained in Administrative Order 4:06.

T. Penalties

1. Any Department officer or employee found guilty by the Executive Commission on Ethical Standards of a violation of any provision of the Conflicts of Interest Law or this Code of Ethics shall be fined not less than

\$500.00 nor more than \$10,000.00, which penalty may be collected in a summary proceeding pursuant to the Penalty Enforcement Law, (NJSA 2A:58-1 et seq.) and may be suspended from his or her Department office or employment by order of the Commission for a period not in excess of one year. If the Commission finds that the conduct of the Department officer or employee constitutes a willful and continuous disregard of the provisions of the Conflicts of Interest Law or this Code of Ethics, it may order such person removed from his or her Department office or employment and may further bar that person from holding any public office or employment in this State in any capacity whatsoever for a period not exceeding five years from the date on which the person was found guilty by the Commission. These penalties may be in addition to any other punishment provided by law.

2. In addition to the above, Department officers and employees who violate this Code of Ethics are subject to disciplinary action by the Department pursuant to Administrative Order 4:08. Any time there is a violation of the Department's Code of Ethics and discipline is to be considered prior approval must be obtained from the Executive Commission on Ethical Standards.



James M. Davy
Commissioner

ETHICS LIAISON OFFICERS

Barbara G. Allen	-	Central Office - DHS	(609) 292-8313
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