

SUSSEX COUNTY COMMUNITY COLLEGE

Policy No.: 101.2

Area: Board of Trustees

Adopted: September 22, 2014

Revised and Re-Adopted: November 27, 2018

101.2 Code of Ethics Pertaining to Conflicts of Interest for College Trustees and Officers

PURPOSE OF THE POLICY

The purpose of this policy is to provide structure for the Board of Trustees to managing ethics and conflict of interest as such issues may arise.

GENERAL STATEMENT OF THE CODE OF ETHICS PERTAINING TO CONFLICTS OF INTEREST FOR COLLEGE TRUSTEES AND OFFICERS

It is in the best interests of Sussex County Community College to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. This code of ethics is applicable to members of the Board of Trustees and officers of the College. It is designed to help Sussex County Community College identify situations that present potential conflicts of interest and provide procedures to appropriately manage them in accordance with legal requirements and the goals of accountability and transparency in the college's operations. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interests applicable to the College.

Definitions

These terms have the following meanings, unless otherwise indicated.

“Board” means the College Trustees.

“College” means Sussex County Community College.

“College Matter” means any application, award, bid, claim, contract, license, proceeding, relationship, grant, loan, resolution or transaction made by, to, against or with the College, or which requires any official action by the board, officers or employees.

“Conflicts of Interest” means the following circumstances:

(a) A Trustee, Officer, Employee (or Family Member of the foregoing) has a material financial interest, in a party to a contract or involved in a College Matter.

(b) A Trustee, officer, Employee (or Family Member of the foregoing) has a material financial Interest in a transaction between the College and any entity in which the Trustee, Officer, Employee, or a Family Member of the foregoing, is a director, officer, agent, partner, associate, employee, trustee, personal representative, receiver, guardian, custodian or other legal representative.

(c) Other situations may create the appearance of a conflict, or present the duality of interests in connection with a Person who has influence over the activities or finances of the College. All such circumstances should be disclosed to the Board, and a decision made as to what course of action the College or individuals should take so that the best interests of the College are not compromised.

“Employee” means any person compensated for full – or part-time employment services rendered to the College.

“Family Member” shall be defined as spouse, domestic partner, child or spouse of a child, parent or sibling or spouse of a parent or sibling.

“Interest” means any personal, financial, economic, property or other concern amounting to a right, advantage, share or portion inuring directly or indirectly to a Trustee or Officer or to a Family member of a Trustee or Officer, either singly, or in affiliation with any person or party as defined herein.

“Officer” means the President and any other officer or administrator of the college as required by state law.

“Person” or “party” means any natural person, association, corporation, estate, partnership, proprietorship, trust or other legal entity.

“Trustee” means a member of the Board.

1. Standards of Ethics

(a) No Trustee, Officer or Family Member of a Trustee or Officer shall have any Interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity, which is in conflict with the proper discharge of the Trustee’s or the Officer’s duties to the College.

(b) The prohibitions in section (a) shall also apply to any firm, association or partnership by which the Trustee or Officer is employed, from which the Trustee or Officer receives compensation, or of which the Trustee or Officer owns or controls more than one percent of the profits or assets of that firm, association or partnership. Such prohibitions shall also apply to

shareholders, associates or professional employees of a professional service corporation regardless of the extent or amount of their shareholder interest in such a corporation.

(c) No Trustee or Officer shall use his or her official position to secure unwarranted privileges or advantages for himself or herself or others.

(d) No Trustee or Officer shall act in his or her official capacity in any College Matter in which the Trustee, Officer or Family Member has a direct or indirect financial Interest that might reasonably be expected to impair the Trustee's or the Officer's objectivity or independence of judgment.

(e) No Trustee or Officer shall undertake any employment or engage in any business, transaction, service or professional activity, whether compensated or not, which might reasonably be expected to impair the Trustee's or the Officer's objectivity or independence of judgment in the exercise of his or her official duties.

(f) No Trustee or Officer shall accept, directly or indirectly, any gift, favor, service, or other things of value under circumstances from which it might be reasonably inferred, or which the Trustee or Officer knows or has reason to believe, is offered for the purpose of influencing the discharge of his or her duties as Trustee or Officer.

(g) No Trustee or Officer shall knowingly create an appearance of impropriety among the public having knowledge of the Trustee's or the Officer's acts, that he or she may be engaged in conduct violating his or her trust as a public official.

(h) No Trustee or Officer nor any member or employee of a firm or corporation with which the Trustee or Officer is affiliate, shall appear or negotiate on behalf of a party not affiliated with the College, in any matter before the College or in any cause or proceeding involving the College.

(i) No Trustee or Officer shall use, or allow to be used, his or her public office, or any information not generally available to the public, which the Trustee or Officer receives in the course of or by reason of the Trustee's or Officer's office, to secure financial gain, unauthorized privileges, advantages or employment for himself or herself, his or her Family Members, or others with whom the Trustee or Officer is associated.

(j) A Trustee and/or Officer should devote time, thought and study to the duties and responsibilities of his or her role so as to render effective and creditable service.

(k) As an individual, a Trustee has no legal authority outside of the meetings of the Board and should conduct himself or herself accordingly with the Officers, college staff, local citizens, and all facets of the local community.

(l) An important function of the Board is to establish college policies and goals and to audit the performance of the Officers in the fulfillment of these policies and the progress toward goals. Trustees, however, should leave the conduct of the educational program and the College's business to the Officers and administration.

2. Disclosure of Potential Conflict and Procedures

(a) Each Trustee and Officer as required by law shall file the financial disclosure form required by the state of NJ annually. Each new Trustee shall file the financial disclosure form with the state within 30 days after taking the oath of office.

(b) Prior to the Board voting on a College Matter or any other bid, contract, business arrangement, or hiring any individual, corporation, partnership or other business entity, or taking any action involving a Conflict of Interest, any Board member or Officer who has a conflict with the individual, corporation, partnership or other business entity shall disclose the Conflict of Interest at the Board meeting prior to any discussion or action on the matter. Such disclosure shall be reflected in the minutes of the meeting. If a Trustee is aware that another Trustee or Officer has a Conflict of Interest, the Trustee should advise a member of the Executive Committee in advance of the meeting at which the vote will be taken.

(c) A Trustee who does not plan to attend a meeting at which he or she has reason to believe that the Board will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.

(d) A person who has a Conflict of Interest shall not participate in the Board's discussion of the matter, except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

(e) A person who has a Conflict of Interest with respect to a College Matter that will be voted on at a meeting shall not be counted in determining the presence of a quorum for the purposes of the vote.

(f) The person having a Conflict of Interest may not vote on the College Matter. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

3. Annual Review of Ethics

At the annual reorganization meeting, a person well-versed in ethics shall provide a brief presentation on the Code of Ethics.

4. Annual Acknowledgement of this Code of Ethics

Prior to the annual reorganization meeting, all Trustees and Officers shall be provided with a copy of this Code of Ethics. All Trustees and Officers shall sign and date their copy, indicating that they have read it and are in compliance with its provisions.

The Secretary to the Board shall maintain the signed copies until the next reorganization meeting when they shall be replaced with the newly signed copies.

5. Violations of Conflicts of Interest Policy; Enforcement

(a) If the Board has reasonable cause to believe that a member has failed to disclose actual or possible Conflicts of Interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the member's response and making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

(c) In addition, violations of the code of ethics may constitute cause for removal of a trustee or president pursuant to N.J.S.A. 18A:64A-9 (Qualifications of appointed members of boards, terms of office, etc.; filling vacancies; no compensation of members) or imposition of other sanctions determined by the board to be appropriate.

(d) The executive director of the Executive Commission on Ethical Standards maintains authority to grant an exception from the terms of Executive Order 14 (adopted May 12, 2006) if, in the judgment of the executive director, the entity that employs, provides compensation or is owned by the board member or college president is one with which Sussex County Community College may contract with pursuant to N.J.S.A. 52:13D-19 and N.J.S.A. 52:34-10 or where the public interest requires that an exception be made.

Potential or possible Conflicts of Interest shall be promptly referred by the College's counsel to the State of New Jersey Executive Commission on Ethical Standards for an advisory ruling.

6. Confidentiality

Each Trustee and Officer shall exercise care not to disclose confidential information acquired in connection with the disclosures of Conflicts of Interest or potential conflicts, which might be adverse to the interests of the College. Furthermore, Trustees and Officers shall not disclose or use information relating to the business of the College for their personal profit or advantage or the personal profit or advantage of their Family Members.

7. Code of Ethics Adoption

This Code of Ethics is adopted in accordance with Executive Order 14 (adopted May 12, 2006) governing conflicts of interest and financial disclosure for members of State university and college governing boards.