Rutgers Business Ethics Guide

A Plain Language Guide to Ethical Business Conduct for Companies Transacting Business with Rutgers, The State University of New Jersey. (1)

INTRODUCTION AND GUIDING PRINCIPLES

This Plain Language Guide to Ethical Business Conduct (“Guide”) covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it does set out basic principles to guide all employees, officers, and directors of companies transacting business with Rutgers University. Obeying the law, both in letter and spirit, is the foundation on which a company’s ethical standards are built. All company employees, officers, and directors must respect and obey the laws and regulations of the university. Contracting parties will be required to certify that they have complied with all applicable laws and regulations governing the provision of State services, including the Conflicts of Interest Law, N.J.S.A. 52:13D-12 to -28.

Although the applicable provisions of law are detailed, you will have no difficulty following them, if you follow these simple, guiding principles:

- You may not profit from a conflict of interest on the part of a Rutgers employee.
- You may not “wine and dine” Rutgers employees.
- You may not pay a Rutgers employee anything for the performance of his or her official duties.
- You may not make illegal political contributions.
- You may not profit, directly or indirectly, from the use of any secret or confidential knowledge or data of Rutgers that a Rutgers employee has illicitly disclosed.
- You should report any illegal or unethical behavior or any violation of the Rutgers ethics and business codes to the Rutgers Internal Audit, by calling the anonymous “Hot Line” established for this purpose. See, http://financialconcerns.rutgers.edu

This Guide reflects current Conflicts Law. It should be supplemented appropriately to reflect subsequent legislative changes.

OVERVIEW AND RULES OF CONDUCT

This Guide has been adopted by Rutgers University, an independent instrumentality of the State of New Jersey. It has been adapted from the “Business Ethics Guide” which has been issued by the New Jersey Department of Treasury with respect to its responsibilities in overseeing the purchasing of the Executive Branch of State Government. Rutgers is not part of the Executive Branch of State Government and its purchasing is not overseen by the Department of Treasury for that reason. Nonetheless Rutgers University as an independent instrumentality of the State of New Jersey is a “State agency” generally subject to the State Conflicts of Interest statute,
NJSA 52:13D-12-28; the employees of Rutgers University with whom a business would interact in the Rutgers procurement and purchasing context are “State employees” under the New Jersey Conflicts of Interest Statute. Therefore the legal expectations and requirements regarding the conduct of University employees and the conduct of potential vendors or vendors of Rutgers University are subject to the New Jersey Conflicts of Interest statute.

This Guide is not meant to serve as formal advice or as a substitute for legal counsel. It provides general information only and does not have the force and effect of law. It does not replace any actual laws or rules, and it does not address every ethical restriction contained in the laws and rules it summarizes. It does not cover the requirements contained in any particular agency’s ethics code. Ethical issues may also be addressed in procurement, personnel, and travel rules, as well as in open meetings, open records, and criminal laws. In addition, members of particular professions (e.g., lawyers and accountants) are subject to their own codes of professional responsibility.

GENERAL STANDARDS

As a private sector entity dealing with Rutgers, you must not:

- induce or attempt to induce any Rutgers employee to violate the New Jersey Conflicts of Interest Law, N.J.S.A. 52:13D-12 to -28, or any code of ethics promulgated thereunder;
- influence, or attempt to influence or cause to be influenced, any Rutgers employee in his or her official capacity in any manner which might tend to impair his or her objectivity or independence of judgment;
- cause or influence, or attempt to cause or influence, any Rutgers employee to use, or to attempt to use, his or her official position to secure unwarranted privileges or advantages for you or any other person or entity; or
- undertake, directly or indirectly, any private business or commercial or entrepreneurial relationship with, or sell any interest in your business to:
  - a Rutgers employee who has any duties or responsibilities in connection with the purchase, acquisition, or sale of any property or services by or to Rutgers; or
  - any person, firm, or entity with which a Rutgers employee is employed or associated, or in which he or she has an interest.

GIFTS, FAVORS, SERVICES AND OTHER THINGS OF VALUE

Do not pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, honorarium or other thing of value of any kind to:

- any Rutgers employee or any member of his or her immediate family (i.e., a spouse, child, parent, or sibling residing in the same household as the employee); or
any partnership, firm, or corporation with which the Rutgers employee is employed or associated, or in which he or she has an interest. Some things of value are obvious, such as money, stock, debt forgiveness, real estate, or automobiles. But less obvious things also have value, including offers of employment, loans, labor, rebates, price discounts, entertainment, or meals.

The effect of this standard is that you must not send holiday gifts, office-warming gifts, tokens of appreciation, or other things of value to Rutgers employees. In addition, it is improper to invite Rutgers employees to meals, parties, sporting events, theatrical performances, and similar social functions.

A Rutgers employee can accept a gift from you or contract with you under the same terms and conditions that you offer or make available to members of the general public or to a large class of recipients, provided that the gift or contract does not violate any other Rutgers policy. For example, Rutgers employees can take advantage of cell phone rate packages offered to “all public employees” and government rates offered by hotel chains. Rutgers employees can also accept nonalcoholic beverages and snack items (e.g., coffee, doughnuts, and cookies) at meetings or site visits, but they cannot accept meals.

If any Rutgers employee solicits you for a fee, commission, compensation, gift, gratuity, or other thing of value, you are required to report the occurrence promptly, in writing, to the Internal Audit Department at Rutgers University. See http://financialconcerns.rutgers.edu

Rutgers employees may accept payment or reimbursement for travel expenses from a private sector entity under very limited circumstances. In each case, the employee must secure prior approval from his or her department. The rules governing travel expenses include N.J.A.C. 19:61-6.1 et seq. The rules for Rutgers are generally just as limited except that there are exceptions for certain “scholarly activities.”

**EMPLOYMENT OFFERS**

*Current Rutgers Employees*

If you offer a job to a Rutgers employee, be aware that job negotiations create a financial interest for that employee. As such, the employee will no longer be able to act in the Rutgers interest concerning your company. Depending on your relationship with the employee’s agency, your employment offer may be disapproved, and the Rutgers employee could be screened from taking any official action with respect to your contracts, applications, or matters in the future.

*Former Rutgers Employees*

After leaving Rutgers service, Rutgers employees are under a lifetime ban against the use or provision of information not generally available to the public acquired during their Rutgers employment. Further, former Rutgers employees are prohibited from representing or assisting a person concerning a particular matter if they were substantially and directly involved in that particular matter while in Rutgers employment.

*Casino-Related Restrictions*

The Casino Control Act and the Conflicts of Interest Law contain restrictions on the employment of current State employees, their immediate family members, and former Rutgers employees and their immediate family members, by holders of and applicants for casino licenses. However, there are statutory provisions that permit waivers of some of these restrictions by the State Ethics Commission. In addition, there are restrictions on benefits that can be passed to Rutgers employees by holders of and applicants for casino licenses.
PENALTIES

The State Ethics Commission has the authority to impose penalties on private sector entities and individuals, and it can refer such cases to appropriate agencies when a violation is punishable by law. Violations of some of the above-described standards can result in the violator’s criminal prosecution, and/or suspension, disqualification, or debarment from doing business with any State agency. Rutgers may revoke a contract with a vendor for violation of the standards set forth above, and may declare the vendor ineligible to bid on Rutgers contracts.

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