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## **SUBCHAPTER 8. Minimum Standards of Conduct For Officers, Employees, Agents and Members of Authorities Participating in State Financial Assistance Programs for Environmental Infrastructure Facilities**

### 7:22-8.1 Scope and purpose

This subchapter establishes the minimum standards of conduct for persons participating in any of the State financial assistance programs for environmental infrastructure facilities under N.J.A.C. 7:22-3, 4 and 6 and N.J.A.C. 7:22A-6 and 7.

### 7:22-8.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

“Agent” means any person hired to act for an Authority in the conduct of its business.

“Associated party” means any employee, officer, agent, or members of an Authority.

“Authority” means a public body or utility created pursuant to New Jersey law that conveys and/or treats sewage or supplies water within the identified territorial boundaries of a service area.

“Employee” means an individual employed on a regular basis by an Authority.

“Governing body” means the governmental unit(s) having the statutory authority and responsibility for the establishment of an Authority and/or the appointment of its members.

“Members” means those individuals appointed by a governing body to an Authority. The powers of an Authority are vested in these individuals.

“Officers” means those individuals selected by the members to serve in official capacities, such as chairman, vice chairman, secretary or treasurer. In some organizations, some full-time employees may be considered officers; for example, the executive director or chief engineer.

“Person” means any individual, association, partnership or corporation.

“Responsible associated party” means any associated party who by reason of the individual’s position has, directly or indirectly through subordinates, the authority and responsibility for initiating, reviewing, approving, or disapproving policy, financial, personnel, or procurement actions of an Authority.

“Supervisor” means an employee responsible for planning, directing, or supervising the work of others in accomplishing the administration, construction, or operation and maintenance activities of an Authority, including, but not limited to:

1. Any individual serving in the capacity of executive director, chief engineer, and/or chief administrative officer, and members of their executive staff; and
2. Any employee responsible for key administrative functions such as personnel, procurement, finance and accounting.

### 7:22-8.3 Public accountability

- (a) Each responsible associated party shall establish controls to safeguard the use of public funds and assure that such funds are not diverted to anyone’s personal use.

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(b) Each responsible associated party shall act to assure that qualified individuals are employed to operate the facilities of the Authority in accordance with established personnel procedures and practices or otherwise mandated by law.

(c) Each responsible associated party shall avoid noncompetitive procurement practices which restrict or eliminate competition or otherwise restrain trade, except where such noncompetitive practice is specifically and publicly declared by the members to be in the best interest of the public with reasons set forth. They shall review procurement actions to determine whether services and materials are needed, to assure adherence to applicable State and local procurement laws and procedures, and to confirm the adequacy and acceptability of the materials and services provided before authorizing payment.

(d) No associated party shall directly or indirectly use, or allow the use of, real or personal property of an Authority without proper authority. In addition, each associated party has a positive duty to protect and conserve all property, including equipment, materials and supplies entrusted to the individual.

7:22-8.4 (Reserved)

7:22-8.5 Disclosure by other persons providing services

Any other person providing professional services to an Authority shall be required to disclose in writing any business, financial or personal interests which might conflict in any way with the interests of that Authority, with regard to the services being rendered.

7:22-8.6 Conduct in office

(a) No associated party, other than agents, shall knowingly, themselves or by others on their account, be a party to a sale of materials, supplies, property or services to their employing Authority except for their own contract of personal equipment.

(b) No associated party may solicit or accept any compensation from anyone other than their employing Authority for any service, advice, assistance or other matter relating to their official duties.

(c) No associated party may be employed or act in any other capacity which would involve the acceptance of a fee, compensation or gift which could reasonably result in a conflict of interest or interfere with the efficient performance of their duties.

(d) No associated party shall, directly or indirectly by other persons, use information which comes to them as part of their duties, in any manner for personal or pecuniary gain; nor shall they violate any confidentiality with regard to such information.

7:22-8.7 Representations

(a) No associated party shall, directly or indirectly by others, appear before or negotiate with their employing Authority on behalf of any other person in connection with the following:

1. The acquisition or sale of any interest in real or personal property by their employing Authority.
2. Any cause, proceeding, application or other matter before their employing Authority.

(b) Subsequent to employment, no associated party shall, directly or indirectly by others, act as attorney, agent or representative for anyone other than their employing Authority in connection with any proceeding, application, contract, claim or other particular matter in which they participated personally and substantially through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, during their period of employment.

7:22-8.8 through 7:22-8.10 (Reserved)