

 DELAWARE RIVER PORT AUTHORITY PORT AUTHORITY TRANSIT CORPORATION		POLICIES & PROCEDURES MANUAL		SERIES NO. 107	
SUBJECT: ETHICS POLICY					
DATE ISSUED: October 22, 2012		NEW	REVISED	X	July 2, 2020

REPLACES

Series #107, Code of Ethics dated January 20, 2016

PURPOSE AND INTENT

The Delaware River Port Authority and the Port Authority Transit Corporation (hereafter collectively, "DRPA" or "Authority") were created to serve the citizens of the states of New Jersey and Pennsylvania, and, as such, is a public trust. It is essential that Commissioners, officers, and employees conduct themselves and the affairs of the DRPA in a manner that promotes the respect and confidence of the people. All Commissioners, officers, and employees of the Delaware River Port Authority and the Port Authority Transit Authority must avoid conduct that is in violation of their public trust or creates a justifiable impression among the informed public that such trust is being violated. Under a free government it is both necessary and desirable that all citizens, public officials included, should have certain specific interests in the decisions of government, and that the activities and conduct of public officials should not, therefore, be unduly circumscribed.

It is in the public interest that the Authority establish a policy that provides clear guidelines with respect to the standards of ethical conduct expected of all Commissioners, officers, and employees.

DEFINITIONS

"Commissioner." Anyone serving as an *ex-officio* or duly appointed and sworn Commissioner of the Delaware River Port Authority.

"Confidential Information." Information regarding or pertaining to the Authority, or gathered from the performance of the public duties of a Commissioner, officer or employee of the Authority, which is not available to the public at large (including information which has been made available to the public only through the wrongful conduct of the Commissioner, officer or employee).

"Conflict of Interest." The use of Authority information, assets or resources for purposes unrelated to the goals or interests of the Authority.

"Contract." An agreement or arrangement for the acquisition, use or disposal by the Authority of consulting or other services or of supplies,

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materials, equipment, land or other personal or real property. The term shall not refer to an agreement or arrangement between the Authority as one party and any Authority officer or employee as the other party, concerning his/her expense, reimbursement, salary, wage, retirement or other benefit, tenure or other matters in consideration of his/her current employment with the Authority.

"De Minimis economic impact." An economic consequence that has an insignificant effect.

"Ethics." The study and establishment of certain moral standards utilized to measure whether a person's actions and behaviors comply with these moral expectations.

"Immediate family." The person's spouse, child, parent, sibling, grandparent, inclusive of "in-law" and "step" relations regardless of whether related by blood, marriage or adoption. Immediate family shall also include any person residing within the same household of a Commissioner, officer or employee.

"Financial interest." Any financial interest greater than 5% of equity or assets in a legal entity engaged in business for profit.

"Person." Any natural person, association or corporation.

"Public Business of the Authority." The Authority's activities in its stewardship of public assets to operate, maintain, repair and promote use of all its bridges and the PATCO line.

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POLICY

A. Restricted Activities

1. Conflict of Interest:

- a. No Commissioner, officer or employee shall engage in conduct (directly or indirectly, through any act or failure to act) that constitutes a conflict of interest.
- b. A conflict of interest is the use by a Commissioner, officer, or employee of his or her office or employment or any Confidential Information received because of holding such office or employment for the private pecuniary benefit of himself, a member of his or her immediate family or a business with which he or she, or a member of his or her immediate family, is associated.
- c. The term does not include an action having a *de minimis* economic impact or which affects to the same degree a class consisting of the general public or a subclass consisting of an industry, occupation or other substantial group of persons which also includes the Commissioner, officer or employee or a member of his or her immediate family.

2. Improper influence:

- a. No Commissioner, officer, or employee shall solicit or accept from any person, whether directly or indirectly and whether by himself or herself or for himself or herself or any member of his or her immediate family, any gift, favor, service, employment or offer of employment or any other thing of value which he or she knows or has reason to believe is offered to him or her with intent to influence him or her in the performance of his or her public duties and responsibilities.



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- b. This section shall not apply to the acceptance of contributions to the campaign of an announced candidate for elective public office.
3. Financial or Personal Interest: No Commissioner, officer or employee of the Authority shall have any substantial interest, of either a financial or personal nature, in any business or transaction or professional activity which is in conflict with the proper discharge of their duties in carrying out the public business of the Authority. Where the interest at issue is based on an ownership interest in a thing or entity, "substantial" will be considered to be an ownership interest of 5% or more of the thing or entity. For the purpose of this section, the public business of the Authority includes all matters concerning the Authority's acquisition, disposal or improvement of real property, the making of Authority contracts or the settlement of claims relating thereto, the procurement of Authority supplies, equipment or services, the initiation or settlement of litigation to which the Authority is a party, the grant by the Authority of any subsidy or privilege, the issuance and placement of Authority debt obligations, the deposit of Authority funds, or any other transaction in which the Authority has a substantial financial interest.
4. Representation of Interests: No Commissioner, officer or employee of the Authority shall represent or act as an agent for any private interest, whether for compensation or not, in any matter in which the Authority has a direct and substantial interest and which could reasonably be expected to result in a conflict between the interest of the Commissioner, officer, or employee and their official responsibility.
5. Employment of Immediate Family by Vendors: No Commissioner, officer or employee of the Authority shall request or recommend to any contractor, vendor or grant recipient doing business with the Authority the hiring or employment of either him/herself or a member of his/her immediate family.
6. Gifts and Favors: Commissioners, officers, or employees of the Authority shall not, directly or indirectly, solicit or accept



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or agree to accept any gift or anything of value in their capacity as Commissioner, officer, or employee for their own personal benefit under any circumstances.

- a. For the purposes of this policy, the term “thing of value”, “gift of value” or “gift” would include any goods, gratuity, discount, compensation, travel, lodging, loan, favor, entertainment admission, promise of future employment or other service or item given or received for less than market-value compensation or consideration.
- b. No gifts are acceptable from any vendors, firms, and/or agency doing business with the Authority.
- c. A Commissioner, officer or employee may accept a thing of value in excess of \$25 in the form of food, lodging, travel, or entertainment with respect to their attendance at a seminar, reception, or event, if he or she fully reimburses the sponsor of such event for the full market value of anything provided. Reimbursement may not be waived by the sponsor. The Commissioner, officer, or employee shall be responsible for the cost of such reimbursement. An employee, officer or Commissioner may seek reimbursement for the expense, subject to appropriate management approval and adherence to the established employee expense reimbursement process. A Commissioner, officer or employee may accept a thing or things of value equal to or less than \$25 (in total) in the form of food, lodging, travel, or entertainment with respect to attendance at a seminar, reception, or event.
- d. Limited exceptions to the foregoing prohibition are as follows:
 - i. Employees and/or officers may accept reasonable, openly disclosed professional discounts offered by vendors unconditionally to all DRPA employees as a class, to government employees as a class or to the general public. Commissioners, who must



serve without compensation, may not accept any discounts offered to DRPA employees as a class.

- ii. Employees and/or officers may accept plaques or trophies of nominal value given by outside organizations to recognize exemplary service or excellence in performance of a DRPA- or PATCO-related duty.
- iii. Nothing herein shall preclude employees and/or officers from exchanging gifts as long as the gifts are occasional (associated with a personal event, gift-giving holiday or rite of passage) and are not intended as or cannot reasonably be construed as instruments of improper influence or conspicuous favor.

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- 7. Misuse of Information: No Commissioner, officer, or employee shall use any Confidential Information, or shall divulge such information in advance of the time prescribed for its authorized release, for other than official business of the Authority.
- 8. Misuse of Authority Property and Funds: A Commissioner, officer or employee may not use, or permit others to use, any Authority funds, property, or personnel for other than Authority business
- 9. Other Employment: No Commissioner, officer, or employee of the Authority shall engage in or accept private employment or render services for private interests when such employment or service is in substantial conflict with the proper discharge of their official duties. Officers and Employees must abide by the Authority's policies pertaining to accepting and maintaining outside employment.
- 10. Political Contributions: No Commissioner, officer, or employee shall solicit any Authority employee on behalf of any candidate for public office, for the campaign purposes of any candidate, or for the use of any political party. No Commissioner, officer, or employee of the Authority, while physically present on the premises of the Authority, and/or on Authority time, shall solicit or knowingly assist in the



solicitation or acceptance by any person or organization of contributions on behalf of any candidate for public office, or any political organization or committee.

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11. Fees, Honorariums and Endorsements: No Commissioner, officer or employee may accept a fee or honorarium for an article, for an appearance or speech, or for participation at an event, and/or, in his or her official capacity which in any way uses his or her official capacity. However, he or she may receive payment or reimbursement for actual and necessary expenses related to any such activity if such expenses are not paid for by the DRPA and so long as the source of the payment does not give the appearance that he or she is acting in a manner that is inconsistent with the impartial administration of his or her official duties, and the expenses are clearly itemized and are proper expenses.
12. No Commissioner, officer or employee in his or her official capacity may publicly endorse private products or services. The selection of a product or service, or explaining the basis for the selection of a product or service shall not be considered an endorsement. Further, this does not prohibit a Commissioner, officer or employee from answering inquiries by other governmental officials, consumer organizations, or product information services regarding products or services.

B. *Withdrawal from Participation and Disclosure*

1. An officer or employee shall recuse him or herself and therefore refrain from acting on or discussing, formally or informally, a matter before the Authority, if the employee's acting or failing to act on the matter, could reasonably result in a violation of this Ethics Policy. Such officer or employee shall disclose the reason for his or her recusal and must vacate the room in which such matter is being discussed and shall not participate in any discussion/action on the matter.
2. A Commissioner shall recuse him or herself and therefore refrain from acting on or discussing, formally or informally, a matter before the Authority, if acting or failing to act on the matter, could reasonably result in a violation of this Ethics policy. A



Commissioner must disclose on the public record the reason for his or her recusal and must vacate the room in which such matter is being discussed and shall not participate in any discussion/action on the matter.

C. Annual Disclosure

1. All Pennsylvania Commissioners shall file the Statement of Financial Interest Form in accordance with the Pennsylvania Ethics Act and a Governor's Code of Conduct Statement of Financial Interest Form in accordance with the Governor's Code of Conduct, except that the ex officio members of the Board shall not be required to file a Governor's Code of Conduct Statement of Financial Interest Form.
2. All New Jersey Commissioners shall file annual Financial Disclosure Statements in accordance with New Jersey Executive Order 24, issued April 27, 2010.
3. Officers and employees at chief level and above shall file annually with the Inspector General the New Jersey Statement of Financial Interest form for NJ (regardless of where they work or reside).
4. Time and Place for Filing
 - a. Commissioners shall file the required annual disclosure statements (for the calendar year) with the state from which the Commissioner was appointed with a copy to the Inspector General pursuant to the deadlines designated by the laws of the state or commonwealth of appointment.
 - b. Officers and employees at chief level and above will make the required filing with the Inspector General no later than May 15 of each year.

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OVERSIGHT

A. Responsibility

The CEO will have the sole responsibility of determining and



administering discipline for improper conduct and violations of the Ethics Policy. Employees that are subject to disciplinary action solely by the Board ("Excepted Employees") are not subject to this provision, except as limited by the Excepted List Policy. In situations involving possible improper conduct or violations of the Ethics Policy by a Commissioner, an investigation shall be made by the Inspector General, and, upon completion, the results of such investigation shall be forwarded to the authority responsible for appointing that Commissioner for a determination as to whether action or further investigation is warranted. In the event that the CEO is implicated or accused of culpable involvement in any improper conduct or violations of this policy, the CEO shall not have any role in investigating, determining or administering discipline under this policy with respect to such conduct or violations. The Chair and Vice Chair of the Board, with the advice and counsel of the Inspector General and the General Counsel, shall direct the investigation of any situations in which the CEO is precluded from acting under this paragraph, and shall make preliminary findings of fact which shall be forwarded to the Board for action. In the event that either the Chair or Vice Chair are also implicated or accused along with the CEO, the Audit Committee, with the advice and counsel of the Inspector General and the General Counsel shall direct the investigation and shall make preliminary findings of fact, which shall be forwarded to the Board for action. Notwithstanding the foregoing, nothing herein is intended to remove from the Board the sole authority to determine and implement any discipline of the CEO or any other Excepted Employee.

B. Ethics Committee

The Board shall form and select members of an Ethics Committee to review the Ethics Policy on a tri-annual basis and to make any adjustments to it, to the extent deemed necessary. The Ethics Committee will also review disciplinary actions under this policy to ensure that discipline is applied fairly, consistently and equitably. This committee should include the Inspector General and the General Counsel.

VIOLATIONS AND PENALTIES

A. Voidable Contracts



Any contract, permit, or other transaction entered into by or with the Authority in violation of this ethics policy shall be voidable by the Board.

VIOLATIONS AND PENALTIES (CONT'D)

B. Duty to Report Violations

A Commissioner, Officer or employee who becomes aware of a violation of this policy, by him/herself, or by another, shall have an affirmative duty under this policy to report such violation to the Inspector General and the General Counsel.

C. Penalties for Violations of This Policy

Any person or entity that is found to have engaged in action or inaction that violates any provision of this code may be reprimanded, suspended, terminated, or removed by the Authority, in accordance with applicable law and with the Authority Compact and Bylaws. The Authority may seek or impose any of the sanctions or remedies permitted by applicable law as well as those listed in this section. Self-reporting of violations under subparagraph B of this section may be considered a mitigating factor in any discipline action arising out of a violation of this policy.

D. Whistle-Blower Protection

It shall be a violation of this policy for any Commissioner, officer, or employee to take any adverse employment action against any person for making a good faith report of any conduct which the Commissioner, officer, or employee reasonably believed was in violation of this policy. "Adverse employment action" means the discharge, suspension or demotion of an officer or employee, or other employment action taken against an officer or employee to materially and negatively affect the terms and conditions of their employment.

E. Ethics Hotline – Confidential Reporting of Violations



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The DRPA Ethics Hotline, which is supervised by the DRPA Office of the Inspector General, provides employees and members of the public with a confidential channel to report instances of waste, fraud, abuse or ethical misconduct. All reports made to the Ethics Hotline will be

VIOLATIONS AND PENALTIES (CONT'D)

received by a confidential third-party reporting service to ensure the anonymity of people who file ethics complaints. The Ethics Hotline can accept hotline reports 24-hours-a-day throughout the year. The Ethics Hotline is available by telephone at 855-284- 6743 (toll free) and online from the Authority's website at www.drpa.org.

Note: The Ethics Hotline should not be used to raise general complaints, advance suggestions or report general personnel issues. Those matters should be referred directly to the DRPA Human Resource Services, the Office of Business Development & Equal Opportunity, the Office of the Inspector General or the Office of the General Counsel.