

# **SUFFOLK COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

## **CODE OF ETHICS**

This Code of Ethics is adopted by the Suffolk County Industrial Development Agency (the "Agency") in accordance with Section 2824 of the Public Authorities Law and applies to all directors, officers and employees of the Agency.

This Code of Ethics shall serve as a guide for official conduct and is intended to enhance the ethical and professional performance of the Agency's directors, officers and employees and to preserve public confidence in the Agency's mission.

### **ARTICLE I Standards of Conduct**

1. No director, officer or employee of the Agency should accept other employment which will impair their independence of judgment in the exercise of their official duties.

2. No director, officer or employee of the Agency should accept employment or engage in any business or professional activity which will require them to disclose confidential information which they have gained by reason of their official position or authority.

3. No director, officer or employee of the Agency should disclose confidential information acquired by them in the course of their official duties nor use such information to further their personal interests.

4. No director, officer or employee of the Agency should use or attempt to use their official position to secure unwarranted privileges or exemptions for themselves or others.

5. No director, officer or employee of the Agency should engage in any transaction as representative or agent of the Agency with any business entity in which they have a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of their official duties, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the conflict of interest provisions of the General Municipal Law, as summarized in Article II below, are not violated as determined by counsel to the Agency.

6. No director, officer or employee of the Agency should by their conduct give reasonable basis for the impression that any person can improperly influence them

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or unduly enjoy their favor in the performance of their official duties, or that they are affected by the kinship, rank, position or influence of any party or person.

7. Each director, officer and employee of the Agency should abstain from making personal investments in enterprises which they have reason to believe may be directly involved in decisions to be made by them or which will otherwise create substantial conflict between their duty in the public interest and their private interest, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the conflict of interest provisions of the General Municipal Law, as summarized in Article II below, are not violated as determined by counsel to the Agency.

8. Each director, officer or employee of the Agency should endeavor to pursue a course of conduct which will not raise suspicion among the public that they are likely to be engaged in acts that are in violation of his or her trust. Notwithstanding anything herein to the contrary, nothing shall prohibit any director, officer or employee of the Agency from acquiring property adjacent to or otherwise proximate to the lands in which the Agency has an ownership interest provided that such acquisition is not based upon the use of confidential information obtained by such director, officer or employee of the Agency in his or her capacity with the Agency as determined by such director, officer or employee after consultation with the Chairman of the Agency and Counsel to the Agency.

## **ARTICLE II Prohibited Conflicts**

General Municipal Law (“GML”) Article 18 regulates financial conflicts of interest of directors, officers and employees of the Agency.

1. No director, officer or employee shall have a direct or indirect financial interest in a contract with the Agency where such director, officer or employee has some form of control over the contract (“Prohibited Interest”).

Disclosure and recusal will not cure a Prohibited Interest. In order to avoid a violation of a “Prohibited Interest” the contract may not be acted upon or the director, officer or employee would have to resign.

Violations: Any director, officer or employee who is determined to have “willfully and knowingly” violated the Prohibited Interest provisions of Article 18 of the GML may be found guilty of a misdemeanor. In addition, the contract, if willfully entered into, may be determined “null, void and wholly unenforceable”

Article 18 of the GML provides fifteen exceptions to the Prohibited Interest provision. One of the more commonly claimed exceptions comes into play when the director, officer or employees (“officials”) interest in the contract is prohibited solely by

reason of the official's employment with the entity that has the contract with the Agency. This exception applies provided: (a) the official's compensation from the private employer is not contingent upon the contract between the employer and the Agency and (b) the official's duties for the private employer do not directly involve the procurement, preparation or performance of any part of the contract. [Note: This exception does not cover an Agency official who is a director, partner, member, or shareholder of the private employer]. The second most commonly claimed exception is where the official has an interest in a contract that was entered into with the Agency prior to the time the official was elected or appointed as such director, officer or employee of the Agency. Provided, however, this exception does not authorize the renewal of any such contract.

Disclosure of Interest that falls within one of the Exceptions: The official is required to publicly disclose the nature and extent of his or her prospective, existing or subsequently acquired interest in any actual or proposed contract. The disclosure must be made in writing and must be placed, in its entirety, in the official record. The official must recuse him or herself from participating in any discussion or action on the contract.

Every director, officer or employee shall immediately notify the Agency's Ethics Officer of any potential conflict of interest due to a direct or indirect financial interest in any matter coming before the Agency where such director, officer or employee has the power or duty to negotiate, prepare, authorize or approve the matter before the Agency. The Ethics Officer shall review the potential financial conflict of interest pursuant to the provisions of Article 18 of the GML in consultation with Agency counsel.

### **ARTICLE III Procedures for Disclosing a Conflict of Interest**

Except for Prohibited Conflicts of Interest as set forth in Article II above, all directors, officers or employees of the Agency shall adhere to the following procedures:

1. All real and potential conflicts of interest shall be disclosed in writing to the Ethics Officer as soon as practicable after learning of the real or potential conflict of interest. The written disclosure must (i) identify the matter before the Agency, (ii) identify the Standard of Conduct in question and (iii) contain sufficient facts and circumstances in order to accurately convey the extent of the director's, officer's or employee's interest in such matter. In addition, in the event a director on the board of the Agency has a conflict, he or she shall verbally disclose the conflict during a public session of a board meeting at which the matter creating the conflict appears on the agenda. Such verbal disclosure shall be recorded in the minutes of the meeting and be made part of the public record.

2. The director, officer or employee with the conflict of interest shall refrain from participating in discussions or decisions on the matter creating the conflict. In addition, in the event a director on the board of the Agency has a conflict, he or she

shall recuse him or herself from any deliberations and abstain from voting on such matter creating the conflict.

3. The director, officer or employee with the conflict of interest shall refrain from directly or indirectly attempting to influence the discussions, decisions, deliberations or vote on the matter giving rise to such conflict.

#### **ARTICLE IV Ethics Officer**

The Agency's Board shall designate an officer, director or employee of the Agency to serve as the Ethics Officer of the Agency. In the event of a vacancy, the Agency Board Chair shall serve as the Ethics Officer until such time as the Agency Board appoints a successor.

The Ethics Officer shall report to the Board. The Ethics Officer shall have the duties set forth below, and such other duties as may be prescribed by the Board:

1. Advise in confidence each director, officer or employee of the Agency who seeks guidance regarding ethical behavior.
2. Receive and investigate complaints about possible violations of this Code of Ethics.
3. Dismiss complaints found to be without substance.
4. Prepare investigative reports of his or her findings to be submitted for action by the Executive Director or the Board.

#### **ARTICLE V Implementation; Annual Review**

This Code of Ethics shall be provided to all directors, officers and employees of the Agency upon commencement of employment or appointment and shall be reviewed annually by the Agency's Governance Committee.

Adopted this 23rd day of July, 2015 by the Agency.

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