

Capital Region Development Authority

Ethical Conduct Policy

(Approved February 15, 2005)

Section 1. Purpose

Ethical conduct is a core value of the Capital Region Development Authority (“CRDA”). CRDA directors, officers and employees have positions of significant responsibility, and the maintenance of public trust and confidence in CRDA is central to its mission. It is the purpose of this policy to establish the highest standards of honesty, integrity and quality of performance for all CRDA directors, officers and employees, recognizing that it is essential that each CRDA director, officer and employee not only faithfully comply with all applicable ethics statutes, rules and regulations but also avoid even the appearance of impropriety in dealings with the public, with applicants for and recipients of financial assistance, with other agencies and governmental entities, and with private developers, contractors, vendors, consultants and professional advisors with which CRDA has dealings.

This ethics policy is intended to be a general guide in determining what conduct is prohibited so that it may be avoided. The policy supplements the Code of Ethics for Public Officials, other applicable provisions of the Connecticut General Statutes, and CRDA employment policies; it does not supersede these laws and policies.

Section 2. Applicability

This ethics policy is generally applicable to all CRDA employees. This includes the Executive Director, the Deputy Director and any other officer of CRDA who is a CRDA employee. Employees of quasi-public agencies, such as CRDA, are treated as “state employees” for purposes of the Code of Ethics for Public Officials.

Members of the CRDA Board of Directors are treated as “public officials” for purposes of the Code of Ethics for Public Officials and are subject to many of the same requirements that govern the conduct of state employees, although there are some important differences. The section of this ethics policy entitled “Members of the Board of Directors” addresses the applicability of the Code of Ethics for Public Officials to members of the CRDA Board of Directors.

Section 3. Enforcement

CRDA expects that all employees will comply with all laws and policies regarding ethical conduct. Violations of the law may subject an officer or employee to sanctions from agencies or authorities outside of CRDA. Whether or not this occurs, CRDA retains the right to independently review and respond to any alleged violation of this policy by an employee. Violations of this policy may result in disciplinary action, up to and including dismissal from service with CRDA.

Section 4. Prohibitions

The Code of Ethics for Public Officials and other applicable laws include detailed provisions outlining the types of activities that are prohibited for state employees. Since this policy cannot summarize each and every applicable provision, CRDA employees are encouraged to read the relevant statutes, regulations and materials for guidance, which are available on the Web site of the State Ethics Commission at www.ethics.state.ct.us. A copy of the State Ethics Commission's current Guide to the Code of Ethics for Public Officials is attached to and forms a part of this policy.

Current Employees. The main prohibitions for CRDA employees are as follows:

- **Gifts.** In general, CRDA employees are prohibited from accepting gifts, discounts or gratuities of any kind from anyone (1) doing business with CRDA, (2) seeking to do business with CRDA, (3) known to be a registered lobbyist or lobbyist's representative or (4) known to be pre-qualified for large state contracts with the Department of Administrative Services. CRDA employees may accept gifts from others, as long as the employee does not receive gifts totaling more than \$100 per year from any one person who is giving the gift(s) because of the employee's position at CRDA. Gifts, discounts, and gratuities generally refer to any payment or other thing of value that is not offered to the public at large, although certain items are excluded from the definition of "gift" under the law. For purposes of this policy, as it relates to gifts from a person doing business with or seeking to do business with CRDA, no advantage shall be taken of the exceptions from the statutory definition of "gift" for gifts incident to the celebration of a major life event or for food and drink costing less than \$50 per person in a calendar year (*i.e.* such gifts shall be prohibited for purposes of this policy notwithstanding the statutory exception that may otherwise be available).
- **Outside Employment & Interests.** No CRDA employee may accept outside employment that (1) would impair the employee's independence of judgment with regard to his/her official duties, (2) would encourage the disclosure of confidential information gained in state service, or (3) would interfere with the performance of his or her duties at CRDA. CRDA employees shall report outside employment, and outside work performed as a consultant or independent contractor, to CRDA's Ethics Compliance Officer.
- **Financial Benefit.** CRDA employees may not use their official positions for personal financial benefit or to financially benefit a family member, or a business with which they or a family member are associated.
- **Confidential Information.** CRDA employees may not use confidential information obtained at CRDA for personal financial benefit or to financially benefit a family member, or a business with which they or a family member are associated. No CRDA employee shall disclose confidential information obtained at CRDA in a manner that would give an unfair advantage to any applicant for financial

assistance available through CRDA or to any person seeking to enter into a contract with CRDA, or to any other person to which the disclosure of such confidential information has not been authorized by CRDA.

- Business Interests. No CRDA employee shall have, directly or indirectly, an interest in any business or enterprise doing business with CRDA or any other agency or public instrumentality of the state that could cause or create the appearance of a conflict with, or influence the performance of, the employee's duties with CRDA.
- Contracts. CRDA employees, their family members, and businesses with which an employee or a family member is associated, may not enter into a contract with CRDA or any other agency or public instrumentality of the state valued at \$100 or more unless the contract has been awarded through an open and public process. The Executive Director, his or her family members and any business with which the Executive Director or such family member is associated may not enter into any contract with CRDA.
- Appearance Fees. No CRDA employee may accept any fee or honorarium given in return for a speech or appearance made or article written in the officer's or employee's official capacity.

Post-State Employment. CRDA employees are also prohibited from engaging in the following activities after they leave CRDA employment:

- Confidential Information. CRDA employees shall not disclose or use confidential information gained in state service for the financial benefit of any person.
- Acting as a Representative. CRDA employees may not represent anyone (other than CRDA) concerning any particular matter in which they participated personally and substantially while in service at CRDA and in which CRDA has a substantial interest. CRDA employees also may not, for one year after leaving service with CRDA, represent anyone before CRDA, for compensation, concerning a matter in which CRDA has a substantial interest.
- Employment with CRDA Contractors and Recipients of Financial Assistance. CRDA employees who participated substantially in, or supervised, the negotiation or award of a contract with, or financial assistance available through, CRDA or any other agency or instrumentality of the state valued at \$50,000 or more shall not accept employment with a party to the contract or the recipient of such financial assistance for one year after resigning from service with CRDA if the resignation occurs within one year after the contract was signed or the financial assistance awarded.

Section 5. Reporting

- Apparent Violations. If an employee becomes aware of any apparent violation of this policy, he or she shall promptly report such apparent violation to the Ethics Compliance Officer for review and appropriate action.
- Conflict of Interest. If a CRDA employee in the discharge of his or her duties would be required to take an action that could affect his or her personal financial interest or that of a family member or a business with which such employee is associated, he or she shall promptly report such conflict of interest to the Ethics Compliance Officer and, with the assistance of the Ethics Compliance Officer, shall prepare a written statement signed under penalty of false statement describing the matter requiring action and the nature of the conflict and shall deliver a copy of the statement to such officer's or directors immediate superior (which in the case of the Executive Director shall be deemed to be the Chairperson of the Board of Directors) who shall assign such matter to another employee.

Section 6. Members of the Board of Directors

While members of the CRDA Board of Directors are subject to many of the same provisions of the Code of Ethics for Public Officials that govern the conduct of state employees, there are important differences that recognize that members of the Board of Directors are uncompensated, volunteer appointees with positions and business activities outside of state government.

As a general matter, members of the Board of Directors, as public officials, are subject to the same requirements described above as applicable to state employees in the following areas:

- Gifts
- Misuse of official position for personal gain
- Misuse of confidential information obtained at CRDA
- Contracts with CRDA (but in the case of a member of the Board of Directors, and provided such member abstains from the consideration of and any vote on such contract, only if such member has control over the subject matter of the contract)
- Appearance fees
- Post-state employment limitations.

Outside employment and business interests of a member of the CRDA Board of Directors do not constitute a conflict of interest so long as such member discloses such employment and business interests and abstains and absents himself or herself from any deliberation, action and vote by the Board of Directors in specific respect to such member's employer or the business in which such member has an interest. Notwithstanding the foregoing, no member of the CRDA Board of Directors may have or acquire any interest in any capital city project, in Section 32-600 of the General Statutes, or in any property included or planned to be included in any such project or in any contract or proposed contract for materials or services to be used in any such project.

Section 7. Statements of Financial Interest

Members of the CRDA Board of Directors, the Executive Director, the Deputy Director and any other employee of CRDA with responsibility for the review, award or monitoring of CRDA contracts shall file statements of financial interest with the State Ethics Commission in accordance with the requirements of Section 1-83 of the General Statutes

Section 8. Ethics Compliance Officer

CRDA has appointed an Ethics Compliance Officer whose responsibilities include coordinating appropriate training programs, administering CRDA's ethics policies, keeping directors, officers and employees apprised of changes in ethics rules, serving as a resource for ethics guidance and advice, and acting as CRDA's liaison to the State Ethics Commission. The Ethics Compliance Officer does not provide legal advice regarding ethics issues, but will refer an individual to the State Ethics Commission when appropriate to seek its advice or opinion. CRDA's Ethics Compliance Officer is Anthony L. Lazzaro Jr..

Section 9. Questions

Any director, officer or employee who has a question about this policy may contact the CRDA Ethics Compliance Officer.

CRDA directors, officers and employees may also request advice about the Code of Ethics for Public Officials from the State Ethics Commission. The Commission can be reached at 566-4472.

Section 10. Posting and Employee Education

A copy of this policy will be posted on CRDA's Web site, and at CRDA's offices. The policy will also be provided to all individuals who interview for a position at CRDA and all new appointees to the CRDA Board of Directors, and will be incorporated into the orientation program for, and must be acknowledged in writing by, all new employees. The Ethics Compliance Officer shall conduct an annual briefing and update on ethics matters for existing directors, officers and employees. At the time of the annual briefing and update, CRDA directors, officers and employees will be asked to acknowledge that they have received and reviewed the current ethics policy and to confirm in writing that they have no known conflicts of interest not previously disclosed in writing to CRDA in accordance with the policy. Those leaving CRDA employment will also receive a written summary of the post-state employment rules regarding ethics and will have an exit interview with CRDA's Ethics Compliance Officer at which the post-employment restrictions are discussed. Finally, CRDA will provide a copy of this policy to all vendors, contractors, applicants and other business entities doing business with CRDA.