



1-888-NJ Pool 1

New Jersey Schools Insurance Group

6000 Midlantic Drive Suite 300 North
Mount Laurel, New Jersey 08054
(609) 386-6060 • FAX (609) 386-8877
www.njsig.org

Board of Trustees Meeting of March 15, 2017
Action Item
Second Policy Reading
Outside Employment and Business Interests Policy 6170

As a public entity insurance group, NJSIG employees must avoid conflicts of interest, both actual and perceived. In an effort to increase the clarity of the existing outside employment and business interests policy, NJSIG proposes the adoption of the attached replacement policy. This new policy sets forth a clear process for obtaining approval for any outside employment or activity, and promotes transparency and will aid NJSIG employees in avoiding conflicts of interest. Thus, it is proposed that the Board adopt this employment and business interests policy.

Recommended Resolution: Approve the Outside Employment and Business Interests Policy 6170 as a second reading.

William Mayo

William Mayo, CPCU, ARM
Executive Director

NJSIG Policies

Adopted: 06/12

Index #: 6170

Amended: **03/17**

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Reviewed: 03/12, 11/16

~~NON-GROUP EMPLOYMENT/CONSULTING~~

~~The Group has always attempted and has succeeded in attracting professional staff members of high quality. Recognition of this quality results in staff members being requested to serve as paid consultants to government, colleges, out-of-state education agencies, and other organizations.~~

~~Generally, both the Group and the person involved can profit by such arrangements, and the Group permits such arrangements within reasonable limits and where no conflict of interest is involved. Employees must recognize that their primary employment and responsibilities are to the Group and outside consulting positions may not interfere with their work. Further, it is expressly forbidden to consult with any entity doing business or seeking to do business with NJSBA, NJSIG, or any school district in New Jersey.~~

~~Permission for Paid Consulting~~

~~All paid consulting requests shall be submitted in writing to the Executive Director for written approval prior to acceptance. Staff shall be required to use vacation days for such consulting activities—the use of sick days, personal days, or of unpaid time off shall not be permitted for consulting activities.~~

~~Authorization to engage in additional employment can be revoked at any time, at the sole discretion of management.~~

~~Failure to follow or adhere to this policy may lead to disciplinary action up to and including termination.~~

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Outside Employment and Business Interests

- 1. Purpose: This policy governs outside employment and business interests by NJSIG employees. This policy supersedes and replaces all existing policies governing outside employment and business interests by NJSIG employees.**
- 2. Definitions:**
 - 2.1. "Outside employment or other activity" is any business, trade, profession or other compensated employment, including the acceptance of compensation for a speech or published work; uncompensated or volunteer work for or with any entity; or, holding office or title in the governing or advisory board of any entity. The term also includes employment, self-employment, activity as an independent contractor, or any other form of service. For the purposes of this Code, military service in any of the armed forces of the United States, such as service in the National Guard or Reserves, does not constitute "outside employment or other activity" and is not subject to the procedures and restrictions detailed herein.**
- 3. Limitations on Outside Employment: No NJSIG employee shall engage in any outside employment or other activity, whether compensated or not, which might reasonably be expected to impair the objectivity and independence of judgment required in public employment or interferes with the operation of NJSIG. No NJSIG employee shall engage in any outside employment or activity with any entity doing business with NJSIG, any entity seeking to do business with NJSIG, or any Board of Education in the State of New Jersey.**
- 4. Volunteer Activities: Employees are free to engage in volunteer activities on behalf of nonprofit charitable, religious, sports, professional, and other nonprofit organizations provided such activities would not reasonably be expected to cast material doubt on their objectivity and independence of judgment in the exercise of their official functions and subject to the disclosure and prior approval requirements set forth in this section.**

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5. Prohibition on the Private Practice of Law by Attorneys: As used in this subsection, the term "attorney" shall include any person licensed to engage in the practice of law in this or any other jurisdiction who holds office or employment with NJSIG. The prohibitions on the practice of law set forth in this subsection do not apply to any actions taken by an "attorney" in the furtherance of his or military service under the judicial arm of any of the United States armed forces.

5.1. Attorneys shall conduct themselves in accordance with every affirmative duty and obligation imposed by the New Jersey Rules of Professional Conduct and other court rules and directives or laws governing the conduct of attorneys.

5.2. Attorneys shall not represent any party other than NJSIG, or engage in the private practice of law in any other way, except with the prior, written approval of the Executive Director or designee. Such approval may, in the discretion of the Executive Director or designee, be given when:

5.2.1. The activity is undertaken on behalf of the attorney or the attorney's spouse, domestic partner, partner in a civil union, children, or parents, the attorney receives no compensation for the activity, and the representation of the designated family member is limited to matters which are not of an adversarial nature; or

5.2.2. The activity is continued in order to complete a professional obligation entered into before this provision of NJSIG Code was adopted and is concluded as soon as practicable consistent with the rules of professional conduct to which the attorney is subject.

5.3. The activity shall not be approved if it requires the attorney to represent any party in any criminal or quasi-criminal matter or before a licensing or regulatory body or in any matter or litigation in which NJSIG has an interest adverse to that of the attorney's client, or is prohibited by the Conflicts of Interest Law, whether or not the representation is for compensation.

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6. Request for approval of outside employment or other activity form: All NJSIG employees seeking to engage in outside employment or other activity, whether compensated or not, shall complete the Request for approval of outside employment or other activity form issued by NJSIG in accordance with the procedures adopted by NJSIG. They shall have a duty to (1) provide such information as may be necessary to determine whether an outside activity is permissible under the NJSIG ethical standards and (2) notify the Chief Legal Officer of any changes to the information disclosed on the form, including the employee's transfer to another department within NJSIG, or a change in title or position, or other change in NJSIG employment.

7. Approval Procedure:

7.1. Procedures for Approval of Outside Employment or Other Activity by NJSIG employees other than Legal Staff:

7.1.1. No NJSIG employee shall engage in any outside employment or other activity, whether or not for compensation, without first submitting a written request for approval to the Executive Director. The request shall be on the request for approval of outside employment or other activity form. The request shall be reviewed by the Chief Legal Officer and a recommendation made by the Chief Legal Officer to the Executive Director as to whether the outside employment or other activity is permissible under NJSIG ethical standards. The approval may be conditioned on the requirement that NJSIG employee seek annual approval of the outside employment or other activity or other restrictions deemed necessary. The approval of such outside employment or other activity shall not be unreasonably withheld.

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7.2. Procedures for Approval of Outside Employment or Other Activity by Legal Staff:

7.2.1. Members of NJSIG's Legal Staff are expected to devote their full attention to official duties and to be available for work outside of normal office hours as their official duties require and in emergent situations. However, with the approval of the Executive Director, any such member may engage in limited outside employment or provide services as an independent contractor that do not involve the private practice of law or the provision of other legal services, provided the employment or services will not interfere with the performance of the attorney's duties, including the attorney's ability to respond to unanticipated and emergent time demands. An attorney may receive reasonable compensation for such services. Requests for approval shall be submitted in writing to the Chief Legal Officer who shall forward the request along with a recommendation through the Executive Director. Renewed approvals of such outside activity must be sought annually from the Executive Director.

7.2.2. Participation in Bar or Professional Organization:

7.2.2.1. A member of the Legal Staff, in a private capacity, may be a member of, hold any leadership position in, or participate in the activities of any bar or professional organization devoted to the improvement of the law, the legal system, the administration of justice, or the enhancement of the skills and professionalism of the members of the bar, subject to the provisions of this policy. Such member may also serve on the editorial board of, or contribute written work to, publications of such organizations or of other legal or professional publications, subject to the provisions of this policy.

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- 7.2.2.2. A member of NJSIG's Legal Staff may also be designated by the Executive Director to engage in such activities in an official capacity.**
- 8. Appeal: Authorization to engage in additional employment can be revoked at any time, at the sole discretion of the Executive Director. A NJSIG employee may appeal a denial of a request to engage in outside employment or other activity to the Board of Trustees within sixty days from the receipt of the denial.**
- 9. Records Maintained: Outside Activity Questionnaires and requests for approval of outside employment or other activities shall be maintained in the personnel file of the employee.**
- 10. Implementation: Any NJSIG employee engaged in outside employment or other activity as of the effective date of this policy shall submit a request for approval of outside employment or other activity form within thirty days of the effective date of this policy.**
- 11. Failure to follow or adhere to this policy may lead to disciplinary action up to and including termination.**



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Request for approval of outside employment or other activity

1. **PART ONE:** To be completed by the employee. “Outside employment or other activity” is any business, trade, profession or other compensated employment, including the acceptance of compensation for a speech or published work; uncompensated or volunteer work for or with any entity; or, holding office or title in the governing or advisory board of any entity. The term also includes employment, self-employment, activity as an independent contractor, or any other form of service. For the purposes of this Code, military service in any of the armed forces of the United States, such as service in the National Guard or Reserves, does not constitute “outside employment or other activity” and is not subject to the procedures and restrictions detailed herein.

1.1. Employee Name: _____

1.2. Department: _____

1.3. Phone Number: _____

1.4. Fax Number: _____

1.5. Email: _____

1.6. Title and description of present duties: _____

1.7. Name and Address of employer or other entity for which you will perform outside employment or other activity: _____



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1.8. Title and description of outside employment or other activity you will perform and number of hours per week: ___

1.9. Will you be compensated:

Yes No

1.9.1. If Yes, will you be compensated as an employee of the entity or because the entity has contracted for your services as an independent contractor?

Employee Independent contractor

1.10. Will you be a member of a partnership or a shareholder or a corporate officer or member of a board of trustees as a result of this outside employment or other activity?

Yes No

1.10.1. If Yes, what will be the relationship?: _____

1.11. Is this employment or other outside activity being performed for or with any other NJSIG employee?

Yes No

1.11.1. If Yes, explain: _____



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1.12. Will this employment or other outside activity cause you to have contacts with other State, County or local agencies, Boards of Education, school districts, Charter Schools, vendors, consultants or casino license holders?

Yes No

1.12.1.If Yes, explain: _____

1.13. Is the entity for which you will be performing this employment or other outside activity be providing or seeking to provide goods or services to NJSIG?

Yes No

1.13.1.If Yes, explain: _____

1.14. Is the entity for which you will be performing this employment or other outside activity the recipient of any grants or other financial assistance from NJSIG?

Yes No

1.14.1.If Yes, explain: _____



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1.15. Will the employment or other outside activity you perform require you to be licensed or regulated by a State, County or local agency?

Yes No

1.15.1.If Yes, which agency and on what date was your license issued? _____

1.16. Is the entity for which you will perform the employment or other outside activity required to be licensed or regulated by a State, County or local agency?

Yes No

1.16.1.If Yes, which agency? _____

I hereby certify that this request for approval of outside employment or other activity contains no willful misstatement of fact or commission of material fact.

Signature of employee

Date

Unless otherwise directed, this form should be submitted to your Manager for a review and recommendation. It will then be sent by your Manager to the Chief Legal Officer for review and determination. A copy of this form and the approval or disapproval will be provided to you and to the HR office for inclusion in your personnel file. If your request is denied, it may be appealed to the NJSIG Board of Trustees.



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2. **Part Two:** Review of Manager.

2.1. I have reviewed this request and recommend:

Approval Disapproval

2.2. Please explain the reasons for your recommendation: _____

Name of Manager

Signature

Date



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3. **Part Three:** Review by Chief Legal Officer and Recommendation to the Executive Director.

3.1. I have reviewed this request and recommend:

Approval Disapproval

3.2. Please explain the reasons for your recommendation: _____

Chief Legal Officer

Signature

Date



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4. Part Four: Review by the Executive Director.

4.1. I have reviewed this request, and conclude that this request is:

Approved Disapproved

4.2. Comments: _____

Executive Director

Signature

Date