

## **USATF-NJ CODE OF ETHICS**

### **STATEMENT OF PURPOSE**

The Board of Trustees for USATF-NJ (USATF-NJ) has adopted this Code of Ethics for the Board of Trustees, Association employees, independent contractors, and members of committees, sub-committees, councils, task forces and any other decision making body of USATF-NJ (referred to as "Responsible Persons" in this Code of Ethics). It is of major importance to USATF-NJ that its leadership create a "tone at the top" that promotes ethical conduct throughout USATF-NJ. This requires that "Responsible Persons" maintain their independence when conducting USATF-NJ business and not use their positions to further their own or a friend's or "Family Member's" personal interest.

To ensure continued confidence in USATF-NJ leadership in the sport of athletics in New Jersey, the United States and internationally, and because we operate in the public spotlight, we are expected to conduct our affairs on a basis consistent with the great trust that has been placed in us. This requires that our behavior conform to the highest ethical principles. For these reasons, USATF-NJ requires "Responsible Persons" to conduct business with integrity and to maintain a standard of ethical conduct consistent with the laws and regulations of all countries and jurisdictions in which USATF-NJ conducts business. Furthermore, because the appearance of impropriety can be just as damaging as actual impropriety, conduct which appears to be improper is also unacceptable.

The policies set forth in the following provisions are intended to be a guide for the conduct of business activities and other matters involving, directly or indirectly, USATF-NJ. It is not all inclusive, as not every expectation or circumstance respecting proper and ethical business conduct can be anticipated.

### **BOARD OF TRUSTEES CHARGE TO THE ETHICS COMMITTEE REGARDING THEIR AUTHORITY, RESPONSIBILITIES AND DUTIES**

The purpose of the Ethics Committee is to assist the Board of Trustees in its oversight of the integrity and ethical conduct of USATF-NJ affairs. In furtherance of this purpose, the Ethics Committee has the following authority and responsibilities:

- To help "Responsible Persons" identify situations that present potential "Conflicts,"
- To collect and review Code of Ethics disclosure statements,
- To manage issues and resolution of ethics charges and/or violations brought by one or more members of USATF-NJ against one or more other members,
- To work with the Executive Committee to develop, administer, enforce and periodically review the Code of Ethics,

- To make every effort, within the limits of the law, to maintain the confidentiality of any information received regarding a "Responsible Person," friend or "Family Member" or any individual who reports concerns or misconduct,
- To periodically review the ethics and compliance processes in general and the corporate ethics and compliance education, disclosure, and reporting processes in particular; in connection with these reviews, the Ethics committee will meet, as deemed appropriate, with the Managing Director and Executive Committee.

## **I. Policy on Code of Conduct (COC):**

### **A. Basic Principles applicable to all "Responsible Persons"**

1. Maintenance of honesty and integrity in all actions taken while representing USATF-NJ.
2. Exhibition of the highest degree of ethical standards when developing and executing programs for the advancement of track and field in New Jersey.
3. Fair treatment of everyone and respect of basic human rights regardless of a person's national origin, race, color, sex, age, marital status, religion, disability, sexual orientation, political beliefs or any other such characteristic.
4. Recognition of the contribution of each individual and his or her right for freedom from physical or sexual harassment.
5. Prohibition from any attempt to direct or influence any other "Responsible Person" to assist in obtaining a position, volunteer or paid, or financial or other benefit from USATF-NJ, for himself or herself or for any "Family Member" or friend.
6. Prohibition from hiring or supervising a relative or cohabitant or determining or influencing his or her promotion or pay, if staff, or any financial or other benefits, if volunteer.

### **B. Conduct for USATF-NJ Club coaches and volunteers: In addition to the Basic Principles noted above, the following applies to USATF-NJ Club coaches and volunteers.**

1. Comply with all applicable policies, procedures or other requirements imposed by the Association, including but not limited to the mandatory Background Screening requirement for clubs with athletes under age 18.
2. Fair play is mandatory. Fair play is more than playing within the rules of the sport. It is a way of thinking and acting. It is the elimination of cheating, doping, gamesmanship, physical and verbal violence, exploitation, unequal opportunities, and corruption.
3. Follow and respect the USATF Rules of Competition.
4. Eliminate the use of prohibited drugs or other disallowed performance enhancing substances or practices.
5. Conduct oneself in a supportive and positive manner for the team.

### **C. Conduct for competition officials: In addition to the Basic Principles noted above, competition officials must abide by the USATF Officials Code of Ethics.**

## **II. Policy on Conflicts of Interest (COI):**

This Conflict of Interest Policy is designed to help "Responsible Persons" of USATF-NJ identify situations that present potential Conflicts of Interest and to provide USATF-NJ with procedures to address Conflicts of Interest.

- A. Any one of the following circumstances shall create a Conflict of Interest.
1. Transactions greater than \$100 in the aggregate per year between USATF-NJ and a "Responsible Person". This includes any employment or payment for services with USATF-NJ.
  2. The following payments shall constitute exceptions to the \$100 in the aggregate per year limit.
    - a. Expense reimbursements paid by USATF-NJ, including stipends, as long as such reimbursements comply with Board-approved expense and other policies.
    - b. Amounts paid to individuals for programs requiring a particular expertise necessary to achieve the program's objectives. These amounts are limited to an aggregate of \$2,000 in any calendar year. A "Responsible Person" shall not take part in any decision resulting in his or her receipt of payment. These amounts are commonly referred to as "honoraria."
    - c. Prize money paid to athletes based on their competitive performance.
  3. A "Responsible Person" soliciting or receiving gifts or favors in any form, including money, services, loans, travel, apparel, equipment, entertainment, hospitality or promise, under circumstances in which a reasonable person would infer that the gift was intended to or could reasonably be expected to influence the "Responsible Person" in the performance of his or her official duties, or was intended as a reward for any official action on his or her part.
  4. Transactions greater than \$100 in the aggregate per year between USATF-NJ and a "Third Party" (including, but not limited to, sponsors, vendors, and meet organizers), in which a "Responsible Person" or "Family Member" is a director, officer, employee, or other representative of the "Third Party." This does not preclude expense reimbursements paid by Third Parties for expenses incurred in the normal course of USATF-NJ business, including site visits, championships oversight and business meetings, as long as the reimbursement is consistent with USATF-NJ payments under similar circumstances and does not constitute taxable income under New Jersey or IRS regulations.
  5. A "Responsible Person" directing staff, volunteers, or Third Parties to help a "Responsible Person" or his or her "Family Members" or friends obtain benefits (financial or otherwise) or other preferential treatment for which he or she would not otherwise qualify.

- a. This provision does not prohibit arrangements or contracts between athletes and coaches and sponsors, vendors or meet organizers that occur in the normal course of business. Because such instances do represent Conflicts of Interest, they must be disclosed to the Ethics Committee when established and to the relevant decision making body at any time there is a related discussion, at which time the "Responsible Person" shall "Recuse" himself or herself.
  - b. The following circumstances are not considered Conflicts of Interest and do not require disclosure:
    - i. The acceptance of items or entertainment/hospitality totaling less than \$100 in the aggregate per year which are not related to, nor appear to be related to, any particular transaction or activity of USATF-NJ.
6. Prohibition of use of confidential information and exertion of undue influence: In the event a "Responsible Person" for any reason ceases to provide services to USATF-NJ, whether as a paid employee or as a volunteer, such person shall not utilize any confidential information obtained during such period of service for his or her own benefit or for the benefit of any "Third Party" for a period of two (2) years from cessation of such service. Any attempt by the "Responsible Person" to utilize that confidential information or to exert his or her influence over USATF-NJ employees or other members of USATF-NJ in an attempt to benefit himself or herself or a "Third Party" in any transaction with USATF-NJ shall subject that person to continued compliance with this Code for that two (2) year period including, but not limited to, disclosure, oversight by the Ethics Committee respecting his or her conduct and recommendation by the Ethics Committee for termination of such transaction.
7. A "Responsible Person" or "Family Member" having an ownership or investment interest in excess of 5% of the equity value of any "Third Party."
- B. USATF-NJ employees are subject to a separate Conflict of Interest Policy that is attached as exhibit A and incorporated by reference herein. Each USATF-NJ employee is expected to comply with the disclosure and reporting requirements of such policy. To obtain guidance on an ethics or compliance issue or to report concerns, USATF-NJ employees, if comfortable and appropriate under the circumstances, should first raise the concern with one's supervisor or the President. If this approach is uncomfortable or inappropriate, the employee may discuss the matter with a member of the Board. Individuals are always free to contact the Ethics Committee. USATF-NJ makes every effort to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports concerns or possible misconduct. There is no retribution or discipline for anyone who reports a concern in good faith.

- C. Any conduct which does not rise to the level of a Conflict of Interest as defined in this sub-section shall never the less constitute prohibited conduct if, when viewed through the eyes of a reasonably prudent person, the conduct has the appearance of impropriety.

**III. Definitions: All defined terms are indicated as such by quotation marks throughout this document.**

- A. A "Responsible Person" is any person serving as a Board member, USATF-NJ employee, independent contractor, or member of a committee, sub-committee, council, task force or any other decision making body of USATF-NJ.
- B. A "Family Member" is any member of the immediate family or household of a "Responsible Person."
- C. A "Transaction" is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind; the providing or receipt of a loan or grant; the awarding or selecting of any event city or venue; or any other type of financial relationship.
- D. A "Third Party" is any entity that does or is seeking to do business with USATF-NJ, including but not limited to, sponsors, vendors, and meet organizers. This definition also includes any entity that is a competitor of USATF-NJ or any of its sponsors, vendors, meet promoters or other business partners.
- E. A "Conflict" is any circumstance or behavior that is inconsistent with or in violation of any provision of this Code of Ethics, including a Conflict of Interest.
- F. "Recuse" means to remove oneself from participation to avoid a "Conflict." The "Responsible Person" shall not participate in or be permitted to hear the discussion of the matter except to disclose pertinent facts and to respond to questions; and shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

**IV. Duty to Disclose**

- A. A "Responsible Person" must disclose, in writing (see attached reporting statement) or orally, in advance, any "Conflicts" to the President, committee or other decision making body in which he or she is participating, whether personal or observed in other "Responsible Persons." In the event the committee or other decision making body cannot address the "Conflict" internally, it must bring the matter before the Ethics Committee as outlined in item V-B below. Any information regarding a "Responsible Person" or a friend or "Family Member" shall be treated as confidential and shall be made available only to the Ethics Committee.

## B. Timing of Disclosure for "Conflicts"

1. Members of USATF-NJ's Board of Trustees, all standing committee chairs, and Budget Committee members must submit a Code of Ethics Reporting Statement to the President and Ethics Committee once every year, even if no "Conflicts" exist, to participate in Board of Trustee or committee activities and meetings. The Conflicts Statement must include any potential or existing "Conflicts." New members of the Board of Trustees, new standing committee chairs and vice-chairs, and new Budget Committee or Ethics Committee members must report "Conflicts" occurring any time within the preceding year.
2. As "Conflicts" arise throughout the year, all Board Members, standing committee chairs or vice-chairs, and Budget Committee members must submit an updated Code of Ethics Conflict Reporting Statement to the President and Ethics Committee immediately. All such statements shall fully disclose the nature of the "Conflict."
3. Members of all USATF-NJ committees, sub-committees, task forces or other decision making bodies must disclose all "Conflicts" or potential "Conflicts" to the chairperson of the committee or other decision making body prior to the discussion of applicable meeting subjects. The chairperson may require that disclosure be made in writing at his or her discretion.
  - a. If the chairperson or vice-chairperson is the member with the "Conflict," he or she must disclose his or her "Conflict" to the Ethics Committee.
  - b. All "Responsible Persons" taking part in decisions that have a significant financial impact must report all "Conflicts" in writing to the Ethics Committee. For example, site selection committee members for significant events would be required to complete a Code of Ethics Conflict Reporting Statement upon joining the committee, even if there were no "Conflicts" to report. They would then be required to complete another statement at any time throughout the process that a "Conflict" arose.

## V. Violations

- A. All violations of this Code of Ethics and incorporations by reference, including failure to disclose or submit required statements, will be subject to review by the Ethics Committee. Upon notification of a "Conflict" from a "Responsible Person" or upon failure to comply, the Ethics Committee shall determine appropriate action(s). Such action may require that the "Responsible Person" "Recuse" himself or herself from discussions, transactions and decisions surrounding the

subject matter of the "Conflict" or resign from all USATF-NJ appointments and assignments. The Ethics Committee may initiate disciplinary proceedings in accordance with USATF-NJ's by-laws. Prior to any action on the part of the Ethics Committee, the "Responsible Person" will be given the opportunity to disclose all the facts and circumstances surrounding the "Conflict."

- B. The Ethics Committee may also recommend that the Board of Trustees terminate or otherwise remove the Responsible Person from their position with USATF-NJ, or terminate USATF-NJ's contract, agreements or other arrangements with the "Third Party."
1. Any action of the Board of Trustees as the result of an Ethics Committee recommendation shall be by resolution rather than by simple motion.
  2. In the event the Board of Trustees rejects any recommendation of the Ethics Committee, the Resolution shall contain, at a minimum, the full text of the resolution as passed, a summary of the reasons presented in support of the rejection and a tally of the votes for, against and abstentions.
  3. A copy of the Resolution shall be sent to the President within five (5) days following the meeting at which the Resolution was voted upon.
  4. Ethics complaints filed by complainants regarding a "Responsible Person" shall be carried out in a manner substantially similar to that set forth in the USATF Code of Ethics.

#### **VI. Amendments to this Code of Ethics:**

Amendments to this Code of Ethics shall require a recommendation of the Ethics Committee and the approval of two-thirds of the voting power of the Trustees present at a meeting of the Board.

#### **VII. Confidentiality:**

USATF-NJ makes every effort, within the limits of the law, to protect the identity of any individual who reports a concern or misconduct. Any information regarding a "Responsible Person" or a friend or "Family Member" shall be treated as confidential and shall generally be made available only to the Ethics Committee and President. A "Responsible Person" will not disclose confidential information acquired in connection with such status. Furthermore, a "Responsible Person" will not disclose or use information relating to the business of USATF-NJ for personal profit or advantage of the "Responsible Person" or a "Family Member", which disclosure or use shall be considered both a breach of this Code of Ethics provision and shall subject that person making such use or disclosure to further action including, but not limited to, monetary damages.

## **EXHIBIT A: USATF-NJ Employee Conflict of Interest Policy (A SUPPLEMENT TO THE USATF-NJ CODE OF ETHICS)**

Effective September 18, 2014 the Board of Trustees passed an organizational Code of Ethics for Board members, Association employees, independent contractors and members of committees, sub-committees, councils, task forces and any other decision-making body of USATF-NJ. As indicated in this organizational Code of Ethics, Association employees are included among those required to comply.

Given the status of Association employees as paid employees of the organization with rights, privileges and responsibilities unique among those mentioned in the organizational Code of Ethics, it is imperative that we are held to the most stringent of standards within the organization. The purpose of this policy is to supplement the organizational Code of Ethics for all Association employees and create a higher level of both accountability and transparency.

It is important that all Association employees review both the organizational Code of Ethics and this supplemental policy to gain a full understanding of your responsibility. It is very important that you clearly understand both policies and comply with all reporting requirements and deadlines.

The policy and attached examples refer to “nominal value” and “thresholds.” These are terms used in the organizational Code of Ethics and can be confusing. All employees should interpret the policy to mean that all possible conflicts should be reported on the attached form - this includes all lunches or small gifts. We realize this may increase the reporting burden on a few of you, but it is important that the Association be viewed as a leader and above reproach in this regard. This does not mean that you are not allowed to accept an occasional lunch or small gift from a vendor, event organizer, or sponsors, it just means that you should report those to the President. This will allow the Association to be in complete compliance with the policy and avoid any confusion on what is or is not material.

If the amount, frequency, or nature of any meal or gift from a vendor, sponsor, or other party becomes a concern, President will meet with the individual involved prior to taking any action.

No employee of USATF-NJ shall derive any personal profit or gain, directly or indirectly, by reason of his or her decisions or activities while employed by USATF-NJ. In addition, USATF-NJ employees should decline all gifts, discounts, excessive hospitality and other transactions due to perceived and real conflict of interest implications. Certain independent contractors, as determined by the President, are also bound by this policy. This excludes the normal compensation and benefits due each employee or contractor.

Specifically:

- Each individual shall disclose to the President any personal interest that he or she may have in any business matter pending before USATF-NJ and shall refrain from

participation in any discussion, evaluation, or decision on such matter. Business matters refer to vendor relationships, sponsorships, competitions/events, or other agreements.

- USATF-NJ employees or independent contractors may not serve on any committee or task force of USATF-NJ except when designated by the President as “staff liaison” or otherwise in accordance with the Association’s by-laws.
- Any employee or consultant who is, or has an immediate family member who is, an officer, board member, a committee member, employee or consultant or staff member of a USATF-NJ vendor, sponsor, event organizer or member organization shall identify his or her affiliation with such company or organization. Further, in connection with any action specifically directed to that company or organization, he/she may not participate in any discussion, evaluation or decision affecting that company or organization at the discretion of the President.
- Any employee or consultant shall not accept any of the following, if more than of a nominal value, from a vendor, sponsor, event organizer or member organization of USATF-NJ: gifts, discounts, travel, excessive or inappropriate hospitality, loans or other transactions that result in a personal benefit. The determination of nominal value shall be determined by the President and/or Executive Committee. If it is not practical to decline the gift, the item(s) shall be delivered to the President for Association use.
- This policy extends to prospective sponsors, vendors, event organizers or member organizations, and the affected persons are required to report, either verbally or in writing, as soon as possible and, in all cases, no later than the date of action (e.g., Board vote, contract signing).
- All transactions with vendor, sponsor, event organizer or member organization, regardless of amount or value, shall be disclosed in a written statement to the President as soon as reasonably possible. In the case of violations of this policy, including non-disclosure or non-allowed personal benefit, the President shall undertake appropriate disciplinary action as provided in the employee handbook. The President, at his discretion and where possible, may also terminate all contracts, agreements and arrangements with the related organization, vendor or sponsor.

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**USATF-NJ Conflict of Interest Statement:**

I have reviewed both the USATF-NJ Code of Ethics and the supplemental Association Conflict of Interest policy for employees and independent contractors. Except as noted on this form, I confirm that I am in full and complete compliance with the provisions of that policy. Further, I confirm that I will continue to abide by the terms of the policy and will inform the President of any potential non-compliance.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Matters to Report (include dates and dollar amounts, where applicable):

Date	Dollar Amount	Third Party	Description

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Examples of Conflicts of Interest:

- Employment
- Direct holdings or ownership interests (equity/stock, bonds, options)
- Personal services contracts (“contractor” arrangements such as consulting projects)
- Sale of goods or services to the company or organization, except for those at “arm’s length” (still must be disclosed)
- Loans
- Provision of travel or accommodation
- Gifts of money in any amount
- Gifts of goods or services in excess of \$25 separately or \$100 in aggregate per year (minor amounts must still be disclosed in your statement to the President)
- Discounts not available to the general public
- Excessive hospitality defined as meals or entertainment in excess of \$25 separately or \$100 in aggregate per year with the exception of meals and entertainment provided at USATF-NJ or related events that are available to other USATF-NJ employees (minor amounts must still be disclosed in your statement to the President)
- Illegal or other inappropriate hospitality defined as activities that may place USATF-NJ in a bad light when viewed from outside the organization

Remember, all potential conflicts must be reported unless a nominal amount (as defined in the listing above, subject to future amendment). Items above that do not define the threshold for “nominal” must be reported regardless of amount.

If you are uncertain as to whether a person or entity is a sponsor, vendor or event organizer, please contact the Association or President.

**EXHIBIT B: USATF-NJ Code of Ethics Conflict Reporting Statement**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Committee, staff position, or other Decision-Making Body: \_\_\_\_\_

\_\_\_\_\_

Based upon the Conflict of Interest Policy and the Duty to Disclose, contained within the Code of Ethics, each "Responsible Person" (as defined therein) is required to complete and submit this Code of Ethics Conflict Reporting Statement once every year, prior to the deadline established by the USATF-NJ Board of Trustees, even if no "Conflict" exists in order to participate in Board of Trustee or committee activities and meetings.

I understand that my sources of income and my financial and/or business dealings with USATF may create a conflict of interest or apparent of conflict of interest.

I agree to disclose (1) any significant source of income or other financial interest that I or one of my immediate family members has which may be directly or indirectly affected by a decision of USATF-NJ and/or its Board of Trustees, and/or (2) any significant interest that I or one of my immediate family members has in an organization with which USATF-NJ is dealing or with which it is considering conducting business, either at the time of my appointment, or when that information is relevant to matters under consideration by the Board of Trustees.

I agree that if (1) my income or other financial interests may be directly or indirectly affected by an action or decision of USATF-NJ or its Board of Trustees, or (2) my interest involves an organization with which USATF-NJ is dealing or considering dealing, I will not vote on the transaction under consideration and will excuse myself from the meeting while the matter is under consideration.

A List of USATF-NJ Sponsors, Vendors and Event Organizers is attached hereto for reference, as of this date.

My disclosures on the above matters are as follows:

Please disclose any relationships, positions, or circumstances in which you are involved that you believe could be or could contribute to a conflict.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Other Relationships**

Please disclose any other employment or financial interests that you or members of your immediate family have that might give rise to a possible conflict of interest with USATF-NJ. Identify by name and relationship any family member whose relationships are disclosed. (Attach additional sheet, if necessary).

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**Affiliations**

Please disclose all affiliations that you or members of your immediate family have with other organizations that may give rise to a possible conflict of interest with USATF-NJ. Identify by name and relationship any family member whose affiliations are disclosed. (Attach additional sheet, if necessary).

Name	Relationship

**Business/Family Relationships**

Please disclose any business or family relationship that you have with another officer, trustee or USATF-NJ employee. (Attach additional sheet, if necessary).

Name	Relationship

I understand that it is my responsibility to update this information if there are any changes in the sources of my income, my other financial interests, organizations with which USATF-NJ is considering business, and/or the impact USATF-NJ’s actions may have on these interests. I further understand that the information I provide in this statement and/or in supplements to this statement, may be provided to other members of Board and/or officers or trustees of USATF-NJ.

*I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the USATF-NJ Code of Ethics that is currently in effect.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_