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**IN THE MATTER OF  
MICHELLE LENZMEIER KEATES,  
MEMBER, BOARD OF TRUSTEES,  
STOCKTON UNIVERSITY**

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**STATE ETHICS COMMISSION**  
  
**Commission Case No. 28-21**  
**DECISION**

## **BACKGROUND**

Stockton University (Stockton) requests an exception under the provisions of Executive Order No. 14 (Corzine 2006) (EO 14) on behalf of Michelle Lenzmeier Keates (Keates), a member of the Stockton Board of Trustees. Keates is First Vice President/Wealth Management at Janney Montgomery Scott, LLC (Janney). In May of 2021, Keates was appointed to the Stockton Board of Trustees.

EO 14 prohibits a member of a State college or university governing board from being employed by or deriving or receiving any compensation from a firm, association, or partnership that does business with the institution that the board member governs. The term “doing business with” is defined to mean “providing or receiving any goods or services or otherwise engaging in a transaction involving the exchange of anything of value.” Pursuant to paragraph 5 of EO 14, however, the State Ethics Commission is authorized to grant exceptions from this prohibition if “in the judgment of the Executive Director, the entity that is doing business with the institution is doing so pursuant to a contract awarded in accordance with the competitive bidding laws applicable to that institution or the public interest requires an exception to be made.”

Janney has a municipal advisory agreement with Stockton, wherein Janney provides independent financial advisory services and serves as Stockton’s Independent Registered Municipal Advisor. The agreement was initiated on June 1, 2019 for a three-year term that is effective through May 31, 2022.

Stockton follows the State College Contracts Law (*N.J.S.A. 18A:64:52. et seq.*). Section 61 of the State College Contracts Law allows the boards of trustees of two or more State colleges to enter joint purchasing agreements for the purchasing of work, materials or supplies. On November 20, 2018, New Jersey City University (NJCU) issued a Cooperative Request for Proposal (RFP) on behalf of New Jersey State Colleges and Universities and the New Jersey Higher Education Purchasing Association for financial advisory services. Janney submitted a proposal. NJCU determined that the proposal contained competitive and favorable terms and conditions and awarded the contract to Janney. Pursuant to Section 61 of the State College Contracts Law, on May 1, 2019, Stockton’s Board of Trustees authorized the purchase of financial advisory services from Janney through the joint purchasing agreement with NJCU. (See attached Trustee resolution).

Keates is not employed nor associated in any way with Janney’s municipal advisory department. She is not currently performing any work for Stockton. Keates filed an expansive written recusal with the State Ethics Commission on July 9, 2021, recusing from, among other things, “any debt

financing municipal advisory business, or investment of debt proceeds or escrow monies,” as well as any matters affecting Janney.

## **APPLICATION**

With respect to the 2019 agreement, an EO 14 exception is warranted because Janney was selected to provide financial advisory services through a joint purchasing agreement with NJCU, well before Keates was appointed as a trustee. Keates has not had nor will she have any involvement in the Stockton/Janney contract in her private capacity with Janney. Stockton reviewed NJCU’s bid and Janney’s proposal and determined that the contract contains competitive and favorable terms and conditions. Under these circumstances, an EO 14 exception serves the public interest because granting the exception will allow Stockton to continue doing business with Janney, a company it previously determined to be most suited to provide financial advisory services to Stockton.

## **DECISION**

The Commission grants an EO 14 exception to Michelle Lenzmeier Keates permitting her to serve as a Member of the Stockton Board of Trustees while Stockton continues to do business with Janney.

DECISION RENDERED BY THE  
STATE ETHICS COMMISSION ON  
THE 14<sup>th</sup> DAY OF SEPTEMBER 2021