

Ethics Liaison/Compliance Officer Corner

December 27, 2007

On October 25, 2007, the Citizen's Ethics Advisory Board met and adopted the advisory opinions summarized below. Click on the AO number to read the full text of the opinion.

**ADVISORY OPINION 2007-12, Effect of Public Act No. 07-1 on "Gifts to the State" from Restricted Donors**

Addressing four hypothetical scenarios, the Citizen's Ethics Advisory Board concluded that: (1) a state technical high school may not accept a "gift to the state" from a restricted donor in the form of weeklong math or science workshops for its teachers; (2) a state agency may accept volunteer services from restricted donors in order to complete a statutorily required legislative report; (3) a state agency may not accept a contractor's payment or reimbursement of travel expenses in order for agency employees to attend a meeting in New York City to discuss the implementation of a state contract and tour the contractor's facilities; and (4) a state agency may accept a non-earmarked cash contribution from a restricted donor that would be deposited into an agency account and used for, among other things, paying for its employees to travel to and attend meetings and conferences.

**ADVISORY OPINION 2007-13, Government Discounts**

The Citizen's Ethics Advisory Board concluded that the Code of Ethics does not prohibit public officials and state employees from receiving a government employee discount from a non-restricted donor valued at more than \$100 while on personal time, even if such discount is not offered to the general public or other large group on an equal basis. The discount in question, the Board stated, must be equally available and advertised to all government employees, regardless of rank, agency, or position with the state. If the discount meets the above requirements, public officials and state employees may accept it.

**New Advisory Opinions**

On November 29, 2007, the Citizen's Ethics Advisory Board met and adopted the new advisory opinion summarized below. Click on the AO number to read the full text of the opinion.

**ADVISORY OPINION 2007-14, Application of General Statutes § 1-84 (m) to the Office of the Secretary of the State**

The Citizen's Ethics Advisory Board concluded that a business entity is not, by the mere fact of registering with the Commercial Recording Division of the Office of the Secretary of the State, a restricted donor for purposes of General Statutes § 1-84 (m), a gift provision in the Code of Ethics for Public Officials.

**Questions of the Month**

Recently, the OSE has noticed an increase in the volume of "Necessary Expense" (Form ETH-NE) filings. Below are questions and answers regarding the correct filing of these forms:

1. "I recently attended an out-of-state event at my agency's request, representing the state of Connecticut and discussing our experiences in an ongoing national program. The organization which sponsored the event made most of the travel arrangements directly and my agency business office provided me with the paperwork, airline tickets, and hotel information. I am waiting for reimbursement for meals, taxi fare and other items. Can I wait until "within 30 days of receiving a reportable payment or reimbursement" to file my ETH-NE form? Which expenses do I include?"

Answer: Expenses that are paid directly by an outside entity (not the state of Connecticut, another state government or by the federal government) must be reported within 30 days of the event. Expenses that are reimbursed to you must be reported within 30 days of receiving the reimbursement. Both categories of expenses should be reported, and can be combined onto one form if they are all from the same event. The various expenses that were covered should be clearly listed in the "Lodging and/or Out-of-State Travel Expenses..." section. When dollar amounts are not known because the other organization made the arrangements directly, you can indicate something like "airfare to and from \_\_\_\_\_ on [dates]; Hotel \_\_\_\_\_ for [dates]." For reimbursed expenses where you are aware of the exact cost, the entry might be "Meals reimbursed, \$152.88 from [date] through [date]."

2. "I recently made a presentation, in my official capacity, at an all-day seminar within the state which was sponsored by a regulated entity. The entity requested my active participation because of my expertise in the area covered by the seminar. They covered the cost of my registration, and in addition are reimbursing me for mileage costs and parking fees incurred. I also received breakfast and lunch during the event. Do I need to complete an ETH-NE filing?"

Answer: As stated on the ETH-NE form, because no out-of-state travel or lodging was provided by the outside entity, you do not need to file.

3. "I received a form letter rejecting my ETH-NE filing and asking for further detail. Does this mean that OSE will be taking enforcement action against me?"

Answer: The Code of Ethics requires filing of the ETH-NE form when accepting necessary expenses from an outside entity. When a filing needs to be returned, the filer is required to complete the filing as soon as possible. We do try to customize our "form" letters as much as possible to explain why a filing cannot be accepted. The most common reasons for returning the form are:

- Not using the current, fillable form on our web site. ETH-NE filings are a matter of public record and our system cannot store illegible entries.
- Not showing necessary details – if possible, please spell out acronyms at least once on the form so that the identity of the organization paying for your necessary expenses is clear. State the dates of travel and lodging, as well as the city and state (or country) where the event was held. If the outside entity only paid for a small part of your costs (such as "meals"), please indicate "meals at seminar [dates] only – other expenses paid by my agency"
- Incomplete entry in "Description of official activity" - please define and detail "active participation."

A filing that is returned for detail will not trigger an enforcement action if it is refiled in a timely, complete and accurate form. Please call OSE if you have questions about a letter we sent or while you are preparing your filing.

4. "I have been asked to participate on a panel for a large event out-of-state next month. I filled out my ETH-NE form and attached all of the documentation from our Business office, but OSE sent the filing back. Why?"

OSE cannot process filings for events that have not actually occurred. Please file the form shortly after the event, as situations change and even lead to cancellation of events. There may be more expenses than the planners anticipated. In addition, although every agency and department has its own internal forms and arrangements, we only need to see "back-up" or detailed descriptions of an event in exceptional circumstances – and we will contact the employee to request it. When you do send extra paperwork, we must insert all of it into the public record.