

# Ethics Commission

*Terry Steele, Budget Analyst*

- Total funding level for the biennium is \$4,835,389
- 253 individual advisory matters closed in calendar year 2006, a 45% increase from 2002
- Approximately 3,000 advisory phone calls received each year

## OVERVIEW

### Duties and Responsibilities

The Ohio Ethics Commission (ETH) administers, interprets, and enforces ethical conduct in government under Ohio Ethics Law, Chapter 102, and related provisions of the Ohio Revised Code. The underlying mission of the Commission is to promote and enforce ethical conduct throughout state and local government through impartial and responsive education, advice, investigation, and financial disclosure processes. To fulfill its mission, the Commission has improved educational and informational access to thousands of public servants to create a baseline understanding of ethics law. The Ethics Commission consists of six members who are appointed by the Governor and confirmed by the Senate. The political affiliation of the Commission is equally divided between the two major parties.

The day-to-day administration of the Commission's activities is the responsibility of the Executive Director and staff. Commission staff responsibilities fall into four general categories: public information, advisory opinions, investigations and referrals for prosecution, and financial disclosure. Including most state agencies and political subdivisions, about 18,700 elected officials and 590,000 employees statewide fall under the Commission's jurisdiction.

The budget appropriates \$2,390,571 in FY 2008, a 1.5% increase from adjusted FY 2007 appropriations of \$2,354,756, and \$2,444,818 is appropriated in FY 2009, a 2.2% increase over the FY 2008 amount.

### Agency in Brief

Agency In Brief					
Number of Employees*	Total Appropriations - All Funds		GRF Appropriations		Appropriation Bill(s)
	2008	2009	2008	2009	
20	\$2,390,571	\$2,444,818	\$1,863,028	\$1,967,275	Am. Sub. H.B. 119

\*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2007.

## ANALYSIS OF THE BUDGET

### Single Program Series

### Operating Expenses

**Purpose:** This program series administers the Ohio Ethics Law for public officials and employees at the state and local levels of government. The Commission's four major program areas are advisory services, including advisory opinions, education and public information, financial disclosure, and investigations and referrals for prosecution.

The following table shows the line items that are used to fund this commission, as well as the enacted funding levels.

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	146-321	Operating Expenses	\$1,863,028	\$1,967,275
<b>General Revenue Fund Subtotal</b>			<b>\$1,863,028</b>	<b>\$1,967,275</b>
<b>General Services Fund</b>				
4M6	146-601	Operating Expenses	\$527,543	\$477,543
<b>General Services Fund Subtotal</b>			<b>\$432,543</b>	<b>\$432,543</b>
<b>Total Funding: Ohio Ethics Commission</b>			<b>\$2,390,571</b>	<b>\$2,444,818</b>

The Commission operates the following programs:

- **Program 01.01: Advisory Services**
- **Program 01.02: Education**
- **Program 01.03: Financial Disclosure**
- **Program 01.04: Investigations**
- **Program 01.05: Program Management**

### Advisory Services

**Program Description:** This program increases awareness and understanding of the ethics law by the public, public officials and employees, and entities doing business with government entities to ensure compliance with the state's ethics law. The Advisory Services program implements the Commission's authority to render advisory opinions with regard to questions concerning ethics, conflicts of interest, and financial disclosure. It allows those who have potential conflicts or otherwise need ethics advice to seek guidance before they act. The Commission issues written advisory opinions that apply the ethics law and related statutes for state and local public officials and employees, provides telephone guidance to public servants, and provides ethics law information to the public and the media. When the commission provides written advice, the individual to whom the opinion was directed is immune from criminal prosecution if such advice is heeded.

**Funding Source:** GRF, GSF

**Implication of the Budget:** The appropriated amounts fully fund this program over the next biennium.

## Education/Public Information

**Program Description:** This program provides continuing education and written materials concerning the provisions of Ohio's ethics law, conflicts of interest, and financial disclosure. The educational sessions and informational materials help increase public awareness of the application of Ohio's ethics law and, thereby, decrease the potential for ethics violations. Ethics education is offered through the development and distribution of informational materials, correspondence, educational appearances, telephone assistance, and the Commission's web site. This program also assumes much of the responsibility to review and recommend ethics-related legislation to the General Assembly.

**Funding Source:** GRF, GSF

**Implication of the Budget:** The appropriated amounts fully fund this program over the next biennium. This level of funding will allow the Commission to continue providing educational services at the current level.

## Financial Disclosure

**Program Description:** This program administers and enforces the financial disclosure requirements of the Ohio Revised Code, which mandates over 10,500 elected state, county, and city officeholders; candidates for those offices; upper level state administrative appointees and employees; and many state board and commission members and their executive directors annually disclose their sources of income and investments. The purpose of the disclosure is to remind the filer and make the public and Commission aware of potential conflicts of interest.

**Funding Source:** GRF, GSF

**Implication of the Budget:** The enacted funding level fully funds this program over the next biennium. The amount appropriated for this purpose for FY 2008 includes a one-time amount of \$52,000 to provide software enhancement to the agency's web site and new financial disclosure database system, which allows for online filing.

## Investigations

**Program Description:** This program administers confidential investigations of allegations or complaints of ethics violations against public officials and employees and those with whom they do business. The Commission reports its findings to the appropriate prosecuting attorney in such cases as violations are evidenced. The Commission investigates allegations of wrongdoing involving public officials and employees, and private parties who interact with them, at every level of government, including state departments, boards, and commissions; counties; cities; villages; townships; school districts; and other public entities.

**Funding Source:** GRF, GSF

**Implication of the Budget:** The budget fully funds this program over the next biennium. These funding levels will allow ETH to continue to fund two additional employees to the investigative staff.

## Program Management

***Program Description:*** This program provides general shared operating and administrative support costs needed to support all other program areas within the Ethics Commission such as human resources, information technology, and fiscal management.

***Funding Source:*** GRF, GSF

***Implication of the Budget:*** The appropriated amounts fully fund this program over the next biennium.

**FY 2008 - 2009 Final Appropriation Amounts**

**All Fund Group**

<i>Line Item Detail by Agency</i>			<i>FY 2005:</i>	<i>FY 2006:</i>	<i>FY 2007 Adj. Appropriations:</i>	<i>FY 2008 Appropriations:</i>	<i>% Change 2007 to 2008:</i>	<i>FY 2009 Appropriations:</i>	<i>% Change 2008 to 2009:</i>	
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>							
<b><i>ETH Ethics Commission</i></b>										
GRF	146-321	Operating Expenses	\$ 1,357,230	\$ 1,475,574	\$ 1,742,213	\$ 1,863,028	6.93%	\$ 1,967,275	5.60%	
<b>General Revenue Fund Total</b>			<b>\$ 1,357,230</b>	<b>\$ 1,475,574</b>	<b>\$ 1,742,213</b>	<b>\$ 1,863,028</b>	<b>6.93%</b>	<b>\$ 1,967,275</b>	<b>5.60%</b>	
4M6	146-601	Operating Expenses	\$ 331,478	\$ 334,642	\$ 612,543	\$ 527,543	-13.88%	\$ 477,543	-9.48%	
<b>General Services Fund Group Total</b>			<b>\$ 331,478</b>	<b>\$ 334,642</b>	<b>\$ 612,543</b>	<b>\$ 527,543</b>	<b>-13.88%</b>	<b>\$ 477,543</b>	<b>-9.48%</b>	
<b>Ethics Commission Total</b>			<b>\$ 1,688,709</b>	<b>\$ 1,810,216</b>	<b>\$ 2,354,756</b>	<b>\$ 2,390,571</b>	<b>1.52%</b>	<b>\$ 2,444,818</b>	<b>2.27%</b>	