

# THE VOICE OF ETHICS

A Publication of the Ohio Ethics Commission  
September/October 2014 Edition



**O**n behalf of the Ohio Ethics Commission, it is my pleasure to welcome you to this special edition of “The Voice of Ethics.” We are excited to share this issue with you as the Commission looks back on the 40 years since the Ohio Ethics Law was enacted.

**I** hope that as you look back on four decades of the Ohio Ethics Commission’s efforts and accomplishments, you will be encouraged to review and rely on the Commission’s past precedents and advice. Even more importantly,

however, I hope that you will be inspired to call upon the Ethics Commission for guidance and assistance.

**I**n the future, it is the Commission’s goal to assist both the public and private sectors in understanding and complying with the Ethics Law. I encourage you to contact us with any questions or concerns you may have and to regularly visit our web site at [www.ethics.ohio.gov](http://www.ethics.ohio.gov)

-Paul M. Nick  
Executive Director



## A Message from the Chairman

**I**n filling a statewide role, the Commission performs duties assigned by Ohio statutes to promote confidence that those at all levels of government will avoid improper actions with public funds. Our history has been served by effective staffing and by the qualities of the Members appointed by governors of both parties to help see that the Law is followed. Commissioners have come from varied experience including faith backgrounds, service as college presidents & professors, some who were former judges & mayors, others being top business executives or officers of organized labor, and many former leaders of the bar. Besides the privilege of complementary work with colleagues during seven state Administrations, and with General Assembly leaders of both parties, it is appropriate to note the range of issues, and results from serious investigation, are often cited for raising the performance standards used to protect public resources across Ohio.

-Merom Brachman  
Chairman, Bexley

# Change = Opportunity!

## 40 Years of Changes at the Ethics Commission

**B**ob Dylan once sang, “The times, they are a-changing.” Looking back at the Ohio Ethics Commission since 1974, one could almost picture Dylan strumming a guitar and crooning those words about this agency!

**W**hile the purpose of the Ethics Law has remained consistent since 1974 – to prevent public officials and employees from compromising their public position in favor of personal gain – the activity and staff at the Ethics Commission has seen some change.

**I**n its infancy, the Commission employed 5 people, with administrative assistants later added. This skeleton staff oversaw financial disclosure requirements, enforced conflict of interest prohibitions and fielded requests for investigative and advisory assistance. Today, the Commission employs 20 staff members to manage a workload that has grown exponentially over the past four decades.

**T**he Commission issued 12 Advisory Opinions in that first year; since then, the Commission has issued 342 formal Advisory Opinions and thousands of informal and staff opinions. These documents have assisted countless people in interpreting and complying with the Ohio Ethics Law in the past 40 years.

**O**n the Education front, for the first years of the Commission’s existence, two fact sheets were available for public education: “The Ohio Financial Disclosure Law” and “Ethics is Everybody’s

Business.” Today, more than 30 fact sheets are available on the Commission’s web site in addition to e-courses, webinars, and opportunities to register for ethics education classes. Furthermore, early newsletters of the Ohio Ethics Commission indicate that staff conducted “several” speeches annually. The Commission now averages approximately 200 speeches each year to state and local governments. These sessions consistently receive positive feedback for helping public officials and employees understand the Ethics Law in a user-friendly manner.

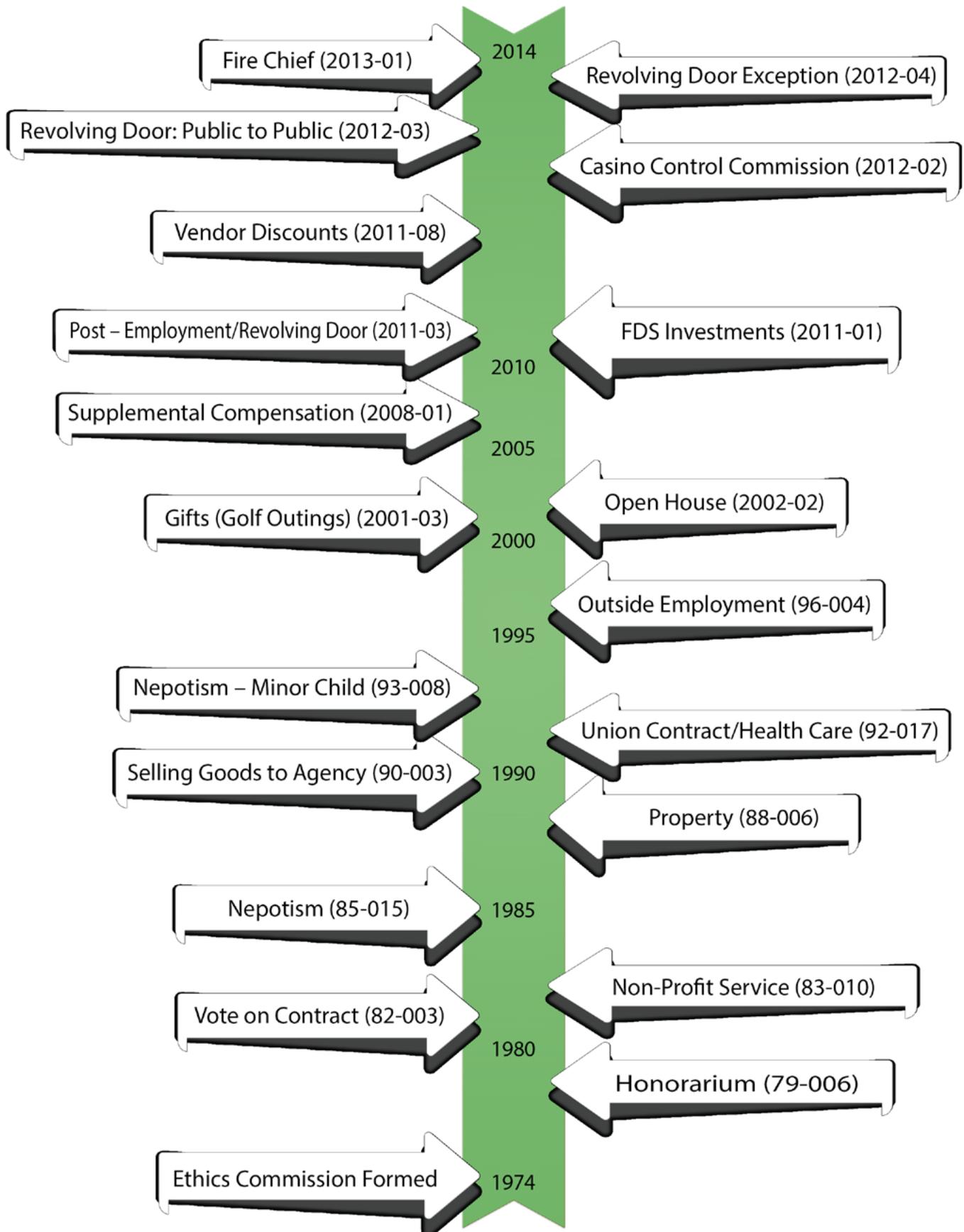
**F**inally, in 1974, the Ethics Commission received and administered 1,591 financial disclosure forms. Today, the Commission annually receives approximately 11,000 disclosure forms by legislative requirements. These financial disclosure forms serve to remind public officials of financial interests they hold that could conflict with their duties and to assist citizens and the Ethics Commission in monitoring by statute potential conflicts of interest.

**C**onducting investigations have also always been a basic component of the Ethics Commission’s responsibilities. In 1974, Commission staff received 56 allegations of potential violations of the Ethics Law. Today, investigation staff averages approximately 500 – 600 allegations from the general public, law enforcement, and other public agencies. This does not necessarily indicate more wrongdoing, but rather the wide awareness of Ohio’s Ethics Law and the proper office to contact.



# ADVISORY OPINIONS: A SAMPLING!

Some advisory opinions issued by the Ohio Ethics Commission in the past 40 years established significant precedents. This timeline outlines some of the advisory opinions that set forth precedents still used today or remain the most commonly referenced. Questions on one of these opinions? Call our Advisory Attorneys at (614) 466 - 7090!



2013

[Fire Chief \(2013-01\)](#)

Guidance on invoice payments for Fire Chiefs who teach at colleges or universities

2012

[Casino Control Commission \(2012-02\)](#)

Prohibitions regarding members and employees of the Ohio Casino Control Commission participating in casino activities

[Revolving Door: Public to Public \(2012-03\)](#)

Guidance for non-elected state servants who leaves one state agency for another state agency

[Revolving Door Exception \(2012-04\)](#)

Guidance for former public employees who represent the former public employer

2011

[Vendor Discounts \(2011-08\)](#)

Guidance on public servants accepting discounts from vendors who have contracts with a public agency

[Post – Employment/Revolving Door 2011-03\)](#)

Prohibitions regarding public servants and representation after leaving public position

[FDS Investments \(2011-01\)](#)

Describes many common types of investments identified to the Commission over the last ten years and explains the statutory requirement for the disclosure of these investments.

2008

[Coaches – Supplemental Compensation \(2008-01\)](#)

Prohibitions regarding school district employees and compensation from any other source in exchange for the performance of job duties

2002

[Open House \(2002-02\)](#)

Guidance regarding public servants and meals, receptions, or open houses at an educational or informational conference held by an association of public officials and employees

2001

[Gifts \(Golf Outings\) \(2001-03\)](#)

Prohibitions regarding public officials or employees and gifts or “things of value”

1996

[Outside Employment \(96-004\)](#)

Guidance regarding potential conflicts of interest for public officials and employees who engage in private outside employment or business activities

1993

[Nepotism – Minor Child \(93-008\)](#)

Prohibitions regarding public employment for the minor children of public officials or employees

1992

[Union Contract/Health Care \(92-017\)](#)

Guidance regarding school district

board of education members and health insurance when a school board member’s spouse is employed in the school district

1990

[Selling Goods to Agency \(90-003\)](#)

Guidance and prohibitions regarding public employees or officials selling goods or services to public entities

1988

[Property \(88-006\)](#)

Prohibitions regarding public servants and the purchase of public property

1985

[Nepotism \(85-015\)](#)

Prohibitions regarding hiring family members into public service

1983

[Non-Profit Service Official Capacity \(83-010\)](#)

Guidance for city council members when serving on non-profit boards that contract with the city

1982

[Vote on Contract \(82-003\)](#)

Guidance regarding school board votes on master contracts when board member’s spouse is a teacher and member of teachers’ union

1979

[Honorarium \(79-006\)](#)

Prohibitions regarding honoraria for speech or seminar participation if honoraria provided by interested or regulated parties

# Ohio Ethics Commission Advice: Ask Before Proceeding!

## Did You Know...

- The Commission provides guidance regarding the Ethics Law to thousands of people every year
- This advice guides public officials and employees in identifying and protecting against personal, family and business conflicts
- Complying with written advisory opinions offers personal immunity from:
  - criminal prosecution
  - civil action
  - removal from office
- The Ethics Commission is the only state board or agency that by statute provides such immunity with a written advisory opinion

**How well do you know the Commission's Advisory Opinions?  
Take this quiz and find out!**



Want more info? See the [Advice](#) section of our web page!

# First OEC Executive Director Looks Back

**A**s a law school student in the mid-1960s, Jerome Bahlmann made a decision. Born into poverty with little financial or emotional support for higher education, Bahlmann knew how fortunate he was to be receiving his law degree. So he made a commitment to himself that he would use his education to help others.

**A**fter serving for several years with the Ohio State Legal Services Association which provided legal assistance to low-income Ohioans, Bahlmann heard of an Executive Director search for the newly created Ohio Ethics Commission. He knew such a position would provide exciting challenges and the chance to continue to help others, this time through public service.

**B**ahlmann served as the Executive Director for the first two years of the Commission's existence. While he looks back on those years with satisfaction, he also remembers the tensions that existed in the 1970s in government.

"We were going through a period of time when there was no delineation between public life and private business life," Bahlmann observes. "The challenge for public officials was how to keep separate lives; to not use public office as a springboard to get more personal business."

**B**ahlmann credits the Ohio General Assembly with attempting to keep a fair balance. Some had expressed concern that the Ethics Law – especially financial disclosure requirements – could dissuade people from serving in the public sector. At the end of his two years as Executive Director, though, he believed that 85 – 90 percent of public officials he encountered welcomed the Ethics Law as a common sense approach to allowing public officials to serve while still maintaining private lives and businesses.



**B**ahlmann is proud of the Advisory Opinions issued under his tenure as Executive Director. He recalls the topics ranging from financial disclosure to conflicts of interest to confidentiality and post-employment issues. "We

also talked a lot in the early days about the appearance of impropriety," Bahlmann recalls. "We reminded people that just because something may not be illegal, it still may not be a good idea."

**B**ahlmann departed the Ohio Ethics Commission in August 1976 but looks back with fondness on those early days of ethics regulations in Ohio. "I felt very satisfied to be in that space at that time," Bahlmann says. "I was lucky to be there."

# The Ohio Ethics Law: 1974 – 2014



Columbus, Ohio 1971

**O**n September 19, 1973, Governor John Gilligan signed Amended Substitute House Bill 55, more commonly known as the Ohio Ethics Law. The majority of the statute became effective on January 1, 1974. As originally enacted, the law set forth a code of ethics for public officials and employees, established financial disclosure requirements for certain public officials, prohibited conflicts of interest, and created the Ohio Ethics Commission to administer and enforce the law.

**I**n addition to its investigative functions, the Ethics Commission was authorized to perform several other duties:

- To render advisory opinions for the requestor or those similarly situated following the Commission's advice that offered immunity;
- To establish a continuing program of

education and information pertaining to ethics, conflicts of interest and financial disclosure;

- To receive financial disclosure statements; and
- To make recommendations for future legislation regarding ethics issues.

**I**n the four decades since its enactment, the Ethics Law has been revised several times. The first revision was in 1976 and broadened the definition of "public official and employee" to include all public servants, not just those in elective office. The law also increased the number of public officials required to file financial disclosure statements and prohibited filers from knowingly filing a false statement. A prohibition against state officials and employees selling goods or services to the state was also included in the 1976 amendments.

The second major revision of the Ethics Law occurred in 1980 and amended the “revolving door” prohibition of the law. The amendment prohibited current or former public officials or employees from representing clients on matters in which the public official or employee had personally participated during government service and for one year thereafter.

In 1986, the Ohio General Assembly statutorily authorized the Ethics Commission to interpret and investigate issues related to public contracts violations. As a result of this bill, the Ohio Ethics Commission is authorized to investigate potential violations of public servants abusing a public position to improperly obtain private business.

Two bills in 1994 resulted in the most comprehensive reform of the Ohio Ethics Law since its creation. The amendments banned honoraria, required more detailed information on financial disclosure statements, and expanded the number of people who must file financial disclosure statements. The Ethics Commission also was permitted to publicly acknowledge that a criminal ethics referral had been made to a local prosecutor, who did not subsequently follow through on the referral.

The legislation that year also changed processes and authorities of the Ohio Ethics Commission. For example, alternative resolution other than prosecution was created for first-time or less serious ethics violations allowing such issues to be resolved through other processes such as mediation, restitution, resignation from office, or contract invalidation. This allows the Commission to address certain types of violations in a more flexible and less costly manner.

If you would like more detail regarding the Ohio Ethics Law, please contact the Ohio Ethics Commission at (614) 466 – 7090 or visit our web site at [www.ethics.ohio.gov](http://www.ethics.ohio.gov)



Governor John Gilligan

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*People of character do the right thing even if no one is looking. People of character do the right thing even if it costs more than they want to pay. People of character do the right thing even if no one else does, not because they think it will change the world, but because they refuse to be changed by the world.*

— Michael Josephson

# Ohio Ethics Commission Directors and Commissioners: 1974 – 2014

## Serving with Honor

In the four decades since the Ohio Ethics Commission was created by the Ohio Legislature, six august public servants have served as the Commission's Executive Director. Ohio has benefited so much from the selfless work of those who have believed in and worked tirelessly to uphold the standards of the Ohio Ethics Law.

### Ohio Ethics Commission Executive Directors

- Paul M. Nick, 2011 – present
- David E. Freel, 1994 – 2010
- Melissa Warheit, 1987 – 1994
- Stephan W. Stover, 1981 – 1987
- Richard Terapak, 1976 – 1981
- Jerome Bahlmann, 1974 – 1976



### Ohio Ethics Commissioners

- Dr. Herb Asher (1998 – 2004)
- Bruce E. Bailey (2012 – present)
- John Benson (1978 – 1984)
- Josiah Blackmore (2004 – 2007)
- Merom Brachman (1975 – 1988, 1993 – present)
- Angelita Cruz Bridges (2010)
- Herbert Brown (2002 – 2003)
- Sarah M. Brown (1998 – 2008)
- Dr. Robert Browning (1999 – 2008)
- Martin Lindsey Cowen (1974 – 1979)
- Betty Davis (2008 – 2014)
- Donald K. Day (1989 – 1990)
- Jack Paul DeSario (1992 – 1997)
- Steven Dettelbach (2008 – 2009)
- Louis Escobar (2010)
- Robert Y. Farrington (1981 – 1989)
- Marjorie E. Fawcett (1985 – 1987)
- Santiago Feliciano Jr. (1991 – 2002)
- Michael A. Flack (2011 – present)
- Barbara Florez (1991 – 1993)
- Maryann B. Gall (2011 – 2014)
- James S. Gibson (1974)
- F. Herbert Hoffman Jr. (1975 – 1985)
- Richard D. Jackson (1984 – 1990)
- Lois E. Kennedy (1987 – 1990)
- James C. Kirby Jr. (1974)
- E.W. Lampson (1974 – 1977)
- Mary Lazarus (1975 – 1980)
- Peggy Lehner (1991 – 1997)
- Dean S. Lucal (1980 – 1985)
- Sister Mary Andrew Matesich (1994 – 2000)
- Shirley Mays (2008 – 2010)
- Lizabeth A. Moody (1988 – 1990)
- Arthur L. Peterson (1977 – 1980)
- Bruce I. Petrie (1974 – 1975)
- Janis Purdy (1991 – 1999)
- Norman Purnell (1991 – 1992)
- Rev. Robert A. Raines (1974)
- Barbara Rawson (1974 – 1977)
- Ben Rose (2006 – 2011)
- Robert L. Solomon, II (2010)
- Dr. Harvey Stegemoeller (1986 – 1987)
- Rev. Diana Swoope (2010 – 2011)
- Ann Marie Tracey (2004 – 2010)
- Elizabeth E. Tracy (2014 - present)
- Rev. Leon Troy (2002 – 2004)
- Paul F. Ward (1984 – 1990)
- Dr. David L. Warren (1988 – 1991)



# Conference on Targeting Fraud: Safeguarding Integrity

**I**n observance of National Fraud Awareness Week ... Franklin University, National White Collar Crime Center, Ohio Ethics Commission, Ohio Inspector General, and Ohio Investigators Association have collaborated together to present a two-day training conference: Targeting Fraud – Safeguarding Integrity. This conference will examine the investigative process of uncovering fraud and explore a wide spectrum of subjects, including the topic of deception and how the human emotional, cognitive, and behavioral control systems work to produce various verbal and nonverbal expressions that are shown to be associated with the act of deceit; how to evaluate large document financial cases and the methods for organizing complex cases into electronic case files; the investigator's relationship with the Ohio Ethics law and the restrictions that regulate public sector employees and private sector parties; an examination of the potential dangers and economic repercussions related to counterfeit products and their connection to organized crime, gangs, and terrorism; and a survey on the increasing, pervasive use of Bitcoin and other virtual currencies in illegal and fraudulent activities.



- DATE:** Wednesday, November 5 & Thursday, November 6, 2014
- LOCATION:** Ohio Department of Transportation  
1980 West Broad Street, Auditorium, Columbus, Ohio 43223
- TO REGISTER:** <http://watchdog.ohio.gov/Conference.aspx>



**OHIO ETHICS COMMISSION**

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Telephone: (614) 466-7090  
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**[www.ethics.ohio.gov](http://www.ethics.ohio.gov)**

**Questions? Concerns? Need more information? Contact us!**