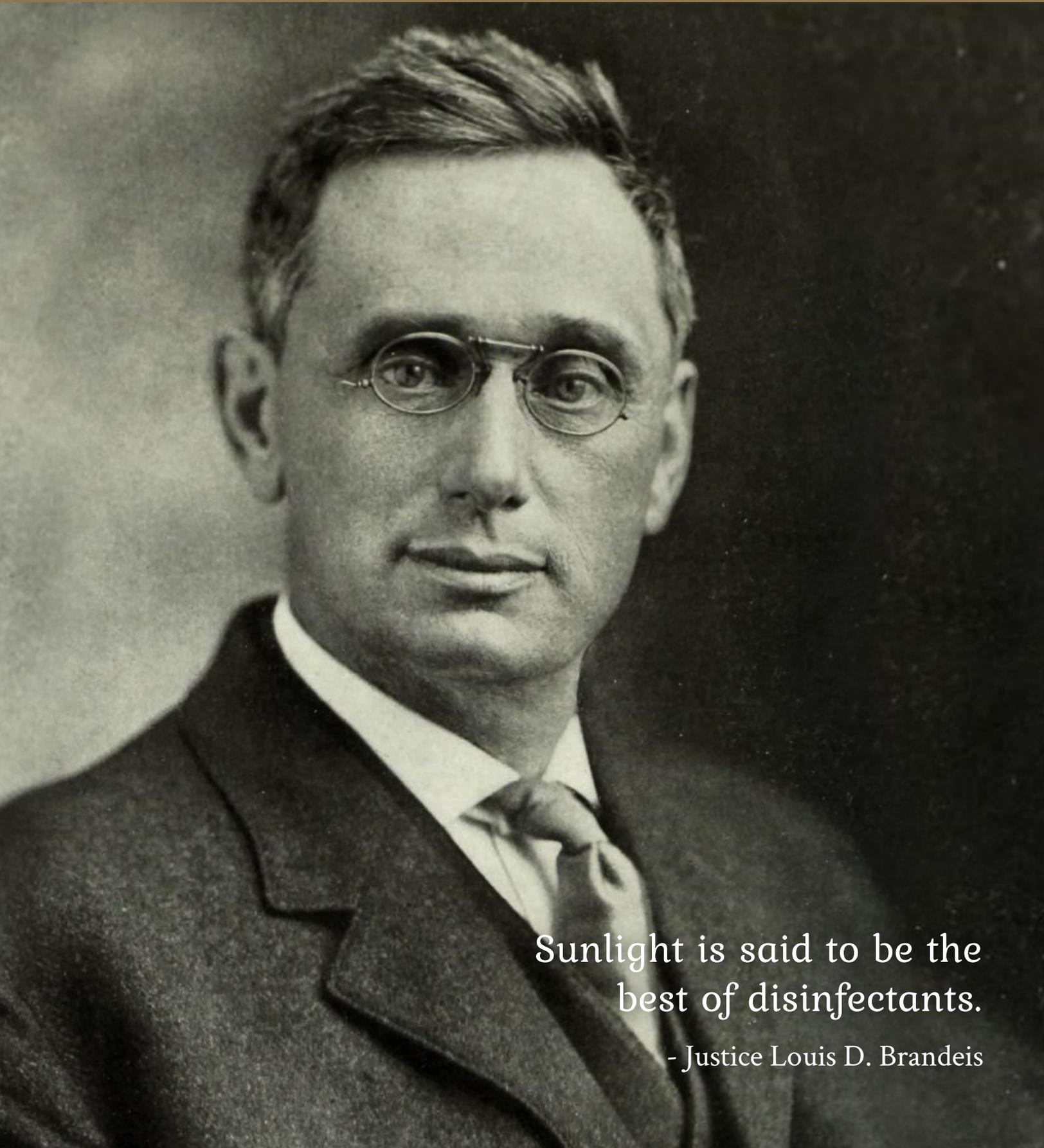


THE VOICE OF ETHICS

A Publication of the Ohio Ethics Commission

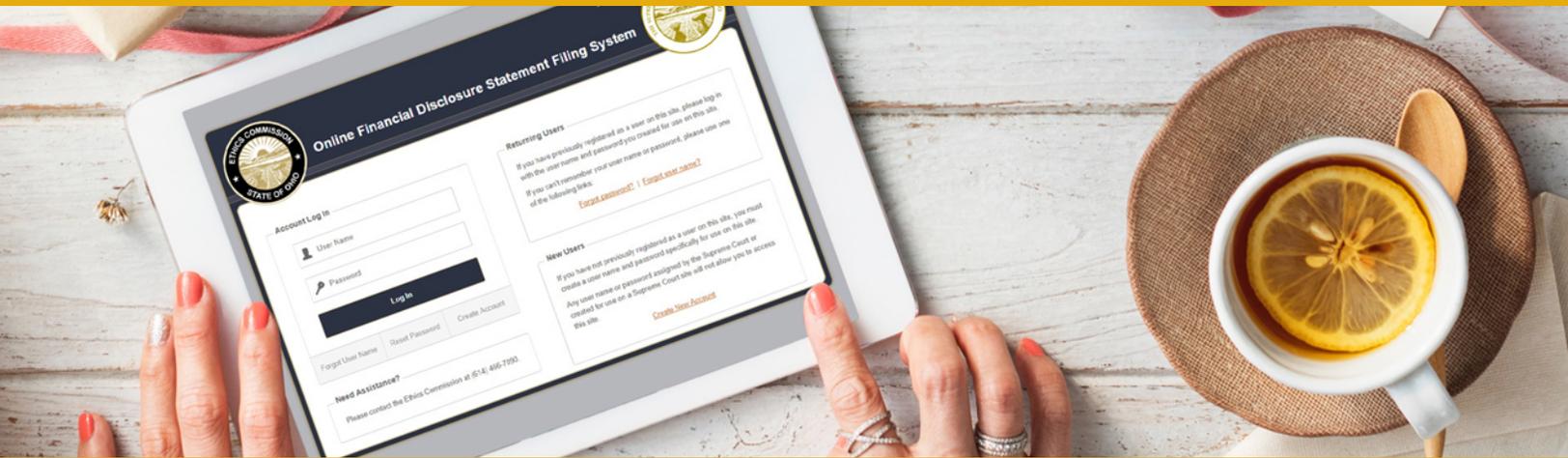
2018 Quarter 4



Sunlight is said to be the
best of disinfectants.

- Justice Louis D. Brandeis

Financial Disclosure 101



In this edition of “The Voice of Ethics” we will examine financial disclosure. What is it? Who does it? What is the purpose? Let’s peruse the “who, what and why” of financial disclosure and then let’s meet the people at the Ethics Commission who make it all happen!

What is a financial disclosure statement?

A financial disclosure statement (FDS) is an annual report filed by many public officials and employees. In the statement, the filer reports sources of income, investments, real estate holdings, and other potential conflicts of interest.



Where are financial disclosure statements filed?

- Legislators file with the Joint Legislative Ethics Committee;
- Judges and magistrates file with the Board of Professional Conduct of the Supreme Court; and
- All others file with the Ohio Ethics Commission.



Who is required to file a disclosure statement?

- Elected officials at the state, county, and city levels;
- Candidates for state, county, and city elective offices;
- School board members and candidates for school board in school districts with more than 12,000 students;
- Superintendents, treasurers, and business managers for all school districts;
- Upper-level state employees, including university presidents, directors, assistant directors, deputy directors, division chiefs and “persons of equivalent rank” serving state administrative departments, and state employees paid a salary or wage in accordance with schedule C or E-2; and
- Members and chief executive officers of sovereign power state boards and commissions.



What is the purpose of a financial disclosure statement?

- Reminds public officials of those financial interests that might impair their judgment on behalf of the public;
- Informs the public of those interests; and
- Assists in instilling confidence in the actions of public officials.



What must be disclosed on the financial disclosure statement?

Most filers must disclose:

- All sources of income of any amount;
- All sources of gifts over \$75 (excluding most family members);
- All investments, debtors, and creditors over \$1000;
- Most ownership and leasehold interests in real property;
- Source and amount of every payment of travel expenses for travel inside or outside of the state incurred in connection with filer's official duties;
- Source of payment of meals, food, and beverage expenses paid in connection with filer's official duties that exceed \$100 aggregated per calendar year; and
- Any non-disputed information contained in a statement received, by the filer, from a legislative agent.



University trustees, and persons serving with political subdivisions who are paid less than \$16,000 per calendar year for their public service, are required to make a different disclosure. They disclose:

- Sources of income of over \$500;
- Sources of gifts over \$500 (excluding most family members);
- Investments, debtors, and creditors over \$1000; and
- Most ownership and leasehold interests in real property.



There are also different filing requirements and disclosure statements for those who file with other ethics agencies.

- Contact the Joint Legislative Ethics Committee at (614) 728-5100 for information regarding legislators, their employees, and candidates for member of the General Assembly.
- Contact the Supreme Court at (614) 644-5800 for information regarding judges, magistrates, and judicial candidates.



Are statements filed with the Ethics Commission public record?

Most are, and copies are provided free of charge. However, the Ethics Law requires that some forms be kept confidential. Confidential statements are those filed by:

- Uncompensated members of state boards and commissions and
- School district superintendents, treasurers, and business managers.

Each confidential form is reviewed by the Commission for possible conflicts of interest. Any portion of the form that shows possible conflicts is a public record.



What are the financial disclosure filing deadlines?

- May 15 of each year for many statements;
- Appointees to unexpired elective office: 15 days after qualification for office;
- New appointees/employees (appointed or employed between January 1 and February 15): May 15;
- New appointees/employees (appointed or employed after February 15): 90 days after employment or appointment;
- Candidates (including incumbents who are candidates): 30 days prior to first election at which candidacy will be voted upon; and
- Write-in candidates (including incumbents who are candidates): 20 days prior to first election at which candidacy will be voted upon.



What are the penalties for failure to comply?

- Failure to file: Fourth-degree misdemeanor; maximum 30-day sentence, \$250 fine.
- False filing: First-degree misdemeanor; maximum six-month sentence, \$1000 fine.
- Late filing: Fees will be assessed for each day the statement is late, up to a total late fee of \$250.



Get to Know

— Ohio Ethics Commission's — **FINANCIAL DISCLOSURE EXPERTS**



Jen Boger

Financial Disclosure Coordinator

What attracted you to the Ethics Commission?

I started my career as a criminal investigator with the Franklin County Public Defender's Office where I worked with indigent clients. That really instilled in me the desire to focus my career path on helping others. Whether it's someone who needs a voice in the justice system, or a local school board member who wants to serve her community and just needs to know how to correctly file her form, I feel honored to use my experience in serving the state.

What is the best change you've seen in financial disclosure in your years at the Ethics Commission?

Hands down, electronic financial disclosure filing! Prior to on-line filing, we manually processed 11,000 forms a year. As you can imagine, that was a major undertaking and required the assistance of our entire office staff during the filing deadline. Now, upwards of 90% of our forms are received electronically. This allows for an extremely efficient internal process, saving the Commission both time and money. For the filer, the user-friendly electronic system offers: filing reminders, instant filing confirmation, the ability to pre-populate information to the form from the previous year's statement, and 24/7 system availability to file and view previously filed statements. Filer feedback for the online system has been overwhelming positive.

If you could offer one piece of advice to financial disclosure filers, what would it be?

Don't be afraid to ask questions. We are here to help and are happy to assist you with any questions or concerns you may have. We'll work with you to make filing your form as quick and easy as possible. And file early; don't wait until the last minute! Procrastination can lead to frustration and potential late fees.



Brian Ring

IT & Financial Disclosure Administrator

What made you gravitate toward public service?

I always had an interest in technology and infrastructure. It was exciting to know that my passion could be used in a government setting where I believed I could use my skills and interests in improving people's lives through technology.

From your perspective, what is the benefit of financial disclosure?

For our filers, it's a great tool to raise awareness of potential issues they may face while serving in their public role. The form helps them identify potential conflicts between their public roles and their private lives. It's hard to quantify, but I have to believe that the form prevents violations of the law. If a filer is reminded of their personal financial interests and relationships, he or she may stop and ask more questions before moving forward on a potential conflict.

For the public, the benefit is clearly offering additional transparency in government. Ohio citizens have the right to know that public officials and employees have the citizens' best interests in mind and not their own when making decisions in their public role. The disclosure form makes that information available in a very accessible way.

What is the most rewarding aspect of your job?

Designing and implementing the Commission's on-line financial disclosure filing system has been one of the most challenging and rewarding parts of my entire career. Seeing the whole process come together and realizing the incredible efficiency that resulted from those efforts is very fulfilling to me as an IT specialist and as a person.

Bio Info

Brian Ring is the Ohio Ethics Commission's IT & Financial Disclosure Administrator and Jen Boger is the Commission's Financial Disclosure Coordinator. In those positions, they administer and oversee the financial disclosure requirements of the Ohio Ethics Law. They respond to thousands of inquiries and requests each year from financial disclosure filers and the general public.

Jen has served in the Financial Disclosure section since 2013 and holds a B.A. in Criminology and Sociology from the Ohio State University.

Brian joined the Ohio Ethics Commission in 2008 after serving at the Ohio Office of Budget Management. He earned his B.S. in Network and Communications Management from DeVry University.

Update for FDS Filers from Statewide Elected Offices

A recently issued Advisory Opinion outlined a new filing disclosure requirement for financial disclosure statement (FDS) filers from any of the following state elected offices during the elected official's final term in office:

- Governor's Office;
- Ohio Auditor's Office;
- Ohio Attorney General's Office;
- Ohio Treasurer's Office; or
- Ohio Secretary of State's Office.

This Advisory Opinion applies to you if you are an FDS filer from one of the above offices, are subject to Post-Employment Disclosure requirements, and will leave your public position at any time in January prior to January 14, 2019. If so, you must file an FDS statement that will cover not only calendar year 2018, but also January 1 – 13, 2019. You will not be required to file another statement in 2020 covering the entire 2019 calendar year unless you hold, are appointed to, or are a candidate for another public position which also has filing requirements.

For example, in previous years, filers from these offices who left their public positions in January 2019 would have been required to file in 2019 regarding calendar year 2018. In addition, those filers would also have been required to submit an FDS statement in 2020 covering their financial information for all of 2019.

A recently issued Ohio Ethics Commission Advisory Opinion determined that, in the interest of earlier disclosure, those filers are now also required to include information from their final days in service along with the previous calendar year's information. This provides the public with disclosure information in a more timely manner since filers from those offices will now disclose information from their final days in service in the same year they left the filing position.

As a reminder, If the public official or employee serves in a filing position after January 13, 2019, he or she must file an FDS form in 2020 for the entire calendar year 2019.

All filers must still file by the appropriate filing deadlines in 2019.

[Click here to read Advisory Opinion 2018 – 01](#)



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