



Use of Office & Conflicts of Interest

OREGON GOVERNMENT ETHICS LAW ORS CHAPTER 244

SAFEGUARD THE PUBLIC TRUST

► IT'S OUR RESPONSIBILITY



Questions?
Contact
OGEC



OGEC INTRODUCTION



Oregon Government Ethics Commission

- Enacted by voters in 1974
- Nine-member citizen commission

JURISDICTION

Oregon
Government
Ethics Law
ORS Chapter
244

Lobby
Regulation
Law
ORS Chapter
171

Executive
Session
Provisions
ORS Chapter
192





**Oregon
Government
Ethics law**

**ORS Chapter 244
OAR 199**

Use of Office

Conflicts of Interest

Nepotism

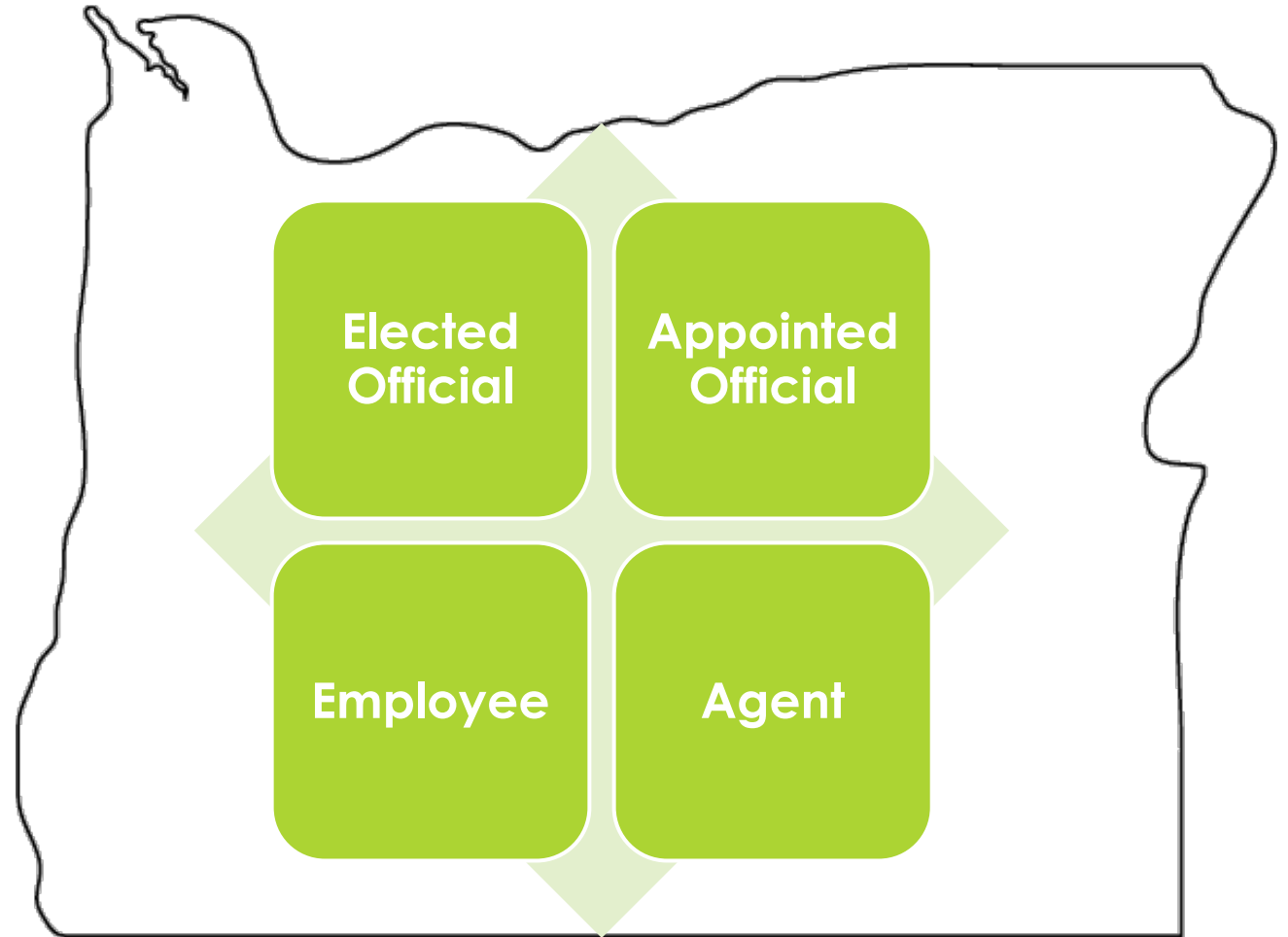
Gifts

Statement of Economic Interest

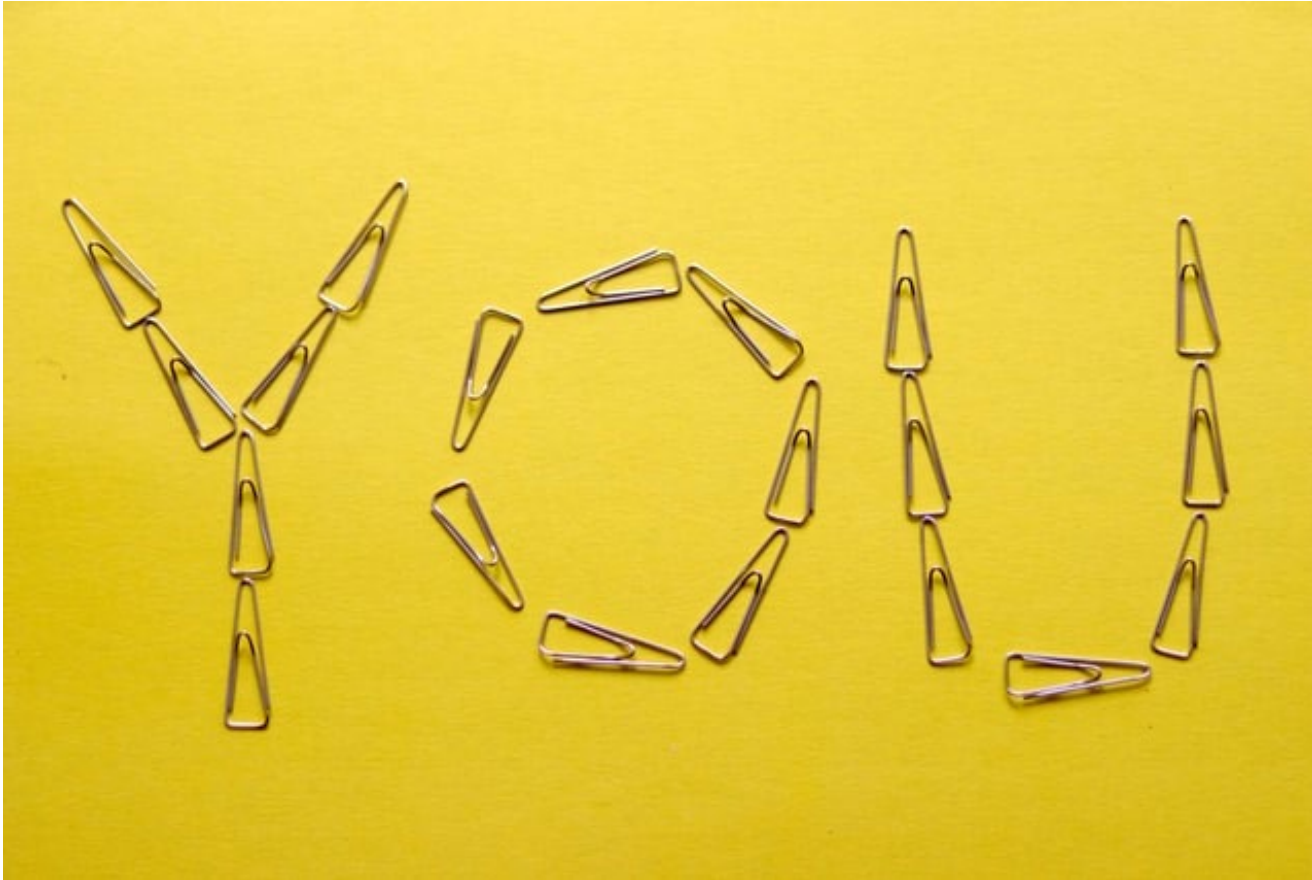


Definitions

PUBLIC OFFICIAL



ORS 244.020(15)



PUBLIC OFFICIAL

ORS 244.020(15)



RELATIVES

Spouse

Children, Stepchildren

Daughter/Sons-in-law

Parents, Stepparents

Siblings, Stepsiblings

Spouse's Family

Any person who
lives in your home



HOUSEHOLD MEMBERS

Business

- ▶ Any legal entity operated for economic gain



Associated Business

Private Business

- Director
- Officer
- Owner
- Employee
- Agent

OR

- Owns stock
- Equity interest
- Stock options
- Debt instruments

\$1,000

Associated Business

Publicly Held Corporation

- Officer
- Director

OR

- Stock
- Equity interest
- Stock options
- Debt instruments

\$100,000



Public Bodies



**Nonprofit Corporation 501(c)
Unpaid**

A Business is Not



CONFLICTS OF INTEREST

Do you have
a conflict of
interest?

You are responsible for
managing vendor
contracts for the agency.

Your mother owns a
business supply company,
which may or may not put
in a bid for the project.



CONFLICTS OF INTEREST

Potential

Actual



CONFLICTS OF INTEREST

Actual

CERTAIN
FINANCIAL
EFFECT



CONFLICTS OF INTEREST

Potential

POSSIBLE
FINANCIAL
EFFECT

Conflict of Interest



Do you have
a conflict of
interest?

You are responsible for
managing vendor
contracts for the agency.

Your mother owns a
business supply company,
which may or may not put
in a bid for the project.



**WHAT IF I AM
MET WITH A
CONFLICT OF
INTEREST?**

Disposing Conflicts of Interest



**Board / Commission
Members
Elected Officials**



**Employees
Appointed
Officials**



Judges



**Legislative
Assembly**

BOARDS, COMMISSIONS & ELECTED OFFICIALS



Potential

Must publicly announce potential conflicts of interest

- On each occasion before acting



Actual

Must publicly announce actual conflicts of interest

- On each occasion
- No participating in discussion, debate, or voting

BOARDS, COMMISSIONS & ELECTED OFFICIALS

Public official's vote is necessary to meet a quorum



I
Voted

- ▶ Make public announcement
- ▶ May **NOT discuss or debate**
- ▶ **MAY vote**

Do you have
a conflict of
interest?

You are reviewing bids for roofing contractors. Your son works for one of the companies that submitted a bid, but he works in their residential division and would not be working on the agency's project.

EMPLOYEES

Must provide **written** notice

- ▶ To supervisor
- ▶ Describing conflict
- ▶ On each occasion the conflict of interest is met



THE PUBLIC BODY'S RESPONSE

- Notice must be recorded in the official records of the public body

ORS 244.130

Supervisor will either:

- Assign task to someone else
- Instruct the employee on how to proceed

ORS 244.120(1)(c)

Your agency contracts with a consulting firm.

Your spouse was recently employed by this firm but does not work on agency related projects.

Would you have a conflict of interest if a contracting matter involving the firm came before you?

YES





INSTEAD

The consulting firm
employs your cousin.

Would you have a
conflict of interest?

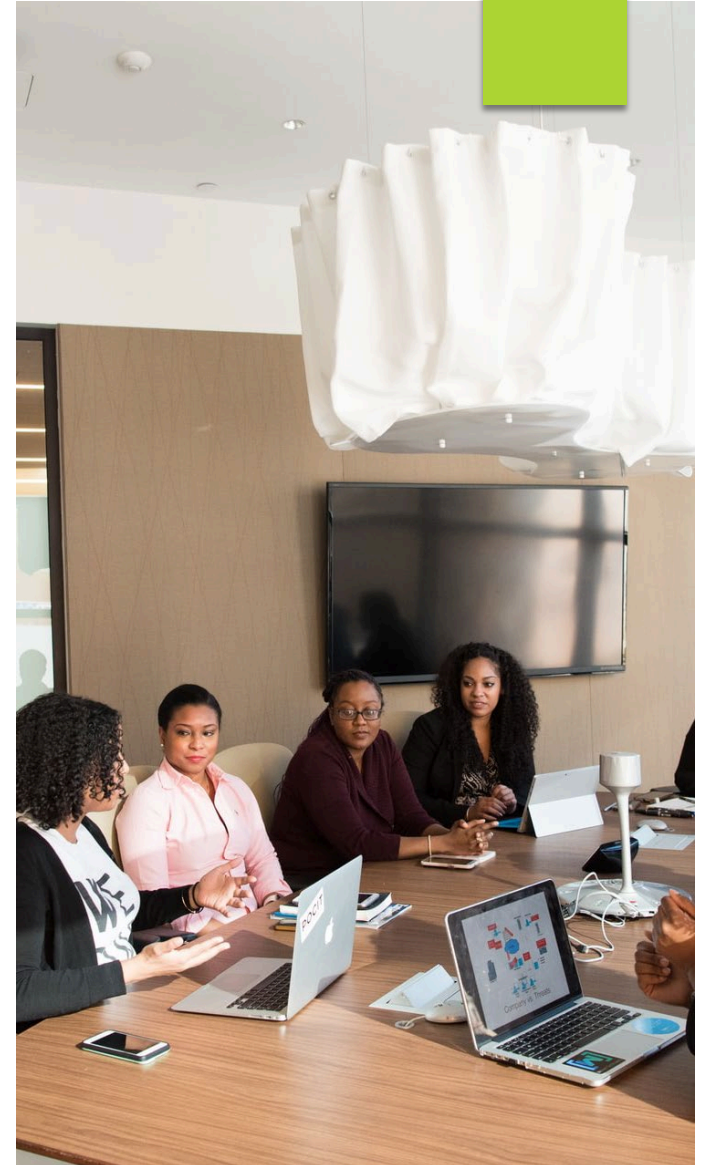
NO

You are serving on a board and are discussing licensing requirements for agency vendors.

Your father-in-law owns a catering business that sometimes puts in bids for agency contracts.

Do you have a conflict of interest when discussing this at meetings?

YES





USE OF OFFICE

Prohibited Use of Office

Using your official
capacity for
economic benefit



ASK YOURSELF

- ▶ Do I only have this opportunity because I'm a public official?
- ▶ YES = probably prohibited!



Prohibited Use of Office Exceptions

- ▶ Official
Compensation
Package

ORS 244.040(2)(a)



Prohibited Use of Office Exceptions

- ▶ Reimbursement of Expenses



Prohibited Use of Office Exceptions

- ▶ Honorarium
(\$50 limit)

ORS 244.042



Prohibited Use of Office Exceptions

- ▶ Professional
achievement
awards

ORS 244.040(2)(d)



Prohibited Use of Office Exceptions

- ▶ Gifts
 - ▶ Economic Interest = \$50 and under
 - ▶ No Interest = No limit
 - ▶ 16 Gift Exceptions
- ▶ Gifts Monthly Webinar

ORS 244.040(2)(e-g)



Prohibited Use of Office Exceptions

- ▶ Legal
Expense Trust
Fund
Contributions



Spot the Ethics Law Violation(s)

01

Using your agency's open WIFI network on a personal device during breaks

02

Picking up your spouse from the airport in an agency vehicle

03

Posting fundraising flyers in break room (not open to public) for nonprofit you volunteer at

04

Accepting a \$25 gift card for being a speaker at an event

Remember

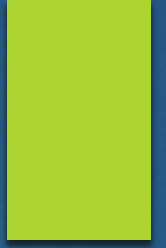
Prohibited gains include:

- obtaining a financial gain
- avoiding an expense

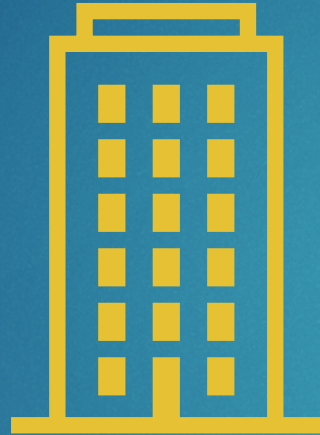
➤ ***Does not have to result in any cost for the public body!***



PRIVATE EMPLOYMENT



Private Employment of Public Officials



Private
Employer



Private income
producing
activity

Private Employment of Public Officials

ENSURE

- Clear distinction

MUST NOT

- Use office to create opportunity



Guidelines to Private Employment

- ▶ No governmental body time
- ▶ No governmental body resources
- ▶ No official action that could financially impact
- ▶ No confidential information obtained
- ▶ Disclose all conflicts of interest

ORS 244.040(6)



EMPLOYMENT & CONTRACTS

Contracts authorized by:

- Public Official
- Public Body



EMPLOYMENT & CONTRACTS

Significant roles include:



Selecting
Contractor



Executing Contract



Recommending
Approval



Signing



You've developed a close working relationship with a school vendor who has a job opening available.

You contact the vendor and recommend your daughter for the job.

You have violated Ethics law.

- A. True
- B. False

True



INSTEAD

It is one of your family friends that you're recommending for the job.

Would doing so violate Oregon Government Ethics law?

NO



In addition to your role as a public official, you also own your own business.

Can you promote your business by posting flyers in your agency's break room?

Only if open to general public

INSTEAD

You only deliver orders, advertise on social media, and hand out your business cards/flyers outside of the office while not acting in the capacity as a public official.

Would doing so violate Oregon Government Ethics law?

NO



Your public body has an account and gets a 15% discount at the local hardware store.

While doing your personal shopping, you ask for the public body's discount.

Have you violated Ethics law?

YES



Oregon Government Ethics Commission



mail@ogec.oregon.gov



(503) 378 – 5105



www.oregon.gov/ogec

Trainer

Charlie Esparza

charles.esparza@ogec.oregon.gov

