

Greenbook
LSC Analysis of Enacted Budget

Ohio Ethics Commission

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TABLE OF CONTENTS

OVERVIEW..... 1
Duties and Responsibilities..... 1
Appropriations Overview 1
ANALYSIS OF ENACTED BUDGET 3
Operating Expenses (GRF line item 146321, DPF line item 146601)..... 3

ATTACHMENT:

Budget Spreadsheet By Line Item

Ohio Ethics Commission

- Budget splits funding 68% GRF, 32% non-GRF
- Staffing and service levels to be maintained
- Over 90% of funding for payroll-related costs

OVERVIEW

Duties and Responsibilities

The Ohio Ethics Commission administers, interprets, and enforces ethical conduct in state and local government, primarily under the Ohio Ethics Law (R.C. Chapter 102.). It has jurisdiction over all state and local government officials and employees, except legislators, judges, and their staffs.

The Commission consists of six members who are appointed by the Governor with the advice and consent of the Senate. The political affiliation of the Commission is equally divided between the two major parties. Members are compensated \$75 for each meeting, up to a maximum of \$1,800 per year. Day-to-day operations are handled by the Executive Director and 20 full-time employees (FTEs).

Appropriations Overview

The table below shows the Commission's appropriations by fund group. Of the Commission's total biennial budget, the appropriations set the GRF/non-GRF split at 68%/32%, with the latter amount appropriated from money generated largely by financial disclosure filing fees. The budget provides appropriations totaling \$2,319,271 in FY 2018, an amount that is \$146,917, or 6.8%, more than the total FY 2017 expenditure of \$2,172,354. In FY 2019, the budget provides appropriations totaling \$2,374,311, an amount that is \$55,040, or 2.4%, more than the FY 2018 appropriation. These year-over-year increases are necessary in order for the Commission to maintain existing staffing and service levels.

Ethics Commission Appropriations by Fund Group, FY 2018-FY 2019 (Am. Sub. H.B. 49)					
Fund Group	FY 2017*	FY 2018	% change, FY 2017-FY 2018	FY 2019	% change, FY 2018-FY 2019
General Revenue	\$1,457,244	\$1,457,245	0.0%	\$1,724,311	18.3%
Dedicated Purpose	\$715,109	\$862,026	20.5%	\$650,000	-24.6%
TOTAL	\$2,172,354	\$2,319,271	6.8%	\$2,374,311	2.4%

*FY 2017 figures represent actual expenditures.

As the table above shows, for the two budget fund groups used to finance the Commission, there are notable differences between their respective total FY 2017 expenditures and the appropriations for the FY 2018-FY 2019 biennium as follows:

- The budget provides a FY 2019 total GRF appropriation of \$1,724,311, an increase of 18.3%, from FY 2017 total expenditures and the FY 2018 appropriation of \$1,457,245.
- The budget provides a FY 2018 total Dedicated Purpose Fund (DPF) appropriation of \$862,026, an increase of \$146,917, or 20.5%, from FY 2017 total expenditures of \$715,109. The FY 2019 total appropriation is \$650,000, a decrease of \$212,026, or 24.6%, from the FY 2018 appropriation.

These differences reflect the funding strategy under the budget for providing the additional money needed to maintain the Commission's existing staffing and service levels. In FY 2018, the additional money for this purpose is being provided by utilizing more of the available cash balance in the non-GRF Fund 4M60 that the Commission uses to support its operating expenses. In FY 2019, the amount of money appropriated from the GRF is increased and the reliance on Fund 4M60 is reduced.

ANALYSIS OF ENACTED BUDGET

Summarized in the table below are the appropriations for the two line items that will be used to pay for the Commission's FY 2018-FY 2019 biennial operating expenses. The table is followed by a narrative describing how each appropriated amount will be used.

Ethics Commission Appropriations				
Fund	ALI and Name		FY 2018	FY 2019
General Revenue Fund (GRF)				
GRF	146321	Operating Expenses	\$1,457,245	\$1,724,311
Dedicated Purpose Fund (DPF) Group				
4M60	146601	Operating Expenses	\$862,026	\$650,000
Total Funding: Ethics Commission			\$2,319,271	\$2,374,311

Operating Expenses (GRF line item 146321, DPF line item 146601)

These two line items fund all of the Commission's operations, which include oversight of Ohio's ethics laws dealing with financial disclosure, conducting investigations, providing advisory opinions, and offering education on ethics issues to public officials.

The appropriated funding level for the two line items should be sufficient for the Commission to maintain existing staffing and service levels, including the payroll costs of 21 full-time staff. Around 94% of the Commission's total funding in each of FYs 2018 and 2019 is likely to be allocated for personal services (wages and salaries, fringe benefits, and payroll check-off charges). The remainder will be allocated for supplies and maintenance, and purchased personal services.

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FY 2018 - FY 2019 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
Report For Main Operating Appropriations Bill			Version: As Enacted					
ETH Ethics Commission								
GRF	146321	Operating Expenses	\$ 1,420,808	\$ 1,457,244	\$ 1,457,245	0.00%	\$ 1,724,311	18.33%
General Revenue Fund Total			\$ 1,420,808	\$ 1,457,244	\$ 1,457,245	0.00%	\$ 1,724,311	18.33%
4M60	146601	Operating Support	\$ 657,889	\$ 715,109	\$ 862,026	20.54%	\$ 650,000	-24.60%
Dedicated Purpose Fund Group Total			\$ 657,889	\$ 715,109	\$ 862,026	20.54%	\$ 650,000	-24.60%
Ethics Commission Total			\$ 2,078,696	\$ 2,172,354	\$ 2,319,271	6.76%	\$ 2,374,311	2.37%