

# Greenbook

## LBO Analysis of Enacted Budget

### Ohio Ethics Commission

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# LBO Greenbook

## Ohio Ethics Commission

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### Quick look...

- The Ohio Ethics Commission administers, interprets, and enforces ethical conduct, with jurisdiction over all state and local government officials and employees, except legislators, judges, and their staffs.
  - Approximately 18,700 elected officials and 590,000 public employees fall under the Commission’s authority, with persons holding certain positions required to file a financial disclosure statement.
  - The Commission receives and processes approximately 10,000 financial disclosure statements and related filing fees annually.
- Biennial budget totals \$5.5 million: \$2.7 million in FY 2022 and \$2.8 million in FY 2023.
  - Funding sources: GRF (78%) and state non-GRF (22%).
  - Over 90% of the Commission’s budget is expected to be allocated for personal services (wages, salaries, benefits, and various other payroll-related charges).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
<b>GRF ALI 146321, Operating Expenses</b>					
\$1,457,245	\$1,745,873	\$1,881,845	\$1,816,925	\$2,120,515	\$2,120,515
% change	19.8%	7.8%	-3.4%	16.7%	0.0%
<b>DPF Fund 4M60 ALI 146601, Operating Support</b>					
\$798,766	\$509,798	\$443,990	\$453,245	\$585,539	\$645,443
% change	-36.2%	-12.9%	2.1%	29.2%	10.2%
<b>Total funding:</b>					
\$2,256,011	\$2,255,671	\$2,325,835	\$2,270,170	\$2,706,054	\$2,765,958
% change	0.0%	3.1%	-2.4%	19.2%	2.2%

### Agency overview

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

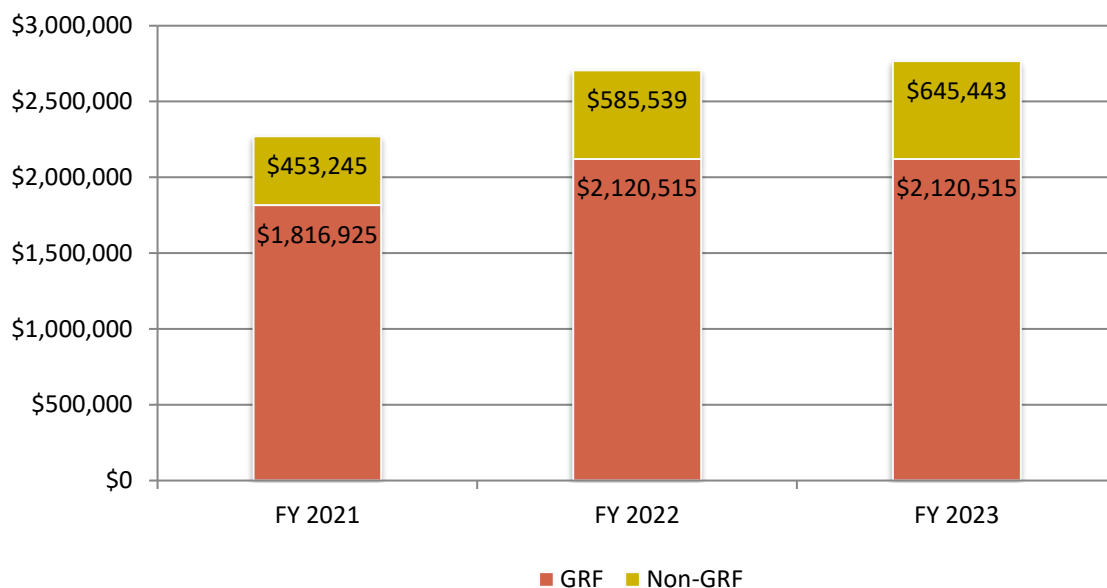
maximum of \$1,800 per year. Day-to-day operations are handled by the Executive Director and up to 19 full-time employees.

## Analysis of FY 2022-FY 2023 budget

Together, GRF line item 146321 and DPF Fund 4M60 line item 146601 support 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. Seventy-eight percent of the Commission's budget for the FY 2022-FY 2023 biennium comes from the GRF. The remainder comes primarily from filing fees from annual financial disclosure statements that are credited to the Ohio Ethics Commission Fund (Fund 4M60).

The chart below shows the FY 2022 and FY 2023 appropriations by fund group as compared to FY 2021 actual expenditures. The GRF appropriation in FY 2022 represents a 16.7%, or \$303,590, increase from FY 2021 expenditures of \$1,816,925, and holds flat in FY 2023.

Operating Expenses by Fund Group, FY 2021-FY 2023



The appropriated level of GRF funding should be sufficient for the Commission to support the 19 full-time equivalent (FTE) staff needed to maintain current service delivery levels, and cover operation-supporting IT hardware/software upgrades without depleting Fund 4M60, which had a cash balance of around \$400,000 at the end of FY 2021.

Over 90% of the Commission's total appropriation in each year is typically allocated for personal services (salaries, wages, fringe benefits, and other payroll charges). GRF spending in FY 2021 was constrained, in large part, by a state hiring freeze that was imposed by the Governor as a budget stabilization measure in response to the COVID-19 pandemic. As a result, the Commission operated with 17 FTE and two vacancies for the last three quarters of that year.