

LSC Greenbook

Analysis of the Enacted Budget

Ohio Ethics Commission

*Terry Steele, Budget Analyst
Legislative Service Commission*

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ATTACHMENT:

Budget Spreadsheet By Line Item

Ohio Ethics Commission

- Appropriations of \$4.2 million for the FY 2010-FY 2011 biennium
- Over 70% funded by GRF

OVERVIEW

Agency Overview

The Ohio Ethics Commission (ETH) administers, interprets, and enforces ethical conduct in government under the Ohio Ethics Law and related provisions of the Ohio Revised Code. The underlying mission of the Commission is to promote and enforce ethical conduct throughout state and local government through impartial and responsive education, advice, investigation, and financial disclosure processes. To fulfill its mission, the Commission has focused on educating public servants and providing them with information to create a baseline understanding of ethics law.

The Ethics Commission consists of six members who are appointed by the Governor and confirmed by 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 headed by an executive director. The Commission, which as of August 2009 employs 21 people, consists of five primary divisions: Advisory Services, Education, Financial Disclosure, Investigations, and Office Administration.

Appropriation Overview

As the table below shows, appropriations are approximately \$2.1 million in each fiscal year. Over 70% of funding comes from the GRF, while the remainder is derived from filing fees and fines. The largest component of funding is dedicated to payroll.

Appropriations by Fund Group, FY 2010-FY 2011					
Fund Group	FY 2009	FY 2010	% change, FY 2009-FY 2010	FY 2011	% change, FY 2010-FY 2011
General Revenue	\$1,728,312	\$1,513,818	(12.4%)	\$1,513,908	.01%
General Services	\$450,700	\$544,543	20.8%	\$588,943	8.2%
Total	\$2,179,013	\$2,058,361	(5.5)%	\$2,102,851	2.2%

*FY 2009 figures represent actual expenditures.

Filing Fees

The table below shows the fees for various offices that must file annual disclosure statements with the Ethics Commission under section 102.02 of the Revised Code. In addition, there is a \$10 per day late fee up to \$250.

Fees for Financial Disclosure Statements	
Position	Amount
State elected office	\$65
State Board of Education	\$25
County elected office	\$40
City elected office	\$25
School board	\$20
University/college trustee	\$40
School district, ESC Superintendent, Treasurer, or Business Manager	\$20
State official or employee	\$40
Sanitary board member	\$40
Voluntary filer	\$40

ANALYSIS OF ENACTED BUDGET

Funding for the Commission's operations are provided through the two appropriations listed in the table below.

Appropriations for the Ohio Ethics Commission				
Fund	ALI and Name		FY 2010	FY 2011
General Revenue Fund				
GRF	146321	Operating Expenses	\$1,513,818	\$1,513,908
General Revenue Fund Subtotal			\$1,513,818	\$1,513,908
General Services Fund Group				
4M60	146601	Operating Expenses	\$544,543	\$588,943
General Services Fund Group Subtotal			\$544,543	\$588,943
Total Funding: Ohio Ethics Commission			\$2,058,361	\$2,102,851

Operating Expenses (146321 and 146601)

These line items fund all of ETH'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 appropriation for the GRF line item 146321 is \$1.5 million in both FY 2010 and FY 2011, a decrease of 12.4% when compared to FY 2009 spending of \$1.7 million.

The Commission's other source of funding is revenues derived from disclosure filing fees, late filing fees, and in some cases, court-ordered restitution to help defray the cost of certain investigations. These receipts are deposited into the Ohio Ethics Commission Fund (Fund 4M60). The fund receives an average of approximately \$450,000 in fee revenue each fiscal year. Funding for this component of the Commission's operating expenses is appropriated from line item 146601. The appropriation for this line item is \$544,543 in FY 2010, an increase of 20.8% from FY 2009 spending of \$450,700. The amount appropriated for FY 2011 is \$588,943, an increase of 8.2% when compared to the FY 2010 appropriation.

FY 2010 - 2011 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2008	FY 2009	FY 2010 Appropriations	% Change FY09 - FY10	FY 2011 Appropriations	% Change FY10 - FY11
Report For: Main Operating Appropriations Bill			Version: Enacted					
ETH Ethics Commission								
GRF	146321	Operating Expenses	\$ 1,659,310	\$ 1,728,312	\$ 1,513,818	-12.41%	\$ 1,513,908	0.01%
General Revenue Fund Total			\$ 1,659,310	\$ 1,728,312	\$ 1,513,818	-12.41%	\$ 1,513,908	0.01%
4M60	146601	Operating Expenses	\$ 440,086	\$ 450,700	\$ 544,543	20.82%	\$ 588,943	8.15%
General Services Fund Group Total			\$ 440,086	\$ 450,700	\$ 544,543	20.82%	\$ 588,943	8.15%
Ethics Commission Total			\$ 2,099,395	\$ 2,179,013	\$ 2,058,361	-5.54%	\$ 2,102,851	2.16%