

## Palm Beach County Commission on Ethics

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## **News Release**

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Contact: Alan Johnson, Executive Director (561) 233-0736

## Summary of Palm Beach County Commission on Ethics Meeting Held on July 12, 2012

The Palm Beach County Commission on Ethics (COE) took the following actions at its monthly public meeting held on July 12, 2012:

- The COE heard two motions regarding Complaint C11-027. The COE denied the respondent's motion to dismiss. The COE granted the advocate's motion to amend the public order finding probable cause. This matter was set for final hearing on October 1, 2012.
- The COE dismissed Complaint C12-005 for lack of legal sufficiency. All documents pertaining to this complaint are published and available on the COE website.
  - The executive session scheduled for Complaint C12-003 was continued to August 2, 2012.
- Seven (7) advisory opinions were approved. The full opinions are published and available at: <a href="http://www.palmbeachcountyethics.com/opinions.htm">http://www.palmbeachcountyethics.com/opinions.htm</a>

RQO 12-029: A member of the Palm Beach County Convention and Visitors Bureau (CVB) appointed by a Palm Beach County commissioner asked whether her outside business may participate in the development of an event where her company plans to lobby for, and may receive funds from, various private entities funded in whole or in part with public funds, such as the CVB, the Sports Commission, and Cultural Council, as well as public entities, such as the Tourist Development Council (TDC) and the City of West Palm Beach. The CVB, Sports Commission and Cultural Council are nonprofit corporations funded in part by bed tax dollars and are independent from Palm Beach County. The Tourist Development Council is a county advisory board.

The COE opined as follows: A member of the CVB appointed by the Board of County Commissioners (BCC) is an official, as defined by the Code of Ethics. An appointed official is prohibited from voting or participating in a matter before his or her board or committee that would result in a special financial benefit, not shared with similarly situated members of the general public, for themselves, their outside business, or a customer or client of their outside business. The prohibition extends to the official, or someone using their official position on their behalf. Using one's *official position* as a CVB member to influence other public or private entities in order to obtain a special financial benefit would also constitute a misuse of office. In this context, an official is prohibited from lending his or her name and *official title* in order to solicit public funds for any event sponsored by their company. Any solicitation of public funds must be in the official's personal capacity without reference to their public title.

Officials (who are not advisory board members) are prohibited from contracting or transacting business with the governmental entity that appointed them to serve in a public position. Here, the official is prohibited from contracting with or seeking funding from Palm Beach County itself or any county board or department such as the TDC. This contractual prohibition does not extend to private nonprofit entities funded in part by county tax dollars, such as the Palm Beach County Sports Commission or Cultural Council.

**RQO12-034** (**Revised**): A municipal employee asked whether she was prohibited by the Code of Ethics from making group hotel and conference center reservations in her private capacity for members of a non-governmental professional organization and receiving rewards points through a hotel rewards system for that reservation. Additionally, she asked whether her municipal employer may reimburse her travel expenses for the conference where her attendance is in her official capacity, for a public purpose, and approved by her municipal supervisor. Lastly, she asked whether she was permitted under the Palm Beach County Code of Ethics (the Code), to keep hotel rewards points for her personal hotel stay, notwithstanding the fact that her public employer reimbursed the hotel fees.

**The COE opined as follows:** Public employees are not prohibited from accepting hotel rewards points accrued in their personal capacity for arranging conference accommodations for a private organization. With regard to personal reward points received from hotel reservations that are subsequently reimbursed by their government employer, public employees may accept those

points and are not required to report the value of the rewards so long as members of the public are eligible to receive the same reward benefits. Furthermore, the calculable value of these programs is *de minimus*; the value and frequency at which points may be provided is so small and sporadic that accounting for value is unreasonable and impracticable. Notwithstanding, a public employee is not permitted to use his or her official position to incur significantly higher costs of travel in order to obtain greater benefits or rewards. Lastly, local governments or departments may institute policies that are more stringent than required under the Palm Beach County Code of Ethics and may limit or prohibit the acceptance of personal reward points for reimbursed public travel.

**RQO 12-036 (Revised):** A municipal employee who is the program supervisor of a village-operated travel club, asked whether she may accept a two-night stay at an Orlando resort in her official capacity, and if so, whether members of her family may accompany her on this official fact-finding trip.

The COE opined as follows: A public employee is not prohibited by the Code of Ethics from accepting a two-night stay at a resort hotel, so long as it is in performance of her public duties and for a public purpose as program supervisor of the village travel club. Under those circumstances, it is not considered a gift. However, an employee may not use his or her official position to provide a special financial benefit to his or her relatives as specified in §2-443(a)(3) of the Palm Beach County Code of Ethics. Employees are prohibited from accepting a gift of any value in exchange for the performance of an official action or legal duty. Where there is no difference between a hotel single-occupancy room rate and double-occupancy room rate, there is no additional benefit or *value added* and thus, no improper financial benefit as contemplated under the Code. However, if the hotel provides an upgrade to accommodate additional guests or generally charges an additional fee for a second person, payment of this amount to the hotel or to the village general revenue fund, within 90 days, would eliminate the prohibited financial benefit.

**RQO 12-037 (Revised):** A county employee asked whether she may benefit from gifts given to her husband unrelated to her status as a Palm Beach County employee and if so, whether the value of these gifts must be reported pursuant to the Palm Beach County Code of Ethics.

The COE opined as follows: The prohibitions and transparency requirements of the Code apply to gifts given to an employee by their spouse only where the gift is provided by the original donor with the intent to benefit the employee in their public capacity. Where there is no nexus between the gift and the employee's public position, the gift may be viewed as given to the employee's spouse and is neither prohibited nor otherwise regulated under the Code, notwithstanding the fact that the employee may share in its benefit. The specific facts and circumstances surrounding a particular gift will determine whether or not the gift is considered an indirect gift, given with the intent to benefit the employee in his or her public capacity.

**RQO 12-048:** A pastor asked whether his church may invite the Palm Beach County Commission, City of Palm Beach Gardens Council, City of West Palm Beach Commission, Village of Royal Palm Beach Council, and City of Boynton Beach Commission to attend a two-day leadership summit.

The COE opined as follows: A church is not prohibited from inviting elected officials to attend a two-day leadership summit. Gifts given to officials in excess of \$100 computed annually and in the aggregate, are only prohibited if accepted from a vendor, lobbyist, principal or employer of a lobbyist who lobbies the government that the elected official serves. The church does not sell, lease or lobby the county or the municipalities listed above. Notwithstanding this limitation, a gift of any value may not be accepted in exchange for the past, present or future performance of an official public action or legal duty. Otherwise, gifts are regulated to the extent that elected officials must comply with state reporting requirements and file a copy of each report submitted with the COE.

**RQO 12-049:** A county department manager asked whether her department may enter into a profit-sharing transaction with a local company, ResQMe, to sell its products in order to raise funds for a county water safety swim program.

The COE opined as follows: The Palm Beach County Code of Ethics does not prohibit the Drowning Prevention Coalition (DPC) from entering into a contract or transaction with a vendor of the county for the purpose of raising revenue for a county program, provided no public employee or official uses his or her official position to obtain a financial benefit, not shared with similarly situated members of the general public, for themselves, their relatives, household members, outside businesses or employers, customers or clients, debtor or creditor, or organization in which they serve as an officer or director.

**RQO 12-050:** A pastor asked whether his church, an organization that previously retained a lobbyist for land planning matters and may again retain a lobbyist in the future, but does not presently retain a lobbyist, is a principal or employer of a lobbyist as defined by the Palm Beach County Code of Ethics (the Code).

**The COE opined as follows:** Based upon the facts and circumstances provided, the church is not a principal or employer of a lobbyist as defined by the Code. While the church has employed a lobbyist in the past and may do so at some time in the future, the church does not have an existing or pending contract with any individual or entity for lobbying services.

A detailed explanation of all agenda items is available at http://www.palmbeachcountyethics.com/meetings.htm