

Donations



Louisiana Board of Ethics

P.O. Box 4368
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Information Sheet #9

State and governmental employees and agencies are often offered donations from non-public sources. These donations range from money and trips to buildings and services. The following information addresses how the Code of Ethics affects the receipt of donations by state agencies and public servants. Generally, Sections 1111 and 1115 govern the receipt of a donation by a public servant or his agency. Section 1123(41) provides an exception for the payment of travel expenses in some instances. There are specific exceptions which apply to legislators, legislative staff, and employees of higher education institutions which are not addressed here.

Code of Ethics §1111A

- **No PUBLIC SERVANT shall receive any thing of economic value**, other than the compensation and benefits to which he is entitled from his governmental employer, **for the performance of the duties and responsibilities of his office or position.**
 - **Who is a “public servant?”** A public employee or an elected official.
 - **What is a “thing of economic value?”** A thing of economic value is money or any other thing having economic value. The exceptions to the definition of “thing of economic value” include:
 - Promotional items having no substantial resale value such as calendars, pens, hats, and t-shirts which bear a company’s name or logo;
 - Food and drink consumed while the personal guest of the giver. In order for this second exception to apply, the giver or a representative of the giver must be present when the food and drink are consumed;
 - Reasonable transportation and entertainment which are incidental to the food and drink are also allowed.
 - Tickets to a civic, non-profit, educational or political event, but only where the public servant is a program honoree, a panel member, or giving a speech at the event. (Tickets to collegiate, semi-professional, and professional sporting events do

not fall within this exception)

Code of Ethics §1111C(1)(a)

- **No PUBLIC SERVANT shall receive any thing of economic value for any service, the subject matter of which is substantially devoted to the responsibilities, programs or operations of the agency of the public servant and in which the public servant has participated.**
 - **What is an “agency?”** A department, division, agency, commission, board, committee, or other organizational unit of a governmental entity.

Example #1: A parish high school band booster club wishes to make a donation to the parish school board for the purpose of providing a salary supplement to the band director. May they do so under the Ethics Code?



Answer: The booster club may not make such a donation for the specific purpose of supplementing the salary of the band director. It may make a donation to the agency and suggest what the donation be used for, but not mandate that purpose.

Code of Ethics §1115

- **No public employee shall solicit or accept, directly or indirectly, any thing of economic value as a gift or gratuity from any person or from any officer, director, agent, or employee of such person, if such public servant knows or reasonably should know that such person:**
 - (1) Has or is seeking to obtain a **contractual, business or financial relationship** with the public servant's agency, or
 - (2) Is seeking, for compensation, to **influence the passage or defeat of legislation** by the public servant's agency.
 - (3) Conducts operations or activities which are **regulated** by the public employee's agency.
 - (4) Has **substantial economic interests** which may be substantially affected by the performance or nonperformance of the public employee's official duty.

NOTE: Elected officials are only prohibited from soliciting or accepting a thing of economic value from persons who fall into categories (1) or (2).

Code of Ethics §1123(41)

- **A public servant may accept admission and reasonable lodging and transportation to an educational or professional development seminar or conference that is designed to enhance the performance of the public servant's job duties.**
 - **What are the requirements to accept the payment of travel expenses?**
 - (1) The agency head of the public servant's agency must give approval;
 - (2) The sponsor must not be compensated to influence the passage or defeat of legislation by the public servant's agency (i.e., lobbying);
 - (3) The public servant is invited to attend the seminar/conference by the organization;
 - (4) The seminar/conference must be held within the U.S. or Canada; and
 - (5) The public servant must file an affidavit with the Board of Ethics within **60 days** disclosing the sponsor and the amount expended on the public servant's behalf.

NOTE: These requirements are applicable when an **outside source** pays for the public servant's travel expenses. They do not apply when the **public servant's agency** is paying for the public servant's travel.



Example #2: You are an employee of a state medical center. A vendor of the medical center wishes to pay the costs for you and other employees to attend an educational seminar which is related to your job duties. May you accept these costs?

Answer: Yes, provided that your agency head gives approval, that the vendor is not lobbying with your agency, and that the seminar is being held within the U.S. or Canada. You are required to file an affidavit with the Board of Ethics within 60 days disclosing the name of the vendor, the location of the seminar, and the amount the vendor paid for your admission, transportation and/or lodging costs.

When may an agency accept a donation?

According to opinions of the Board of Ethics, the Code of Governmental Ethics does not prohibit an agency from receiving and utilizing unrestricted donations made by non-prohibited sources of income. **Prohibited sources** of income are:

- Any person who has or is seeking to obtain a contractual, business or financial relationship with the public servant's agency; OR

- Any person who conducts operations or activities which are regulated by the public employee's agency; OR
- Any person who has a substantial economic interest which may be substantially affected by the performance or nonperformance of the public employee's official job duties.

Example #3: May a town accept the donation of a historical building from a town citizen?

Answer: Yes, because the donation is to the town and does not present a benefit to a public servant.

Note: Public servants, entities in which they have a controlling interest, and immediate family members may donate goods or services to the public servant's agency.

The Board encourages public servants to seek advice from the Board as to how the law applies to their own situations by writing for an advisory opinion. Advisory opinions are not issued as to past conduct, but can provide crucial advice on how to avoid problems in the future. If you wish to obtain an advisory opinion, please send your request to the above address. In addition, our staff is available for informal advice at (225) 219-5600 or toll free 1-800-842-6630.

The Board has a web site located at: www.ethics.state.la.us

This information sheet is only a summary of the provisions contained in §1111, §1113, §1115, and §1123(41) of the Code of Governmental Ethics. If interpretations of this information sheet conflict with the provisions of the Code, the Code will control.