

CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY

ETHICS STATEMENT AND POLICIES

STATEMENT OF PURPOSE

The purpose of this Statement and policy document is to fully inform the Board of Directors and Staff of the Authority as to duties and obligations under the State Code of Ethics and the internal ethics policies of CHEFA. The Statement of Shared Values and Code of Conduct that follow will be posted on the Authority's website, www.chefa.com and will be distributed electronically or in printed form to all Board Members, employees, clients, consultants, vendors, and CHEFA's independent auditors, the State of Connecticut Auditors of Public Accounts, the Office of State Ethics or any member of the public that requests it.

This Statement and the attached exhibits are designed to fully inform all CHEFA stakeholders so as to prevent any unintentional violation of the State Code of Ethics.

Intentional violations of either the State Code of Ethics or the CHEFA Code of Conduct will not be tolerated and will be reported to the Office of State Ethics and the Auditors of Public Accounts, and if these violations can be construed to be corruption, to the appropriate federal and state law enforcement agencies.

Culture of the Organization

The Senior Management of CHEFA will by their words and actions set the correct tone in the areas of ethical compliance by creating a culture at the Authority that values ethical conduct in excess of the baseline required by the State Code of Ethics.

All actions by the Board or employees of the Authority should be guided by the State Code of Ethics that is attached to these policies and procedures, as well as the following Statement of Shared Values, CHEFA Code of Conduct, and the Authority's Conflict of Interest policy.

CHEFA Statement of Shared Values

- Commitment to ethical standards, which substantially exceed Connecticut Statutes and Regulations.

- Commitment to the mission of the Connecticut Health and Educational Facilities Authority in providing access to the public markets; by the strategic investment of Authority reserves in areas not served by the public markets; and through public advocacy for all clients.
- All decisions by the Authority will be made strictly on a public purpose and a financial basis without regard to political affiliation.
- Accountability to clients, the public, bondholders, the Executive Branch of the State of Connecticut, the Connecticut General Assembly and regulators for all operations of the Authority.
- Transparency and honesty in all operations of the Authority.
- Responsible stewardship of all Authority assets.
- A commitment to excellence.
- The timely distribution of all public information and data to any policy maker or interested party.
- Maintenance of the public trust by strict adherence to the public purpose for which the Authority was created.
- Respect for the worth and dignity of all clients, Board Members and Staff.
- Immediate notification of any actual or suspected unethical conduct or fraud to the CHEFA Board of Directors and such governmental agencies or institutions that have cognizance in CHEFA's area of operations.
- No retaliation against any whistleblower who notifies the CHEFA Board of Directors or such governmental agencies or institutions that have cognizance in CHEFA's area of operations of either actual or suspected ethical misconduct, fraud or abuse.

Code of Conduct

- Personal and Professional Integrity
 - All Staff, Board Members and professionals retained by the Connecticut Health and Educational Facilities Authority commit to act with honesty, openness and integrity in the performance of their respective operating, governance and professional capacities as direct or indirect representatives of the Authority.
 - The Connecticut Health and Educational Facilities Authority will promote a working environment that highly values respect, fairness, integrity, transparency and accountability.

- No Board member or Staff member may directly own any bond issued by CHEFA.
- CHEFA Staff members, either individually or as a group, are prohibited from knowingly accepting, directly or indirectly, any gift from any organization or individual that the Staff member knows, or has reason to know, does business with or is seeking to do business with CHEFA. “Gift” means anything of value, which is directly and personally received, unless consideration of equal or greater value is given in return. “Gift” shall not include:
 - (1) A commercially reasonable loan made on terms not more favorable than loans made in the ordinary course of business;
 - (2) A gift received from (A) the Staff member's spouse, fiancé or fiancée, (B) the parent, brother or sister of such spouse or such Staff member, or (C) the child of such Staff member or the spouse of such child;
 - (3) Goods or services (A) which are provided to CHEFA (i) for use on CHEFA's property, or (ii) that support an event, and (B) which facilitate CHEFA's action or functions.
 - (4) A rebate, discount or promotional item available to the general public;
 - (5) Printed or recorded informational material germane to CHEFA action or functions;
 - (6) Food or beverage or both, costing less than fifty dollars in the aggregate per recipient in a calendar year, and consumed on an occasion or occasions at which the person paying, directly or indirectly, for the food or beverage, or his representative, is in attendance;
 - (7) Admission to a charitable or civic event, including food and beverage provided at such event, but excluding lodging or travel expenses, at which a CHEFA Staff member participates in his official capacity, provided such admission is provided by the primary sponsoring entity;
 - (8) Anything of value provided by an employer of a spouse of a CHEFA Staff member, to such Staff member or spouse, provided such benefits are customarily and ordinarily provided to others in similar circumstances;
 - (9) Training that is provided by a vendor for a product purchased by CHEFA which is offered to all customers of such vendor.

CONFLICT OF INTEREST POLICY AND OUTSIDE EMPLOYMENT POLICY

POLICY	The highest ethical standards shall be followed when acting on behalf of the Authority.
PURPOSE	To define the guidelines concerning ethical behavior while conducting business for the Authority and while engaged in employment outside of the Authority.
SCOPE	This procedure applies to all Authority employees.
POLICY AND PROCEDURES	Whenever an employee accepts outside employment, the employee must disclose the employment by notifying his or her direct manager who in turn will notify the Executive Director.

Any relationship of an employee to an outside party that appears to influence the conduct of CHEFA's business whether to a client, bondholder or vendor is strictly prohibited.

If a member of any employee's immediate family accepts employment, or has a relationship with any Authority client, outside consultant or vendor, the employee must disclose the employment and recuse themselves from action on behalf of the Authority when dealing with the client, outside consultant or vendor.

Whenever an employee wishes to undertake any commitment that may conflict or appear to conflict with his or her primary commitment to CHEFA, he or she must obtain written approval from the Executive Director.

A summary of the conditions for written approval are as follows:

- Use of the Authority's name is strictly prohibited.
- Additional activities requiring review and written approval by a supervisor include:
 - Activities requiring a written agreement (e.g., letter of understanding, contract).
 - A proposed agreement involving the use of facilities or resources belonging to or utilized by the CHEFA.
 - An outside commitment providing for intellectual or tangible property rights owned by the Authority.

- An agreement which is being considered that in any manner restricts an employee’s public reporting of the existence of the agreement.
- Any written agreement, contract or letter of understanding that has a term in excess of three months.

Any dispute between an employee and the Authority that occurs as a result of this policy will be immediately referred to the Office of State Ethics for advice or consent.

This Conflict of Interest Policy does not relieve any employee of his or her obligations under the State Ethics Code.

BOARD OF DIRECTORS – ETHICS

- CHEFA, in cooperation the Office of State Ethics, will provide its Board Members with ethics training on an annual basis or more frequently if the Statutes or Regulations governing this matter are substantially revised.
- All complex ethics questions raised by Board Members will be referred to the Office of State Ethics for guidance and final decisions if required.
- The contact information for the Office of State Ethics is:

Office of State Ethics
 18-20 Trinity Street, Suite 205
 Hartford, Connecticut 06106-1660

Phone: (860) 263-2400
 Fax: (860) 263-2402
 Email: meredith.trimble@ct.gov
 Website: <http://www.ct.gov/ethics>

EMPLOYEES – ETHICS

- All new employees prior to their acceptance of employment will be provided with a copy of this Statement, the most recent State Code of Ethics for Public Officials, attached as Exhibit 1, and a copy of Governor Rell’s letter attached as Exhibit 2, informing potential employees of his or her obligations as employees of a quasi-public agency. Any new employee will be required to sign the Acknowledgement Receipt, attached as Exhibit 3, indicating that he or she has received this Statement and Exhibits 1, 2 and 3.
- Employees, as part of their annual performance review, will be required to attend one ethics training session annually held in cooperation with the Office of State Ethics.

- Ethical conduct will be made a standing agenda item at all employee Staff meetings in order to facilitate questions from employees.
- All employees that voluntarily or involuntarily terminate their employment with the Authority will, as part of their exit interview, be given a copy of the sections of the Guide to the Code of Ethics that explain the restrictions on post-Authority employment. The specific sections of the Guide will be discussed with the terminating employee and the employee will be required to sign an Acknowledgement Receipt. The Manager of Administrative Services will access the Office of State Ethics website monthly for changes to ethics regulations.
- All complex ethics questions raised by employees will be referred to the Office of State Ethics for guidance and final decisions if required.
- The CHEFA Ethics Liaison Officer currently designated by the Executive Director is Paula L. Herman, General Counsel of the Authority. Her contact information is:

Phone: 860-761-8445
 FAX: 860-520-4706
 Email: pherman@cheffa.com

All routine questions about the Ethics Code will be addressed to the Ethics Liaison Officer.

- The contact information for the Office of State Ethics is:

Office of State Ethics
 18-20 Trinity Street, Suite 205
 Hartford, Connecticut 06106-1660

Phone: (860) 263-2400
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 Email: meredith.trimble@ct.gov
 Website: <http://www.ct.gov.ethics>

EMPLOYEE SAFEGUARDS

- Harassment or Victimization – CHEFA recognizes that the decision to report an ethical concern can be a difficult one to make, not the least because of the fear of reprisal from those responsible for the malpractice. CHEFA will not tolerate harassment or victimization and will take action to protect those who raise a concern in good faith.
- Confidentiality – CHEFA will do its best to protect an individual's identity when he or she raises a concern and does not want his or her name to be disclosed. It must be appreciated, however, that the investigation process may reveal the source of the information and a statement by the individual may be required as part of the evidence.

- Anonymous Allegations – This policy encourages individuals to put their names to allegations. Concerns expressed anonymously are much less powerful, but they will be investigated in the same manner as those allegations where the individual expressing the concern identified himself or herself.
- Untrue Allegations – If an allegation is made in good faith, but it is not confirmed by the investigation, no action will be taken against the originator. If, however, individuals make malicious or vexatious allegations, action may be considered against the individual making the allegation.

EMPLOYEE REPORTING

- Employees can internally report a concern of real or suspected ethical violation by:
 - Notifying his or her Manager
 - Notifying any Officer of the Authority
 - Notifying the Chair of the Audit-Finance Committee.
 - ♦ The current Chair of the Audit-Finance Committee is:

Benson R. Cohn and he may be contacted by email at: brcohn6131@att.net

In order to facilitate the anonymous internal reporting of ethics violations by CHEFA employees, a website has been created that requires a special username and password. Through this website an e-mail can be sent to one of the following individuals:

1. Chair of the Audit-Finance Committee
2. Compliance Auditor
3. Executive Director

This anonymous process can be accessed through a web browser from any location using the specified secure web address <https://www.chefa.com/whistleblower/>.

Every attempt has been made to ensure that submissions made through this interface are anonymous, without compromising the security of CHEFA IT systems. This mechanism has been developed so that no easy way exists to find out who has sent any given message. **To ensure total anonymity, use the interface from a public computer at a library or Internet café, or send from a public wifi connection available at any number of book stores and coffee shops.**

Directions: Once you have navigated to the whistleblower site, select the intended recipient, type your message, and enter the following login information at the bottom of the page before you click send.

Username: whistleblower
Password: g9doWuq7!

CHEFA ACTIONS

- Upon receipt of a report of corruption or fraud, the party that is initially notified will contact the Chair of the Audit-Finance Committee, the Board Chair, the Executive Director and the independent auditor who will commence an investigation of the matter immediately.
- Within 48 hours of the report, the Executive Director will write the complainant (if known):
 - Acknowledging the concern has been received.
 - Indicating how the Authority proposes to deal with the matter.
 - Give an estimation of the time it will take to complete the investigation and give a final response.
 - Telling him or her if any initial inquiries has been made.
 - Telling him or her whether any further investigations will take place and if not, why not.

The Chair of the Audit-Finance Committee will instruct the Executive Director to notify the Office of State Ethics and/or the State Auditors of Public Accounts and the appropriate law enforcement organization if the allegation of an ethical violation could rise to the level of fraud or corruption.

EXTERNAL REPORTING OF FRAUD

- All CHEFA employees have the right to report real or suspected ethical violations directly to the State Auditors of Public Accounts under the “Whistleblower” statute.
- The following reporting procedure has been copied from <http://www.state.ct.us/apa/whistle1.htm>.
- More detailed information can be found at www.state.ct.us/apa/

WHISTLE BLOWER COMPLAINTS

- Section 4-61dd of the Connecticut General Statutes is known as the Whistle Blower Act. It authorizes the Auditors of Public Accounts to receive information concerning matters involving corruption, unethical practices, violation of State laws or regulations, mismanagement, gross waste of funds, abuse of authority or danger to the public safety occurring in any State department or agency.

- If you know of anyone in a State office or agency misusing or misappropriating public funds or property, you can file a complaint with the APA by calling (860) 240-5305 or toll free at (800) 797-1702. You can also send the information in writing to :

Auditors of Public Accounts
18 Trinity Street
Hartford, CT 06106-1628
Attention: Patricia Wilson, Administrative Auditor

- We will need to know:
 - The name and title of the person/persons you are making the complaint about.
 - The State office or agency for which he or she works.
 - The address of the person/persons you are making the complaint about (if available).
 - As much information about the alleged misuse or misappropriation as possible.
 - You should state whether you actually observed the violations and, if you did, whether you are willing to sign a sworn statement. If you did not personally observe the violations you should have the names of witnesses who did and information on how to contact them.
 - We request that you let us know your name, address and phone numbers but complaints can be made anonymously if you prefer.

All information concerning the identity of a person or a group of persons making a complaint is strictly confidential under State law and will not be released by this Office.

SANCTIONS

ETHICS VIOLATIONS

- Employees who violate the State Ethics Code will be subject to the penalties proscribed by ethics laws and subject to immediate termination.
- Employees who violate CHEFA's Code of Conduct are subject to disciplinary action including probation, reduction in compensation or termination, depending upon the severity of the offense.

ONGOING COMPLIANCE, ASSESSMENT, AND REVISION OF ETHICS POLICIES

COMPLIANCE MEASURES

POLICY/PROCEDURE MEASURED	MEASUREMENT
Culture of Organization	Annual Review of Code of Conduct, Statement of Shared Values, Conflict of Interest Policy Annual sign off by all employees
Personnel Policies	Compliance with Ethical Conduct and Anti-Fraud policy added to annual employee performance reviews Distribution of this policy and any revisions to all employees
Training	<u>Ethics</u> Board of Directors – Annual Training in cooperation with the Office of State Ethics Employees – one ethics training session annually Addition of ethics to Staff meetings as a standing agenda item

Guide to the Code of Ethics for Public Officials and State Employees



2010

Guide for Public Officials

INTRODUCTION

The Connecticut Office of State Ethics (OSE) is an independent regulatory agency for the state of Connecticut, charged with administering and enforcing the Connecticut Codes of Ethics, located in the Connecticut General Statutes, Chapter 10.

The Ethics Codes under the OSE's jurisdiction are comprised of:

- The Code of Ethics for Public Officials (Part I);
- The Code of Ethics for Lobbyists (Part II); and
- Limited jurisdiction over Ethical Considerations Concerning Bidding and State Contracts (Part IV).

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. Please review the Advisory Opinions and Declaratory Rulings on our website and contact the Legal Division of the OSE with any questions regarding interpretation of the law.

For more information on the subjects discussed in this guide, call, write or visit:

Connecticut Office of State Ethics
18-20 Trinity Street
Suite 205
Hartford, CT 06106

860/263-2400
www.ct.gov/ethics



Citizen's Ethics Advisory Board:

G. Kenneth Bernhard, Chairperson (through September 2011)
Thomas H. Dooley, Vice Chairperson (through September 2012)
Ernest Abate (through September 2011)
G. Kenneth Bernhard (through September 2011)
Kathleen F. Bornhorst (through September 2012)
Rebecca M. Doty (through September 2011)
General David Gay (ret.) (through September 2013)
Dennis Riley (through September 2013)
Winthrop Smith, Jr. (through September 2013)
Shawn T. Wooden (through September 2013)

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THE OFFICE OF STATE ETHICS (OSE)

The Connecticut Office of State Ethics (OSE) was officially created on July 1, 2005, by Public Act 05-183. The governing body of the OSE is the Citizen's Ethics Advisory Board (CEAB), nine members appointed by the Governor and legislative leadership. The CEAB holds monthly meetings that are open to the public and that are often covered by CT-N. A schedule of CEAB meeting dates, times and locations is available on the OSE's Web site, www.ct.gov/ethics.

The OSE is an independent watchdog agency for the state of Connecticut that administers Connecticut General Statutes, Chapter 10, Parts I and II, with limited jurisdiction over Part IV.

Simply put, the OSE educates all those covered by the law (the "regulated community") provides information to the public; interprets and applies the codes of ethics; and investigates potential violations, and otherwise enforces the codes.

The OSE is made up of the following components:

- Citizen's Ethics Advisory Board
- Executive Director
- Legal Division
- Enforcement Division

THE BIG PICTURE

All state officials and employees (except judges) are covered by Part I of the Code of Ethics for Public Officials (henceforth, Part I, or the Code). It is important to remember that certain provisions of the Code also apply to public officials and state employees after they leave state service.

As you read through this guide, be aware that these laws were enacted to prevent individuals from using their public position or authority for personal, financial benefit.

Each state agency also has its own ethics policy, which in many cases may be more restrictive than what follows. Be sure to obtain a copy of your agency's policy.

BENEFITS PROVIDED TO STATE PERSONNEL



Gifts

As a public official or state employee, there are rules in place regarding accepting gifts from both restricted and non-restricted donors. In general, you may not accept gifts from restricted donors.

Restricted Donors

Restricted donors include:

- Registered lobbyists (a list is available on the OSE's Web site) or a lobbyist's representative;
- Individuals or entities doing business with your state department or agency;
- Individuals or entities seeking to do business with your state department or agency;
- Individuals or entities engaged in activities regulated by your state department or agency; or
- Contractors pre-qualified by the Connecticut Department of Administrative Services (Conn. Gen. Stat. § 4a-100).

A **gift** is defined as anything of value that you (or in certain circumstances a member of your family) directly and personally receive *unless* you provide consideration of equal or greater value (e.g., pay for the item). Conn. Gen. Stat. § 1-79 (e).

Gift Exceptions

There are, however, certain exceptions to this definition of gift. Not all exceptions are covered below; see Conn. Gen. Stat. § 1-79 (e) (1) – (17) for the complete list.

- *Token Items* – Restricted donors such as registered lobbyists may provide you with any item of value that is not more than \$10 (such as a pen, mug, or inexpensive baseball cap), provided that the annual aggregate of such items from a single source is \$50 or less. Conn. Gen. Stat. § 1-79 (e) (16).
- *Food and Beverage* – Restricted donors may also provide you with less than \$50 worth of food and beverage in a calendar year, provided that the restricted donor or his/her representative is in attendance when you consume the food and/or beverage. Conn. Gen. Stat. § 1-79 (e) (9).
- *Training* – Vendors may provide you with training for a product purchased by a state or quasi-public agency provided such training is offered to all customers of that vendor. Conn. Gen. Stat. § 1-79 (e) (17).
- *Gifts to the State* – Restricted donors may provide what are typically referred to as “gifts to the state.” These gifts are goods and services provided to a state agency or quasi-public agency for use on state or quasi-public agency property or that support an event, and which facilitate state or quasi-public action or functions. Conn. Gen. Stat. § 1-79 (e) (5).

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- *Other Exceptions* – There are a total of 17 separate gift exceptions in the Code. Also exempt from the definition of gift are items such as informational materials germane to state action, ceremonial plaques or awards costing less than \$100, or promotional items, rebates or discounts also available to the general public. See Conn. Gen. Stat. § 1-79 (e) (1) – (17).

Note: Registered lobbyists are the only restricted donors who may make use of the “major life event” gift exception. Other restricted donors *may not* make use of this exception. There is a \$1,000 limit on a gift a registered lobbyist gives to you or a member of your family for the following major life events:

- Birth or adoption of a child;
- Wedding;
- Funeral;
- Ceremony commemorating induction into religious adulthood (e.g., bar mitzvah or confirmation); or
- Retirement from state service.

This list of major life events is exhaustive. Regs., Conn. State Agencies § 1-92-53.

Gift Provisions

Example: You are in the process of reviewing a bid for work at your agency. The contractor submitting the bid provides you with a gift certificate for \$45 to a popular West Hartford eatery for you to use on your own. You have not previously received anything of value from this individual.

Even though the certificate is under the permissible \$50 food and beverage limit, this gift is not allowed because the contractor or his/her representative will not be in attendance while the food and beverage is being consumed.

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Non-restricted Donors

Besides restricted donors outlined above, the law cites two other categories of individuals or entities that may attempt to give you gifts. These other “gift-givers” include:

- *Non-restricted donors giving you something because of who you are in state service* – If a gift-giver does not fall within the definition of a restricted donor, but is nonetheless giving you something because of your public position, you should be aware that a dollar limit exists. From this type of donor, you may only accept up to \$100 annually from a single source, in addition to any of the items listed in the 17 gift exceptions noted above and set forth in Conn. Gen. Stat. § 1-79 (e) (1) – (17).
- *Non-restricted donors giving you something that has nothing to do with your state job* – There is no limit as to what you may accept from a non-restricted donor, such as your neighbor of 20 years or a best friend from kindergarten, who is giving you a gift that has nothing to do with your public position. This holds true as long as the donor remains non-restricted. Should this individual become a registered lobbyist, for example, the gift provisions regarding restricted donors would apply, regardless of any longstanding personal relationship.

Necessary Expenses

You may receive payment or reimbursement for necessary expenses from a restricted donor *only* if you, in your official capacity, actively participate in an event; for example by giving a speech or presentation, or running a workshop.

Necessary expenses are limited to:

- Travel (coach or economy class);
- Lodging (standard cost of room for the nights before, of, and immediately following the event);
- Meals; and
- Related conference expenses.

Conn. Gen. Stat. § 1-79 (9).

Entertainment costs (tickets to sporting events, golf outings, night clubs, etc.) are *not* necessary expenses. Necessary expense payments also *do not* include payment of expenses for family members or other guests.

Within 30 days of receiving payment or reimbursement of necessary expenses for lodging or out-of-state travel, as a state employee or public official, you must file an ETH-NE form with the OSE. Conn. Gen. Stat. § 1-84 (k). A new, online form is available on the OSE’s Web site for your convenience. This form is not required if your necessary expenses were paid by the federal government or by another state government.

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Fees/Honorariums

As a public official or state employee, you may *not* accept fees or honorariums for an article, appearance, speech or participation at an event in your official capacity or if your state position or authority was a significant factor in the decision to extend the invitation.



Fees or honorariums for such activities, if offered based solely on your expertise and without any regard to your official capacity, may be acceptable. Contact the OSE if you are offered such payment. Conn. Gen. Stat. § 1-84 (k).

Necessary Expenses, Fees and Honorariums

Example: You are invited to travel to New York City to give the keynote address to a trade association at its annual meeting. You will be speaking in your official capacity as a Connecticut state employee. The association provides Amtrak fare for you and your spouse, who will spend the day in the city. The evening of the speech, you and your spouse are treated by the event organizer to a Broadway show in lieu of a speaking fee.

You may receive coach class travel only if you are actively participating in an event. In this case, you may only accept Amtrak fare for yourself, not your spouse. Entertainment costs, such as tickets to a show, are not considered necessary expenses and may not be accepted. Additionally, state employees may not accept fees or honorariums for a speech given in their official capacity. Because your trip involves out-of-state travel, you must file an ETH-NE form with the OSE within 30 days of receiving payment.

Gifts Between State Employees

Advisory Opinion No. 2006-6 interpreted Conn. Gen. Stat. § 1-84 (p), regarding gifts between supervisors and subordinates in state service. This three-part provision limits gift-giving between certain individuals. Specifically:

- The provision imposes a monetary limit of \$99.99 for gifts between a public official or state employee and his or her supervisor. This limit is a **per-gift** – not a per-year – amount.
- Individuals subject to this limit may still make use of the major-life-event exception. In other words, supervisors and subordinates are not limited to \$99.99 when giving gifts to each other for major life events. The applicable limit for major life events is \$1,000.
- The provision applies not only to direct supervisors and subordinates, but to any individual up or down the chain of command.

In Advisory Opinion 2007-5, the Board concluded that supervisors and/or subordinates **may not pool** their money to give a collective or group gift valued in excess of the \$99.99 limit. Thus, except in the case of a major life event (which holds a \$1,000 limit), it would be a violation for Supervisor A to accept a gift valued at \$150 from Subordinates X and Y (and for them to give such a gift), even though the individual contributions of X and Y are less than the \$99.99 limit established in § 1-84 (p).

EMPLOYMENT RESTRICTIONS

Post-state Employment (Revolving Door)

If you are a *former* state employee seeking employment, you should be aware of the Code's post-state employment, or revolving-door, provisions.

Lifetime Bans

- You may **never** disclose any confidential information you learned during the course of your state service for anyone's financial gain. Conn. Gen. Stat. § 1-84a.
- You may **never** represent anyone other than the state regarding a particular matter in which you were personally or substantially involved while in state service and in which the state has a substantial interest. This prevents side-switching in the midst of on-going state proceedings. Conn. Gen. Stat. § 1-84b (a).

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One-year Bans

- You may not represent your new employer for compensation before your former agency for a period of **one year** after leaving state service. Conn. Gen. Stat. § 1-84b (b). (See Advisory Opinion No. 2003-3, which provides a limited exception to this provision if you are providing purely technical expertise to help implement a previously-awarded contract. This exception applies to extremely limited circumstances; contact the OSE for guidance.)
- You are prohibited from being hired for a period of **one year** after you leave state service by a party to a state contract valued at \$50,000 or more if you were substantially involved in, or supervised, the negotiation or award of that contract and it was signed within your last year of state service. Conn. Gen. Stat. § 1-84b (f).
- Employees who held certain specifically-designated positions (with significant decision-making or supervisory responsibility) at certain state regulatory agencies are prohibited from seeking or accepting employment with any business subject to regulation by the individual's agency within **one year** of leaving the agency. Note that there is an exception for *ex-officio* board or commission members. Conn. Gen. Stat. § 1-84b (c).



Post-state Employment

Example: The head of a hospital regulated by the Office of Health Care Access (OHCA) would like to offer a job to the former Commissioner of OHCA, who has been out of state service for 5 months.

Because the hospital is regulated by a state agency whose Commissioner is specifically designated in 1-84b (c), the former head of such agency would not be permitted to accept employment with the company for one full year after leaving state service. See Advisory Opinion No. 2003-19.

Outside Employment for Current Public Officials and State Employees

If you are a *current* state employee seeking outside employment, especially from an employer that is regulated by or does business with your agency, you should be aware of the following rules regarding the employment of current state employees.

- You may not accept outside employment that impairs your independence of judgment regarding your state duties, or that encourages you to disclose confidential information learned in your job. Conn. Gen. Stat. § 1-84 (b).

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- You may not use your position for your own financial gain, or the gain of your family (spouse, child, child's spouse, parent, brother or sister) or an associated business, however inadvertent that use may be. Conn. Gen. Stat. § 1-84 (c).
- You may not accept employment with an entity that represents others before the following 13 agencies: State Insurance and Risk Management Board, Claims Commissioner, Office of Health Care Access, Insurance Department, Department of Environmental Protection, Department of Public Utility Control, Department of Banking, Department of Consumer Protection: liquor control, Department of Motor Vehicles, Gaming Policy Board, Division of Special Revenue, Connecticut Real Estate Commission, Connecticut Siting Council. Conn. Gen. Stat. §1-84 (d).
- You may not utilize state time, materials or personnel in completing tasks for outside employment.

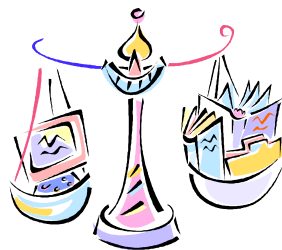
Other Considerations

Present or former Gaming Policy Board or Division of Special Revenue public officials or employees should be aware of specific provisions relating to their involvement with businesses engaged in Indian gaming activities. See Conn. Gen. Stat. §§ 1-84b (d) and (e).

Outside Employment

Example: Your agency occasionally awards grants or contracts to Business X. A particular contract manager with your agency has been approached by Business X with an employment possibility. This employee has expressed interest in earning a little extra money for himself, while helping Business X in the evenings and on weekends.

It would constitute an impermissible impairment of judgment for the employee of your agency, who has contract management responsibilities, to accept outside employment with Business X – a business that receives grants or contracts from your agency.



STATEMENTS OF FINANCIAL INTERESTS



Statements of Financial Interests

Legislators, as well as certain other public officials and senior state employees, must file Statements of Financial Interests (SFIs) with the OSE by May 1 each year. These statements describe businesses with which you are associated; the category or type (not amount) of all sources of income over \$1,000; securities in excess of \$5,000; real estate holdings; and leases or contracts with the state. A *confidential* portion of the statement requires disclosure of sources of any debts over \$10,000. (The confidentiality of this portion may be waived.) These examples are not exhaustive; refer to Conn. Gen. Stat. § 1-83 (b) for a complete list.

The SFIs serve two purposes. First, the financial disclosure provides a checklist or reminder to you to be mindful of potential conflicts of interest. Second, the financial disclosure statements serve a transparency function and maximize public confidence in governmental decision making.

In 2009, the OSE debuted a new online filing system for SFIs. Within the secure, password-protected system, filer information is stored from year to year for maximum ease and efficiency in filing.

OTHER PROVISIONS

Reporting Requirements

Should you receive anything of value from an entity doing business with, seeking to do business with, or directly regulated by your department or agency, that entity must, within **10 days**, give you and the head of your department or agency a written report stating:

- Name of the donor;
- Description of item(s) given;
- Value of such item(s); and
- Total cumulative value of all items to date given to you by that donor during the calendar year.



This helps both you and the regulated donor keep track of the gift exceptions noted above, so that permissible limits are not exceeded. Conn. Gen. Stat. § 1-84 (o). A new, online form for this notification is available on the OSE's Web site.

Guide for Public Officials

Mandatory Reporters

The Code contains mandatory reporting requirements for the following individuals who have “reasonable cause to believe that a person has violated” the Code of Ethics for Public Officials:

- Commissioners and Deputy Commissioners;
- State Agency Heads and Deputy Heads;
- Quasi-public Agency Heads and Deputy Heads; and
- Persons in charge of state agency procurement and contracting.

These designees are required to report a belief that a person has violated the Code of Ethics to the Office of State Ethics. (Note: Ethics compliance officers and liaisons are *not* mandatory reporters.)

Ethics Compliance Officers and Ethics Liaisons

Ethics compliance officers must be appointed within each state agency and quasi-public agency that deals with or plans large state contracts. The main responsibilities of a compliance officer include developing an agency ethics policy as well as training agency employees on the Code, paying attention to any changes in the law as well as provisions specific to state contracting. Conn. Gen. Stat. §1-101rr (a).

Ethics liaisons must be appointed within each other state agency and quasi-public agency. These officers serve as a link between the agency and the Office of State Ethics. Liaisons are responsible for developing agency ethics policies as well as coordinating employee training with the OSE. Conn. Gen. Stat. §1-101rr (b).

The OSE supports the responsibilities of the above officers by providing in-person training, educational videos or training materials upon request. The OSE also sends a monthly electronic newsletter to each officer that highlights new developments in the law, summarizes new advisory opinions, includes handouts on complex areas of the law and provides answers to frequently-asked questions. All such communications are indexed on the OSE’s Web site, in the “Ethics Liaison/Compliance Officer Corner.”

ENFORCEMENT

Procedures and Penalties

Enforcement of the Code is initiated by a complaint, filed by the Ethics Enforcement Officer or any member of the public. In most cases, a complaint by the Ethics Enforcement Officer is preceded by a confidential staff evaluation.

A two-stage process follows:

1. Confidential investigation and confidential probable cause hearing; and
2. If probable cause is found, a public hearing to determine if a violation has occurred.

At any stage of this process, the Office of State Ethics and the Respondent may negotiate a settlement.

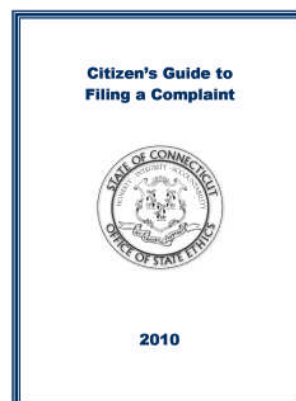
After a finding or admission of a violation, the Citizen's Ethics Advisory Board ("Board") can order the Respondent to comply with the Code in the future, file any required report or statement, and/or pay a civil penalty.

For failure to file a report, statement, or other information required by the Code, the Board can, after a single hearing, impose a civil penalty of up to \$10 per day, for which the aggregate penalty for any one violation may not exceed \$10,000.

The Office of State Ethics may refer matters to the Chief State's Attorney for criminal prosecution. An intentional violation of the Code is a misdemeanor for the first violation, unless the individual has derived a financial benefit of at least \$1,000. In that case, the violation is a class D felony.

The Attorney General may sue for up to three times the economic gain received through knowingly committing or knowingly profiting from a violation of the Code.

Public officials are encouraged to review the "[*Citizen's Guide to Filing a Complaint*](#)," available on the OSE's Web site, for a detailed overview of the complaint process and associated confidentiality provisions.



Guide for Public Officials

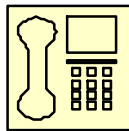
FOR MORE INFORMATION

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. For more information regarding the Code of Ethics as it pertains to public officials and state employees, please contact the Legal Division of the Office of State Ethics, Monday – Friday, 8:30 a.m. to 5:00 p.m.

Office of State Ethics
18-20 Trinity Street
Hartford, CT 06106-1660



T: 860/263-2400
F: 860/263-2402
www.ct.gov/ethics



Specific Contacts:

Questions or advice regarding the Ethics Codes: Ethics.Code@ct.gov
Lobbyist filing/reporting questions: lobbyist.OSE@ct.gov
Public official filing/reporting questions: SFI.OSE@ct.gov
Enforcement questions: Ethics.Enforcement@ct.gov
All other inquiries: ose@ct.gov



January 2010

Dear Potential State of Connecticut Employee:

Thank you for considering employment with the State of Connecticut. As an employee for the State, you will be bound by the State Code of Ethics for Public Officials and State Employees. We would like to give you an introduction to this Code as you consider employment with the State. A copy of the Guide to the Code of Ethics for Public Officials and State Employees is attached.

Before you accept any employment with the State of Connecticut, you must be aware of the Code and should consider any possible conflict of interests. The principle provisions of the Code are as follows:

- **GIFTS.** In general, state employees are prohibited from accepting gifts from anyone doing business with, seeking to do business with, or directly regulated by the state employee's agency or department or from persons known to be a registered lobbyist or lobbyist's representative.
- **FINANCIAL BENEFIT.** A state employee is prohibited from using his/her office for the financial benefit of the individual, certain family members, or that of an associated business.
- **OUTSIDE EMPLOYMENT.** A state employee may not accept outside employment which will impair his/her independence of judgment as to official state duties or which would induce the disclosure of confidential information. Generally, outside employment is barred if the private employer can benefit from the state employee's official actions.
- **FINANCIAL DISCLOSURE.** Certain state employees are required to file a financial disclosure statement with the Office of State Ethics. This statement will be considered public information.
- **POST-STATE EMPLOYMENT.** There may be post-employment restrictions, known as "revolving door" prohibitions. For example, there are restrictions on accepting employment with a party to certain contracts if you were involved in the negotiation or award of the contract; for one year after leaving state service, you may not represent anyone for compensation before your former agency; certain designated individuals in the State's regulatory agencies may not, for one year after leaving state service, accept employment with any business subject to regulation by their former agency.

Please be advised that this is only a general overview. If you have specific questions about the State Code of Ethics, you should ask for the contact information for the agency's Ethics Liaison Officer or call the Office of State Ethics directly at (860) 566-4472.

Again, thank you for your consideration and best wishes in your job search.

Sincerely,

Governor M. Jodi Rell

STATE OF CONNECTICUT

STATE CODE OF ETHICS

ACKNOWLEDGEMENT OF RECEIPT

I, _____ **(Print Name)**, have received a copy of the CHEFA Ethics Statement and Policies and a copy of the 2009 Guide to the Code of Ethics for Public Officials and State Employees. In addition, I have also received a copy of the Conflict of Interest Policy and Outside Employment Policy.

I understand and agree that, as a public employee, I must use my best efforts to comply with the standards set forth within.

Signature

Date