

Section 1: DEFINITIONS

- a. Public Sector Members (Members): As defined in Article II Section 1 (A) of the MODE By Laws, any individual government, association of governments, educational organization, public sector organization or non-profit public sector organization engaged in or supporting economic development activities and located within or serving the Central Ohio Region.
- b. Columbus and Franklin County Members: Columbus and Franklin County members are not eligible for travel reimbursement due to the fact they have separate contracts with Columbus 2020.
- c. International Business Mission: A business recruiting and retention mission whose location is outside of the continental United States and typically involves a trip outside North America.
- d. North America Business Mission: A business recruiting and retention trip whose location is inside North America, and is considered a business development trip or corporate calling.
- e. Missions: International and North America Missions.

Section 2: BUDGET FOR MISSIONS

- a. The Board shall allocate an annual budget to provide financial assistance for qualified mission travel expenditures.
- b. The Board has the discretion to establish Mission priority based upon budgetary constraints.

Section 3: BOARD ATTENDANCE FOR INTERNATIONAL MISSIONS

- a. A member of the Board is strongly encouraged to attend one International Business Mission on an annual basis.
- b. International Business Missions are restricted to MODE Board Members as defined by the MODE By Laws. The MODE Board may approve, by a majority vote, a non-Board member if a Board member cannot make the mission and it is determined to be appropriate.
- c. The approved eligible traveler is required to contribute at least 10% of the total costs plus incidental expenses as defined below in Section 7 associated with the International Mission.

Section 4: SOLICITATION OF MEMBERS ATTENDANCE FOR NORTH AMERICA BUSINESS MISSIONS

- a. Columbus 2020 shall on a regular basis distribute an updated proposed travel schedule to Members in order to solicit eligible member participation on Missions.

As approved by Columbus 2020 Members may request to participate on a Mission regardless of the source of funding (i.e. employer funded vs MODE travel funds) as long as the funding source is permitted by the traveler's employer.

#### Section 5: APPLICATION PROCESS FOR BOARD ATTENDANCE FOR MISSIONS

- a. A Member must submit a completed travel reimbursement application (*Exhibit A*) to the MODE President prior to attending a Mission in order to be considered for funding.
- b. If an application is for an International Business Mission: The Board will review the application and make a determination on its approval by a majority vote.
- c. If an application is for a North America Business Mission: The President of MODE shall make a determination on its approval based upon three factors: 1) Available Funding; 2) Mission Priority; and 3) Number of times the Applicant has participated in attended a Mission in that given year.
  1. The MODE President shall then inform the MODE Treasurer of those approved applications prior to the scheduling of Mission travel.

#### Section 6: ELIGIBLE EXPENSES FOR MISSION REIMBURSEMENT

- a. Mission expenses eligible for MODE mission travel reimbursement shall include: reasonable hotel expenses, reasonable travel expenses as determined by the MODE President, and miscellaneous expenses associated with travel to the destination (i.e. airline fees).
  1. If individual travel arrangements substantially deviate from those of Columbus 2020, (i.e. longer stay, etc.), the Board shall reimburse the only the lesser costing option.
  2. Mission members shall be responsible for incidental expenses (i.e. food and entertainment).
  3. Mission Member shall make every effort to make travel arrangements well in advance in order to minimize travel expenses. The Board reserves the right to make partial reimbursement if the aforementioned item is not satisfied.

#### Section 7: REIMBURSEMENT PROCESS

- a. Post-travel, approved mission Members must submit proof of incurred expenses and proof of payment up to the approved travel reimbursement amount to the MODE Treasurer
- b. Upon review and confirmation of documentation, Treasurer shall reimburse eligible expenses.
- c.
  1. If reimbursement is to be paid directly to an individual rather than the mission member's employer, the member must submit a letter from the employer confirming that the employer will not be reimbursing the eligible expenses submitted for MODE reimbursement.
    1. No reimbursement shall be offered to members who do not complete a scheduled Mission.



**TRAVEL REIMBURSEMENT APPLICATION**

SUBMITTAL DATE \_\_\_\_\_

**PUBLIC SECTOR MEMBER INFORMATION**

Name \_\_\_\_\_

Organization \_\_\_\_\_

Address \_\_\_\_\_

Number of Previous Reimbursement Requests this calendar year \_\_\_\_\_

**MISSION INFORMATION**

Mission Category    International \_\_\_\_\_    North America \_\_\_\_\_

Dates of Mission \_\_\_\_\_

Location of Mission \_\_\_\_\_

Mission Details \_\_\_\_\_

**REIMBURSEMENT REQUEST INFORMATION**

Proposed Travel Expenses \_\_\_\_\_

Proposed Hotel Expenses \_\_\_\_\_

Total Proposed Expenses \_\_\_\_\_

APPROVAL \_\_\_\_\_ DISAPPROVAL \_\_\_\_\_

Reason: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
MODE President /date

EXHIBIT B

MEMORANDUM

**TO: GENE HOLLINS**

**FROM: DALE COOK**

**DATE: MAY 3, 2012**

**RE: PAYMENT OF TRAVEL EXPENSES OF MODE MEMBERS BY COLUMBUS 2002  
UNDER OHIO ETHICS LAW**

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This is a preliminary opinion. The only way to get a definitive opinion is to request an advisory opinion from the Ohio Ethics Commission. A drawback of such an advisory opinion is that it is publically available on line.

**I. FACTS**

MODE is an organization made up primarily of local development directors, who are employees of various municipalities or local governments. It pays fees to Columbus 2020 which is a nonprofit organization organized as a business league for the purpose of promoting economic development in Columbus, Ohio. I do not know the specific nature of the travel at issue, which would be helpful.

**II. ISSUE**

Whether the Ohio ethics statutes prohibit the paying of travel expenses of MODE members by Columbus 2020.

**III. CONCLUSION**

The payment of the travel expenses of MODE members by Columbus 2020 is permissible as long as the travel expenses are for official business or collaborative efforts to foster economic development in Ohio and any reimbursement does not exceed the actual and necessary costs of the expenses incurred by the MODE member.

**IV. LAW AND DISCUSSION**

In 1995, the Ohio Ethics Commission issued an advisory opinion November 95 – 005 which addressed the issue of whether a government official’s travel expenses could be paid by a nonprofit corporation to which the Department of Education paid dues. The Commission said the reimbursement for travel expenses was permissible under certain circumstances.

The payment or reimbursement of expenses related to travel, meals, and lodging by Columbus 2020 to the MODE members implicates R.C. 102.03(E), which states:

No public official or employee shall solicit or accept anything of value that is of such a character as to manifest a substantial and improper influence upon him with respect to his duties.

It appears that the development directors are public employees pursuant to Ohio Revised Code § 102.03 and that the reimbursements are “anything of value”. Revised Code § 102.03(E) has been consistently held to prohibit a public official from receiving anything of value from a party that is doing business or seeking to do business with a public official.

The issue then becomes whether MODE members are doing business with Columbus 2020. The members do not appear to be doing business with Columbus 2020. Columbus 2020 is not a traditional vendor seeking approval of a product or contract; rather, they are working with MODE in a collaborative effort to foster economic development. There is no indication in the facts that I have been presented that the payment of these expenses would constitute an improper influence on MODE members in their positions as development directors.

The payment of a public official’s expenses by a source other than the official’s or public agency also involves the prohibitions of R.C. 2921.43(A), which state:

- (A) No public servant shall knowingly solicit and no person shall knowingly promise or give to a public servant either of the following:
  - (1) Any compensation, other than allowed by divisions (G), (H), and (I) of section 102.03 of the Revised Code or other provisions of law, to perform his official duties, to perform any other act or service in the public servants; public capacity, for the general performance of the duties of the public servant’s public office or public employment, or as a supplement to the public servant’s public compensation;
  - (2) Additional or greater fees or costs than are allowed by law to perform his official duties.

The payment of expenses has been held to be compensation under this status. There are exceptions one of which is in R.C. 102(1) which states:

A public official or employee may accept travel, meals, and lodging or expenses or reimbursement of expenses for travel, meals, and lodging in connection with conferences, seminars, and similar events related to this official duties if the travel, meals, and lodging, expenses, or reimbursement is not of such character

as to manifest a substantial and improper influence upon him with respect to his duties.

The exception of R.C. 102.03(A) must be applied in conjunction with the more general prohibitions in R.C. 102.03(E).

As MODE pays dues or some type of payments to Columbus 2020, the payment of expenses will not be such a character as to manifest substantial and improper influence on the member. See, Advisory Opinion Number 95 – 005. Consequently, R.C. 2921.43(A) does not prohibit receipt of expenses by MODE members as long as the amount is not in excess of what is necessary for conducting essential official business.