

STATE OF ALABAMA ETHICS COMMISSION



ANNUAL REPORT
FISCAL YEAR
2011-2012

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Annual Report

**Fiscal Year
2011-2012**

for the

Alabama Ethics Commission

is presented to the

Governor

and the

Alabama Legislature

in compliance with

Section 36-25-3(c), Code of Alabama, 1975

Alabama Ethics Commission

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James L. Sumner, Jr., Director



STATE OF ALABAMA ETHICS COMMISSION



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COMMISSIONERS

Josephine M. Venable, Chair
Anthony Humphries, Vice-Chair
Dr. Jewell W. Henderson
Timothy P. Chinaris, Esq.
Stewart Hill Tankersley, M.D.

James L. Sumner, Jr.
Director

March 25, 2013

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The Honorable Robert J. Bentley, Governor
State of Alabama
Montgomery, Alabama 36130

Dear Governor Bentley:

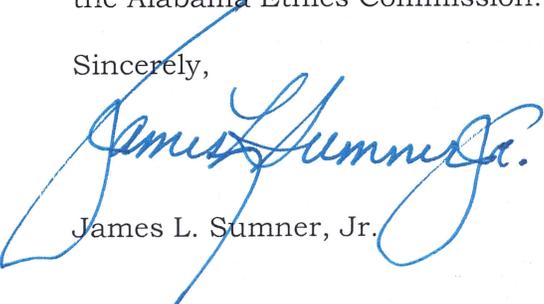
On behalf of the Alabama Ethics Commission, I respectfully present to you and the Alabama Legislature our Annual Report for Fiscal Year 2011-2012, in compliance with Section 36-25-3(c), Code of Alabama, 1975. Included are details of our actions during the year as we strive to fulfill the responsibilities with which we are charged.

Our Commissioners and Staff are very proud of our accomplishments during this fiscal year, and following are some of the highlights:

- **300** Complaints were filed with the Commission
- **35** Cases were presented to the Commission
- **7** Formal and **123** Informal Opinions were rendered by the Commission
- **55,464** Statement of Economic Interests forms filed with **86.51%** filed electronically
- **585** Lobbyists registered with **801** Principals represented; **87.01%** registered on-line
- **\$25,937.06** collected in Fines and Restitution
- **\$75,865.00** deposited into the General Fund

Our Commissioners and Staff are committed to fulfilling our responsibilities to the citizens of the state of Alabama to the fullest extent possible and greatly appreciate your support of the Alabama Ethics Commission.

Sincerely,



James L. Sumner, Jr.

PURPOSE, POWERS AND DUTIES

The Alabama Ethics Commission was established in 1973 by Act No. 1056 of the Alabama Legislature which has subsequently been amended by Acts 75-130, 79-460, 79-698, 82-429, 86-321, 92-342, 95-194, 96-261, 97-651, 2000-797, 2001-474 and Act Nos. 2010-462, 2010-763, 2010-764, 2011-259, 2011-632 and 2011-674.

The Mission of this law is *to ensure that public officials are independent and impartial; that decisions and policies are made in the proper governmental channels; that public office is not used for private gain; and, most importantly, that there is public confidence in the integrity of government.*

With confirmation from the Alabama Senate, members of the Alabama Ethics Commission are appointed by the:

Governor
Lieutenant Governor
Speaker of the Alabama House of Representatives

Duties and Responsibilities of the Commission

Furnish Disclosure Forms	Publish Procedures	Make Statement of Economic Interests Forms Available to Public
Investigate Alleged Violations		Issue and Publish Advisory Opinions
Present Educational Programs	Preserve Statement of Economic Interests Forms	Promulgate Rules and Regulations

Commissioners



Braxton L. Kittrell, Jr., Esq. **Term Expires 2012**

Braxton L. Kittrell, Jr., was confirmed by the Alabama Senate May 8, 2008, to serve a term on the State of Alabama Ethics Commission ending August 31, 2012. Judge Kittrell continues to serve until a successor is confirmed by the Alabama Senate. He was elected Vice-Chair at the August 4, 2010 Commission meeting, and elected Chair on February 2, 2011 and served in that position until August 1, 2012. He served as Chair longer than any other Commission Member. Kittrell received a J.D. degree from the University of Alabama in 1967 and began practicing law in Mobile in 1969. He was elected Circuit Judge for the 13th Judicial Circuit (Mobile County) in 1976, and served in that office from January, 1977 until he retired in April of 1999. He served as Presiding Circuit Judge from January 18, 1989 until his retirement. Kittrell was a member of the Judicial Inquiry Commission of the State of Alabama from 1987-99, and served as its Chairman from 1995-99. He was president of the International

Academy of State Trial Judges (1982-83); he served as Chairman of the Regional Planning and Advisory Board for Region 6, Alabama Law Enforcement Planning Agency (1980-83) and as a member of the Executive Committee of the State Supervisory Board of the Alabama Law Enforcement Planning Agency (1980-83). He served as Chairman of the Sentencing and Corrections Committee of the American Bar Association, Judicial Administration Division from 1993-97, and as a member of the Executive Committee of the National Conference of State Trial Judges of the American Bar Association from 1995 through 1998. He also served as President of the Alabama Association of Circuit Judges (1996-97), and as a member of the Alabama Supreme Court Court Advisory Committee on Criminal Procedure (1997-99). He presently holds membership in the American, Alabama and Mobile Bar Associations, the Alabama Association of Circuit Judges, the International Academy of State Trial Judges, the American Judicature Society and serves on the board of directors of the Alabama Forest Resources Center.

Commissioners



Josephine M. Venable **Term Expires 2013**

Josephine M. Venable was confirmed by the Alabama Senate on May 28, 2008 for a term which began September 1, 2008 and will expire August 31, 2013. She was elected Vice-Chair at the February 2, 2011 Commission meeting and served in that position until she was elected Chair at the August 1, 2012 meeting. Mrs. Venable is a native of Clio, Alabama where she graduated from Barbour County High School. She received a Bachelor of Science degree with Education Certification in Physics, Chemistry and Biology from the University of Alabama in 1961. She taught advanced science and biology in Montgomery before moving with her husband, the late Honorable Jack B. Venable, to Washington, D. C. In 1970 they purchased *The Tallassee Tribune* in Tallassee, Alabama at which time Mrs. Venable became Co-Owner and Associate Publisher. After the death of her husband, she continued the newspaper as Publisher and Editor. She

sold *The Tribune* in 2007 and remains as Editor Emeritus. She has been an active member of the Alabama Press Association for many years, being named to various committees. Mrs. Venable has served her community as President of the Tallassee Chamber of Commerce and Secretary/Treasurer of the Tallassee Industrial Development Board. She has also served as Chairman of the Community Hospital Board of Directors as well as Chairman of the Alabama Council of Hospital Trustees. She continues her service with the board of Community Hospital as a member of the Executive and Finance Committees. She is a member of the Advisory Board, Elmore Division, BankTrust. Mrs. Venable is a member of First United Methodist Church of Tallassee having served in many areas including Board of Trustees and Lay Leader. She has been named to numerous other community boards and committees. Mrs. Venable and her late husband have two children, daughter Cameron, son-in-law Steve and son Ben.

Commissioners



Anthony Humphries **Term Expires 2014**

Anthony Humphries was confirmed by the Alabama Senate on April 23, 2009, to serve a term on the Alabama Ethics Commission that began on September 1, 2009, and ends on August 31, 2014. He was elected to serve as Vice-Chair at the August 1, 2012 meeting. Mr. Humphries graduated from Good Hope High School in Cullman County in 1973. He received a B.A. degree in Political Science from Auburn University in 1977 and graduated from the Graduate School of Banking at LSU in 1988. He, along with a group of business leaders in Calhoun County, organized a new community bank in 2005. Mr. Humphries has served as the Bank's President & CEO and as a member of the Bank's Board of Directors since September 2005. He has over 30 years of banking experience in the Calhoun County market. He also served on Governor Riley's cabinet as Superintendent of the Alabama Banking Department from 2003 to 2005. Mr. Humphries began his banking career with SouthTrust Bank, gaining experience as he progressed from management trainee to Assistant Vice President, Vice President and Senior Vice President/Senior Lending Officer. After 6

years with SouthTrust, he was hired by AmSouth Bank where he served as the Senior Vice President/Commercial Banking Sales Manager for 13 years. In 1997, he returned to SouthTrust Bank as the market CEO.

Mr. Humphries volunteers his time with several organizations throughout Calhoun County and the surrounding areas. He is on the Board of Directors of the First National Bankers Bank-Alabama, the Community Bankers Association of Alabama, the Northeast Alabama Regional Medical Center, the Anniston Museum of Natural History Foundation, the Knox Concert Series and the Anniston Country Club. He is a former Chairman of the Calhoun County Chamber of Commerce and serves now as Chairman of its Transportation Task Force. Mr. Humphries is the Vice Chairman of the McClellan Development Authority, the entity charged with the redevelopment of the former Fort McClellan. He is a member of the Anniston Rotary Club and the Oxford Quarterback Club and serves as a Trustee for the Women's Missionary Union (WMU). He is an active member of the First Baptist Church of Oxford where he serves as a Deacon. He is married to the former Cristy Chase and has two sons and one granddaughter.

Commissioners



Rebekah Elgin-Council **Term Expired 2011**

Rebekah Elgin-Council was confirmed by the Alabama State Senate on December 15, 2010, to serve a term on the Alabama Ethics Commission that began on December 15, 2010, and ended on August 31, 2011. She continued to serve until her replacement was confirmed on March 22, 2012. Mrs. Elgin-Council is a native of Oneonta, Alabama, where she graduated from Appalachian High School. She received a Bachelor of Arts degree in English and Public Relations from the University of Alabama in 1993 and a Master of Business Administration from the University of Alabama at Birmingham in 1998.

Mrs. Elgin-Council has been employed with Blue Cross and Blue Shield of Alabama since 1994, and has served in roles within customer service, internal audit and claims operations before assuming her current role of Director, Marketing Operations. Her current professional and civic activities include serving as a member of the Junior League of Birmingham, Birmingham AIDS Outreach Board Member, United Way of Central Alabama's Women's Leadership Council, member of the Indian Cultural Society at the Birmingham Museum of Art and a mentor for the University of Alabama's C&BA Women's Initiative. She is married to Bryan Council.

Commissioners



Dr. Jewell Winlock Henderson **Term Expires 2015**

Dr. Jewell Winlock Henderson was confirmed by the Alabama Senate on May 5, 2011, to serve a term on the Alabama Ethics Commission that began on September 1, 2010, and ends on August 31, 2015. Dr. Henderson is a native of Tuscaloosa and the oldest daughter of the late Mr. Minor and Mrs. Annie Winlock. Her early childhood was spent in a family of six siblings. After attending school in Tuscaloosa and graduating from Druid High School, she attended Alabama State University, Montgomery, Alabama for two years as a Business Administration/Accounting Major. Jewell completed her undergraduate degree in Business Administration at Tennessee State University in Nashville, Tennessee. Upon graduation, she moved to southern California where she resided for 40 years and ultimately relocated to Montgomery, Alabama in 2003. Upon her return to Montgomery, she accepted a posi-

tion as Assistant Professor in Educational Foundation, Leadership and Technology in the College of Education at Auburn University in Auburn, Alabama and served in the position from 2003 until 2008. She was responsible for teaching doctoral level classes and serving on doctoral level dissertation committees.

While residing in California, Dr. Henderson earned a Master's Degree in School Administration from Loyola Marymount University in Los Angeles, California. Her Doctoral Degree in Public Administration (DPA) was earned in 1990 from the University of LaVerne in LaVerne, California. She served as a mathematics classroom teacher at several middle schools, a regional advisor with a dropout prevention focus with the Los Angeles Unified School District, a high school dean and an elementary school principal with the West Covina Unified School District (both in Los Angeles County). In addition, she served as an Assistant Inspector General for the

Commissioners

Department of Transportation as a Financial Auditor from 1982 to 1987, examining/auditing grants awarded by the U. S. Department of Transportation in Region IX.

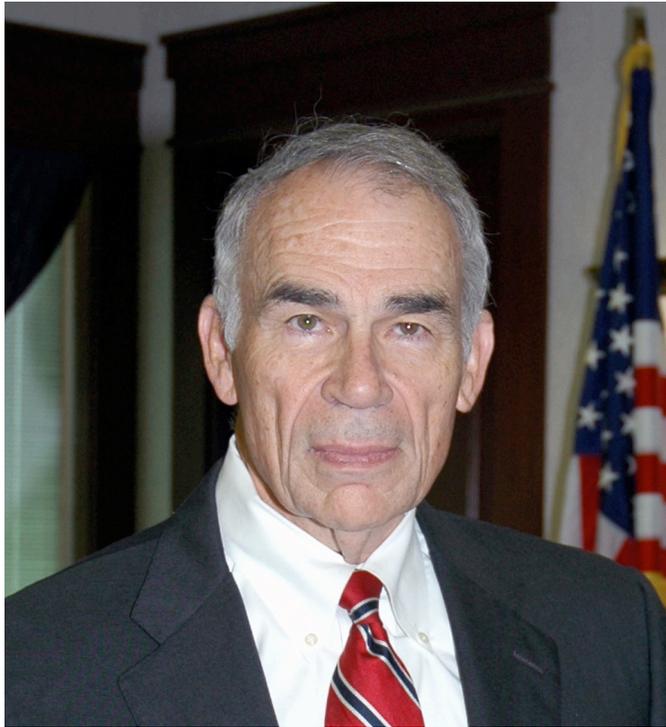
Currently she is President of C & J Enterprises, LLC (Educational Consultants responsible for designing and delivering unique, professional development services to school districts). The emphasis is on improvement of classroom instruction in mathematics for all students, providing in-service for potential teachers preparing to take the ETS Praxis examination, and individual consultation to doctoral students concerning their research and dissertations.

Dr. Henderson's professional affiliations include National Council Teachers of Mathematics, Phi Delta Kappa, Council for Leaders in Alabama Schools (CLAS), Association for Supervision and Curriculum Development (ASCD), Institute of Electrical and Electronic Engineers (IEEE) and the National Middle School Association.

Her community involvement includes Class XXI Leadership Montgomery, One Montgomery, the Fortitude Foundation, Montgomery Education Foundation and Delta Sigma Theta Sorority.

She was married for 30 years to the late Charles A. Henderson.

Commissioners



David B. Byrne, Jr.
Term Expires 2016

David B. Byrne, Jr. was confirmed by the Alabama Senate on March 22, 2012, to serve a term on the Alabama Ethics Commission ending on August 31, 2016. Mr. Byrne received a B.S. and J.D. from the University of Alabama and began practicing law in Montgomery, Alabama, in 1971, following a four-year tour of duty with the United States Army Judge Advocate General Corps. Currently, Mr. Byrne is a Senior Vice President and Associate General Counsel for Branch Banking and Trust Company, and supervises defensive litigation in Alabama, Florida, Nevada, Tennessee, and Texas. He also serves as

an Adjunct Instructor at the Thomas Goode Jones School of Law, Montgomery, Alabama.

Mr. Byrne is a lifetime Fellow of the American Bar Association Foundation and the Alabama Bar Foundation. He is admitted to practice before the United States Supreme Court, United States Tax Court, United States Courts of Appeal for the Third, Fifth, Sixth and Eleventh Circuits, and the United States District Courts in Alabama. Mr. Byrne is an active member of the First Baptist Church in Montgomery, Alabama, where he serves as a Sunday School teacher. He is married to Alice Ann Byrne and has a son, two daughters, and four grandchildren.

Director



James L. (Jim) Sumner, Jr.

Currently, Mr. Sumner is the Director of the Alabama Ethics Commission. He was appointed to the position by the Commission in April, 1997. Mr. Sumner holds an additional appointment as a Deputy Attorney General.

From October, 1987 to April, 1997, Mr. Sumner served as Assistant to the Vice Chancellor for External Affairs of the University of Alabama System. The UA System is comprised of campuses in Tuscaloosa, Birmingham and Huntsville. At that time, the System had over 43,000 students, 18,500 employees and an annual budget exceeding \$1.35 billion.

From January to October, 1987, Mr. Sumner served as Vice President/Legislative Affairs for the Alabama Hospital Association.

Mr. Sumner was the Executive Assistant to the Lieutenant Governor and served as Chief of Staff in the Lieutenant Governor's Office from January, 1983 to January, 1987.

From January, 1979 to May, 1982, Mr. Sumner served as Corporate Secretary and in-house counsel of Royal Cup, Inc. of Birmingham, the largest coffee roaster in the South.

Mr. Sumner served as an Assistant Attorney General from October, 1974 to January, 1979.

Mr. Sumner is a native of Jasper, Alabama

and attended Jasper public schools and Walker County High School.

He was graduated from the University of Alabama in 1970 with a Bachelor of Science Degree.

In 1974, Mr. Sumner received his Doctor of Jurisprudence Degree from Cumberland School of Law at Samford University.

Before joining the Attorney General's staff, Mr. Sumner served for three years as Administrative Assistant to the Chairman of the Democratic Party in Alabama, Robert S. Vance. Vance was later appointed by President Carter to the U. S. Court of Appeals for the Eleventh Circuit.

Mr. Sumner holds membership in the American Bar Association and the Alabama State Bar Association.

In 2007, Mr. Sumner was awarded the Douglass Cater Public Service Award by the Department of Political Science and Public Administration at Auburn University at Montgomery.

Mr. Sumner was named 2011 James T. Pursell, Sr. Distinguished Fellow in Ethics by the College of Business at Auburn University.

He is married to Deanna Benefield Sumner of Huntsville and they have three adult children: Matthew, Amelia and Aaron.

ETHICS COMMISSION STAFF

Legal Division

Hugh R. Evans, III, General Counsel

Julie Davis, Executive Secretary and Recording Secretary

Theresa Davis, Legal Research Assistant

Investigative Division

Charles A. Aldridge, Chief Special Agent

Tony Goubil, Special Agent

Rick Lambert, Special Agent

Dustin Lansford, Special Agent

Vicki Wilson, Special Agent

Shansi Whetstone, Docket Clerk

Finance & Administrative Division

Barbi Lee, Chief

Kristin Allen, Account Clerk

Austin Gilmore, Laborer

April Innes, ASA I

Vicky Manning, Lobbyist Liaison

Loretta Webb, Clerk

Janice Wolfe, ASA I

ANNUAL COMPARISONS FISCAL YEARS 2011 AND 2012

	Fiscal Year 2011	Fiscal Year 2012
Commission Meetings Held	6	6
Educational Programs Presented	65	29
Statements of Economic Interests Forms Received	56,712	55,464
Formal Advisory Opinions	10	7
Informal Advisory Opinions	147	123
Registered Lobbyists	572	585
Principals Represented by Lobbyists	772	801
Complaints Filed with Ethics Commission	226	300
Complaints Closed After Preliminary Inquiry	232	357 ¹
Cases Presented to Commissioners	26	35
Cases Closed by Ruling of Commissioners	2	0
Cases Forwarded to District Attorney or Attorney General	3	6
Administrative Penalties Assessed by Ethics Commission	20	24
Fines Collected by Ethics Commission	\$10,250.00	\$17,725.00
Restitution Collected	\$ 735.37	\$ 8,212.06
Lobbyists' Fees Collected	\$57,500.00	\$58,100.00 ²
Miscellaneous Fees Collected	\$ 158.50	\$ 40.30
General Fund Deposits	\$67,750.00	\$75,865.00
Staff Members	13	17

1 Includes complaints/cases that were received prior to October 1, but closed during the current fiscal year.

2 Actual Receipts \$58,500, but \$400 deposited into Fiscal Year 13 due to FY 12 cutoff and reporting from AI.

SIGNIFICANT EVENTS FOR FY 2012



Rebekah Elgin-Council is presented a Plaque of Appreciation from the Alabama Ethics Commission from Commission Chair Judge Braxton Kittrell at the April 4, 2012 meeting.

Rebekah Elgin-Council of Birmingham was appointed by Governor Bob Riley and began serving on the Alabama Ethics Commission December 15, 2010. Her term ended on August 31, 2011, but she continued to serve until her replacement was confirmed by the Alabama Senate on March 22, 2012.

A Big THANK YOU to Mrs. Elgin-Council for your service to the Alabama Ethics Commission and the citizens of Alabama.

THANK YOU!!!

Commission

Expenditures for Fiscal Year 2012 October 1, 2011 - September 30, 2012

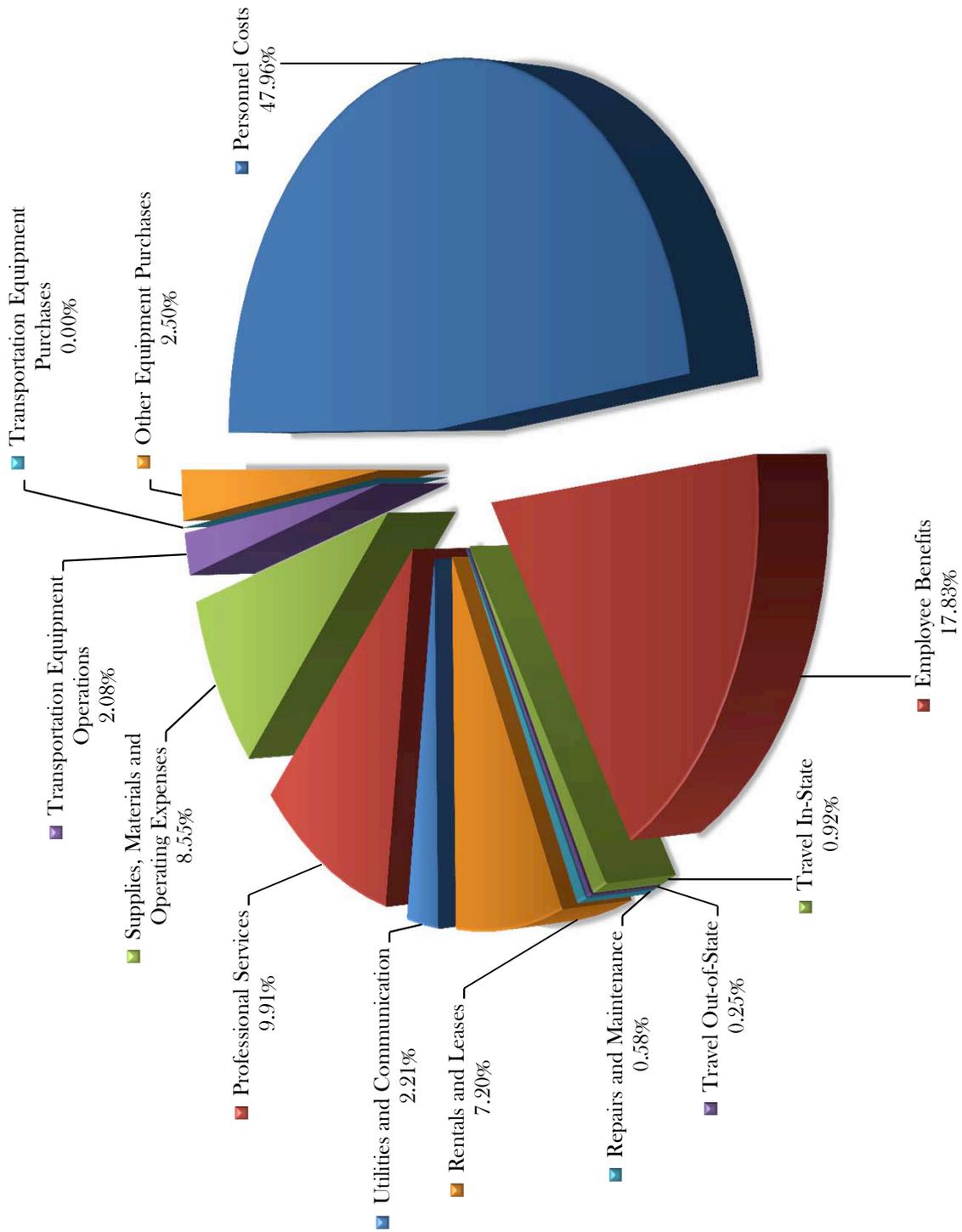
	Fiscal Year 2011- 2012 Appropriation	13th Accounting Period	Outstanding Purchase Orders	Rollover to FY 13	TOTAL Expenditures	Percent
EXPENDITURE						
Personnel Costs	1,151,110.00	0.00	0.00	(238,457.40)	912,652.60	47.96%
Employee Benefits	428,059.00	0.00	0.00	(85,119.75)	342,939.25	17.83%
Travel In-State	22,000.00	301.09	0.00	(16,100.00)	5,900.00	0.92%
Travel Out-of-State	6,000.00	0.00	0.00	(5,356.82)	643.18	0.25%
Repairs and Maintenance	14,000.00	308.67	521.89	(11,000.00)	3,000.00	0.58%
Rentals and Leases	172,700.00	226.94	1,287.62	(24,500.00)	148,200.00	7.20%
Utilities and Communication	53,150.00	3,352.14	429.17	(31,000.00)	22,150.00	2.21%
Professional Services	237,861.00	2,480.14	138.50	(207,680.00)	30,181.00	9.91%
Supplies, Materials, and Operating Expenses	205,330.00	1,704.91	0.00	(142,000.00)	63,330.00	8.55%
Transportation Equipment Operations	50,000.00	326.53	6,438.73	(21,280.03)	28,719.97	2.08%
Transportation Equipment Purchases	0.00	0.00	0.00	0.00	0.00	0.00%
Other Equipment Purchases	60,000.00	489.05	0.00	(44,100.00)	15,900.00	2.50%
	2,400,210.00	9,189.47	8,815.91	(826,594.00)	1,573,616.00	100.00%

The annual cost of the Alabama Ethics Commission (based on state population of 4.8 million) is \$27.1 cents per person.

The annual cost of the Alabama Ethics Commission (based on 308,980 public officials and public employees covered by the Ethics Law) is \$5.78 per person.

Original FY 12 Budget Appropriation	1,784,401.00
Rollover from FY 11	900,998.00
Total FY 12 Appropriation	2,685,399.00
Proration - 10.62%	(285,189.00)
NET FY 11 Budget Appropriation	2,400,210.00
Total FY 12 Expenditures	(1,573,616.00)
Rollover to FY 13	(826,594.00)
Remaining Balance	0.00
13th Acct Period Coverage	1,255.95
Reversion to General Fund	1,255.95

Expenditures by Percentages



SIGNIFICANT EVENTS FOR FY 2012

ADVISORY OPINIONS:

- 7 Formal Advisory Opinions were drafted by the General Counsel and rendered by the Commission.
- 123 Informal Advisory Opinions were provided by the General Counsel.
These opinions are issued only when the question asked deals with a matter of black letter law or where the Commission has previously addressed the matter with a formal opinion.
- All formal opinions may be read in their entirety at our website www.ethics.alabama.gov.

DIGEST OF ADVISORY OPINIONS

AO NO. 2011-08

The Perry County Commission may, by policy, allow the Perry County Coroner to use a County vehicle for personal, as well as business use, so he may be accessible when needed.

AO NO. 2011-09

This opinion has attempted to address as many issues under the new Ethics Law as is possible. While this opinion may not address all foreseeable circumstances, it should provide guidance in most situations. Below are listed the principal's opinion and interpretation of some of these areas.

There is nothing in the revised Ethics Law which prohibits an individual from simultaneously serving as both a lobbyist and a principal.

There is no requirement that the individual signing on behalf of the principal be an officer of the association. The important consideration in determining who signs as the principal's representative is that the individual is easily identifiable as a person with the authority to speak on behalf of the association.

Lobbyists and/or principals may not "stack" their expenditures to increase the \$25/\$50 cap, regardless of whether or not they are lobbying on the same issue or employed by the same principal.

Legal Division

SIGNIFICANT EVENTS FOR FY 2012

AO NO. 2011-09, cont.

Public officials/public employees may receive promotional items, items created for presentation, or other items of de minimis value.

The Ethics Commission cannot arbitrarily assign a value to what is and what is not de minimis.

Public officials and public employees may accept door prizes; provided, acceptance of the door prize requires no affirmative action on their part; that it is not given in exchange for official action; and where the door prize is incidental to their attendance at the conference/seminar.

An educational function is limited by definition to taking place in the State of Alabama, unless a majority of attendees are from elsewhere, and then it may occur anywhere within the continental United States.

An educational function, where more than 12 individuals are reasonably expected to be in attendance and will have a diversity of views and opinions, becomes a widely attended event.

There is no limitation as to where a widely attended event may take place.

A widely attended event is not a purely social or recreational event. Because of the requirement of a diversity of views or interests, there must be some educational or informational component to the widely attended event.

A work session is an event where a group of public officials/public employees are gathered together in their official capacity to further the public's interest.

The only hospitality that may be provided at a work session is food and beverages. Food and beverages may be provided to allow the work being conducted to continue, thereby furthering the public's interest.

Hospitality in the form of social or sporting events (golf, fishing, etc.) may not be provided at a work session, as these activities change the dynamic of the meeting from a work session to a purely social occasion.

While sponsors may provide food and beverages at work sessions, a lobbyist may not be solicited to do so.

Legal Division

SIGNIFICANT EVENTS FOR FY 2012

AO NO. 2011-09, cont.

Sponsors may not provide food and beverages at work sessions, if it is being offered in exchange for official action on the part of the public participants.

The revised Ethics Law excludes from the definition of a thing of value, anything given as part of a relationship that exists outside the public sector, i.e., a pre-existing friendship, or familial relationship.

The \$25/\$50 limit on food and beverages applies only to expenditures made by lobbyists and principals, and where the occasion does not fall under any of the other exceptions to the definition of a thing of value.

If a lobbyist/principal or a public official/public employee knowingly and willfully disregards the \$25/\$50 spending limit, a violation of the Ethics Law has occurred.

Public officials and public employees may participate in charitable events, such as golf tournaments; provided, there is an educational or informational component to the event.

A primary sponsor of an event may pay entry fees and provide hospitality for a participant at events falling under the exceptions to the definition of a thing of value.

Public officials/public employees may participate in social events with lobbyists/principals/vendors, etc.; provided, they pay any costs associated with their participation.

AO NO. 2011-10

The City of Sheffield may enter into a lease with the Mayor of Sheffield to lease a vacant lot for a period of 10 years at a price of \$1 annually in exchange for the City paving the lot; provided, the paving cost is amortized over the term of the lease, and should the lot be sold during the time period, the Mayor must reimburse the City the unamortized remainder of the paving cost.

AO NO. 2011-11

This opinion has attempted to address as many issues under the new Ethics Law as is possible. While this opinion may not address all foreseeable circumstances, it should provide guidance in most situations. Below are listed the principal's opinion and interpretation of some of these areas.

Legal Division

SIGNIFICANT EVENTS FOR FY 2012

AO NO. 2011-11, cont.

Lobbyists and principals may contribute to any charitable or non-profit organization that they so desire, regardless of whether or not public officials/public employees volunteer for the organization or serve on its board. A public official/public employee may not solicit a lobbyist to contribute to a charitable or non-profit organization.

Public officials and public employees may, on behalf of a charitable organization, sign a solicitation letter; provided, the solicitation letter is generic and is done in such a manner that individuals or entities receiving the solicitation do not feel obligated to contribute.

Public officials and public employees may not, even on behalf of a charitable organization solicit any thing other than a campaign contribution from a lobbyist.

Public officials and public employees may not exert undue influence over persons or principals to contribute to a charitable organization, when those individuals solicited have matters pending before the public body on which the public official serves or the public employee is employed.

Lobbyists/principals and vendors may provide financial support, underwriting or sponsorship of conferences held for public officials or public employees; provided, they are not attempting to corruptly influence official action by their sponsorship; and further, where the lobbyists have not been solicited for their financial support, underwriting or sponsorship.

Lobbyists/principals and vendors may provide hospitality to public officials and public employees in relation to an educational function or a widely attended event; provided, it is an integral part of the overall event.

Lobbyists/principals and vendors may provide hospitality to participants in an educational function or a widely attended event, when the hospitality provided is not an integral part of the event, but is in conjunction with the event; provided, the hospitality has been sanctioned by the sponsors of the event.

The \$25/\$50 limit on expenditures per meal placed on lobbyists and principals does not apply if the event falls under one of the other exceptions contained in the new definition of a thing of value.

Legal Division

SIGNIFICANT EVENTS FOR FY 2012

AO NO. 2011-11, cont.

Sporting and recreational events that are not an integral part of an educational function or a widely attended event, but are stand-alone events, are no longer permissible under the Alabama Ethics Law.

Lobbyists and principals may not “stack” their expenditures to get around the \$25/\$50 limitation, regardless of whether or not they are lobbying on the same issues.

AO NO. 2011-12

Based on the facts as provided and the above law, AASB may provide a monthly stipend to its officers who serve on a voluntary basis to partially reimburse them for the time they devote to the organization.

AASB may pay for meals and accommodations of its officers and board of directors during gatherings, conferences, conventions, etc.

AASB may pay for the meals and accommodations of its committee members during gatherings, conferences, conventions, etc.

AASB may pay for meals and accommodations of AASB members for travel to out-of-state conferences and conventions when they are representing the Association and its members.

AASB may provide a nominal travel stipend for AASB members who travel out-of-state to conferences and conventions to represent the Association, when the stipend is for reimbursement of expenses and is not compensation.

It is permissible for AASB to pay for meals and accommodations for non-AASB members who have been invited to participate in AASB events in their official capacity.

AASB may award attendance prizes in the form of gift cards or free registration at its conferences and conventions, as these are door prizes.

Vendors may host dinner for school board members at AASB gatherings or other local gatherings, provided nothing is expected in return.

School officials and employees may participate in giveaways sponsored by vendors at AASB gatherings or other local gatherings, as these are door prizes.

Legal Division

SIGNIFICANT EVENTS FOR FY 2012

AO NO. 2011-12, cont.

Vendors may only provide gifts to school board members of a de minimis value.

Vendors may only provide gifts to teachers, retired school employees or other school employees, of a de minimis value.

The Ethics Law does not make a distinction between legislators, county commissioners, school teachers, etc. The law allows gifts, regardless of the source, to be of a de minimis value only.

School boards may enact a policy which allows students to contribute a de minimis amount towards a gift card from the class, provided the policy is reasonable, done in good faith and complies with the de minimis requirements in the Alabama Ethics Law.

The Board's attorney may buy lunch for school board members at a work session.

If the Board's attorney is a lobbyist, he may only expend \$25.00 per meal, per official, with an annual limit of \$150.00 per official.

If the Board's attorney works for a principal, he may only expend \$50.00 per meal, per official, with an annual limit of \$250.00 per official.

School board attorneys may not give individual Christmas gifts to school board members or other school employees, unless the gift is of a de minimis value.

A school board attorney or other vendors and individuals may give gift baskets, cheese trays and other consumable items to the school office for enjoyment by the staff.

Public officials, public employees, including school teachers and other school employees, may accept gifts of any value, when the gift is based on a friendship that transcends the public sector, as exemplified by a pre-existing friendship.

A school board attorney may only provide free baseball tickets to school board members and school employees, if it is an integral part of an overall event in which the board members or other school employees are participating.

School board members and other school employees may be provided tickets, if they pay the face value for that ticket.

SIGNIFICANT EVENTS FOR FY 2012

AO NO. 2011-12, cont.

There is nothing improper in a school board member buying a legislator lunch or vice-versa.

School board members and other school employees may gain free admission to school events (plays, sporting events, etc.) in their local district.

The Alabama High School Athletic Association may provide school board members free admission to Championship Athletic events, if those school board members have a school in their district participating in the event.

School board members elected or appointed after January 1, 2011, are required to receive Ethics training within 120 days of being sworn into office.

An employee or official who knowingly fails to obtain Ethics training as required by Act No. 2010-762, upon conviction, may be found guilty of a Class A Misdemeanor.

AO NO. 2011-13

School board members and employees of the school district may gain free admission to plays, sporting events and other school events at any school in their local district, as it is the school district and not the individual school that is considered the institution for purposes of the Ethics Law.

AO NO. 2012-01

An Advisor III with the Natural Resource Programs in the Department of Fisheries and Allied Aquacultures with Auburn University, who is also part owner of a company requesting vendor status with the University, may sell products through his company to the University as a sole distributor in the United States; provided:

- 1) all business activities are conducted separate from the performance of his University responsibilities;
- 2) should the employee desire to use Auburn University equipment, facilities, services or personnel for his private business, he must receive approval through the appropriate University Departments and representatives;

Legal Division

SIGNIFICANT EVENTS FOR FY 2012

AO NO. 2012-01, cont.

- 3) the use may not interfere with its official use by the University;
- 4) he must compensate the University for its use;
- 5) the Dean of Agriculture, or his designee, must review all aspects of the research and/or testing to ensure that it is carried out consistent with University standards;
- 6) selection of products from the employee's company will be made on clear objective reasons related to research objects, costs and University purchasing policies, and must receive approval;
- 7) the employee may not apply for, or perform purchases, on behalf of the University directly from his company; they must be made by other representatives of the University, and must have the approval of the Departmental Chair;
- 8) all sales made by the employee's company to Auburn University may only be made at cost, consistent with his current price;
- 9) the employee may not otherwise profit from the transaction; and,
- 10) a copy of that contract must be filed with the Ethics Commission within 10 (ten) days.

NO OPINION AO NO. 2012-02

Legal Division

SIGNIFICANT EVENTS FOR FY 2012

COMPLAINTS:

- 300 Complaints were filed with the Ethics Commission

- 357 Complaints were closed by staff after Preliminary Inquiry
This number includes complaints received prior to October 1, 2011, but closed during the current Fiscal Year.

CASE PRESENTATIONS:

- 35 Cases were presented to the Commission

- 0 Cases were Closed with No Probable Cause

- 24 Cases were handled Administratively

- 6 Cases were forwarded to the Attorney General of Alabama or the appropriate District Attorney for further action

- 5 Cases were continued for further investigation

FINES AND RESTITUTIONS:

- \$17,725 levied and collected by Commission from Investigations

- \$8,212.06 collected in Restitution recovered for State, County and Municipal Entities from Investigations

Investigative Division

SIGNIFICANT EVENTS FOR FY 2012

STATEMENTS OF ECONOMIC INTERESTS:

The Alabama Ethics Law requires a Statement of Economic Interests Form to be filed no later than April 30th of each year covering the preceding calendar year for individuals who fall into one of 25 categories.



In Fiscal Year 2012:

- 55,464 forms filed with the Ethics Commission
- 47,979 forms or 86.6% were filed online
- Electronic Filing Percentage Decreased .5%

LOBBYIST REGISTRATIONS:

The Alabama Ethics Law requires all lobbyists to register with the Commission by January 31st of each year (or 10 days after the first undertaking requiring such registration).



In Fiscal Year 2012:

- 585 Lobbyists registered with the Ethics Commission
- 801 Principals were represented
- 509 people or 87.01% registered electronically
- Electronic Filing Percentage Increase = 3.97%

Top 10 Lobbying Subjects

- | | |
|-------------------------|-----------------------|
| 1. Health/Health Care | 6. Environmental |
| 2. Business | 7. Insurance |
| 3. Education | 8. Utilities |
| 4. Economic Development | 9. Telecommunications |
| 5. Taxes | 10. Pharmaceuticals |

Finance & Administrative Division

SIGNIFICANT EVENTS FOR FY 2012

ACCESS TO COMMISSION RECORDS:



Act No. 2010-762, which took effect January 1, 2011, required the Ethics Commission to implement and maintain by April 1, 2012 electronic filing of all statements, reports, registrations, and notices. This requirement had been previously met when electronic filing began in 2009. This act also required an electronic database accessible to the public through an Internet website. This database is available on our website to search for any filings of Public Officials and Public Employees.

- 573 Requests Received to Review Lobbyists Registrations

EDUCATIONAL PROGRAMS:

- 5,748 Public Officials and Public Employees Trained Through Agency Website On-Line Ethics Seminar
- 1,815 Individuals Trained on Ethics Law in Live Setting
- 103 NEW Lobbyists Trained on Ethics Law
- 29 Ethics Seminars and Educational Programs Presented

COMMISSION MEETING HIGHLIGHTS

October 5, 2011, Montgomery, Alabama

The Commission, chaired by Braxton L. Kittrell, was presented seven cases. Six were handled administratively and one was referred to the Attorney General's Office for further action.

December 7, 2011, Montgomery, Alabama

Four cases were presented to the Commission. All were handled administratively.

February 1, 2012, Montgomery, Alabama

Six cases were presented. Five were handled administratively and one was referred to the Attorney General's Office for further action.

April 4, 2012, Montgomery, Alabama

A Plaque of Appreciation was presented to outgoing Commissioner Rebekah Elgin-Council. Ten cases were presented. Six were handled administratively, three were referred to the Attorney General's Office for further action, and one was continued for further investigation.

June 6, 2012, Montgomery, Alabama

The Commission heard three cases. One was continued for further investigation and two were handled administratively.

August 1, 2012, Montgomery, Alabama

Meeting dates for 2013 were adopted. The Commission elected Mrs. Josephine Venable as Chair and Mr. Anthony Humphries as Vice Chair. Five cases were presented. One was referred to the local District Attorney for further action, one was handled administratively and three were continued for further investigation.

ALABAMA ETHICS COMMISSION COMMISSIONERS

1973-1976	Donald Comer, III	1989-1993	Lee McGriff
1973-1977	Dr. George E. Bagley	1991-1994	Whit Armstrong
1973-1978	Alto Lee, III	1992-1995	Frank L. Mason
1973-1979	Dr. Leslie S. Wright	1992-1996	H. Dean Buttram, Jr.
1973-1975	Connie Entrekin	1992-1997	James T. Pursell
1977-1980	Maynard Layman	1993-1998	Henry B. Gray, III
1977-1981	Bester Bonner	1994-1999	Camille S. Butrus
1978-1982	Dr. George E. Bagley	1995-2000	Helen Shores Lee, Esq.
1979-1982	Reverend John Vickers	1998-2002	John H. Watson
1979-1983	Adolph Weil, Jr.	1998-2002	Lewis G. Odom, Jr., Esq.
1979-1984	Neil O. Davis	1998-2003	Russell Jackson Drake, Esq.
1981-1985	William H. Lovin	1999-2004	J. Harold Sorrells
1981-1986	Edward C. Sherling, Jr.	2000-2000	Dr. Cordell Wynn
1983-1988	Jack W. Boykin	2000-2005	Raymond L. Bell, Jr., Esq.
1983-1989	Dr. James J. Hicks	2002-2008	Nancy Edwards Eldridge
1984-1991	Dr. Cordell Wynn	2003-2008	John H. Cooper, Esq.
1985-1992	Dr. Sandra K. Martin McLeod	2004-2009	Cameron McDonald Vowell, Ph.D.
1986-1992	James H. Anderson, Esq.	2001-2010	Linda L. Green
1987-1992	J. Ray Warren	2005-2012	Michael K. K. Choy, Esq.

Commissioners for Fiscal Year 2011-2012

2007-2012	Braxton L. Kittrell, Jr.
2008-2013	Josephine M. Venable
2009-2014	Anthony Humphries
2010-2011**	Rebekah Elgin-Council
2011-2015	Dr. Jewell W. Henderson
2012-2013	David B. Byrne, Esq.

***Mrs. Elgin-Council continued to serve until a replacement was confirmed by the Alabama Senate.*

ALABAMA ETHICS COMMISSION DIRECTORS

1997 – Present

James L. Sumner, Jr., *Director*

February – April 1997

Hugh R. Evans, III, *Acting Director*

1994 – 1997

E. J. “Mac” McArthur, *Director*

April – September 1994

Howard McKenzie, *Acting Director*

1974 – 1994

Melvin Cooper, *Director*