

CAUTION: The following advice may be based on a rule that has been revised since the opinion was first issued. Consequently, the analysis reflected in the opinion may be outdated.

IC 4-2-6-9 Conflicts of Financial Interest

A Transition Quality Coordinator with FSSA sought to rent property she owned to former residents of state hospitals that were being closed by the State. Subject to certain restrictions, SEC found it was permissible for the TQC to rent property to former state hospital residents.

No. 02-I-1 Conflict of Interest

Indiana State Ethics Commission

Official Advisory Opinion

April 11, 2002

Background

The State Ethics Commission received an advisory opinion request from a Transition Quality Coordinator for the Division of Disabilities, Aging, and Rehabilitative Services of the Family and Social Services Administration. The Transition Quality Coordinator was considering offering property which she owned for rent to former residents of state hospitals that were being closed by the state. The Ethics officer for the Division of Disabilities, Aging, and Rehabilitative Services of the Family and Social Services Administration urged her to bring the matter to the Commission to assure that she appropriately dealt with the ethics issues raised by this situation. to rent property to former residents of Muscatatuck and Madison state hospitals

Question

Does the state ethics code prohibit a Transition Quality Coordinator within the Division of Disabilities, Aging, and Rehabilitative Services from renting property to former residents of state hospitals who are not on her assigned caseload?

Facts

A Transition Quality Coordinator (TQC) performs quality assurance activities for approximately (70) residents of Muscatatuck State Developmental Center who are being transitioned into community- based homes, which include rental properties. The TQC owns property that she would like to rent to individuals who are being discharged from Muscatatuck and Madison state hospitals.

Relevant Law

IC 4-2-6-9, Conflicts of Financial Interest:

“A state officer or employee may not participate in any decision or vote of any kind in which the state officer or that individual’s spouse or unemancipated children has a financial interest.”

IC 4-2-6-1(9), Definitions:

“Financial Interest’ means an interest:

- (A) in a purchase, sale, lease, contract, option, or other transaction between an agency and any person; or
- (B) involving property or services.

Related Opinions

Advisory Opinion 95-I-3 pertained to a similar situation but was not directly analogous.

Conclusion

The Commission found that a Transition Quality Coordinator (TQC) for the Division of Disabilities, Aging and Rehabilitative Services (DDARS) may rent a home to a former resident of a state hospital. The Commission, however, placed the following restrictions on a TQC who wishes to rent to a discharged individual. Those restrictions are as follows:

- The TQC may not serve as manager of the home in which the former resident resides.
- The TQC must advertise the availability of the home as any other potential landlord would.
- The TQC may not rent to any individual who is part of the TQC’s regular caseload.
- The TQC may not use confidential information to facilitate the rental transaction.
- Immediately upon renting to a former state hospital patient, a TQC must file a disclosure statement with the State Ethics Commission. A disclosure statement is required for each person to which the TQC rents.