

SEI Helpful Tips 2017

File annually by April 15, 2017, to avoid fines and other penalties.

READ EACH QUESTION CAREFULLY AS THE TIME PERIODS FOR REPORTING VARY PER THE NC STATE GOVERNMENT ETHICS ACT (N.C.G.S 138A)

- 1. PUBLIC RECORDS.** The State Ethics Commission (Commission) is required to collect and maintain disclosures from certain persons covered by the State Government Ethics Act (Ethics Act). *By law, the information requested is public record and available to the public upon request.* As public records, 2015 Statements of Economic Interest (SEI) are available on the Commission's website. Personal contact information, however, is not.
- 2. CONTACT INFORMATION PAGE.** The Contact Information page, which includes your personal contact information, will not be available on the Commission's website.
- 3. CHILDREN'S INITIALS.** Only list minor children's INITIALS on the SEI. List each child's full legal name on the Confidential Form at the end of the SEI. The Confidential Form is not a public record, and the Commission will not make it available to the public.
- 4. ANSWER EACH QUESTION.** It is important to answer each question, including all applicable sub-parts. Even if your answer is "no" or "not applicable," make certain you answer *each question*. Many of the questions have "yes" and "no" boxes to check for your convenience. Incomplete SEIs may cause delays and negatively impact your public service on a covered board or as an employee.
- 5. WHY ARE YOU FILING.** You must list the complete name of the state board or state agency employer for which you are filing the SEI. Without this information, your SEI may be delayed and negatively impact your public service on a covered board or as an employee.
- 6. HOW TO FILE.** The Commission strongly recommends *on-line filing* as it is secure, allows easy information updates, and gives you access to your electronic SEIs previously filed. Filing your SEI on-line is easy, quick, convenient, and reduces the chance of reporting errors. Getting started is easy. Follow the simple steps to create your own NCID account and get access today:

<http://www.ethicscommission.nc.gov/library>

To file a paper version of the SEI, you must provide the Commission with a *signed, original* SEI form. Each SEI includes an "affirmation" and is a legally binding document.

FAXED OR EMAILED COPIES OF YOUR SEI CANNOT BE ACCEPTED

- 7. INCOME.** List each source of income as requested on the SEI. The actual dollar amount is not required. Be sure to list your employer as a source of income in Question # 6 of the SEI.
- 8. READ CAREFULLY.** Read each question carefully, as the Ethics Act requires that you disclose your financial holdings and obligations, personal property, and real property and may also include your knowledge of

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the holdings of both your *immediate* family and your *extended* family. “Immediate family” and “extended family” are defined terms in the Ethics Act, and those definitions are included with this document.

PAY CLOSE ATTENTION TO TIME PERIODS IN EACH QUESTION

9. REFLECT. Think carefully about WHY you are filing, and whether it has any relationship to your position. Does your board or commission license or regulate you? For many of the boards, a subject matter expert like a licensee is needed. Answering “yes” does *not* prohibit your service on the board, and your perspective is valued.

10. MAKE A COPY. Make a copy of the SEI for your own records, and make a note in your calendar when you submit it, whether on-line or by mail or hand delivery. When you successfully submit your SEI electronically *on-line*, the final screen will provide a confirmation number and will be definitive proof that you have satisfied your filing obligation. Please print the confirmation screen for your records.

11. ETHICS LIAISON. Contact your Ethics Liaison to assist you in your obligations under the Ethics Act. Your Ethics Liaison is good source of information about how to fill out your SEI.

12. ON-LINE HELP. The Ethics Commission has on-line resources to answer questions you may have about your SEI. For more information, please visit the **State Ethics Commission website** which has education offerings.

13. DEFINITIONS. As noted above, certain terms are defined in the Ethics Act (“immediate family”). These definitions may be helpful to you in completing your SEI. A complete list of all definitions used in the Ethics Act is available on the Commission’s website. Some of the more common ones are attached to this document.

14. WE ARE HERE TO HELP YOU. In addition to on-line resources and written materials, the Ethics Commission has expert staff ready to answer any questions you might have and assist you in completing and filing your SEI. Do not hesitate to contact us at

sei@doa.nc.gov

(919) 814-3600.

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HELPFUL DEFINITIONS

The definitions below may be helpful to you in completing your SEI. A complete list of all definitions used in the State Government Ethics Act, N.C.G.S. § 138A-3, is available on the Commission's website.

Board. Any State board, commission, council, committee, task force, authority, or similar public body, however denominated, created by statute or executive order, as determined and designated by the Commission, except for those public bodies that have only advisory authority.

Business. Any of the following organized for profit: association, business trust, corporation, enterprise, joint venture, organization, partnership, proprietorship, vested trust, and every other business interest, including ownership or use of land for income.

Business with which associated. A business in which the covered person or filing person or any member of that covered person's or filing person's immediate family does any of the following: is an employee, holds a position as a director, officer, partner, proprietor, or member or manager of a limited liability company, irrespective of the amount of compensation received or the amount of the interest owned, owns a legal, equitable or beneficial interest of ten thousand dollars (\$10,000) or more in the business or five percent (5%) of the business, whichever is less, other than as a trustee on a deed of trust, or is a lobbyist registered under Chapter 120C of the General Statutes.

For the purposes of this definition, the term "business" shall not include a widely held investment fund, regulated investment company, or pension or deferred compensation plan, if all of the following apply: the covered person, filing person, or a member of the covered person's or filing person's immediate family neither exercises nor has the ability to exercise control over the financial interests held by the fund, and the fund is publicly traded or the fund's assets are widely diversified.

Emancipation. A minor child, under the age of 18 years, is emancipated by the following acts: marriage, enlistment in the United States armed forces, or court action for emancipation.

Extended family. Spouse, lineal descendant, lineal ascendant, sibling, spouse's lineal descendant, spouse's lineal ascendant, spouse's sibling, and the spouse of any of these individuals.

Honoraria. Payments for services for which fees are not legally or traditionally required.

Immediate family. An unemancipated child of the covered person residing in the household and the covered person's spouse, if not legally separated. A member of a covered person's extended family shall also be considered a member of the immediate family if actually residing in the covered person's household.

Judicial officer. Justice or judge of the General Court of Justice, district attorney, clerk of court, or any individual elected or appointed to any of these positions prior to taking office.

Nonprofit corporation or organization with which associated. Any not for profit corporation, organization, or association, incorporated or otherwise, that is organized or operating in the State primarily for religious, charitable, scientific, literary, public health and safety, or educational purposes and of which the covered person, filing person, or any member of the covered person's or filing person's immediate family is a director, officer, governing board member, employee, lobbyist

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registered under Chapter 120C of the General Statutes, or independent contractor. Nonprofit corporation or organization with which associated shall not include any board, entity, or other organization created by this State or by any political subdivision of this State.

Person. Any individual, firm, partnership, committee, association, corporation, business, or any other organization or group of persons acting together. The term "person" does not include the State, a political subdivision of the State, a board, or any other entity or organization created by the State or a political subdivision of the State.

Person with which the legislator is associated. Any of the following: a member of the legislator's extended family, a client of the legislator, a business with which the legislator or a member of the legislator's immediate family is associated, a nonprofit corporation or association with which the legislator or a member of the legislator's immediate family is associated, the State, a political subdivision of the State, a board, or any other entity or organization created by the State or a political subdivision of the State that employs the legislator or a member of the legislator's immediate family.

Person with which the public servant is associated. Any of the following: a member of the public servant's extended family, a client of the public servant, a business with which the public servant or a member of the public servant's immediate family is associated, a nonprofit corporation or association with which the public servant or a member of the public servant's immediate family is associated, and the State, a political subdivision of the State, a board, or any other entity or organization created by the State or a political subdivision of the State that employs the public servant or a member of the public servant's immediate family.

Trusts: Blind Trust. A trust established by or for the benefit of a covered person or a member of the covered person's immediate family for divestiture of all control and knowledge of assets. A trust qualifies as a blind trust under this subdivision if the covered person or a member of the covered person's immediate family has no knowledge of the holdings and sources of income of the trust, the trustee of the trust is independent of and not associated with or employed by the covered person or a member of the covered person's immediate family and is not a member of the covered person's extended family, and the trustee has sole discretion as to the management of the trust assets.

Trusts: Vested Trust. A trust or annuity, or other funds held by a trustee or other third party for the benefit of the covered person or a member of the covered person's immediate family, except a blind trust. A vested trust shall not include a widely held investment fund, including a mutual fund, regulated investment company, or pension or deferred compensation plan, if the covered person or a member of the covered person's immediate family neither exercises nor has the ability to exercise control over the financial interests held by the fund; and the fund is publicly traded, or the fund's assets are widely diversified.