

# THE STATE ETHICS CODE AND PRIVATE FUNDRAISING IN STATE OFFICES

State employees sometimes participate in fundraising activities to benefit private charities and other nonprofit organizations. While these activities may be for worthy causes, employees are reminded that the State Ethics Code, Hawaii Revised Statutes ("HRS") chapter 84, prohibits private fundraising activities in state offices.

## I. <u>The State Ethics Code's "Fair Treatment" Law</u>

The State Ethics Code is a <u>mandatory</u> code of conduct for state employees. The ethics code includes a "fair treatment" law<sup>1</sup> which prohibits a state employee from using his or her official position to give anyone an unwarranted advantage. The law also specifically prohibits the use of state time, equipment, and facilities for "private business" purposes, which includes fundraising for charities and other nonprofit organizations such as private clubs and sports teams. Thus, state employees are prohibited from engaging in private fundraising activities in state offices.

### II. Prohibited Fundraising in State Offices

State employees are prohibited from using state time, equipment, facilities, and other state resources such as state personnel and state email, for private fundraising activities. Examples of private fundraising activities that may <u>not</u> take place in state offices include the following:

- Selling fundraiser tickets for benefit performances, dinners, and other special events to raise money for a private organization
- Organizing charity golf tournaments, auctions, fairs, and other private fundraising events
- Selling goods, products, or services such as candy, cookies, bentos, gift cards, coupon books, etc., for a private fundraiser
- Soliciting pledges or monetary donations for a private fundraiser

<sup>&</sup>lt;sup>1</sup> HRS section 84-13.

### III. Permissible Fundraising in State Offices

The State Ethics Code does not prohibit fundraising in state offices for the State's Aloha United Way (AUW) campaign and other State-authorized campaigns such as the canned food drive for the Hawaii Foodbank. The State's official support has made these campaigns "public business" and state resources may be used to fundraise for these campaigns. State employees, however, are prohibited from pressuring or coercing others to make donations. Additional guidelines for AUW fundraising are available on the State Ethics Commission's website at <a href="http://hawaii.gov/ethics">http://hawaii.gov/ethics</a>.

Limited fundraising activities in state offices are also permissible under the State Ethics Code for certain employee functions, such as department picnics and holiday parties. These fundraising activities generally may not extend to anyone outside of the department. For example, a state department may hold a bake sale that is open only to the employees of the department to raise money for a holiday party. Employees who are considering fundraising activities for such events should contact the State Ethics Commission for further advice as additional restrictions may apply.

Collecting money in moderate amounts from employees in a state office to purchase flowers and "gifts of Aloha" generally does not pose ethics concerns as long as employees are not pressured or coerced into contributing. For example, employees in a state office may take up a collection to send flowers to a co-worker in the hospital.

#### IV. Questions About Fundraising in State Offices

<u>These are general guidelines only</u>. The application of the State Ethics Code to fundraising activities may depend upon the particular facts involved. Employees with questions about fundraising activities in state offices are encouraged to contact the Hawaii State Ethics Commission for guidance at (808) 587-0460.