



## BROWARD OFFICE OF THE INSPECTOR GENERAL

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### OIG COMPLIANCE REVIEW RE: *INTERNET POSTING OF REQUIRED FINANCIAL DISCLOSURE FORMS*

#### **SUMMARY**

In October and November 2014, the Broward Office of the Inspector General (OIG) conducted a review of Broward County's and its municipalities' websites to determine whether Broward's elected officials had timely posted copies of their required State financial disclosure forms on a searchable internet database, as required by the Broward Code of Ethics for Elected Officials (Ethics Code). The OIG's initial review determined that as of November 24, 2014—almost three months after the expiration of the automatic grace period provided by the Florida Commission on Ethics (COE)—approximately 18% of the officials had failed to comply with the requirement.

The OIG then informed the offices of the County Administrator and nine municipal clerks of the names of the elected officials whose financial disclosure forms were missing from their respective website. The OIG then worked with the county and the municipalities to bring 100% of the elected officials into compliance with the posting requirements.<sup>1</sup>

#### **RELEVANT GOVERNING AUTHORITIES AND BACKGROUND**

##### *Florida Law*

The Florida Constitution and certain statutes require county commissioners to file annual disclosures of their financial interests on COE *Form 6: Full and Public Disclosure of Financial Interests* (Exhibit 1). Elected municipal officials are required to file *Ethics Form 1: Statement of Financial Interests* (Exhibit 2), which obliges a more limited annual disclosure of financial interests. Form 6 requires reporting of all assets valued at over \$1,000, as well as a disclosure of a Commissioner's net worth and income amounts. By comparison, Form 1 requires that only certain assets be listed, including real and intangible property.<sup>2</sup> Both forms require a listing of other sources of income, liabilities, and interests in specified businesses.

The deadline for filing both forms is July 1 of each year. However, the COE provides an automatic grace period for filing until September 1 of each year. Although the COE's website posts a listing of those officials who have filed the forms, it only maintains a database that allows a website visitor to examine copies of Forms 6.<sup>3</sup>

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<sup>1</sup> This review was limited to the issue of whether copies of the forms were posted and did not involve any inspection of the forms' substance.

<sup>2</sup> Compare Fla. Stat. § 112.3144 with § 112.3145(2).

<sup>3</sup> Whereas Forms 6 are filed with the COE, Forms 1 are filed with the Supervisor of Elections of the county in which the reporting individual permanently resides. Fla. Stat. §§ 112.3144(1), 112.3145(2)(c).

***Section 1-19 of the Broward County Code of Ordinances, Code of Ethics for Elected Officials***

Section 1-19 (c)(7)(a) of the Broward County Code of Ordinances, *Code of Ethics for Elected Officials*, requires that every County and municipal elected official, contemporaneously with the annual filing of the Form 6 or Form 1, shall file such form for public inspection. Section 1-19 (b)(4) of the Ethics Code defines filing for public inspection as inputting a legible copy of the form onto a municipality's searchable internet database. The Ethics Code's requirement that the forms be publicly available in a searchable database was intended to expand transparency in government, and to encourage public participation in the oversight of public officials.

**REVIEW**

By the end of November 2014, the OIG determined that a total of 31 Broward County and municipal elected officials of the 171 subject to this review had failed to post their disclosure forms on the internet. Of the county and its 31 municipalities, 22 municipalities were in full compliance.<sup>4, 5</sup>

To bring all the elected officials into compliance, the OIG contacted the offices of the County Administrator and city clerks for the nine municipalities that had not posted the required Statements of Financial Disclosure, and informed them of the missing forms. Through an OIG Special Agent and our Ethics Counsel, this office worked with the clerks and elected officials and, within three weeks, all Broward elected officials came into compliance with this posting requirement.

The disclosure sites for the County and all its municipalities are linked at the OIG's website at <http://www.broward.org/InspectorGeneral/Programs/Ethics>.

**CONCLUSIONS AND RECOMMENDATIONS**

Once again, the OIG urges that every county and municipal elected official be mindful that the Ethics Code imposes a legal duty to their constituents to ensure that required financial disclosure forms be posted on their political subdivision's internet database, and not merely filed with the COE or Supervisor of Elections.

We observe that, despite the applicability of the Ethics Code to all mayors and members of the governing councils within Broward County since January 2012, there continue to be officials who fail to post disclosures until they are contacted by the OIG. We encourage proactive involvement by county and city attorneys, elected officials and clerks to ensure timely compliance with the requirements of the Ethics Code.

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<sup>4</sup> Upon initial review, the following municipalities were in full compliance: Coconut Creek, Cooper City, Coral Springs, Davie, Fort Lauderdale, Hallandale Beach, Hillsboro Beach, Hollywood, Lauderdale-by-the-Sea, Lauderhill, Lauderdale Lakes, Lazy Lake, Lighthouse Point, Margate, North Lauderdale, Oakland Park, Pembroke Pines, Plantation, Southwest Ranches, Tamarac, Weston and Wilton Manors.

<sup>5</sup> This memorandum has been revised from the version dated April 8, 2015 to correct footnote 4 as follows: the City of Weston was initially in full compliance with the Ethics Code posting requirement. The City of Miramar was incorrectly listed as being in initial full compliance.

**OIG 14-028**

# **EXHIBIT 1**

Please print or type your name, mailing address, agency name, and position below:

**OF FINANCIAL INTEREST**

**FOR OFFICE USE ONLY:**

LAST NAME — FIRST NAME — MIDDLE NAME:

MAILING ADDRESS:

CITY : ZIP : COUNTY :

NAME OF AGENCY :

NAME OF OFFICE OR POSITION HELD OR SOUGHT :

CHECK IF THIS IS A FILING BY A CANDIDATE

**PART A -- NET WORTH**

Please enter the value of your net worth as of December 31, 2013, or a more current date. [Note: Net worth is not calculated by subtracting your reported liabilities from your reported assets, so please see the instructions on page 3.]

My net worth as of \_\_\_\_\_, 20\_\_ was \$ \_\_\_\_\_.

**PART B -- ASSETS**

**HOUSEHOLD GOODS AND PERSONAL EFFECTS:**

Household goods and personal effects may be reported in a lump sum if their aggregate value exceeds \$1,000. This category includes any of the following, if not held for investment purposes: jewelry; collections of stamps, guns, and numismatic items; art objects; household equipment and furnishings; clothing; other household items; and vehicles for personal use.

The aggregate value of my household goods and personal effects (described above) is \$ \_\_\_\_\_

**ASSETS INDIVIDUALLY VALUED AT OVER \$1,000:**

DESCRIPTION OF ASSET (specific description is required - see instructions p.4)	VALUE OF ASSET

**PART C -- LIABILITIES**

**LIABILITIES IN EXCESS OF \$1,000 (See instructions on page 4):**

NAME AND ADDRESS OF CREDITOR	AMOUNT OF LIABILITY

**JOINT AND SEVERAL LIABILITIES NOT REPORTED ABOVE:**

NAME AND ADDRESS OF CREDITOR	AMOUNT OF LIABILITY

**PART D -- INCOME**

You may ***EITHER*** (1) file a complete copy of your 2013 federal income tax return, *including all W2's, schedules, and attachments*, ***OR*** (2) file a sworn statement identifying each separate source and amount of income which exceeds \$1,000, including secondary sources of income, by completing the remainder of Part D, below.

I elect to file a copy of my 2013 federal income tax return and all W2's, schedules, and attachments.  
 [If you check this box and attach a copy of your 2013 tax return, you need not complete the remainder of Part D.]

**PRIMARY SOURCES OF INCOME (See instructions on page 5):**

NAME OF SOURCE OF INCOME EXCEEDING \$1,000	ADDRESS OF SOURCE OF INCOME	AMOUNT

**SECONDARY SOURCES OF INCOME [Major customers, clients, etc., of businesses owned by reporting person--see instructions on page 5]:**

NAME OF BUSINESS ENTITY	NAME OF MAJOR SOURCES OF BUSINESS' INCOME	ADDRESS OF SOURCE	PRINCIPAL BUSINESS ACTIVITY OF SOURCE

**PART E -- INTERESTS IN SPECIFIED BUSINESSES [Instructions on page 6]**

	BUSINESS ENTITY # 1	BUSINESS ENTITY # 2	BUSINESS ENTITY # 3
NAME OF BUSINESS ENTITY			
ADDRESS OF BUSINESS ENTITY			
PRINCIPAL BUSINESS ACTIVITY			
POSITION HELD WITH ENTITY			
I OWN MORE THAN A 5% INTEREST IN THE BUSINESS			
NATURE OF MY OWNERSHIP INTEREST			

**IF ANY OF PARTS A THROUGH E ARE CONTINUED ON A SEPARATE SHEET, PLEASE CHECK HERE**

**OATH**

STATE OF FLORIDA  
 COUNTY OF \_\_\_\_\_

I, the person whose name appears at the beginning of this form, do depose on oath or affirmation and say that the information disclosed on this form and any attachments hereto is true, accurate, and complete.

Sworn to (or affirmed) and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_.

\_\_\_\_\_  
 (Signature of Notary Public--State of Florida)

\_\_\_\_\_  
 (Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known \_\_\_\_\_ OR Produced Identification \_\_\_\_\_

\_\_\_\_\_  
 SIGNATURE OF REPORTING OFFICIAL OR CANDIDATE

\_\_\_\_\_  
 Type of Identification Produced

If a certified public accountant licensed under Chapter 473, or attorney in good standing with the Florida Bar prepared this form for you, he or she must complete the following statement:

I, \_\_\_\_\_, prepared the CE Form 6 in accordance with Art. II, Sec. 8, Florida Constitution, Section 112.3144, Florida Statutes, and the instructions to the form. Upon my reasonable knowledge and belief, the disclosure herein is true and correct.

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

**Preparation of this form by a CPA or attorney does not relieve the filer of the responsibility to sign the form under oath.**

**OIG 14-028**

# **EXHIBIT 2**

Please print or type your name, mailing address, agency name, and position below:

**FINANCIAL INTERESTS**

**FOR OFFICE USE ONLY:**

LAST NAME -- FIRST NAME -- MIDDLE NAME :

MAILING ADDRESS :

CITY : ZIP : COUNTY :

NAME OF AGENCY :

NAME OF OFFICE OR POSITION HELD OR SOUGHT :

You are not limited to the space on the lines on this form. Attach additional sheets, if necessary.

CHECK ONLY IF  CANDIDATE OR  NEW EMPLOYEE OR APPOINTEE

**\*\*\*\* BOTH PARTS OF THIS SECTION MUST BE COMPLETED \*\*\*\***

**DISCLOSURE PERIOD:**

THIS STATEMENT REFLECTS YOUR FINANCIAL INTERESTS FOR THE PRECEDING TAX YEAR, WHETHER BASED ON A CALENDAR YEAR OR ON A FISCAL YEAR. PLEASE STATE BELOW WHETHER THIS STATEMENT IS FOR THE PRECEDING TAX YEAR ENDING EITHER (must check one):

DECEMBER 31, 2013 OR  SPECIFY TAX YEAR IF OTHER THAN THE CALENDAR YEAR: \_\_\_\_\_

**MANNER OF CALCULATING REPORTABLE INTERESTS:**

FILERS HAVE THE OPTION OF USING REPORTING THRESHOLDS THAT ARE ABSOLUTE DOLLAR VALUES, WHICH REQUIRES FEWER CALCULATIONS, OR USING COMPARATIVE THRESHOLDS, WHICH ARE USUALLY BASED ON PERCENTAGE VALUES (see instructions for further details). CHECK THE ONE YOU ARE USING:

COMPARATIVE (PERCENTAGE) THRESHOLDS OR  DOLLAR VALUE THRESHOLDS

**PART A -- PRIMARY SOURCES OF INCOME** [Major sources of income to the reporting person - See instructions]  
(If you have nothing to report, write "none" or "n/a")

NAME OF SOURCE OF INCOME	SOURCE'S ADDRESS	DESCRIPTION OF THE SOURCE'S PRINCIPAL BUSINESS ACTIVITY

**PART B -- SECONDARY SOURCES OF INCOME** [Major customers, clients, and other sources of income to businesses owned by the reporting person - See instructions]  
(If you have nothing to report, write "none" or "n/a")

NAME OF BUSINESS ENTITY	NAME OF MAJOR SOURCES OF BUSINESS' INCOME	ADDRESS OF SOURCE	PRINCIPAL BUSINESS ACTIVITY OF SOURCE

**PART C -- REAL PROPERTY** [Land, buildings owned by the reporting person - See instructions]  
(If you have nothing to report, write "none" or "n/a")


**FILING INSTRUCTIONS** for when and where to file this form are located at the bottom of page 2.

**INSTRUCTIONS** on who must file this form and how to fill it out begin on page 3.

**PART D — INTANGIBLE PERSONAL PROPERTY** [Stocks, bonds, certificates of deposit, etc. - See instructions]  
 (If you have nothing to report, write "none" or "n/a")

TYPE OF INTANGIBLE	BUSINESS ENTITY TO WHICH THE PROPERTY RELATES

**PART E — LIABILITIES** [Major debts - See instructions]  
 (If you have nothing to report, write "none" or "n/a")

NAME OF CREDITOR	ADDRESS OF CREDITOR

**PART F — INTERESTS IN SPECIFIED BUSINESSES** [Ownership or positions in certain types of businesses - See instructions]  
 (If you have nothing to report, write "none" or "n/a")

	BUSINESS ENTITY # 1	BUSINESS ENTITY # 2
NAME OF BUSINESS ENTITY		
ADDRESS OF BUSINESS ENTITY		
PRINCIPAL BUSINESS ACTIVITY		
POSITION HELD WITH ENTITY		
I OWN MORE THAN A 5% INTEREST IN THE BUSINESS		
NATURE OF MY OWNERSHIP INTEREST		

IF ANY OF PARTS A THROUGH F ARE CONTINUED ON A SEPARATE SHEET, PLEASE CHECK HERE

**SIGNATURE (required):**

**DATE SIGNED (required):**

If a certified public accountant licensed under Chapter 473, or attorney in good standing with the Florida Bar prepared this form for you, he or she must complete the following statement:

I, \_\_\_\_\_, prepared the CE Form 1 in accordance with Section 112.3145, Florida Statutes, and the instructions to the form. Upon my reasonable knowledge and belief, the disclosure herein is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**FILING INSTRUCTIONS:**

**WHAT TO FILE:**

After completing all parts of this form, **including signing and dating it**, send back only the first sheet (pages 1 and 2) for filing.

If you have nothing to report in a particular section, you must write "none" or "n/a" in that section(s).

**NOTE:**

**MULTIPLE FILING UNNECESSARY:**

Generally, a person who has filed Form 1 for a calendar or fiscal year is not required to file a second Form 1 for the same year. However, a candidate who previously filed Form 1 because of another public position must at least file a copy of his or her original Form 1 when qualifying.

**WHERE TO FILE:**

If you were mailed the form by the Commission on Ethics or a County Supervisor of Elections for your annual disclosure filing, return the form to that location.

**Local officers/employees** file with the Supervisor of Elections of the county in which they permanently reside. (If you do not permanently reside in Florida, file with the Supervisor of the county where your agency has its headquarters.)

**State officers or specified state employees** file with the Commission on Ethics, P.O. Drawer 15709, Tallahassee, FL 32317-5709; physical address: 325 John Knox Road, Building E, Suite 200, Tallahassee, FL 32303.

**Candidates** file this form together with their qualifying papers.

To determine what category your position falls under, see the "Who Must File" Instructions on page 3.

**Facsimiles will not be accepted.**

**WHEN TO FILE:**

**Initially**, each local officer/employee, state officer, and specified state employee must file **within 30 days** of the date of his or her appointment

or of the beginning of employment. Appointees who must be confirmed by the Senate must file prior to confirmation, even if that is less than 30 days from the date of their appointment.

**Candidates** for publicly-elected local office must file at the same time they file their qualifying papers.

**Thereafter**, local officers/employees, state officers, and specified state employees are required to file by July 1st following each calendar year in which they hold their positions.

**Finally**, at the end of office or employment, each local officer/employee, state officer, and specified state employee is required to file a final disclosure form (Form 1F) within 60 days of leaving office or employment. However, filing a CE Form 1F (Final Statement of Financial Interests) does **not** relieve the filer of filing a CE Form 1 if he or she was in their position on December 31, 2013.