

Frequently Asked Questions about the Code of Ethics of the Town of Greenwich

C. FINANCIAL INTEREST DISCLOSURE STATEMENTS

Please click on the following links for more information about the content and procedures for filing disclosure statements:

[Who is required to file a financial interest disclosure statement?](#)

[What is considered a “transaction” with the Town?](#)

[When am I required to file a financial interest disclosure statement?](#)

[What if I’m unaware of a transaction that I have an interest in?](#)

[If I abstain from any participation in discussions or voting on a particular transaction, do I still have to report that I have a financial interest in the transaction?](#)

[What types of interests should be reported?](#)

[What if I had a prior year transaction that was for less than \\$200 and now I have an additional transaction for less than \\$200?](#)

[What if I had a transaction that was amended to increase the amount to above \\$199?](#)

[What if I buy goods and services from a vendor that sells to the Town?](#)

[What if I sell goods and services to a vendor that sells to the Town?](#)

[What if I bid on, but lose the award for, a transaction, or I win the award, but it provides for no payments to be made in the current fiscal year?](#)

[Does it make a difference if the interest is direct or indirect?](#)

[Do I need to report the interests of family members?](#)

[Does the \\$200 exemption apply to the financial interest or the transaction?](#)

[What is a “series of transactions”?](#)

[What period of time is covered by the financial interest disclosure statement?](#)

[Where am I required to file my statement? Can I file On-line?](#)

[Is the statement required to be notarized?](#)

[Who reviews the disclosure statements that are filed?](#)

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

Frequently Asked Questions about the Code of Ethics of the Town of Greenwich

Q. Who is required to file a financial interest disclosure statement?

A. The Code of Ethics only requires an individual to file a statement if all three of the following conditions are met:

1. The individual is a Town Officer, within the meaning of the Code (see [Who does the Greenwich Code of Ethics Apply to?](#)); and
2. The individual had a substantial financial interest in a transaction or series of transactions with the Town (see below); and
3. The aggregate amount received with respect to the transaction(s) is valued at more than \$200 during the Town fiscal year (July 1 - June 30) being reported on.

Q. What is considered a “transaction” with the Town?

A. “Transaction” is a broad term that covers more than just the obvious situations like sales or purchases of goods and other property or contracts for the delivery of services. For example, a decision by the Town to join or support an organization that an individual is an officer or member of could be a transaction that the individual has a financial interest in. Similarly, the decision of the Town to proceed with or to cancel a municipal improvement could have a tangible financial impact on persons who live in the area affected by the improvement.

Q. When am I required to file my financial interest disclosure statement?

A. The Code permits financial disclosure statements to be filed as soon as the filer becomes aware of an interest in a relevant transaction. But the statement is not late until 30 days after the applicable fiscal year. The reason that the statement is permitted to be filed as soon as someone becomes aware of an interest is help Town Officers avoid the risk of forgetting to file. You may report on the estimated amount to be received for the fiscal year even if the amount is not certain because the year isn’t over. (Amended filings can be made in the case of a serious mis-estimate.) The reason the filing is not required until 30 days after the end of the fiscal year is to allow time for Town Officers to become aware of indirect interests or to make filings for multiple transactions when the initial transaction may be under the threshold limit.

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

Frequently Asked Questions about the Code of Ethics of the Town of Greenwich

EXAMPLE 1: A member of the RTM has a cousin who works for a small consulting firm who contracts with the Town to conduct a large study. The cousin mentions it to the RTM member only at a family gathering a year after the contract begins. The RTM member files a disclosure statement promptly after learning of the cousin's interest in the transaction and explains why the filing is being made for a prior Fiscal Year. The filing complies with the Code of Ethics because it was made promptly after the RTM member became aware of the transaction.

EXAMPLE 2: A member of a Town Board works for an engineering firm that provides professional services to the Town during the beginning of the fiscal year. The individual neglects to file at the time the work is performed and forgets to file within 30 days of the end of the fiscal year. The individual is responsible for a violation of the Code, but the voluntary late filing of a statement would be taken into account in determining whether the forgetfulness was due to a flagrant disregard of the Code's requirement.

Q. What if I'm unaware of a transaction that I have an interest in?

A. The Code of Ethics does not excuse the filing of a disclosure statement simply because the individual filing the statement is unaware of a transaction that might affect them. But it only requires a Town Officer's to file a disclosure statement for transactions that he or she is aware of. The Board of Ethics expects all Town Officers to make an effort to be aware of transactions that they have a financial interest in and to report on them, if required. If it is brought to the attention of the Board of Ethics that a Town Officer failed to disclose that he or she had an interest in a transaction with the Town, it will consider evidence that the person involved was unaware of the transaction or the interest and may recommend that no further action is necessary. However, where the circumstances indicate that the individual should have been aware of the transaction, the failure to file will still be noted. If an individual fails to list an interest in a transaction in which he or she participated in a meaningful way, it is likely that the Board of Ethics will presume that the failure of was deliberate and thus that non-compliance with the Code was also deliberate. Town Officers who discover that they have (or had) an interest in a Town transaction that they were previously not aware of are encouraged to file a disclosure as promptly as possible and include a description of the circumstances that explain why they were not aware of the transaction.

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

Frequently Asked Questions about the Code of Ethics of the Town of Greenwich

Q. If I abstain from any participation in discussions or voting on a particular transaction, do I still have to report that I have a financial interest in the transaction?

A. Yes. The Code of Ethics requires that employees and other officials abstain from participating in Town matters in which they have a substantial financial interest, but it still requires them to disclose that interest through financial disclosure filings. The filing of a disclosure statement does not suggest that an individual is responsible for violating the Code. It simply provides a record of their interest.

Q. What types of interests should be reported?

A. The Code of Ethics only requires reporting about interests relating to transactions with the Town that are *financial* in nature. If the Town engages in a transaction that has no significant financial implications, its employees and other officials are not required to report their personal involvement, such as their support of the objectives of a charitable group that might be involved in the transaction. Clearly, not all interests are financial. Each of Greenwich's employees and officials undoubtedly have a strong interest in making sure that all the residents of Greenwich receive important information that affects their health, but that does not give them a financial interest in the budget of the Department of Health. On the other hand, an employee or other official might have an ownership interest in a firm that has a contract to provide services to the Department. In that case, they might have a substantial financial interest in the contract or the budget of the Department, depending on the circumstances of the contract.

Q. What if I had a prior year transaction that was for less than \$200 and was not required to be reported, but now I have an additional transaction for less than \$200 which, together with the amount from the prior transaction, produces more than \$199 in the current fiscal year?

A. If a Town Officer has an interest in multi-year transaction entered into during a prior year and continues to receive value during the current year, the amount expected to be received from that transaction is included in determining whether a filing is necessary in the current year. If a filing is necessary in the current year, both transactions must be reported, even if the multi-year transaction was not required to be reported earlier because the amount received from that contract alone was less than \$200. Where the prior year transaction has been previously reported, and the report continues to be accurate, a disclosure of the existence of the prior transaction and a reference to the date of the prior filing is sufficient to satisfy the current reporting requirement for that transaction. If there have been significant changes from the prior filing, an amended filing should be made.

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

Frequently Asked Questions about the Code of Ethics of the Town of Greenwich

EXAMPLE 1: Commissioner X has a five year contract to provide the Town with \$175 worth of nutmegs each year and does not file a disclosure statement for the first two fiscal years of the contract since the amount in each of those years is less than \$200. In year three, however, Commissioner X provides an additional \$35 worth of nutmegs under a separate contract. Since Commissioner X was not required to file a disclosure statement with respect to the five year contract previously, Commissioner X is required to file two separate disclosure statements in year three, one for the original five year contract and one for the additional contract in year three. The statement for the each transaction should disclose the amount received under that transaction during the fiscal year and should indicate that it is to be aggregated with the other transaction.

EXAMPLE 2: Commissioner X has a ten year contract to provide the Town with \$175 worth of nutmegs each year and does not file a disclosure statement for the first two fiscal years of the contract since the amount in each of those years is less than \$200. In year three, however, Commissioner X provides an additional \$35 worth of nutmegs under an amendment to the contract. Commissioner X is required to file a disclosure statement in year three. Since Commissioner X was not required to file a disclosure statement with respect to the five year contract previously, a single disclosure statement describing the amended contract may be made for year three.

Q. What if I have previously reported a multi-year transaction for more than \$200 per fiscal year, but now have an additional contract for less than \$200?

A. A Town Officer is required to report the interest in a in multi-year transaction in each fiscal year in which the value received is \$200 or more. If *any amount* is to be received from a separate transaction, a separate report is required for that transaction as well.

EXAMPLE: Commissioner X has a five year contract to provide the Town with \$275 worth of nutmegs each year and files a disclosure statement for the first full fiscal year of the contract since the amount in that fiscal year is more than \$200. In year two, Commissioner X provides an additional \$35 worth of nutmegs under a separate contract. Since Commissioner X has filed a disclosure statement with respect to the five year contract previously, Commissioner X may file a single disclosure statement for the additional contract in year two and will be treated as having disclosed the five year contract if the existence of that prior contract is disclosed in the filing and that date that the report concerning the prior contract was previously filed is given. If the amount received under the five year contract has changed from what is described in the original report, an amended report should be filed.

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

**Frequently Asked Questions
about the
Code of Ethics of the Town of Greenwich**

Q. What if I had a multi-year transaction that was not required to be reported because the amount was for less than \$200, but the contract for the transaction was amended to increase the amount to above \$199?

A. If an amendment to a contract increases the amount received with respect to a transaction to above \$199 in a fiscal year, then the transaction is required to be reported in the fiscal year the amendment causes the amount received to be \$200 or more.

EXAMPLE : Commissioner X has a ten year contract to provide the Town with \$15 worth of nutmegs each month and does not file a disclosure statement for the first two fiscal years of the contract since the amount received in each of those years is \$180 (i.e. less than \$200). In the last month of year three, however, the contract is amended to provide for an additional \$15 worth of nutmegs each month. Commissioner X is not required to file a disclosure statement in year three, since the total amount received is \$195. In year four, however, the amended transaction is required to be provided since the amount received will be more than \$200.

Q. What if a person buys goods and services from a vendor that sells goods and services to the Town?

A. Normally, a person doesn't acquire a substantial financial interest in a vendor who engages in transactions with the Town simply by purchasing goods and services from them at list price or using an advertised promotion. However, if the goods or services are extraordinary or are part of a special commercial relationship, they may gain a substantial financial interest in the provider as a result. For example, an individual does not acquire a financial interest in a utility company merely because he or she is a customer. He or she is only one of many customers who pay for the service the utility provides at rates set by a regulatory agency. Everyone has a strong interest in receiving water or electricity, but receiving service as a regular residential customer isn't sufficient to give a person a substantial financial interest in the utility's transactions with the Town because the effect of those transactions on any particular customer is negligible and do not uniquely affect any particular customer. If, on the other hand, a Town employee or other official has a special relationship with a vendor that does business with the Town, either because the amount of business they do with that vendor is considerable, or because they receive a discount or other special accommodation that they might not receive from another similar business, their financial interest in the transactions the vendor does with the Town could be considered substantial. Factors to consider when trying to determine whether a relationship with a vendor creates a substantial financial interest are: 1) How important is the individual as a customer of the vendor? 2) Is the price the individual is paying a standard list or other

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

Frequently Asked Questions about the Code of Ethics of the Town of Greenwich

advertised price available to any customer (in other words, is it the same as what is charged to other customers in the same situation)? 3) Are the goods and services that are received of a special nature? 4) How frequently does the individual do business with the vendor? 5) Even if there is only a single transaction with the vendor, was it completed prior to the Town's involvement with the vendor or, if not, is the size of the transaction significant enough that it could have a significant financial impact on the individual? These are the types of things that make a transaction seem unusual. The Code of Ethics prohibits Town Officers from accepting any gift or favor, such as a merchant discount, if it would tend to influence the performance of official duties. Disclosing an unusual transaction serves the purposes of the Code of Ethics by reassuring people that, despite the unusual nature of the transaction, there is nothing to hide.

Q. What if a Town employee or other official sells goods and services to a vendor that sells goods and services to the Town?

A. A Town employee or other official who sells goods and services to a vendor that does business with the Town is more likely to be considered to have a substantial financial interest in the vendor, since money is received from the vendor. The Code of Ethics prohibits Town Officers from accepting any gift or favor, such as a premium on a sale, if it would tend to influence the performance of official duties. The fact that the Town does business with the vendor makes it more likely that the vendor will have the money to pay a person who sells goods and services to the vendor, and so the seller has an interest in the vendor's transactions with the Town. If the interest is insubstantial, because of either the size of the transactions or the size of the transactions that the vendor does with the Town, it need not be reported. But if the interest is at all significant, everyone is best served if the interest is reported.

Q. What if I bid on a contract, but lose the award or I win the award but the transaction provides for no payments to be made in the current fiscal year?

A bid on a Town contract is considered a Town Transaction under the Code of Ethics, but you are only required to report if you receive more than \$200 in a fiscal year. Where a proposal is submitted, but no transaction results from that proposal, no report is required. Where a transaction does result from the bid, you are only required to report on the value derived from the transaction in the year(s) in which that value aggregates to \$200.

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

**Frequently Asked Questions
about the
Code of Ethics of the Town of Greenwich**

Q. Does it make a difference if my interest in a Town transaction is direct or indirect?

A. Financial interests can be direct or indirect. There are situations where a chain of business relationships can give rise to a reasonable expectation that an individual will profit from a transaction involving the Town. For example, a Town Officer could be the principal owner of a company that itself is the principal owner of another company that engages in a transaction with the Town. In those situations, it does not matter how many intermediaries there are between the Town and the Town Officer involved as long as the Town Officer retains a substantial financial interest of the transaction with the Town. Similarly, if an individual might normally be expected to support someone, provide for their education or medical care, or might be expected to give gifts to or receive gifts from them that would have significant monetary value, they would have a financial interest in transactions that involve that person.

Q. Do I need to report the interests of family members?

A. Family relationships can create ethical problems and are specifically mentioned in the Code of Ethics. Individuals have a legal responsibility to care for their minor children and their spouse and would therefore have a clear financial interest in whether they have a job or not. They also are likely to have an economic community of interest with their parents, siblings and grandchildren as a result of both the natural bonds of affection and the potential impact of inheritances, intra-family gifts, etc. Members of a person's immediate family can include adopted children, foster children, ex-spouses, household members and others that an individual has a legal or other reason to provide material support for.

Q. Does the \$200 exemption under the Code apply to the financial interest or the transaction with the Town?

A. The \$200 exemption applies to the value received during the Fiscal Year by the party entering into the transaction with the Town and not the interest of the Town Officer. If a Town employee or other official has a 20% stake in a firm with a \$300 contract with the Town, he or she will have a substantial financial interest in a transaction with the Town that totals more than \$200.

Q. What is a "series of transactions"?

A. A series of transactions occurs when the Town enters into a number of repeat transactions during the fiscal year with one or more related entities. Thus, if a Town Officer's spouse owns a store and the Town frequently uses the store to buy emergency

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.

**Frequently Asked Questions
about the
Code of Ethics of the Town of Greenwich**

supplies or makes other small purchases that, in the aggregate, exceed \$200, the Town Officer would be required to report on the interest, even though no one purchase exceeded \$200.

Q. What period of time is covered by the financial interest disclosure Statement?

A. The statement is required to covers all transactions for a fiscal year (July 1 through June 30th). When a statement is filed prior to the end of a fiscal year, the value expected to be received may be estimated or the contractual provisions that determine the amount that will ultimately be paid may be summarized.

Q. Where am I required to file my statement? Can I file On-line?

A. You may file your disclosure statement on-line using the form provided by the Board of Ethics on the Town website. If you do not file on-line, you are required to file your statement with the Town Clerk using the form approved by the Board for that purpose.

Q. Is the statement required to be notarized?

A. This requirement was removed in 2021 and the statement is no longer required to be signed under oath. For filings covering periods prior to the Town's 2020-2021 fiscal year, the filing is required to be made in person with the Town Clerk and is required to be sworn to before a notary, a judge or officer of court or by any other state official authorized to administer oaths.

Q. Who reviews the disclosure statements that are filed?

A. Although there is no requirement that anyone review these statements, the Board of Ethics typically reviews that statements and provides a general description of the reports filed in its annual report to the Selectmen and the RTM. They may also be reviewed by other Town Officials or by any member of the general public and would likely be referred to in the event that any questions arise concerning a Town Officer's interest in a Town transaction.

These answers to frequently asked questions are provided to give the general public, public officials and employees of the Town and Town contractors general information about the Greenwich Code of Ethics. Changes in the details of specific transactions may affect the results described here. These instructions should not be considered to have the effect of an Advisory Opinion of the Board.