

# A MATTER OF PUBLIC TRUST

A quarterly newsletter of the Pennsylvania  
State Ethics Commission

Fall, 2024



“It is the intent of the General Assembly that [the Ethics Act] be administered by an independent commission composed of members who are cognizant of the responsibilities and burdens of public officials and employees and who have demonstrated an interest in promoting public confidence in government.”

## THE COMMISSION AT A GLANCE:

7 COMMISSIONERS APPOINTED BY  
HOUSE AND SENATE LEADERSHIP  
AND THE GOVERNOR,

SERVE TERMS OF THREE YEARS,

ARE PROHIBITED FROM ENGAGING IN  
POLITICAL ACTIVITIES, AND

COME FROM DIVERSE  
BACKGROUNDS AND PERSPECTIVES.  
OUR CURRENT COMMISSIONERS  
INCLUDE ATTORNEYS IN PRIVATE  
PRACTICE, FORMER SENIOR STAFF  
MEMBERS FOR THE PA HOUSE OF  
REPRESENTATIVES, THE FORMER  
EXECUTIVE DIRECTOR OF THE STATE  
ETHICS COMMISSION, AND A  
FORMER DISTRICT ATTORNEY.



## CONTACT US FOR ASSISTANCE AND GUIDANCE:

613 North Street, Room 309  
Harrisburg, PA 17120-0400  
(717) 783-1610  
800-932-0936 (toll free in PA)  
[www.ethics.pa.gov](http://www.ethics.pa.gov)

# LESSONS LEARNED FROM RECENT COMMISSION CASES



**Don't enter into an undisclosed contract with your Township, mislead your fellow Township Supervisors about the existence of the contract, and then vote to approve the contract (which was already in place). Also, efforts to avoid an even greater loss may be considered a private pecuniary benefit.**

A Township Supervisor who was also the owner of a used car dealership violated the Conflict of Interest and Contracting provisions of the Ethics Act when he: agreed with the Township Manager to sell a 2003 Pontiac Vibe that had sat on his used car lot for 14 months to the Township for \$4,600; subsequently voted for the Township to begin a search for a vehicle and directed the Manager to provide bids on vehicles for the Board's consideration; signed a check payable to his used car dealership; and then personally delivered the vehicle to the Township. The Supervisor argued that, based upon the original purchase price of the vehicle and the value of repairs to the vehicle, he actually took a net loss and therefore did not receive a private pecuniary benefit. The Commission disagreed and found that the Supervisor's avoidance of an even greater loss (if the vehicle continued to sit on the used car lot) is a private pecuniary benefit sufficient to sustain a violation of the Conflict of Interest provision of the Ethics Act. In addition, the Commission found that the Supervisor violated the Contracting provision of the Ethics Act when he entered into a contract valued at more than \$500 with the Township without an open and public process. Shirn, Order No. 1835.

# MORE LESSONS LEARNED FROM RECENT COMMISSION CASES

**If the law requires Auditors to set your compensation, don't give yourself bonuses and then try to get Auditor approval after the fact.**

Township Supervisors violated the Conflict of Interest provision of the Ethics Act when they used the authority of their positions to agree to award premium pay bonuses of \$10,000 each to themselves from American Rescue Plan Act of 2021/Coronavirus Local Fiscal Recovery Funds, and one of the Supervisors signed those \$10,000 checks. Pennsylvania's Second Class Township Code requires compensation for Township Supervisors be set by the Township Auditors. The Supervisors in this instance did not seek Auditor approval until after the bonuses were paid, and the Auditors refused. Each Township Supervisor agreed to pay \$6,000 back to the Township. Zimmer, Order No. 1836, Allgeier, Order No. 1837, and Bartnicki, Order No. 1838.

**Don't vote to hire and pay your spouse.**

A Borough Council Member violated the Conflict of Interest provision of the Ethics Act when she participated in a Borough vote to hire her husband as a part-time laborer for the Borough, and voted to approve Treasurer's reports which included her husband's payroll expenses. The Borough Council Member agreed to pay \$918 to the Borough. Imes, Order No. 1839.



# GET TO KNOW US:



## MICHAEL A. SCHWARTZ, COMMISSION CHAIR

Michael A. Schwartz, Esq. has been a member of the State Ethics Commission since October 12, 2017, having been appointed by former Governor Tom Wolf. He has also served as our Commission Chair since October 4, 2023.

Mr. Schwartz is a partner with the law firm of Troutman Pepper where, among other matters, he handles White Collar Litigation and Investigations. He also was an Assistant U.S. Attorney for approximately 14 years, serving from 2002 to 2008 as the Chief of the Corruption, Civil Rights, Labor, and Tax section, where he participated in the prosecutions of a member of Philadelphia City Council and the Treasurer of Philadelphia.

Mr. Schwartz's favorite part of serving on the Commission is eliminating the perception that the Commonwealth is "corrupt and contented" and instead promoting a government that is more open, honest, and accountable to its citizens.

Mr. Schwartz has an undergraduate degree in Economics from Penn State and his law degree from Yale Law School.

# WELCOME

We would like to welcome Special Investigators Peter Sheppard and Nikolas Hahn to our team!

Special Investigator Sheppard is a former Detective, School Resource Officer, and Patrol Officer with the Ephrata Police Department, where he served for twenty-five years. Most recently he was a Security Officer for the Warwick School District. He is also a licensed polygraph examiner. He is a graduate of the Indiana University of Pennsylvania and has his Masters' Degree in Public Administration.



Special Investigator Hahn is a former Ranger with the United States Army. Mr Hahn led a team of Rangers on two overseas deployments. He is a graduate of American Military University and is completing his Masters' Degree in Criminal Justice.

