

RESOLUTION No. 25-51b

A RESOLUTION REGARDING PERSONAL USE OF CERTAIN VENDOR REWARD PROGRAM
BENEFITS EARNED IN CONNECTION WITH OFFICIAL BUSINESS.

WHEREAS, The Ohio Ethics Commission and the Ohio Auditor of State have recently issued new opinions and/or guidance regarding the personal use of certain vendor "reward program" benefits earned in connection with official county business; and

WHEREAS, The County Auditor has recommended a policy based on the updated opinion from the Ohio Ethics Commission and the updated guidance from the Ohio Auditor of State; and

Now, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, UNION COUNTY, OHIO, THAT:

Section 1. The attached policy statement on the "Personal Use of Reward Points Earned During Official Business is adopted effective immediately.

Section 2. The Board finds and determines that all of its formal actions concerning and relating to adopting this Resolution occurred in an open meeting of this Board, and that all deliberations of this Board that resulted in such formal action were in meetings open to the public and in compliance with all legal requirements including Revised Code §121.22.

David A. Lawrence introduced this resolution and moved its passage;
Steve Robinson seconded the motion; and after discussion, the chair called a roll call vote, and the results were:

Steve Robinson Yes No

Tom McCarthy Yes No

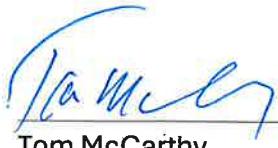
Dave Lawrence Yes No

Passed: December 3, 2025

BOARD OF COUNTY COMMISSIONERS
UNION COUNTY, OHIO

ATTEST: Mallory Lehman
Mallory Lehman, Clerk

Steve Robinson
Steve Robinson



Tom McCarthy



Dave Lawrence

Approved as to Form:


Thayne D. Gray *Dec. 3, 2025*
Assistant Prosecuting Attorney



**Auditor of State
Bulletin 2025-012**

DATE ISSUED: **October 16, 2025**

TO: **All Public Offices
Community Schools
Independent Public Accountants**

FROM: **Keith Faber
Ohio Auditor of State**

SUBJECT: **Ohio Ethics Commission Advisory Opinion 2025-02
Frequent Flyer Miles, Other Rewards or Discount Programs**

Summary

In [Advisory Opinion No. 2025-02](#), effective immediately, the Ohio Ethics Commission (OEC):

- Revised restrictions from public officials and employees personally using rewards earned during official business, provided: rewards are earned in the same manner as the general public; they do not impose additional costs on the public office; and the airline, hotel, vendor, etc. are not selected just to earn the reward points for themselves.
- Determined personal use of these rewards does not constitute additional compensation.
- Recommended that public offices adopt a policy regarding personal use of these rewards, which can be more restrictive than Ohio Ethics law.
- *Overruled OEC Advisory Op. 91-010 and Informal Advisory Op. 2003-INF-0224-1.*

Background¹

Frequent flyer miles, hotel, gas, credit card, and other reward or discount programs have become widespread since the OEC first addressed these issues, as early as 1991. Further, the different

¹ OEC Op. 2025-02 notes that while it “primarily references frequent flyer miles, the analysis also applies to other reward points programs,” and references to frequent flyer miles and other reward programs “are intended to incorporate all similar reward points programs including credit card rewards, hotel rewards, and gas rewards.” This Bulletin should be read in the same manner.

standards applicable to the various reward programs have caused confusion for public offices on how to account for and manage these rewards. As a result, the OEC has revisited the issue to bring Ohio to better align with the federal government and other states' guidance and increase administrative efficiency by eliminating the need to separate out and track how reward points were accrued, consistent with its treatment of comparable vendor discounts and incidental benefits.

OEC Standard for Personal Use of Rewards Earned During Official Business

"Public officials or employees can use frequent flyer miles, credit card rewards, hotel points, or other rewards earned during official business in their personal life, provided that (1) these rewards are earned the same way as members of the public would earn them; and (2) they do not impose additional costs to the public agency. However, a public official or employee is prohibited from choosing an airline, vendor, or service based on whether it provides frequent flyer miles or other rewards points. Additionally, a conference, event, or group travel planner is prohibited from personally using frequent flyer miles, credit card rewards, hotel points, or other rewards earned in connection to booking a conference, event, or group travel."

R.C. 102.03(D) and (E) – Conflict of Interest

Although frequent flyer miles and other reward programs points are a "thing of value" as defined in R.C. 102.03(D) & (E), the OEC reasoned that accepting them for personal use "is not of such a character as to create or manifest a substantial and improper influence upon the public official's or employee's independent judgment in the performance of his or her official duties." The OEC concluded this does not create a conflict of interest because reward programs are available broadly to both private citizens and public officials/employees alike, rewards such as frequent flyer miles are accrued uniformly by eligible public officials/employees on official travel solely because they are flying, not for performing their official duties.

R.C. 2921.42(A)(4) - Public Contracts

A public contract exists when a public agency purchases, or reimburses for, a flight for a public official/employee, who would then have an interest in that contract by earning frequent flyer miles. However, the OEC overruled its prior Opinion 91-010 and has now concluded that personal use of these rewards is not an unlawful interest in a public contract prohibited by R.C. 2921.42(A)(4), based upon the same rationale that this does not create a conflict of interest. Given that the miles earned are a small portion of the contract with the airline and a uniform industry benefit available to anyone buying a ticket, the public official/employee's interest in the contract is minimal.

R.C. 2921.43(A) - Supplemental Compensation

While "compensation" includes fringe benefits, such as various types of insurance, and typically included in a public official/employee's compensation package, reward programs differ from traditional fringe benefits, in part because the I.R.S. does not tax personal usage of rewards earned from official travel. The OEC concluded that personal use of these rewards is not supplemental compensation prohibited by R.C. 2921.43(A), reasoning reward programs are marketing tools and

customer loyalty incentives, independent of an employer's compensation package. For example, because frequent flyer miles are automatically awarded based on the flyer's status not at the discretion of the employer, they remain distinct from fringe benefits.

Public Office Reward Program Policy

The Ohio Auditor of State (AOS) joins the OEC's recommendation that public offices adopt policies/rules for the personal use of reward program points accrued while conducting public business. While public offices cannot create policies that are *less restrictive* than the Ethics laws, they can adopt policies that are *more restrictive*. The AOS recommends public offices adopt policies tailored to their unique circumstances including, but not limited to the following:

- Whether an agency allows its officials or employees to personally use frequent flyer miles or other rewards points accrued during official business.
- Minimum standards that public officials or employees must follow to avoid violating criminal laws.
- A prohibition from selecting an airline, hotel, car rental company, etc., other vendors or services solely to earn reward points for their personal use.
- A requirement to select the lowest reasonable rate.
- Robust internal controls to ensure compliance, including supervisory monitoring mechanisms designed to proactively identify and mitigate the risk of noncompliance.

Questions

If you have any questions regarding the information presented in the Bulletin, please contact the Auditor of State's Office at 800-282-0370 or ContactUs@ohioauditor.gov.



Keith Faber
Ohio Auditor of State

Personal Use of Reward Points Earned During Official Business

Purpose

The purpose of this policy is to establish clear guidelines for the personal use of frequent flyer miles, hotel points, credit card rewards, and similar benefits earned while conducting official business.

Legal Authority & Guidance

- Ohio Ethics Commission Advisory Opinion No. 2025-02
- Auditor of State Bulletin 2025-012

Scope

This policy applies to all elected officials, appointed officials, and Union County employees who engage in travel or transactions on behalf of the agency.

Definitions

- **Reward Program Points:** Includes frequent flyer miles, hotel loyalty points, credit card rewards, or similar benefits earned through transactions during official business.
- **Official Business:** Activities conducted on behalf of Union County, including travel, lodging, and procurement of goods or services.

Policy Statement

Public officials and employees may use and accrue personally earned reward program points during official business if such rewards are earned under the same conditions available to the general public and do not result in any additional cost to Union County. Vendor selection must never be influenced by the opportunity to earn personal rewards, and all travel arrangements must be made at the lowest reasonable rate consistent with Union County's travel policy.

Employees and officials are prohibited from selecting airlines, hotels, rental car companies, or other vendors solely to maximize personal benefits.

Procedures

1. **Travel Arrangements:** All travel must adhere to Union County's travel policy, including obtaining necessary approvals, aligning with established terms, and providing the required supporting documentation. Travel arrangements should be made at the lowest reasonable cost. Additionally, records detailing the rationale for

vendor selection should be retained for audit purposes. Group travel arrangements must not be made by a single employee for the purpose of accumulating personal rewards. Each employee should book their own travel, or, if group booking is required for operational reasons, no individual may retain personal rewards earned from booking travel on behalf of others.

2. Supervisory Review:

Supervisors shall review and approve travel arrangements prior to the date of the travel to ensure compliance with travel policy and verify that vendor selection was not influenced by personal gain or reward opportunities. Obtaining documents such as conference agendas, multiple hotel quotes, estimated parking or car rentals may be requested.

3. Document Retention:

Union County will retain all documents related to travel and official business approvals for payments/reimbursements. This information is subject to audit and will be kept in accordance with Union County's record retention schedule.

4. Reporting Violations:

Any suspected violation of this policy must be reported to Union County's compliance officer or designated authority.

Examples of Acceptable Use

1. Conference Hotel Stay: An employee attends a professional conference at a hotel selected by the event organizers. The hotel stay is booked using the agency's government credit card at the lowest reasonable rate. The employee earns loyalty points as their name is attached to a hotel loyalty rewards program which are available under the same conditions as any member of the public. Personal use of those points later is permitted.
2. Airline Frequent Flyer Miles: An employee books a flight for official travel through the agency's approved process using the government credit card. The ticket is purchased at the lowest reasonable fare, and the employee earns frequent flyer miles because they are enrolled in the airline's loyalty program. Personal use of those miles later is permitted.

Examples of Unallowable Use

1. Vendor Selection Based on Rewards: An employee is scheduled to attend a conference at a specific hotel but deliberately chooses to stay at a different hotel to earn loyalty points, even though the conference hotel offered a comparable or lower

rate. This violates the policy because vendor selection was influenced by personal reward opportunities.

2. **Using Personal Credit Card to Earn Points:** An employee volunteers to use their own personal credit card to book flights for official travel, knowing they will earn reward points, instead of following Union County's required process to use the government credit card. This is not allowed because it circumvents established procurement and payment procedures and creates an appearance of personal gain.

Implementation & Enforcement

This policy will be effective immediately and violations of this policy may result in disciplinary action and may be referred to the appropriate ethics or legal authorities.