

RHODE ISLAND ETHICS COMMISSION

Advisory Opinion No. 2025-46

Approved: July 29, 2025

Re: Joseph A. Balducci

QUESTION PRESENTED:

The Petitioner, the chief financial officer for the Cranston Public Schools, a municipal employee position, requests an advisory opinion regarding whether the Code of Ethics prohibits him from accepting, in his private capacity, an appointment to the board of directors of AccessPoint RI, a parent entity to Cornerstone School, a private learning facility attended by several Cranston students which is compensated for the services provided to those students by the City of Cranston.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, the chief financial officer for the Cranston Public Schools, a municipal employee position, is not prohibited by the Code of Ethics from accepting, in his private capacity, an appointment to the board of directors of AccessPoint RI, a parent entity to Cornerstone School, a private learning facility attended by several Cranston students which is compensated for the services provided to those students by the City of Cranston.

The Petitioner is the chief financial officer for the Cranston Public Schools. He represents that, as such, he is responsible for the financial oversight of all revenue received by the school district and the payment of all operational expenses. The Petitioner states that, in his private capacity, he has been offered appointment to the board of directors of AccessPoint RI, “a non-profit human services organization established in 1965 to provide children and adults with developmental disabilities the means to lead full and productive lives.”¹ The Petitioner explains that AccessPoint RI is the parent entity to Cornerstone School (Cornerstone), which is a private special education school. The Petitioner notes that the board position does not carry any remuneration.

¹ <https://accesspointri.org/about-accesspoint-ri/> (last visited July 18, 2025).

The Petitioner explains that there are Cranston students with certain education needs who are currently attending Cornerstone.² The Petitioner represents that the Cranston school district contracts with Cornerstone for the provision of services each time a student is referred to it. The Petitioner further represents that he does not participate in the decision-making regarding which students are being referred to which specific private schools. He notes that such decisions are made by a special education committee in consultation with the family members of the student. Nor does he participate in the school district's contractual negotiations with Cornerstone or the establishment of the fees paid to Cornerstone.

The Petitioner states that his public duties do include the oversight of the timely payment of tuition to private schools such as Cornerstone. He explains that if an invoice does not display the signature of the Cranston executive director of Pupil Personnel confirming that the services have been provided and that the bill can be paid, he contacts the executive director to confirm that the information contained in the private school's invoice is correct. Upon confirmation that the invoice is accurate, the Petitioner ensures that the invoice is paid in a timely fashion. The Petitioner states that he does not sign the checks to schools such as Cornerstone. He notes that the checks are signed by the city treasurer. The Petitioner further notes that if any discrepancies occur between a private school's invoices and the actual services provided, such discrepancies are resolved by the executive director of Pupil Personnel without the Petitioner's participation. Additionally, the Petitioner explains that during the preparation of the school district's budget, he confirms whether Cranston students will continue to attend private schools outside of the district, including Cornerstone, and the tuition amount expected to be paid to those schools. He then inputs the numbers as line items in the budget and forwards the information to the superintendent of schools.

The Petitioner reiterates that he does not have any decision-making authority relative to the contracts between the Cranston school district and private schools, the tuition amounts paid to private schools, or the payment of such tuition amounts. Given this set of facts, the Petitioner seeks guidance from the Ethics Commission regarding whether he may accept appointment to the board of directors of AccessPoint RI.

Under the Code of Ethics, a public official or employee shall not have an interest or engage in any business, employment, transaction, or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest. R.I. Gen. Laws § 36-14-5(a). A substantial conflict of interest exists if a public official or employee has reason to believe or expect that he, any person within his family, his business associate, or any business by which he is employed or which he represents will derive a direct monetary gain

² The Petitioner further explains that Cornerstone is one of several private schools that are attended by Cranston special education students.

or suffer a direct monetary loss by reason of his official activity. R.I. Gen. Laws § 36-14-7(a).

The Code of Ethics also provides that a public official or employee may not use his office to obtain financial gain for himself, any person within his family, his business associate, or any business by which he is employed or which he represents. § 36-14-5(d). A public official or employee may not represent himself or any other person, or act as an expert witness, before any municipal agency of which he is a member or by which he is employed. § 36-14-5(e)(1)-(3). Furthermore, a public official or employee must recuse himself from participation when his business associate, or any person authorized by his business associate to appear on behalf of the business associate, appears or presents evidence or arguments before the public official or employee's municipal agency. 520-RICR-00-00-1.2.1(A)(2) & (3) Additional Circumstances Warranting Recusal (36-14-5002). A business associate is defined as "a person joined together with another person to achieve a common financial objective." R.I. Gen. Laws § 36-14-2(3). A person is defined as "an individual or a business entity." § 36-14-2(7).

The Ethics Commission has consistently concluded that persons are "business associates" of the entities, including non-profit organizations, for which they serve as either officers or members of a board of directors, or in some other leadership position that permits them to direct and affect the financial objectives of that organization. See, e.g., A.O. 2021-6 (opining that a member of the North Smithfield Planning Board was a business associate of the North Smithfield Heritage Association, a private non-profit organization of which he served as a member of the board of directors and as its president and, therefore, was required to recuse from participating in planning board matters when the heritage association appeared or presented evidence or arguments); A.O. 2014-14 (opining that the director of the Rhode Island Department of Environmental Management (RIDEM), who was also a director of the Rhode Island Boy Scouts (Boy Scouts), was a business associate of the Boy Scouts and was, thus, required to recuse from participating in any RIDEM decisions that would financially impact the Boy Scouts, as well as from any matters in which a Boy Scouts representative appeared to represent the organization's interests).

In the instant matter, the Petitioner would become a business associate of AccessPoint RI upon his appointment to its board of directors. The Petitioner would likewise become a business associate of Cornerstone, given that AccessPoint RI is the parent entity of that school and, as a board member, the Petitioner could affect the financial objectives of the school. See, e.g., A.O. 97-91 (opining, among other things, that the president of the Rhode Island Laborers' District Council, the umbrella organization of several local laborers' unions, was in a position to affect the financial objectives of those local unions and, therefore, was a business associate not only of the district council, but also of the local unions that comprised the organization).

None of the above provisions of the Code of Ethics prohibit the Petitioner's simultaneous service as chief financial officer for the Cranston Public Schools and as a member of the board of directors of AccessPoint RI. See, e.g., A.O. 2025-42 (opining that the grants administrator and unhoused coordinator for the City of Pawtucket was not prohibited by the Code of Ethics from accepting an appointment to the board of directors of the Blackstone Valley Advocacy Center, a private domestic violence center, notwithstanding that the center sought and received Emergency Solutions Grants funding from the City of Pawtucket); A.O. 2019-44 (opining that the Secretary of Commerce for the State of Rhode Island, who by statute also served as the chief executive officer for the Rhode Island Commerce Corporation, was not prohibited by the Code of Ethics from simultaneously serving as a member of the board of directors of the Rhode Island Chapter of the American Red Cross); A.O. 2017-29 (opining that a member of the Providence Historic District Commission was not prohibited by the Code of Ethics from simultaneously serving as a member of the board of directors of the Providence Preservation Society). Additionally, based on the facts as represented, there is no indication that serving as a member of the board of directors of AccessPoint RI would impair the Petitioner's independence of judgment in his public capacity.

However, such simultaneous public and private service requires the Petitioner to remain vigilant in identifying and managing any conflicts of interest that may arise between his public and private duties. Specifically, the Code of Ethics prohibits him from sharing any confidential information with his business associates, or from representing the interests of AccessPoint RI and/or Cornerstone before the school district. The Petitioner is required to recuse from participating in his public capacity in discussions or decision-making, if any, that financially impact AccessPoint RI and/or Cornerstone, as well as from any matters in which representatives of AccessPoint RI or Cornerstone appear or present evidence or arguments before the Petitioner on behalf of these two entities. Notwithstanding these prohibitions, the Petitioner may continue to perform his above-described duties relative to the oversight of payments of tuition invoices submitted by Cornerstone and the collection of financial data relative to the anticipated tuition amounts for services provided by private schools to be included in the school district's budget, given that these duties are ministerial rather than substantive.

For all of these reasons, it is the opinion of the Ethics Commission that the Petitioner is not prohibited by the Code of Ethics from serving as a member of the board of directors of AccessPoint RI, provided that he remains vigilant in identifying and managing any conflicts of interest that may arise between his public and private duties. Recusals, if any, must be filed consistent with the provisions of R.I. Gen. Laws § 36-14-6. The Petitioner is advised to seek further guidance from the Ethics Commission when faced with a specific situation not covered by this general advisory opinion, and if there are any changes to his public or private duties.

This Advisory Opinion is strictly limited to the facts stated herein and relates only to the application of the Rhode Island Code of Ethics. Under the Code of Ethics, advisory opinions are based on the representations made by, or on behalf of, a public official or employee and are not adversarial or investigative proceedings. Finally, this Commission offers no opinion on the effect that any other statute, regulation, agency policy, ordinance, constitutional provision, charter provision, or canon of judicial or professional ethics may have on this situation.

Code Citations:

§ 36-14-2(3)

§ 36-14-2(7)

§ 36-14-5(a)

§ 36-14-5(b)

§ 36-14-5(d)

§ 36-14-5(e)

§ 36-14-6

§ 36-14-7(a)

520-RICR-00-00-1.2.1 Additional Circumstances Warranting Recusal (36-14-5002)

Related Advisory Opinions:

A.O. 2025-42

A.O. 2021-6

A.O. 2019-44

A.O. 2017-29

A.O. 2014-14

A.O. 97-91

Keywords:

Business Associate

Memberships