



STATE OF RHODE ISLAND

RHODE ISLAND ETHICS COMMISSION

40 Fountain Street

Providence, RI 02903

(401) 222-3790 (Voice/TT) Fax: (401) 222-3382

ethics.email@ethics.ri.gov

<https://ethics.ri.gov>

NOTICE OF OPEN MEETING

AGENDA

3rd Meeting

DATE: Tuesday, February 9, 2021

TIME: 9:00 a.m.

TO ATTEND: Pursuant to Governor Gina Raimondo's Executive Order No. 20-46, as extended by No. 21-10, this meeting will not be conducted in-person at the Rhode Island Ethics Commission. Rather, it will be conducted remotely in Zoom webinar format in order to minimize any possible transmission of COVID-19. Any member of the public who wishes to attend and view this video meeting may do so by:

- Clicking this link to join the webinar:
<https://us02web.zoom.us/j/86062467040>
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- International numbers available:
<https://us02web.zoom.us/j/kdgg6wMZHf>
Webinar ID: 860 6246 7040

1. Call to Order.
2. Discussion of Remote Meeting Format; Identifying and Troubleshooting any Remote Meeting Issues.
3. Motion to approve minutes of Open Session held on January 26, 2021.
4. Director's Report: Status report and updates regarding:
 - a.) Discussion of impact of COVID-19 crisis on Ethics Commission operations and staffing;
 - b.) Complaints and investigations pending;
 - c.) Advisory opinions pending;
 - d.) Access to Public Records Act requests since last meeting;
 - e.) Financial Disclosure, update on 2019 and 2020 filing years.
5. Advisory Opinions (petitioners may participate remotely):
 - a.) Vahid Ownjazayeri, the Chairman of the Board of Directors of the Rhode Island Infrastructure Bank, requests an advisory opinion regarding whether the Code of Ethics restricts his participation in various Board matters, given that his son is employed by the Rhode Island Infrastructure Bank.
 - b.) Mary Meagher, a member of the State Housing Appeals Board, requests an advisory opinion regarding whether she is prohibited by the Code of Ethics from participating in a matter currently before the State Housing Appeals Board in which the appellant is represented by legal counsel who once provided legal services to the Petitioner.
 - c.) William E. McIntosh, a former member of the Richmond Planning Board, requests an advisory opinion regarding whether he qualifies for a hardship exception to the Code of Ethics' prohibition against appearing before one's own board within a period of one year following his official severance from said board, for purposes of appearing before the Planning Board, whether individually or through legal counsel, relative to applications involving the development of two pieces of property, both of which were purchased by the Petitioner prior to his appointment to the Planning Board.
 - d.) Cody W. Clarkin, a member of the Charlestown Town Council, requests an advisory opinion regarding: (1) whether he may serve as the Town Council's liaison to the Parks and Recreation Commission while his father is employed by the Parks and Recreation Department as a seasonal employee and what limitations, if any, the Code of Ethics places upon the Petitioner in carrying out his public duties; and (2) whether he may participate in the Town Council's vote

on the Town's budget, which includes funds for the Parks and Recreation Department.

- e.) Peter Brent Regan, Esq., the Town Solicitor for the Town of Middletown, requests an advisory opinion regarding whether the Code of Ethics prohibits him from participation in the Middletown Town Council discussions regarding the proposed revision of an ordinance relative to Short-Term Residential Leases, given that the Petitioner and his spouse own property regulated by said ordinance.
 - f.) John Edwards, a member of the Tiverton Budget Committee, requests an advisory opinion regarding what restrictions, if any, the Code of Ethics places upon him in carrying out his Budget Committee duties, specifically relative to the Budget Committee's discussions and voting on the Tiverton School Department's Budget, given that his spouse is an employee of said School Department.
- 6. Review of Exemption for Navindra Seeram, Ph.D., pursuant to the R.I. Public/Private Partnership Act, R.I. Gen. Laws § 16-59-26.
 - 7. New Business proposed for future Commission agendas and general comments from the Commission.
 - 8. Motion to go into Executive Session, to wit:
 - a.) Motion to approve minutes of Executive Session held on January 26, 2021, pursuant to R.I. Gen. Laws § 42-46-5(a)(2) & (4).
 - b.) Motion to return to Open Session.

NOTE ON REPORTING OUT OF ACTIONS TAKEN IN EXECUTIVE SESSION: *After the Commission votes to go into Executive Session, the Open Session Zoom meeting will temporarily close and viewers will not be able to join the Executive Session which is being held in a separate Zoom meeting. At the conclusion of the Executive Session, which has no set duration, the Commission will reconvene in the Open Session meeting solely for the purpose of reporting out any actions taken in Executive Session and sealing the executive session minutes. You may rejoin the Open Session by following the same instructions on Page 1 of this agenda that you followed to join the original Open Session meeting. If you attempt to rejoin the Open Session Zoom meeting while the Executive Session portion is occurring, you will see a message that the meeting host is in another meeting. Eventually, once the Executive Session meeting concludes, the host will reconvene the Open Session meeting and you will be able to view the Commission Chair report out any actions taken in*

Executive Session. Alternatively, it may be more convenient for you to view a written report of any actions taken in Executive Session by visiting our website (<https://ethics.ri.gov/>) later in the day.

9. Report on actions taken in Executive Session.
10. Motion to adjourn.

ANYONE WISHING TO ATTEND THIS MEETING WHO MAY HAVE SPECIAL NEEDS FOR ACCESS OR SERVICES SUCH AS A SIGN LANGUAGE INTERPRETER, PLEASE CONTACT THE COMMISSION BY TELEPHONE AT 222-3790, 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. THE COMMISSION ALSO MAY BE CONTACTED THROUGH RHODE ISLAND RELAY, A TELECOMMUNICATIONS RELAY SERVICE, AT 1-800-RI5-5555.

Posted on February 4, 2021

RHODE ISLAND ETHICS COMMISSION

Draft Advisory Opinion

Hearing Date: February 9, 2021

Re: Vahid Ownjazayeri

QUESTION PRESENTED:

The Petitioner, the Chairman of the Board of Directors of the Rhode Island Infrastructure Bank, a state appointed position, requests an advisory opinion regarding whether the Code of Ethics restricts his participation in various Board matters, given that his son is employed by the Rhode Island Infrastructure Bank.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, the Chairman of the Board of Directors of the Rhode Island Infrastructure Bank, a state appointed position, is prohibited by the Code of Ethics from participating in any Board matter in which his son will be financially impacted or receive an employment advantage. The Petitioner is further prohibited from participating in the supervision, evaluation, appointment, classification, promotion, transfer or discipline of his son.

The Petitioner was recently appointed by the Governor to serve as the Chairman of the Board of Directors ("Board") of the Rhode Island Infrastructure Bank ("RIIB").¹ The Petitioner states that the RIIB is a quasi-public agency, the mission of which is to support and finance investments in the state's infrastructure, including energy and brownfields² remediation initiatives. The Petitioner further states that, having been appointed to the Board only recently, he has yet to attend a Board meeting, adding that the first Board meeting that he will have an opportunity to attend is scheduled for the end of February 2021. In his private capacity, the Petitioner is the Managing Director for Infrastructure at Global Infrastructure Solutions, Inc., a company with offices in New York and Los Angeles that offers new building construction, infrastructure upgradation, and modernization services to clients worldwide.

The Petitioner states that his son has been employed by the RIIB for several years and is presently a Business Development Analyst for that agency. The Petitioner informs that his son reports to

¹ As of the drafting of this advisory opinion, the Petitioner had yet to be appointed to the Board, although his appointment was imminent. This advisory opinion was drafted with the expectation that the Petitioner's appointment to the Board will have taken place by the date on which his request is considered by the Ethics Commission.

² A brownfield is a former industrial or commercial site where future use is affected by real or perceived environmental contamination.

the Managing Director for Program and Business Development at the RIIB who, in turn, reports to the RIIB's Chief Executive Officer and Executive Director. The Petitioner represents that the Board provides the RIIB with high level guidance and strategy in the areas of law, finance, and public administration. He adds that the Board is generally not involved in the day-to-day operations of the RIIB, and is not involved in the hiring, firing, promotion, or compensation of individual employees. The Petitioner states that the Board does not make individual decisions about the working conditions of the RIIB employees, including decisions about their compensation, promotion or discipline, and that it is extremely unlikely that the Petitioner would ever be placed in a position to do so. The Petitioner further states that, in the unlikely event that he is ever called upon to participate in any discussion or decision-making that would have a direct effect upon his son, he would recuse from participating in such discussion or decision-making. It is in the context of these facts that the Petitioner seeks advice from the Ethics Commission regarding whether the Code of Ethics restricts his participation in various Board matters.

Under the Code of Ethics, a public official may not participate in any matter in which he has an interest, financial or otherwise, that is in substantial conflict with the proper discharge of his duties in the public interest. R.I. Gen. Laws § 36-14-5(a). A public official will have an interest in substantial conflict with the proper discharge of his duties in the public interest if it is reasonably foreseeable that a "direct monetary gain" or a "direct monetary loss" will accrue, by virtue of the public official's activity, to the official, his family member, his business associate, his employer, or any business which the public official represents. Section 36-14-7(a); Commission Regulation 520-RICR-00-00-1.1.5 Reasonable Foreseeability (36-14-7001). Further, section 36-14-5(d) prohibits a public official from using his position, or confidential information received through his position, to obtain financial gain, other than that provided by law, for himself or any person within his family, his business associate, or any business by which the public official is employed or which he represents. The definition of "any person within his [] family" specifically includes "son." Commission Regulation 520-RICR-00-00-1.3.1(A)(2) Prohibited Activities – Nepotism (36-14-5004) ("Regulation 1.3.1").

Participation in Matters That Financially Impact the Petitioner's Son

Under the general nepotism prohibitions of the Code of Ethics, specifically Regulation 1.3.1, a public official shall not participate in any matter as part of his public duties if he has reason to believe or expect that any person within his family, or any household member, is a party to or a participant in such matter, or will derive a direct monetary gain, suffer a direct monetary loss, or obtain an employment advantage. Regulation 1.3.1(B)(1). Such an employment advantage, which might not appear to be a direct financial gain for the official's family member, could be some type of opportunity, such as an educational or travel experience, that the family member would not otherwise have had but for the involvement of the public official.

Thus, in the event that the Petitioner's son will be directly financially impacted or obtain an employment advantage by the Board's decision-making, the Petitioner is required to recuse in accordance with section 36-14-6, as he correctly anticipated. *See, e.g.,* A.O. 2019-19 (opining, *inter alia*, that a member of the Warwick School Committee was prohibited by the Code of Ethics from participating in any School Committee matter in which his mother was a party or participant, or in which she would be financially impacted or receive an employment advantage); A.O. 2013-

8 (opining that a Bristol Town Council member was prohibited by the Code of Ethics from participating in the Town Council's appointment of a new harbormaster and the Town Council's review of any amendments to the harbormaster's job description, given that his brother was then serving as interim harbormaster and was also one of nineteen applicants for the permanent harbormaster position); A.O. 2009-1 (opining that a Scituate Town Council member was prohibited by the Code of Ethics from participating in Town Council matters involving S & C Collins Bus Company, Inc. ("Collins Bus"), one of the three companies that provided school busing services to the Scituate School Department, given that Collins Bus was owned by his mother and he was an employee and officer of Collins Bus).

Participation in Supervision and Evaluation of Petitioner's Son

Regulation 1.3.1 also prohibits a public official from participating in the supervision, evaluation, appointment, classification, promotion, transfer or discipline of any person within his family, or from delegating such tasks to a subordinate, except in accordance with advice received in a formal advisory opinion from the Ethics Commission. Regulation 1.3.1(B)(2)(a) & (b).

The Commission has consistently opined that recusal is warranted in matters regarding the employment-related discussions and hiring processes involving family members. See A.O. 2019-19 (opining, *inter alia*, that a member of the Warwick School Committee was prohibited by the Code of Ethics from participating in the supervision, evaluation, appointment, classification, promotion, transfer or discipline of his mother); A.O. 2016-26 (opining that a Lieutenant in the East Greenwich Fire Department was not prohibited from serving in that position upon the hiring of his brother as a Probationary Firefighter in the same Fire Department, provided that certain procedures were followed so that the Lieutenant was removed from personnel decisions or other matters that particularly affected his family member); A.O. 2009-34 (opining that the Chief of the West Warwick Fire Department was not prohibited from serving in that position if his son-in-law was a successful candidate for a firefighter position within the same department, provided that certain procedures were followed so that the Petitioner was removed from personnel decisions or other matters that particularly affect his family member, pursuant to an alternate chain of command proposed by the petitioner which effectively insulated him from decisions directly affecting his son-in-law). Accordingly, in the event, however unlikely, that the Petitioner is called upon to participate in a matter that involves the supervision, evaluation, appointment, classification, promotion, transfer or discipline of his son, the Petitioner is required to recuse in accordance with section 36-14-6, as he properly anticipated.

This advisory opinion cannot anticipate every possible situation in which a conflict of interest might arise and, thus, provides only general guidance as to the application of the Code of Ethics based upon the facts represented above. The Petitioner is encouraged to seek additional advice from the Ethics Commission in the future as more specific questions regarding potential conflicts of interest arise.

This Draft 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, ordinance, constitutional provision, charter provision, or canon of professional ethics may have on this situation.

Code Citations:

§ 36-14-5(a)

§ 36-14-5(d)

§ 36-14-6

§ 36-14-7(a)

520-RICR-00-00-1.1.5 Reasonable Foreseeability (36-14-7001)

520-RICR-00-00-1.3.1 Prohibited Activities – Nepotism (36-14-5004)

Related Advisory Opinions:

A.O. 2019-19

A.O. 2013-8

A.O. 2016-26

A.O. 2009-34

A.O. 2009-1

Keywords:

Nepotism

Recusal

RHODE ISLAND ETHICS COMMISSION

Draft Advisory Opinion

Hearing Date: February 9, 2021

Re: Mary E. Meagher

QUESTION PRESENTED:

The Petitioner, a member of the State Housing Appeals Board, a state appointed position, requests an advisory opinion regarding whether she is prohibited by the Code of Ethics from participating in a matter currently before the State Housing Appeals Board in which the appellant is represented by legal counsel who once provided legal services to the Petitioner.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, a member of the State Housing Appeals Board, a state appointed position, is not prohibited by the Code of Ethics from participating in a matter currently before the State Housing Appeals Board in which the appellant is represented by legal counsel who once provided legal services to the Petitioner.

The Petitioner is a member of the State Housing Appeals Board ("SHAB"), the function of which includes, but is not limited to, appellate review of decisions made by local municipal boards regarding applications relating to affordable housing plans. She states that a matter has recently come before the SHAB in which the appellant is represented by Attorney John Kenyon ("Attorney Kenyon"). The Petitioner, who in her private capacity is an architectural designer, explains that a lawsuit was filed in 2015 by an abutter against former clients of the Petitioner alleging error on the part of a local building official who had approved a building permit associated with a renovation project that the Petitioner had completed for her former clients. The Petitioner further explains that she retained Attorney Kenyon in response to her having been served a subpoena relative to the lawsuit filed against her clients. She represents that the lawsuit was ultimately withdrawn and that in March of 2016 she sent a final payment to Attorney Kenyon for his services. The Petitioner adds that she has had no contact with Attorney Kenyon since 2016 and, despite Attorney Kenyon having represented her ably, she does not anticipate any occasion for which she might require his services going forward. It is in the context of these events that the Petitioner seeks the advice of the Ethics Commission regarding whether she is prohibited from participating in the matter currently before the SHAB for which Attorney Kenyon represents the appellant.

Under the Code of Ethics, a public official must recuse herself from participation in a matter when her business associate or employer, or a person authorized by her business associate or employer, appears or presents evidence or arguments before her state agency. Commission Regulation 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). Additionally, a public official may not participate in any matter in which she has an interest, financial or otherwise, that is in substantial conflict with the proper discharge of her duties or employment in the public interest. Section 36-14-5(a). A substantial conflict of interest exists if an official has reason to believe or expect that she, any person within her family, her business associate or her employer will derive a direct monetary gain or suffer a direct monetary loss by reason of her official activity. Section 36-14-7(a). The Code of Ethics further prohibits a public official from using her public office or confidential information received through her public office to obtain financial gain for herself, her family, her business associate, or any business by which she is employed or which she represents. Section 36-14-5(d).

In past advisory opinions, the Ethics Commission has required a public official to recuse from consideration of a matter if the official had an ongoing business relationship with an individual or entity appearing before his or her public body. See A.O. 2016-45 (opining that a member of the Tiverton Planning Board (“Planning Board”) was prohibited from participating in the Planning Board’s discussions and voting relative to a matter in which her business associate appeared as an expert witness, given that they had worked together professionally in the past on projects, often referred work and clients to each other, and would continue to refer work and clients to each other); A.O. 2005-64 (opining that a member of the Burrillville Redevelopment Agency (“Agency”) could not participate in discussions or votes on matters coming before the Agency regarding a nonprofit developer’s request for approval of a project, given that the petitioner was a partner in an accounting firm that provided accounting services to that developer on a continuing basis). Also, the Ethics Commission has consistently determined that an ongoing attorney-client relationship constitutes a business association for purposes of the Code of Ethics. See e.g. A.O. 2010-47; A.O. 2009-23; A.O. 2007-54; A.O. 2003-17.

However, while the Code of Ethics clearly prohibits a public official from participating in matters directly affecting his or her current business associate, the Ethics Commission has permitted a public official to participate in matters involving or impacting a former business associate, assuming no other conflicts were present. In determining whether a relationship between two parties constitutes an ongoing business association, the Ethics Commission examines, among other things, whether the parties are conducting ongoing business transactions, have outstanding accounts, or there exists an anticipated future relationship. For example, in Advisory Opinion 2019-60, the Ethics Commission opined that the Building Official for the Town of New Shoreham, who in his private capacity owned and operated a house watch service, was not required to recuse from matters that involved or financially impacted his former business associates, provided that any agreements for services between the petitioner and former clients had been severed prior to the petitioner performing any action in his public capacity in matters involving such former clients. The Ethics Commission further opined that all home watch services for former clients were required to have ceased prior to the petitioner performing any action in his public capacity in matters involving those former clients, with no outstanding fees due or refunds owed between the parties. Finally, there could be no understanding or expectation that the business association between the petitioner and any former client would resume once the petitioner had completed his work as Building Official for that individual. See also A.O. 2013-21 (opining that a member of the State Labor Relations Board, a private attorney, was not required to recuse from matters

involving his former law client provided that the representation had concluded, that all outstanding legal fees were paid in full, and there was no reasonable likelihood of reestablishing an attorney-client relationship in the foreseeable future); A.O. 2007-5 (opining that a Smithfield Town Council member's prior attorney-client relationship with an individual who sought legal advice related to his property that abutted the Slacks Reservoir dam did not prohibit that petitioner from participating in the Town Council's consideration of a matter related to the release of funds to repair the Slacks Reservoir dam, given that the attorney-client relationship, during which the client had not been charged, had ended more than a year prior with no plans for future representation.

In the present matter, the Petitioner represents that the attorney-client relationship between Attorney Kenyon and herself ended in 2016. She states that the matter for which she had retained Attorney Kenyon's services was unrelated to the jurisdiction of the SHAB and that Attorney Kenyon has been paid in full for the services he provided to her. She further states that she does not anticipate any occasion for which she might require Attorney Kenyon's services in the future. Accordingly, it is the opinion of the Ethics Commission that the Petitioner is not prohibited from participating in a matter currently before the SHAB in which the appellant is represented by Attorney Kenyon.

This Draft 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, ordinance, constitutional provision, charter provision, or canon of professional ethics may have on this situation.

Code Citations:

§ 36-14-2(3)

§ 36-14-5(a)

§ 36-14-5(d)

§ 36-14-7(a)

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

Related Advisory Opinions:

A.O. 2019-60

A.O. 2016-45

A.O. 2013-21

A.O. 2009-23

A.O. 2007-54

A.O. 2007-5

A.O. 2005-64

A.O. 2003-17

Keywords:

Business Associate

RHODE ISLAND ETHICS COMMISSION

Draft Advisory Opinion

Hearing Date: February 9, 2021

Re: William E. McIntosh

QUESTION PRESENTED:

The Petitioner, a former member of the Richmond Planning Board, a municipal appointed position, requests an advisory opinion regarding whether he qualifies for a hardship exception to the Code of Ethics' prohibition against appearing before one's own board within a period of one year following his official severance from said board, for purposes of appearing before the Planning Board, whether individually or through legal counsel, relative to applications involving the development of two pieces of property, both of which were purchased by the Petitioner prior to his appointment to the Planning Board.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, a former member of the Richmond Planning Board, a municipal appointed position, qualifies for a hardship exception to the Code of Ethics' prohibition against appearing before one's own board within a period of one year following his official severance from said board, for purposes of appearing before the Planning Board, whether individually or through legal counsel, relative to applications involving the development of two pieces of property, both of which were purchased by the Petitioner prior to his appointment to the Planning Board.

The Petitioner was a member of the Town of Richmond ("Town" or "Richmond") Planning Board ("Planning Board") for a period of seven weeks, between December 15, 2020 and January 31, 2021, having been appointed by the Richmond Town Council ("Town Council") due to a vacancy. The Petitioner states that, during the seven-week period in which he was a member of the Planning Board, the Planning Board met only once, at which time the Petitioner participated in the discussion and voting on two agenda items and recused from participation in the discussion and voting on a third agenda item. The Petitioner further states that, on January 19, 2021, a vote by the Town Council on the matter of his re-appointment to a full 3-year term as a member of the Planning Board was tabled in light of the pendency of the instant advisory opinion. The Petitioner has since informed Ethics Commission staff of his decision to withdraw his candidacy for reappointment to the Planning Board at least until such time as all matters involving the properties that are the subject of the instant advisory opinion have been resolved at the Planning Board stage.

The Petitioner represents that in his private capacity he is the owner and operator of McIntosh Land Development and Real Estate. The Petitioner further represents that, in 2018, he purchased property from the Town with plans to create affordable housing on it. He adds that the property,

located at 3 Carolina Nooseneck Road ("Carolina Nooseneck"), had been zoned and labeled by the Planning Board as the highest suitable location for affordable housing in Richmond in the Town's 2012-2020 Comprehensive Plan, and that the Town Council was aware of the Petitioner's intent to build an affordable component subdivision ("subdivision") on the Carolina Nooseneck property, given the demand for dwelling units of this type in Richmond.

The Petitioner represents that, immediately after purchasing the Carolina Nooseneck property, he began the application process for its subdivision, but was denied by the Planning Board at the Master Plan stage. He further represents that he filed an appeal in the matter to the State Housing Appeals Board ("SHAB") in February of 2020 and, in part due to delays associated with the COVID-19 pandemic, said appeal has yet to be heard but is scheduled for February 22, 2021.¹ The Petitioner explains that, in the event his appeal to the SHAB is successful, he must once again present his Master Plan Application to the Planning Board. The Petitioner notes that he has invested a considerable amount of money in the purchase and planned subdivision of the Carolina Nooseneck property and that he would suffer substantial financial impact if he is unable to complete it. It is in the context of these facts that the Petitioner asks whether he, be it individually or through legal counsel, may appear before the Planning Board relative to this project.

The Petitioner states that, in 2019, he purchased a second piece of property in Richmond, the address for which is 22 Old Mountain Trail ("Old Mountain"), which is located approximately one mile away from the Carolina Nooseneck property. The Petitioner explains that he purchased the Old Mountain property with plans to transfer the affordable housing component from the subdivision at the Carolina Nooseneck property to the Old Mountain property so that all of the affordable housing units could be placed in a single family area where the values of surrounding properties are in the same range. He states that his application for a land transfer was denied by the Planning Board, prior to his appointment to the Planning Board, adding that the denial of his land transfer application led to his having to engineer the Carolina Nooseneck and Old Mountain properties separately and simultaneously at a substantial cost of money and time. He states that his Application for Preliminary/Final Approval concerning the Old Mountain property, which he describes as a fairly administrative procedure, is expected to go before the Planning Board in February of 2021. The Petitioner explains that he would suffer substantial financial impact if he is unable to complete the subdivision of the Old Mountain property. It is in the context of these facts that the Petitioner also asks whether he, be it individually or through legal counsel, may appear before the Planning Board relative to this project.²

¹ The Petitioner informs that his appeal to the SHAB had been scheduled for hearing on January 25, 2021, but that due to a possible conflict for as many as three SHAB members, the matter was continued for one month in order to address that situation. While the Petitioner's request for an advisory opinion concerning the Carolina Nooseneck property may not yet be fully ripe in light of the latest delay of the SHAB hearing, because the matters of the Carolina Nooseneck property and a second property located at 22 Old Mountain Trail which is also owned by the Petitioner and the subject of his request for an advisory opinion are so closely intertwined, addressing both at this time makes practical sense.

² In his letter seeking the instant advisory opinion, the Petitioner refers to additional potential conflicts of interest involving past and present business relationships. Because the Petitioner's future membership on the Planning Board following the resolution before the Planning Board of all matters relating to the Carolina Nooseneck and Old Mountain properties has yet to be determined, there is no need to address those potential conflicts at this time.

The Code of Ethics prohibits a public official from representing himself, or authorizing another person to appear on his behalf, before a state or municipal agency of which he is a member, by which he is employed, or for which he is the appointing authority. R.I. Gen. Laws § 36-14-5(e)(1) ("section 5(e)"); Commission Regulation 520-RICR-00-00-1.1.4 Representing Oneself or Others, Defined (36-14-5016) ("Regulation 1.1.4"). While many conflicts can be avoided under the Code of Ethics by recusing from participating and voting in certain matters, such recusal is insufficient to avoid section 5(e)'s prohibitions. Absent an express finding by the Ethics Commission in the form of an advisory opinion that a hardship exists, section 5(e)'s prohibitions continue while the public official remains in office and for a period of one year thereafter. Section (e)(1) & (4). Upon receipt of a hardship exception, the public official must also advise the state or municipal agency in writing of the existence and the nature of his interest in the matter at issue; recuse himself from voting on or otherwise participating in the agency's consideration and disposition of the matter at issue; and follow any other recommendations the Ethics Commission may make to avoid any appearance of impropriety in the matter. Section 5(e)(1)(i-iii). See, e.g., A.O. 2014-26 (granting a hardship exception to a member of the Barrington Zoning Board of Review ("BZB"), permitting him to appear before the BZB to request a dimensional variance for his personal residence, but requiring him to recuse himself from participating and voting during the BZB's consideration of his request for relief).

The Petitioner's proposed conduct falls squarely within the Code of Ethics' prohibition on representing oneself before an agency over which he was a member prior to the expiration of a period of one year following his official severance from that agency. Having determined that section 5(e)'s prohibitions apply to the Petitioner, the Ethics Commission will consider whether the unique circumstances represented by the Petitioner herein justify a finding of hardship to permit him to appear before the Planning Board.

The Ethics Commission reviews questions of hardship on a case-by-case basis and has, in the past, considered some of the following factors in cases involving real property: whether the subject property involved the official's principal residence or principal place of business; whether the official's interest in the property was pre-existing to his public office or was recently acquired; whether the relief sought involved a new commercial venture or an existing business; and whether the matter involved a significant economic impact. The Ethics Commission may consider other factors and no single factor is determinative.

In prior advisory opinions, the Ethics Commission has declined to grant a hardship exception for matters involving new commercial ventures. In Advisory Opinion 2006-43, the Ethics Commission declined to grant a hardship exception to a member of the Barrington Planning Board ("BPB"), who sought approval from his own board to construct an affordable housing development, because the property was not the petitioner's residence or principal place of business; the development appeared to be in furtherance of a commercial venture; and the petitioner's legal interest in the property did not predate his appointment to the BPB. The Ethics Commission also declined to grant a hardship exception in Advisory Opinion 2003-49, where the Assistant Solicitor for the Town of Lincoln ("Lincoln") wished to represent himself before the Lincoln Town Council, Zoning Board, and Planning Board relative to the development of two parcels of real estate that he owned in Lincoln. The hardship exception was not granted because the petitioner's ownership of the lots did not predate his appointment as Assistant Solicitor, and it

was uncertain as to whether either lot would be used as the petitioner's primary residence or simply resold in commercial transactions after development. See also A.O. 2000-41 (declining to grant a hardship exception to a member of the Exeter Zoning Board who sought to generate additional income by entering into a contract to locate a cellular communications tower on his residential property because the proposed commercial venture served only to generate additional income for the petitioner).

In contrast, the Ethics Commission has occasionally granted a hardship exception in situations involving commercial ventures where exceptional circumstances were present. For example, in Advisory Opinion 2018-24, the Ethics Commission granted a hardship exception to a member of the Scituate Town Council ("Town Council") allowing him to represent himself, either personally or through a representative, before the Scituate Plan Commission, for which the Town Council was the appointing authority, to obtain a preliminary/final approval of a Comprehensive Permit Application ("application"). The application related to a parcel of undeveloped land on which the petitioner had planned to build a housing development consisting of 18 condominium units, a number of which would be deemed affordable housing under circumstances where affordable housing in the Town of Scituate fell below the required percentage. In opining that the totality of the circumstances justified granting a hardship exception to section 5(e)'s prohibitions, the Ethics Commission relied upon the petitioner's representation that he had purchased the property, filed the Comprehensive Permit Application, and obtained a Master Plan Approval prior to his election to the Town Council. The petitioner had further represented that, absent preliminary/final approval from the Scituate Plan Commission, he stood to suffer significant economic impact due to his considerable investment to date.

Additionally, in Advisory Opinion 2018-5, the Ethics Commission granted a hardship exception allowing another member of the Scituate Town Council to appear before various boards for which the Town Council was the appointing authority to obtain approvals to restore and renovate his commercial property which had been damaged in a fire. There, the circumstances were such that the petitioner had operated a store on the property for several years prior to his election to the Town Council. The property had been extensively damaged by fire and could not reopen absent certain approvals by one or more of the boards. The petitioner was not seeking any extraordinary relief from the Town of Scituate's building and zoning ordinances and had suffered a substantial financial hardship due to the continuing loss of income from his business. See also A.O. 2002-8, (granting a hardship exception to a Narragansett Town Council member, allowing him to appear before the Town Council in order to establish the appropriate zone determination for his property which he had purchased several months prior to his election to the Town Council, given that the zoning of the property was uncertain due to prior Council error); A.O. 2010-19 (granting a hardship exception to an alternate member of the Newport Zoning Board, allowing him to appear before his own board and appeal the denial of a building permit to refurbish unused space for commercial rental use within a residential rental property, where his ownership predated his public service and where the desired use was consistent with prior use and had the least financial impact on the petitioner).

In the present matter, the Petitioner purchased the Carolina Nooseneck property and began the application process for a subdivision, the denial of which led to the filing of an appeal before the SHAB, all prior to his appointment to the Planning Board. Should the hearing for that appeal,

which is imminent, be decided in the Petitioner's favor, the Petitioner must once again appear before the Planning Board if he is to proceed with his plans for the subdivision of the Carolina Nooseneck property. Similarly, the Petitioner purchased the Old Mountain property and filed an application for a land transfer of the affordable housing component of the Carolina Nooseneck property to the Old Mountain property prior to his appointment to the Planning Board. The denial of the Petitioner's land transfer application led to his having to engineer the two properties separately and simultaneously at a substantial cost of money and time. His Application for Preliminary/Final Approval relative to the Old Mountain property, which he describes as a fairly administrative procedure, is expected to go before the Planning Board in February of 2021. Additionally, the Petitioner only served as a member of the Planning Board for a period of seven weeks, during which time the Planning Board met only once. Accordingly, based on the Petitioner's representations, the applicable provisions of the Code of Ethics, and consistent with prior advisory opinions issued, it is the opinion of Ethics Commission that the exceptional circumstances here justify the granting of a hardship exception to the Code of Ethics' prohibition against the Petitioner appearing before the Planning Board within a period of one year following his official severance from it. Therefore, the Petitioner may appear before the Planning Board, either individually or through legal counsel, relative to the applications involving the development of the Carolina Nooseneck and Old Mountain properties.

This Draft 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, ordinance, constitutional provision, charter provision, or canon of professional ethics may have on this situation.

Code Citations:

§ 36-15-5(e)

520-RICR-00-00-1.1.4 Representing Oneself or Others, Defined (36-14-5006)

Related Advisory Opinions:

A.O. 2018-24

A.O. 2018-5

A.O. 2014-26

A.O. 2010-19

A.O. 2006-43

A.O. 2003-49

A.O. 2002-8

A.O. 2000-41

Keywords:

Hardship Exception

Property Interest

RHODE ISLAND ETHICS COMMISSION

Draft Advisory Opinion

Hearing Date: February 9, 2021

Re: Cody W. Clarkin

QUESTION PRESENTED:

The Petitioner, a member of the Charlestown Town Council, a municipal elected position, requests an advisory opinion regarding: (1) whether he may serve as the Town Council's liaison to the Parks and Recreation Commission while his father is employed by the Parks and Recreation Department as a seasonal employee and what limitations, if any, the Code of Ethics places upon the Petitioner in carrying out his public duties; and (2) whether he may participate in the Town Council's vote on the Town's budget, which includes funds for the Parks and Recreation Department.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, a member of the Town of the Charlestown Town Council, a municipal elected position first, is not prohibited by the Code of Ethics from serving as the Town Council's liaison to the Parks and Recreation Commission while his father is employed by the Parks and Recreation Department as a seasonal employee. However, the Petitioner is prohibited by the Code of Ethics from participating in any Town Council and/or Parks and Recreation Commission matters in which his father is a party or participant, or by which his father will be financially impacted or receive an employment advantage. The Petitioner is not required to recuse when his father appears before the Town Council or the Parks and Recreation Commission in his official capacity as an employee of the Parks and Recreation Department, provided that all of the other requirements of Commission Regulation 520-RICR-00-00-1.2.1(B)(1) are satisfied. The Petitioner is also prohibited from participating in the supervision, evaluation, appointment, classification, promotion, transfer, or discipline of his father. Second, the Petitioner is prohibited from participating in Town Council discussions and voting relative to any budgetary line item that addresses or affects the employment, compensation, or benefits of his father, but may vote to approve or reject a budget as a whole, provided that his father is impacted by the entire budget as a member of a significant and definable class of persons, and not individually or to greater extent than any other similarly situated member of the class.

The Petitioner was elected to the Charlestown Town Council ("Town Council") on November 3, 2020. He informs that the Town Council is charged with carrying out the legislative duties of the Town of Charlestown ("Town" or "Charlestown") as prescribed by the Town's Home Rule Charter including, but not limited to, the enactment of ordinances, the filling of board and commission vacancies, and the review of the Town's budget. Specifically, with regard to the Town budget, the Petitioner states that it is prepared by the Town's Budget Commission, followed by a review and

vote by the Town Council. The Petitioner informs that the Town Council reviews the Town's budget at a hearing facilitated by the Town moderator. The Town Council normally votes on the budget as a whole, but could discuss and amend various line items. Upon review and vote by the Town Council, the Town's budget is then presented for approval by the registered voters at a budget referendum. The Petitioner notes that the Town's budget includes funds for the Town's Parks and Recreation Department.

The Petitioner states that, prior to his election to the Town Council, he was employed by the Town's Parks and Recreation Department for seven (7) years as a seasonal employee during the summer and as a part-time employee in the off-season. He adds that this employment ended on September 30, 2020. The Petitioner represents that he served in various positions, including Assistant Director of the Ninigret Summer Camp, Beach Manager, Summer Assistant, and as a staff member of other programs and events. The Petitioner states that his father has also been a seasonal employee in the Parks and Recreation Department for the past eleven (11) years, serving as a Summer Assistant in charge of beach operations. The Petitioner explains that his father's employment typically runs from May through September and that his father plans to continue this employment for the foreseeable future.¹

The Petitioner represents that, from January of 2017 to December of 2019, he served as a member of the Charlestown Parks and Recreation Commission, a board that is advisory to the Town Council. The Petitioner would now like to be the Town Council's liaison to the Parks and Recreation Commission and states that the Town Council's discussions and vote relative to the appointment of a liaison have been postponed until February pending issuance of the instant advisory opinion by the Ethics Commission. The Petitioner states that the Parks and Recreation Commission does not vote on any matters of employment but, rather, reviews and advises the Town Council on capital projects, recreational programs, policies, and ordinances, as well as the maintenance, acquisition, and development of park and recreation facilities. He adds that the liaison participates in the Parks and Recreation Commission's discussions but has no voting authority. Based on this set of facts the Petitioner seeks guidance from the Ethics Commission regarding whether he may: (1) serve as the liaison on the Parks and Recreation Commission while his father is employed by the Parks and Recreation Department and what limitations, if any, the Code of Ethics places upon the Petitioner in carrying out his public duties; and (2) vote on the Town's budget which includes funds for the Parks and Recreation Department.

Under the Code of Ethics, a public official may not participate in any matter in which he has an interest, financial or otherwise, that 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 an official has reason to believe or expect that he, any person within his family, his business associate

¹ The Petitioner explains that his father holds a residential lease from the Town for a property located at the former gatehouse in Ninigret Park. The Petitioner informs that it is a three-year lease set to expire on June 30, 2022. The Petitioner explains that the lease renewal process involves the Parks and Recreation Department, the Parks and Recreation Commission which issues an advisory opinion to the Town Council, and a final decision by the Town Council. The Petitioner states that the last time his father's lease came before the Parks and Recreation Commission was during the Petitioner's tenure on the Parks and Recreation Commission, at which time the Petitioner recused from consideration of his father's lease. During a telephone conversation with staff, the Petitioner represented that he will continue to recuse as a Town Council Member, and as a liaison to the Parks and Recreation Commission, if appointed, on matters related to said lease.

or his employer will derive a direct monetary gain or suffer a direct monetary loss by reason of his official activity. Section 36-14-7(a). The Code of Ethics also prohibits a public official from using his public office or confidential information received through his public office to obtain financial gain for himself or his family member, his business associate, or any business by which he is employed or which he represents. Section 36-14-5(d).

Serving as the Town Council's Liaison to the Parks and Recreation Commission

The Ethics Commission has declined to adopt a blanket or absolute prohibition against one family member serving or being employed in the same department, agency, or municipality as another family member. Here, the Petitioner is not prohibited by the Code of Ethics from serving as the Town Council's liaison to the Parks and Recreation Commission while his father is employed by the Parks and Recreation Department. However, as outlined below, the Code of Ethics places certain limitations upon the Petitioner in carrying out his duties in order to prevent any potential conflicts of interest. See, e.g., A.O. 2002-48 (opining that the simultaneous service of family members in the respective positions of Town Councilor and Town Clerk did not, in and of itself, present a conflict of interest for the Town Council, however, the Town Councilor, with whom the Town Clerk had a familial relationship, was required to recuse from the Town Council's consideration of any personnel matters involving the Town Clerk, including issues of salary, job performance or re-appointment); A.O. 2005-30 (opining that a candidate for appointment to the City of Providence Board of Canvassers could seek and accept such appointment notwithstanding that his spouse was an elected member of the Providence City Council, but that he was required to recuse from participation in any matters relating to, or affecting the candidacy or election of his spouse and/or other candidates running against his spouse).

Participation in Matters That Involve or Financially Impact the Petitioner's Father

Under the general nepotism prohibitions of the Code of Ethics, specifically Commission Regulation 520-RICR-00-00-1.3.1 Prohibited Activities – Nepotism (36-14-5004) ("Regulation 1.3.1"), a public official shall not participate in any matter as part of his public duties if he has reason to believe or expect that any person within his family or any household member is a party to or a participant in such matter, or will derive a direct monetary gain or suffer a direct monetary loss, or obtain an employment advantage. Regulation 1.3.1(B)(1). The definition of "any person within his [] family" specifically includes "son." Regulation 1.3.1(A)(2). Notably, Regulation 1.3.1(B)(1) not only prohibits actions by a public official that would financially impact his family member, but also applies when such actions involve a family member as a party or participant, regardless of the potential for financial impact. Further, under Regulation 1.3.1(B)(1), a public official is prohibited from participating in matters that may bestow an employment advantage upon a family member. Such an advantage, which might not appear to be a direct financial gain, could be some type of opportunity (such as an educational or travel experience or resource) that the family member would not otherwise have had.

Further, Commission Regulation 520-RICR-00-00-1.2.1(A)(1) Additional Circumstances Warranting Recusal (36-14-5002) ("Regulation 1.2.1") states that a public official must also recuse himself from participation in his official capacity when any person within his family appears or presents evidence or arguments before his municipal agency. See, e.g., A.O. 2013-8 (opining that

a Bristol Town Council member was prohibited by the Code of Ethics from participating in the Town Council's appointment of a new harbormaster and the Town Council's review of any amendments to the harbormaster's job description, given that his brother was then serving as interim harbormaster and was also one of nineteen applicants for the permanent harbormaster position). A public official is not required, however, to recuse himself pursuant to this or any other provision of the Code of Ethics when his family member is before the public official's municipal agency solely in an official capacity as a duly authorized member or employee of another municipal agency, to participate in non-adversarial information sharing or coordination of activities between the two agencies, provided that the family member is not otherwise a party or participant, and has no personal financial interest, in the matter under discussion. Regulation 1.2.1(B)(1). See, e.g., A.O. 2018-59 (opining that a member of the Westerly Town Council was not prohibited from participating in the Town Council's discussions and decision-making relative to matters involving the Westerly School Committee and/or the Elementary School Redesign Committee, notwithstanding that his wife was then currently serving as an elected member of the Westerly School Committee and as an appointed member of the Elementary School Redesign Committee, provided that neither the petitioner nor his wife had a personal financial interest in any matter under discussion and that all other requirements of what is now Regulation 1.2.1(B)(1) were satisfied).

Thus, in the event that the Petitioner's father is a party to or participant in a matter before the Town Council or the Parks and Recreation Commission, or will be directly financially impacted or obtain an employment advantage by the Town Council's or Parks and Recreation Commission's decision-making, the Petitioner is required to recuse consistent with section 36-14-6. However, were the Petitioner's father to appear before the Town Council or the Parks and Recreation Commission solely in his public capacity as a duly authorized member or employee of the Parks and Recreation Department, to participate in non-adversarial information sharing or coordination of activities between the two agencies, provided that his father is not otherwise a party or participant, and has no personal financial interest, in the matter under discussion, the Petitioner would not be required by the Code of Ethics to recuse.

Participation in Supervision and Evaluation of Petitioner's Father

A public official is prohibited by the Code of Ethics from participating in the supervision, evaluation, appointment, classification, promotion, transfer or discipline of any person within his family, or from delegating such tasks to a subordinate, except in accordance with advice received in a formal advisory opinion from the Ethics Commission. Regulation 1.3.1(B)(2). See, e.g., A.O. 2016-26 (opining that a lieutenant in the East Greenwich Fire Department was not prohibited from serving in that position upon the hiring of his brother as a probationary firefighter in the same department, provided that certain procedures were followed so that the lieutenant was removed from personnel decisions or other matters that particularly affected his brother). Here, the Petitioner is prohibited from participating in Town Council and/or Parks and Recreation Commission matters that involve the supervision, evaluation, appointment, classification, promotion, transfer or discipline of his father.

Participating in Discussions and Voting on the Town's Budget

Regulation 1.3.1 also addresses a public official's participation in budget matters that could financially impact or involve the public official's family member. Specifically, a public official is prohibited from participating "in discussion or decision-making relative to a budgetary line item that would address or affect the employment, compensation or benefits of any person within his [] family." Regulation 1.3.1(B)(3)(a). However, a public official is not prohibited from participating "in discussion or decision-making relative to approving or rejecting the entire budget as a whole, provided that the person within his [] family . . . is impacted by the entire budget as a member of a significant and definable class of persons, and not individually or to any greater extent than any other similarly situated member of the class." Regulation 1.3.1(B)(3)(c).

In Advisory Opinion 2010-35, the Ethics Commission opined, *inter alia*, that a Pawtucket School Committee member whose brother and sister-in-law were teachers in the School District was prohibited by the Code of Ethics from participating in any School Committee discussion or vote on line items in the School Department budget that would address or affect the employment, compensation or benefits of his brother and sister-in-law. However, the petitioner could participate in the School Committee's discussion and vote relative to approving or rejecting the entire budget as a whole. The basis for allowing participation relative to the budget as a whole is an assumption that a vote on the entire budget is sufficiently remote from most particular line items so as not to constitute a substantial conflict of interest in violation of the Code of Ethics. See also A.O. 2016-30 (opining that a member of the Little Compton Budget Committee could participate in Budget Committee matters pertaining to the Wilbur & McMahon School and School Department budget generally, but was required to recuse from discussion and voting on any budgetary line item regarding School Committee members' stipends); A.O. 2002-44 (opining that a Warwick City Councilor, whose spouse was employed by the Warwick School Department, could participate in and/or vote on the Town budget even if it included matters related to school budgets and school issues generally, provided that he did not participate in and/or vote on specific matters related to personnel issues affecting his spouse).

Therefore, in the instant matter, while the Petitioner is prohibited from participating in the Town Council's discussions and voting relating to budgetary line items that would address or affect the employment, compensation, or benefits of his father, the Petitioner may participate in the Town Council's discussion and vote to approve or reject the entire budget as a whole, provided that his father is impacted by the entire budget as a member of a significant and definable class of persons, and not individually or to greater extent than any other similarly situated member of the class. However, the Ethics Commission is aware that a general discussion can quickly devolve into a narrower review of specific budget provisions. The Petitioner must be vigilant to identify such instances where a general conversation begins to focus on individual aspects of the Town's budget that are likely to financially impact his father. In such circumstances, the Petitioner must recuse from further participation consistent with 36-14-6 or seek further guidance from the Ethics Commission.

Conclusion

In conclusion, it is the opinion of the Ethics Commission that the Petitioner is not prohibited by the Code of Ethics from serving as the Town Council's liaison to the Parks and Recreation Commission while his father is employed by the Parks and Recreation Department. However, the Petitioner is prohibited by the Code of Ethics from participating in any Town Council and/or Parks and Recreation Commission matters in which his father is a party or participant, or by which his father will be financially impacted or receive an employment advantage. The Petitioner is not required to recuse when his father appears before the Town Council or the Parks and Recreation Commission in his official capacity as an employee of the Parks and Recreation Department, provided that all of the other requirements of Regulation 1.2.1(B)(1) are satisfied. The Petitioner is also prohibited from participating in the supervision, evaluation, appointment, classification, promotion, transfer or discipline of his father. Lastly, the Petitioner is prohibited from participating in Town Council discussions and voting relative to any budgetary line item that addresses or affects the employment, compensation or benefits of his father, but may vote to approve or reject a budget as a whole, provided that his father is impacted by the entire budget as a member of a significant and definable class of persons, and not individually or to greater extent than any other similarly situated member of the class. Notice of recusal in any instance shall be filed with the Ethics Commission consistent with section 36-14-6.

This advisory opinion cannot anticipate every possible situation in which a conflict of interest might arise and, thus, provides only general guidance as to the application of the Code of Ethics based upon the facts represented above. The Petitioner is encouraged to seek additional advice from the Ethics Commission in the future as more specific questions regarding potential conflicts of interest arise.

This Draft 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, ordinance, constitutional provision, charter provision, or canon of professional ethics may have on this situation.

Code Citations:

§ 36-14-5(a)

§ 36-14-5(d)

§ 36-14-6

§ 36-14-7(a)

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

520-RICR-00-00-1.3.1 Prohibited Activities – Nepotism (36-14-5004)

Related Advisory Opinions:

A.O. 2018-59

A.O. 2016-30

A.O. 2016-26

A.O. 2013-8

A.O. 2010-35
A.O. 2005-30
A.O. 2002-48
A.O. 2002-44

Keywords:

Family: Public Employment

Budget

Nepotism

DRAFT

RHODE ISLAND ETHICS COMMISSION

Draft Advisory Opinion

Hearing Date: February 9, 2021

Re: Peter Brent Regan, Esq.

QUESTION PRESENTED:

The Petitioner, the Town Solicitor for the Town of Middletown, a municipal appointed position, requests an advisory opinion regarding whether the Code of Ethics prohibits him from participation in the Middletown Town Council discussions regarding the proposed revision of an ordinance relative to Short-Term Residential Leases, given that the Petitioner and his spouse own property regulated by said ordinance.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, the Town Solicitor for the Town of Middletown, a municipal appointed position, is prohibited by the Code of Ethics from participation in the Middletown Town Council discussions regarding the proposed revision of an ordinance relative to Short-Term Residential Leases, given that the Petitioner and his spouse own property regulated by said ordinance.

The Petitioner is the Town Solicitor for the Town of Middletown ("Town" or "Middletown") and, as such, he is responsible for providing legal advice to the Middletown Town Council ("Town Council"). The Petitioner represents that the Town Council is presently considering revising the Town's ordinance relative to Short-Term Residential Leases ("Ordinance"), as well as the reclassification of short-term rental properties from residential to commercial and the potential increase of registration fees and taxes for short-term residential properties. The Ordinance currently defines a short-term residential lease as a lease for a term of six (6) months or less, and requires that properties of owners engaging in short-term rentals be registered, for which the owners pay a registration fee each year. The Petitioner informs that, currently, the tax classification of short-term rental properties is governed by R.I. Gen. Laws § 44-5-11.8, which defines residential properties consisting of no more than five (5) dwelling units as "residential," and residential properties consisting of more than five (5) dwelling units as "commercial." He states that the Town Council will be considering a proposal to classify residential real estate used for short-term rentals as commercial, regardless of the number of dwelling units. The Petitioner further states that as the commercial tax rate is higher than the residential tax rate, the result will be an increase in real estate tax for those properties.

The Petitioner informs that he and his spouse own a two-family house in Middletown that is registered as a short-term rental property as required under the Ordinance. The Petitioner further informs that he and his spouse live in the main unit as their primary residence and rent the second

unit which, during the summer months, is rented on a weekly or other short-term basis. The Petitioner represents that there is a total of 186 short-term rental properties registered with the Town. The Petitioner states that his property is one of the 86 short-term rental properties categorized as *owner-occupied* and is currently not subject of the discussions of the proposed change in the tax classification.¹ However, he further states that he is not certain whether this will remain true throughout the Town Council's discussions prior to finalizing the revision of the Ordinance and the reclassification of the properties, and whether and how he may be impacted by any final decision of the Town Council. Given this set of facts, the Petitioner request an advisory opinion regarding whether the Code of Ethics prohibits him from participation in the Middletown Town Council discussions regarding the proposed revision of the Ordinance.

A person subject to the Code of Ethics may not participate in any matter in which he has an interest, financial or otherwise, 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 occurs if a public official has reason to believe or expect that he, or any person with his family, or his business associate, or any business by which he is employed, will derive a direct monetary gain or suffer a direct monetary loss by reason of his official activity. Section 36-14-7(a). The Code of Ethics also prohibits a public official from using his public office or confidential information received through his public office to obtain financial gain for himself, his family member, his business associate, or any business by which he is employed or which he represents. Section 36-14-5(d).

However, section 36-14-7(b) of the Code of Ethics, sometimes referred to as the "class exception," states that a public official will not have an interest which is in substantial conflict with his official duties if any benefit or detriment accrues to him, any person within his family, any business associate, or any business by which the Petitioner is employed or which the Petitioner represents "as a member of a business, profession, occupation or group, or of any significant and definable class of persons within the business, profession, occupation or group, to no greater extent than any other similarly situated member of the business, profession, occupation or group, or of the significant and definable class of persons within the business, profession, occupation or group."

When determining whether any particular circumstance supports and justifies the application of the class exception, the Ethics Commission considers the totality of the circumstances. Among the important factors considered are: 1) the description of the class; 2) the size of the class; 3) the function or official action being contemplated by the public official; and 4) the nature and degree of foreseeable impact upon the class and its individual members as a result of the official action.

The Ethics Commission has previously applied the class exception in a variety of circumstances involving public officials and their real estate holdings. See, e.g., A.O. 2005-22 (applying the class exception and opining that an Exeter Town Council member could participate in a proposed tax freeze ordinance for all property owners aged 65 and over, notwithstanding that his spouse was over 65 and could benefit from the tax freeze, because 250 to 300 other property owners would be similarly impacted by the ordinance).

¹ The remainder of the short-term rental properties are *not* owner-occupied. That category is further broken down into properties whose owners live somewhere else in Middletown (19) and those whose owners live outside of Middletown (81).

However, in prior advisory opinions issued by the Ethics Commission involving situations where it was unclear from the onset whether and how a petitioner or his family member might be impacted by certain discussions and decision-making in which a petitioner sought to participate, the class exception was not applied. See, e.g., A.O. 2018-23 (opining that a member of the Portsmouth Town Council could may not participate in the Town Council's discussions and decision-making relative to mitigating the negative effects caused by the operation of a Town-supported wind turbine on neighboring homes, given that the Petitioner was one of the affected residents and it was unclear at the onset of the Town Council's discussions how any resolution to the noise and shadow flicker problem will impact the petitioner and that such discussions placed him in a position in which he may participate in defining the groups to be impacted and the extent of the impact); A.O. 2003-58 (opining that the Director of Public Works in the Town of Warren was prohibited from participation in contract negotiations with the Steelworkers Union since it was unclear from the onset of negotiations how the contract would affect his daughter, who was a member of the Steelworkers Union).

Here, although the Petitioner is not a member of the Town Council, he is a Solicitor and a public official and as such, his advice on various matters are part of his role as a public official. Providing advice to the Town Council constitutes "official activity" as that term is used in the Code of Ethics. Since it is unclear at the onset of the Town Council's discussions whether and how the Town Council's actions might financially impact the Petitioner and his spouse as owners of an owner-occupied short-term rental property, a sub-class of all short-term rental properties, it is the opinion of the Ethics Commission that the class exception is inapplicable here and the Petitioner must recuse from participation in the Town Council's discussions and decision-making relative to such matters. Recusal shall be consistent with section 36-14-6.

This Draft 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, ordinance, constitutional provision, charter provision, or canon of professional ethics may have on this situation.

Code Citations:

§ 36-14-5(a)
§ 36-14-5(d)
§ 36-14-6
§ 36-14-7(a)
§ 36-14-7(b)

Other Related Authority:

R.I. Gen. Laws § 44-5-11.8

Related Advisory Opinions:

A.O. 2018-23
A.O. 2005-22
A.O. 2003-58

Keywords:
Class Exception

DRAFT

RHODE ISLAND ETHICS COMMISSION

Draft Advisory Opinion

Hearing Date: February 9, 2021

Re: John Edwards

QUESTION PRESENTED:

The Petitioner, a member of the Tiverton Budget Committee, a municipal appointed position, requests an advisory opinion regarding what restrictions, if any, the Code of Ethics places upon him in carrying out his Budget Committee duties, specifically relative to the Budget Committee's discussions and voting on the Tiverton School Department's Budget, given that his spouse is an employee of said School Department.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, a member of the Tiverton Budget Committee, a municipal appointed position, whose spouse is an employee of the Tiverton School Department is prohibited by the Code of Ethics from participating in the Budget Committee's discussions and voting relating to School Department budgetary line items that would address or affect the employment, compensation, or benefits of his spouse. However, the Petitioner may participate in the Budget Committee's discussions and voting to approve or reject other budgetary line items, and the School Department's entire budget as a whole, provided that his spouse is impacted by the entire budget as a member of a significant and definable class of persons, and not individually or to greater extent than any other similarly situated member of the class.

The Petitioner states that he was appointed by the Tiverton Town Council ("Town Council") to fill a vacancy on the Tiverton Budget Committee ("Budget Committee") on January 11, 2021. He further states that the Budget Committee is comprised of eleven members tasked by the Tiverton Town Charter with reviewing and deliberating on budget requests submitted by the Town Administrator, the Town Clerk, the Town Treasurer, and the Tiverton School Department. After the Budget Committee has finalized its recommendations regarding the aforementioned budget requests, the Budget Committee then presents its recommendations to the electorate who will then vote at the annual Tiverton Financial Town Hearing.

The Petitioner represents that his spouse is a kindergarten teacher employed by the Tiverton School Department ("School Department") and a member of the National Education Association of Rhode Island's collective bargaining unit. He further represents that, as an employee of the School Department, her salary is included in the total budget of the School Department and is also a part of the salary and benefits line items presented to the Budget Committee. The Petitioner states that the salaries and benefits of the teachers, including his spouse, are governed by the collective bargaining agreement negotiated between the School Department and the local union without the

participation of the Budget Committee. The Petitioner informs that, although the Budget Committee has no oversight authority over the collective bargaining contracts, the Budget Committee members may inquire of the School Department regarding the content of the collective bargaining agreement during the School Department's presentation of its budget request before the Budget Committee. The Petitioner notes that his spouse does not take part in the presentation of the School Department's budget request. Given this set of facts, the Petitioner seeks guidance from the Ethics Commission regarding what restrictions, if any, the Code of Ethics places upon him in carrying out his Budget Committee duties, specifically relative to the Budget Committee's discussions and voting on the Tiverton School Department's Budget.

Under the Code of Ethics, a public official may not participate in any matter in which he has an interest, financial or otherwise, that 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 an official has reason to believe or expect that he, any person within his family, his business associate or his employer will derive a direct monetary gain or suffer a direct monetary loss by reason of his official activity. Section 36-14-7(a). The Code of Ethics also prohibits a public official from using his public office or confidential information received through his public office to obtain financial gain for himself or any person within his family, his business associate, or any business by which he is employed or which he represents. Section 36-14-5(d).

Finally, Commission Regulation 520-RICR-00-00-1.3.1 Prohibited Activities – Nepotism (36-14-5004) ("Regulation 1.3.1") contains provisions aimed at curbing nepotism, and particularly addresses the question raised by the Petitioner. Specifically, a public official is prohibited from participating "in discussion or decision-making relative to a budgetary line item that would address or affect the employment, compensation or benefits of any person within his [] family." Regulation 1.3.1(B)(3)(a). However, a public official is not prohibited from participating "in discussion or decision-making relative to approving or rejecting the entire budget as a whole, provided that the person within his [] family . . . is impacted by the entire budget as a member of a significant and definable class of persons, and not individually or to any greater extent than any other similarly situated member of the class." Regulation 1.3.1(B)(3)(c). The basis for allowing such participation is an assumption that a vote on an entire budget is sufficiently remote from most individual line items impacting a family member so as not to constitute a substantial conflict of interest in violation of the Code of Ethics. The definition of "any person within his [] family" specifically includes "spouse." Regulation 1.3.1(A)(2).

The Ethics Commission applied the above provisions of the Code of Ethics to an analogous question in Advisory Opinion 2016-30, issued to a member of the Little Compton Budget Committee ("LC Budget Committee") whose spouse was a member of the Little Compton School Committee ("LC School Committee") for which the spouse received a stipend. There, the Ethics Commission opined that the petitioner was prohibited from participating in any LC Budget Committee discussions or voting on line items in the LC School Committee budget related to LC School Committee members' stipends. Nonetheless, the petitioner was permitted to participate in the Little Compton Budget Committee's discussions and voting relative to approving or rejecting other line items in the LC School Committee budget and the LC School Committee budget as a whole. See also A.O. 2020-44 (opining that a member of the Town of New Shoreham Town Council, whose brother was employed by the Town as its Residential Building Inspector, was prohibited from participating in discussions and voting relative to any budgetary line item that

would address or affect the employment, compensation or benefits of his brother but could participate in the Town Council's discussions and voting relative to approving or rejecting the entire budget as a whole); A.O. 2010-35 (opining, *inter alia*, that a Pawtucket School Committee member whose brother and sister-in-law were teachers in the School District was prohibited by the Code of Ethics from participating in any School Committee discussions or voting on line items in the School Department budget that would address or affect the employment, compensation or benefits of his brother and sister-in-law; however, the petitioner could participate in the School Committee's discussions and voting relative to approving or rejecting the entire budget as a whole).

Here, based on the Petitioner's representations, the applicable provisions of the Code of Ethics, and prior advisory opinions issued, it is the opinion of the Ethics Commission that the Petitioner is prohibited from participating in the Budget Committee's discussions and voting relating to budgetary line items that would address or affect the employment, compensation, or benefits of his spouse. However, the Petitioner may participate in the Budget Committee's discussions and voting to approve or reject other budgetary line items and the entire School Department budget as a whole, provided that his spouse is impacted by the entire budget as a member of a significant and definable class of persons, and not individually or to any greater extent than any other similarly situated member of the class. However, the Petitioner must be vigilant to identify instances where a general conversation begins to focus on individual aspects of the School Department's budget that are likely to financially impact his spouse. In such circumstances, the Petitioner must recuse from further participation consistent with section 36-14-6 or seek further guidance from the Ethics Commission.

This Draft 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, ordinance, constitutional provision, charter provision, or canon of professional ethics may have on this situation.

Code Citations:

§ 36-14-5(a)

§ 36-14-5(d)

§ 36-14-6

§ 36-14-7(a)

520-RICR-00-00-1.3.1 Prohibited Activities – Nepotism (36-14-5004)

Related Advisory Opinions:

A.O. 2020-44

A.O. 2016-30

A.O. 2010-35

Keywords:

Family: Public Employment

Budget

Nepotism



STATE OF RHODE ISLAND

RHODE ISLAND ETHICS COMMISSION

40 Fountain Street
Providence, RI 02903
(401) 222-3790 (Voice/TT)
Fax Number: 222-3382
ethics.email@ethics.ri.gov
<https://ethics.ri.gov>

TO: Rhode Island Ethics Commission

FROM: Jason Gramitt, Executive Director

DATE: February 3, 2021

RE: Public/Private Partnership Act Exemption:
Professor Navindra Seeram

Attached hereto is correspondence received from the Board of Trustees of the University of Rhode Island ("Trustees"), providing notice that the Trustees have approved an exemption under the Public Private Partnership Act ("the Act"), R.I. Gen. Laws § 16-59-26.

The Act, which was originally enacted in 2003 with the support of the Ethics Commission, authorizes the Trustees to permit individual exemptions to the Code of Ethics in order to permit the University of Rhode Island to enter into contracts and partnerships which allow and encourage the marketing of inventions developed by faculty and staff for the benefit of both the faculty member and the University. An exemption is required because the Code of Ethics generally prohibits state employees (including public university employees) from using their public positions to obtain a financial benefit for themselves, their employers or business associates. Such exemptions can only be authorized pursuant to formal policies and procedures that were implemented in 2005 in consultation with, and with the approval of, the Ethics Commission.

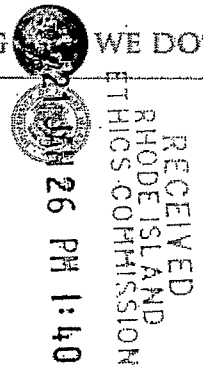
The Ethics Commission received the instant notice of an approved exemption for Professor Seeram on January 26, 2021. Pursuant to the Act, the Ethics Commission has the right to review this authorized exemption and, if it finds any areas of concern, to require the Trustees to re-examine the exemption at an open meeting. That is the extent of the Ethics Commission's role in this exemption.

This matter has been added to the agenda for your consideration. I will make a brief presentation on the proposed exemption. The Trustees have been notified of this agenda item and their representatives will be in attendance. Please note that the Ethics Commission need take no action *unless* it finds cause to require the Trustees to re-examine the exemption at an open meeting.

THE
UNIVERSITY
OF RHODE ISLAND
BOARD OF TRUSTEES

Green Hall, 35 Campus Avenue, Kingston, RI 02881 USA

THINK BIG WE DO



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Mayra Gindy
Faculty Representative

Christopher Bove '23
Student Representative

January 25, 2021

Mr. Jason Gramitt, Executive Director
Rhode Island Ethics Commission
40 Fountain Street, 8th floor
Providence, RI 02903

RE: Approval of a request for exemption from the University of Rhode Island for Professor Navindra Seeram, in accordance with the terms of the Rhode Island Public/Private Partnership Act.

Dear Mr. Gramitt:

On January 15, 2021, the University of Rhode Island Board of Trustees, approved Professor Navindra Seeram's request for exemption, in accordance with the terms of the Rhode Island Public/Private Partnership Act.

This matter has been approved by the University of Rhode Island Conflict of Interest Management Committee, the Dean of the College of Pharmacy, the Vice President for Research and Economic Development, and President Dooley. The attached materials are provided for the Commission's review.

Please contact Ted Myatt, Associate Vice President for Research Administration (tedmyatt@uri.edu / 401-874-2636) for information related to this request. Additionally, we kindly ask that Dr. Myatt is notified as to when this item will be reviewed by the Rhode Island Ethics Commission, as he will attend to answer any questions the Commission may have.

Sincerely,

Margo L. Cook
Chair, University of Rhode Island Board of Trustees

Enclosure(s)

C: Peter Snyder, Vice President for Research and Economic Development
Ted Myatt, Associate VP Research Administration
Peter Harrington, Interim General Counsel



RECEIVED
RHODE ISLAND
ETHICS COMMISSION
21 JAN 26 PM 1:41

November 19, 2020

Margo L. Cook, Chair
University of Rhode Island Board of Trustees
35 Campus Avenue
Kingston, RI 02881

Re: Request for Exemption, University of Rhode Island, Navindra Seeram, Ph.D.

Dear Chairperson Cook:

Navindra Seeram, Professor and Chair of the Department of Biomedical and Pharmaceutical Sciences, College of Pharmacy, University of Rhode Island (URI) is seeking an exemption from the Rhode Island Code of Ethics under the terms of the Rhode Island Public Private Partnership Act (PPPA). The PPPA requires the Board of Trustees to review and approve such exemptions. Below I have provided some background on the PPPA and information related to this specific case.

Background Information

In 2003, the Rhode Island legislature, with the support of the Governor, the Rhode Island (RI) Ethics Commission, the Rhode Island Board of Governors for Higher Education (RIBGHE), and industry representatives, enacted into law the Public Private Partnership Act (PPPA) (R.I.G.L. §16-59-26), which recognizes research as an inextricable part of the mission of public institutions of higher education and that such research by employees of these institutions often lead to inventions of value to the public. The purpose of this Act was to allow the University of Rhode Island, Rhode Island College, and the Community College of Rhode Island (Hereinafter "Institutions") to enter into public/private partnerships in education that involve faculty and staff members from those institutions and encourage the marketing of inventions developed by faculty and staff for the benefit of both the inventor and the public, while continuing to ensure that RI's public employees adhere to the highest standards of ethical conduct, as embodied in the RI Code of Ethics (R.I.G.L. §36-14-1, et. seq.), and Regulations adopted by the RI Ethics Commission.

The PPPA recognizes that in the normal conduct of research and development actual or potential conflicts of interest may occur. The policies and procedures, adopted by the RIBGHE are mandated by R.I.G.L. §16-59-26, are designed to ensure that the purposes expressed in Article III, Section 7 of the R.I. Constitution, the RI Code of Ethics, and the PPPA are adhered to by the employees of the public institutions of higher education in Rhode Island.

The PPPA allows an employee at the institutions to have a relationship, financial or otherwise, with a business that has an interest in the research or development being performed by the employee, even though the relationship would otherwise be prohibited by the RI Code of Ethics. The PPPA authorizes the RIBGHE to approve relationships between institution employees and private entities in which there is an actual or perceived conflict of interest between the employee's interests and the interests of URI. The

The University of Rhode Island is an equal opportunity employer committed to community, equity, and diversity and to the principles of affirmative action.

PPPA therefore also obligates the RIBGHE to impose such restrictions as are necessary to manage, reduce, or eliminate any actual or potential conflict. Such relationships are allowed only with prior disclosure, approval by the URI Conflict of Interest Management Committee (CIMC), approval of the Institution President, approval by the RIBGHE, and notice to the RI Ethics Commission. Effective February 1, 2020, the PPPA was amended to denote the URI Board of Trustees, as opposed to the RIBGHE as having authority for PPPA approvals. As a point of historical reference, URI has brought forth 10 requests for review/approval since 2012.

Request for Exemption

Enclosed please find a Request for Exemption of the Rhode Island Ethics Code under the terms of the PPPA. The Request was submitted to the URI CIMC by Navindra Seeram, Professor and Chair of the Department of Biomedical and Pharmaceutical Sciences, College of Pharmacy, in accordance with the terms of the RI PPPA.

In February of 2020, Dr. Seeram has disclosed a financial relationship with RISE Therapeutics, a Rhode Island based company focused on the medical and legal recreational cannabis business. This relationship was disclosed as a 2% stock interest and retainer consulting fee of \$2500 per month. Subsequent to the disclosure, RISE Therapeutics changed its name to Alluvion Brands LLC.

Alluvion Brands LLC is interested in funding research at the URI through an agreement with the URI Research Foundation (URI RF), with a subsequent subaward to URI. The total amount of the proposed research agreement is \$189,452.00. The aim of the characterize physicochemical properties of cannabidiol (CBD) and its formulated products for dermatological applications as well as evaluate their skin beneficial effects using in vitro models. Published studies showed that CBD can exert many health beneficial effects such as antioxidant and anti-inflammatory activity. However, it remains a challenge to develop suitable CBD-based formulations due to the lack of studies on their stability in different environments. Therefore, it is imperative to characterize the physicochemical properties of CBD and its formulations for the development of quality research-based CBD dermatological products.

At the February 2019 CIMC meeting, the CIMC reviewed the case and voted to recommend approval under the terms of the proposed conflict of interest management plan detailed in Appendix A, Step 3 and as a separate attachment. A specific requirement of approval was to remove Dr. Seeram as the Principal Investigator (PI) of the subaward to URI in order to manage the conflict of interest. The Request was subsequently reviewed and approved by the Paul Larrat, Ph.D., the Dean of the College of Pharmacy, Peter Snyder, Ph.D., Vice President for Research and Economic Development, and President David Dooley, Ph.D.

A copy of the signed documents will be provided for the Board of Trustees review, including:

- Disclosure documents (Appendix A, Steps 1 through 3),
- Research Agreement between Alluvion LLC and the URI RF (signed June 2020)
- Subagreement between URI RF and URI (unsigned until reviewed by RI Ethics Commission)
- Conflict of Interest Management Plan.

Please note that the forms that were used for the disclosure are out of date with the oversight transition to the Board of Trustees. As such, the Office of Research Integrity, in collaboration with the Office of General Counsel, will be developing new forms and updating the PPPA Policy for future requests.

If approved by the Board of Trustees, the documents will be forwarded to the Rhode Island Ethics Commission for review.

If you have questions or would like additional information, please contact me at 401-874-2636 or tedmyatt@uri.edu.

Sincerely,

A handwritten signature in black ink, appearing to read "Ted Myatt". The signature is stylized with a large "T" and "M".

Ted Myatt, Sc.D.

Associate Vice President for Research Administration

Cc: David Dooley, Ph.D.
Peter Snyder, Ph.D.
Lou Saccoccio, J.D.
Paul Larrat, Ph.D.

Appendix A

STEP 1: CONFLICT OF INTEREST DISCLOSURE FORM

In order to evaluate the nature and extent of the potential conflicts of interest that an employee's proposed (or existing) relationship with a business entity may create and to determine whether it can be allowed and managed, it is necessary to understand such employee's proposed activities and financial interests.

Disclosure Reporting Requirements: The activities and financial interests as outlined in Section VI, subsection 2 of the Board's Public Private Partnership Policy must be reported by the employee on the following disclosure form and approved prior to engaging in the activity.

Board of Governors

Disclosure of Outside Activities and Financial Interests

Name: Navindra Seeram

Position Title: Department Chair and Professor

College/Department: COP/BPS

Supervisor:/Dean: Dean Paul Larrat

1. In accordance with Board of Governors' policies and Rhode Island statutes, I report the following activity or financial interest. (Please indicate the category or categories of the activity or financial interest as described in the section VI subsection 2 of the Public Private Partnership Policy)
 - a. ☐ Outside activities in which there is use of institutional facilities, equipment, services, or other physical resources. Such uses must include a plan for reimbursement to the institution or a waiver of reimbursement by the President or his or her designee, and the reason therefore;
 - b. ☒ Management, employment, consulting, contractual activities, ownership interest in, or a family member's or business associate's ownership in a business or entity which supports or is related to, directly or indirectly, the employee's research activities in any way or

business or outside activity in the same discipline or field in which the employee does research at one of the institutions;

- c. ☐ Outside activities and financial interests required to be reported under federal contract and grant regulations;
- d. ☐ A relationship of any kind, financial or otherwise, with an entity engaged in research or development, or with an entity having a direct interest in the outcome of research or development, being performed by the employee.
- e. ☒ Management, employment, consulting, and contractual activities with, or ownership interests in, a business or entity that does business with one of the three institutions of higher education or competes with them.
- f. ☒ Any employment, contractual or other relationship, or financial interests of the employee which may create a continuing or recurring conflict between the employee's interests and the performance of the employee's public responsibilities and obligations, including time commitments. This includes any outside activity in which the employee is required to waive rights to intellectual property.

See also University of Rhode Island Conflict of interest Policy at <https://web.uri.edu/research-admin/office-of-research-integrity/>.

See also Rhode Island College conflict of interest policy at <http://www.RIC.edu>.

2. Please provide the requested information on each activity or financial interest performed/proposed during the University contract period as identified above. Please use additional report forms if necessary.

- a. Name of employing or contracting entity or person, or name of entity in which the financial interest is held, and nature of its business:

RISE Therapeutics Inc. A medical and legal recreational cannabis business. RISE renamed to Alluvion in 2020

- b. Description of financial interest (Ex: equity interest, royalty interest, consulting fees of more than \$10,00/yr, honorarium, gifts, loans, stock options or interest in patents or copyrights):

2% RISE stock interest and retainer consulting fee of \$2500 per month.

- c. Do you have a financial interest in the business entity or organization

sponsoring your activities that exceeds \$5,000 or 5% ownership?

Yes ☐ No ☒

d. Location and anticipated dates of activity: Lab 440 Avedisian Hall, URI from February 1 2020-February 28 2021

e. Indicate if annual leave is to be taken:

No ☒ Yes ☐

If yes, number of hours per week

f. Are Board of Governors' employees and/or students to be involved?

No ☐ Yes ☒

Explain Research staff, post-doctoral fellow, and graduate students will work on this project

g. Will University or College equipment, facilities or services be used?

No ☒ Yes ☐ NOTE: Activity is for the sponsorship of university research and therefore use of University facilities, etc. It will not involve RISE's use of facilities, equipment, etc.

If yes, please attach Facilities Form Step 4

h. Are you required, as a condition of the employment/activity, to waive any rights that you or the Board of Governors or the University or College might have to intellectual property you develop, including copyrights or patent rights?

No ☒ Yes ☐

(If yes, the institution must review and act on the employment / activity)

i. Do you own licensing and/or patent rights associated with products to be used in this business entity?

No ☒ Yes ☐

j. Are Human Subjects involved?

No ☒ Yes ☐

- k. Do you have a material financial interest or a managerial interest in an entity doing business with the University, one of the colleges, or the Rhode Island Office of Higher Education and are involved in a procurement activity?

No ☒ Yes ☐

If yes, please explain.

- l. Please indicate other disclosure reports submitted during the last three years.

3. I understand that all activities and interests identified in this form must be reviewed and acted upon by the appropriate Board and University/College officials as set forth in the above policy. For each activity or financial interest disclosed, other information may also be requested in order to completely review the activity or interest if there are potential conflicts involved. I also understand that I may be required to request an exemption pursuant to the Board's Public Private Partnership Policy

4. I hereby certify that the information reported here is accurate and complete. Further, I understand that my engaging in a non-university activity must not create a conflict of interest or interfere with the full and faithful performance of my University/College professional responsibilities or other University/College obligations.

Mark Sean
Employee's Signature

4/3/2020
Date

REVIEWER	REVIEWER'S SIGNATURE	APPROVED	DISAPPROVED	DATE
Chair or Supervisor	Paul Darrat <i>[Signature]</i>	X		4-3-20
Dean, Director or other Appropriate Administrator	<i>[Signature]</i>			
Office of Research				

Affirmation : The signature on the completed disclosure form affirms and certifies an

understanding of and compliance with the University's or College's policies on conflict of interest, outside activities and financial interests as well as the completeness and accuracy of the responses.

Appendix A
STEP 2: REQUEST FOR AN EXEMPTION
R.I. Board of Education
Request for an Exemption
Under RIGL § 16-59-26

All employees of the public institutions of higher education involved in research and development activities that may also involve public private partnerships or other relationships giving rise to actual or perceived conflicts of interest must disclose the potential conflict of interest and provide the following information necessary to request an exemption as required by the Public Private Partnership Act.

Requisite to any approved exemption is the full disclosure of the outside activities and interests involved, which is made in the form for a Request for Exemption. If the exemption is allowed, a monitoring plan to mitigate potential conflicts is generally required.

In order to fully evaluate the nature and extent of the potential conflicts of interest that your outside activities or your actual or proposed relationships with a business or other entity may create, it is necessary to fully understand your proposed activities and financial interests, your activities and duties at the University or the Colleges, and the actual or proposed relationship between the University or College and the business or other entity, and any other outside activities you may have. The information provided through the following questions is designed to assist those who must evaluate this Request for Exemption/Disclosure. Additional information may be required if deemed necessary by the officials or committees charged with reviewing or approving the exemption claimed or required by the Board or the University or Colleges.

Because this form is designed to address all potential conflict of interest situations, there may be questions that are not applicable. If a question is not applicable, simply answer "Not Applicable" or "None".

Name of Employee	Navindra Seeram
College/Area:	Pharmacy
Department/Unit:	Biomedical and Pharmaceutical Sciences
Campus Address:	245A Avedisian Hall, 7 Greenhouse Road, Kingston, URI
Campus Phone:	874-9367
Campus E-Mail Address:	nseeram@uri.edu
Academic Rank: (if applicable)	Professor
Tenure Status: (if applicable)	Tenured
List all positions currently held at the University or College:	Department Chair

Company Name: if applicable	RISE Therapeutics Inc.	Name changed to Alluvion in 2020
-----------------------------	------------------------	----------------------------------

RGP Case ID:	
--------------	--

Period for which an Exemption is Sought: (Please include beginning and end date where known)

February 1, 2020 to February 28, 2021

If granted, the Exemption will become effective on the expiration of thirty (30) calendar days from the date this Request for Exemption is approved by the Board of Education unless the Ethics Commission has, prior to that time, provided notice to the Board of its disagreement and reason for its concern. In such a case, the granting of the Exemption shall be re-examined by the Board at an open and public meeting as required by law. If at the conclusion of such public meeting the Exemption is again granted, it will become effective on the date of approval. The Exemption will cover only the activities and relationships, including related license and/or research agreements, disclosed in this Request for Exemption/Disclosure.

I.

Reason for Exemption

A. Your Activity and Financial Interest(s) In the Business or Entity

(check all that apply)

- ☒ Consulting or employment agreement with a business or entity that has entered, or will be entering, into a research agreement and/or technology license agreement with the University or College and/or related Foundation.

Describe and List remuneration "e.g. Stock, stock options, cash" and \$ value (if any): 2% stock option; \$2500 per month consulting fee

- ☒ Ownership interest in a business entity (e.g. partner, proprietor, shareholder, ownership of stock options) or entity (e.g. founding or other member of non-profit organization), that has entered into, or will be entering into a research agreement and/or technology license agreement with the University or College and/or related Foundation.

If so, ownership interest is held by which of the following? (Check all that apply)

- ☒ Myself ☐ Spouse ☐ Child or Family Member ☐ Business Associate

Describe and List % and \$ value of ownership: 2% stock option

- ☐ Leadership, managerial or other position(s) held at a business or entity that has entered into, or will be entering into, a research and/or technology license agreement with the University or College or related Foundation.

If so, list all such positions. (Check all that apply)

- | | | | |
|--|---|---|---|
| <input type="checkbox"/> President | <input type="checkbox"/> CEO | <input type="checkbox"/> CFO | <input type="checkbox"/> Member of the Board of Directors |
| <input type="checkbox"/> CIO | <input type="checkbox"/> Director of Research | <input type="checkbox"/> Officer: _____ | |
| <input checked="" type="checkbox"/> Scientific Advisory Board Member | <input type="checkbox"/> Other: _____ | | |

- ☐ Other activity or financial interest not described above, please explain in the box provided below:

B. Agreement(s) or Proposed Agreement(s) with the Business or Entity that Triggered the Need for this Disclosure and Exemption.

☐ License Agreement(s)** and/or ☒ Research Agreement(s)**

**Please describe under Section V.1

C. Other Agreements

☐ Between the University or College and/or related Foundation and the Business or Entity under consideration.

**Please describe under Section V.1

All agreements noted in this Section I. and described within Section V.1 must be submitted with this Form.

II. Business or Entity Data

Name of Business/Entity: RISE Therapeutics LLC
Street Address: 85 Toll Gate Road
City: Warwick State: RI Zip: 02886
Phone Number: 401-738-0070
Fax Number: _____
Executing Official: Armand Spaziano, CEO
E-Mail Address: aspaziano@criadvisors.com
Parent Company (if any): _____
Parent Company Address: _____
Parent Company Official: _____

1. Type of Entity:

☐ General Partnership ☐ Sole Proprietorship ☒ LLC
☐ Business Corporation ☐ S Corp ☐ Non-Profit Corp./Assoc. ☐ Other

2. Briefly Describe the Overall Activities/Business or other Entity.

Describe: A medical and adult-use recreational cannabis business focused on the product development of the non-psychoactive ingredient, cannabidiol (CBD) from hemp, for consumer products

3. Layman's Description of the technology / intellectual property involved in this disclosure.

Describe: Published studies support that CBD may exert biological effects such as antioxidant and anti-inflammatory activity and a variety of its formulations are being sold for

topical applications. However, it remains a challenge to develop suitable CBD-based formulations due to the lack of studies on its stability in different environments. Therefore, this grant will characterize the physicochemical properties of CBD and its formulations to guide the future development of quality research-based CBD dermatological products. Studies will include the evaluation of the CBD formulations' ability to penetrate skin barriers, their skin cell uptake capacity, and their cytoprotective and anti-inflammatory effects in cell models. Ultimately, this grant will lead to the development of technologies and intellectual property for the development of novel proprietary CBD formulations for topical applications.

4. To your knowledge, is there any pending or threatened litigation against the Business or Other Entity?

☐ Yes ☒ No

If yes, please briefly explain in the box provided below:

Explain:

III. Your Responsibilities to the University

Describe all of your responsibilities at the University or College: (Check and describe all that apply)

☒ Teaching / Instruction:

Describe: Courses in the PharmD, BPS, INP and Gen Ed curriculum

☐ Research (including area of research):

Describe: Investigation of natural products from medicinal plants and medicinal foods for preventive and therapeutic effects against human diseases

☐ Service / Administrative:

Describe: Department Chair for Biomedical and Pharmaceutical Sciences

☐ Clinical:

Describe: N/A

☐ Other:

Describe:

☐ Supervisory Duties – List all persons at the University/College that you supervise:

☐ Employees, including faculty, administrative staff and lab personnel. List Names and Title:

Members of the BPS department

☐ Students, including undergraduate and graduate students and fellows. List Names and Title.

Hang Ma, Ph.D. : Research Associate; Chang Liu MS: Graduate Student; Shelby Johnson: Graduate Student; Toyosi Akanji: Graduate Student; Eftim Ristov: BPS undergraduate student; Christine Plant, BPS undergraduate student

IV. Your Responsibilities to the Business or Entity

1. Describe your responsibilities to the Business or Entity and the total time commitment involved by hours per week. (Provide position title(s) and a description of responsibilities)

Scientific Advisor: 5 hours per week; provide guidance on the design of experiments to evaluate the biological effects and synergies of various botanical ingredients including CBD.

2. Distinguish how your Business or Entity company responsibilities differ from your University or College responsibilities and identify any areas of potential conflict.

Responsibilities include teaching, research and being the department chair. My responsibilities for the company is to be a scientific advisor and thus provide advice on product research and development, interpret scientific information related to their products. Even though my scientific interests overlap between URI and RISE, I keep those activities separate. I research at URI natural products from medicinal plants and medicinal foods for preventive and therapeutic, which is not exclusive to CBD.

V. Business or Entity Relationships to University

Please answer to the best of your knowledge

1. List and describe all agreements between the University or College, or University or College direct support organizations, including related Foundations, and the Business or Entity for the period for which this exemption is sought, including the research and/or technology license agreement triggering the need for an exemption.

Describe, and for each give, the contracting parties, nature of the agreement, all employees/students involved with the agreement and whether the agreement is one of the "triggers" for this request for exemption:

A sponsored research agreement between RISE and the URI RF, and a subsequent subcontract from URI RF to URI which will fund a specific research project of mutual interest to URI and RISE. The subcontract anticipates the involvement of a URI research scientist, a post-doc, and a graduate student. Agreements are attached.

2. Are there other University or College employees and/or students (including spouses, children, and any persons living in the same household of University or College employees and students), involved with the Business or Entity?

☐ Yes ☒ No

If yes, describe below:

Name(s):	Relationship to Company:
----------	--------------------------

All agreements must be submitted with this Form.

VI. Applicable Inventions

1. Are you an inventor or co-inventor of any intellectual property which is the basis of the transactions described in Section I?

☐ Yes ☒ No

1. If yes, please list below:

Describe:

2. If you are not an inventor or co-inventor, explain your role, if any, in the development of any invention which is the basis of any of the transactions mentioned.

☒ Not Applicable or ☐ Provided Below:

Describe:

VII. Other Activities of Employee

1. List all your approved outside activities and attach a copy of the corresponding Disclosure of Outside Activities and Financial Interests form(s). (Include this activity in the list)

List:

2. If you presently are or will be the principal investigator, co-principal investigator or key personnel on any research project for the period for which this exemption is sought, please list all such research grants and contracts.

☒ Yes ☐ No

If yes, please attach a list.

- 1) USDA AMS funded grant on the promotion of maple syrup product for 1 summer month salary support
- 2) Industry funded grant (Quebec Maple Syrup Producers) on the routine analyses of maple syrup samples for 1 summer month salary support
- 3) Industry funded grant (Verdure) on the pharmacokinetics of curcumin Longvida supplement in human subjects for no salary support

3. Do you have a "Significant Financial Interest" as defined by applicable federal regulations and further set forth in the University or College research conflict of interest policies?

☒ Yes

☐ No

4. If Yes to #3 above, do you currently have any proposals or active sponsored projects whereby the results of the study would have the possibility of impacting the interests of the Business or Entity, either negatively or positively?

☐ Yes

☒ No

If yes, please so note by project on the list you attached for item VII.2 above.

NOTE: The research project for which the exemption is sought would impact RISE. No other awards will be impacted.

VIII. Mitigation of Conflicts/Benefits to the University or College

1. If this Request for Exemption is granted, actual and/or potential conflicts of interest may result. Please complete the Monitoring/Management Plan, as it will describe a plan to mitigate and/or resolve such conflicts.

2. Describe the benefits to the University or College of granting this Request for Exemption.

Describe Benefits:

This project will result in educational and internship training activities for undergraduate and graduate students in the growing CBD and personal natural product cosmetic industries. It will also result in potential inventions, intellectual property and patent/s which would bring in licensing fees and royalties.

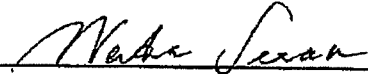
IX. Employee Understandings and Agreements

I (the employee) understand and agree that all my activities with the Business or Entity are carried out in my individual capacity and not as a representative of the Board of Education or the public university and colleges or their related Foundations.

By signing below, I (employee) understand and agree to abide by all pertinent provisions of the State Code of Ethics and Regulations, the Public Private Partnership Act, and any other conditions, including any monitoring plans, imposed for the allowance of these outside activities.

I (employee) further agree and understand that violation of this agreement is grounds for disciplinary action, withdrawing the allowance of my outside activities, withdrawing the Exemption and terminating any agreement between the University or College or related Foundation, and the Business or Entity that has been allowed under the Exemption.

I (employee) understand and agree that all Requests for Exemptions under the Public Private Partnership Act must be approved by the Rhode Island Board of Education and that I may not engage in any business or activity requiring an exemption unless and until such approval has been granted.

Signature: 
Printed Name: NAVINDRA SEEM
Date Signed: APRIL 3RD 2020

X Review and Approval/Disapproval

Level 1:

Reviewer:	Reviewer's Signature	Approve	Disapprove	Date
Chair or Supervisor (or designee)	N/A			
Dean, Director or Other Appropriate Administrator (or designee)	<i>[Signature]</i>	X		4-3-20
Vice President for Research (or designee)	<i>[Signature]</i>	X		5-11-20

Level 2:

Approve: X Disapprove: _____

Signature: *[Signature]*

II. President, University or College

Date Signed: May 14, 2020

Level 3:

Approve: X Disapprove: _____

Signature: *[Signature]*

III. Chairperson, Board of Education Trustees

**Date Signed: January 26, 2021

X

Appendix A

**STEP 3: MONITORING/MANAGEMENT PLAN FOR POTENTIAL
CONFLICTS OF INTEREST**

Name of Employee (Employee):	Navindra Secram
College/Area:	COP
Department/Unit:	BPS
Campus Address:	245A Avedisian Hall, 7 Greenhouse Road
Campus Phone:	874-9367
Campus Fax:	
Campus E-Mail Address:	nseeram@uri.edu
Tenure Status: (if applicable)	Tenured
List all positions <i>currently</i> held	Professor

1.

Reason for Monitoring Plan

(to be completed by employee requesting exemption)

This Monitoring Plan addresses actual or potential conflicts of interest arising out of my relationship with RISE Therapeutics LLC. (the "Company").

(Check all that apply)

A. I have requested an exemption pursuant to Board policy and Rhode Island Statutes.

Yes: ☒

No: ☐

If yes, attach your Request for Exemption/Disclosure document (with attachments).

B. I have a "Significant Financial Interest".

Yes: ☒

No: ☐

IF YES: Please attach a list all proposals and awarded projects whereby the results of those studies would have an impact on the Company's interests – either negatively or positively. ☒ List attached ☐ None ☐ Not applicable

C. I have a financial interest and/or an outside activity NOT requiring an Exemption from Rhode Island Statutes, but which is to be permitted only pursuant to a monitoring plan.

Yes: ☐

No: ☒

If yes, attach a copy of your Disclosure of Outside Activity and Financial Interests form(s).

2.

Description of Conflicts

A or B

(to be completed by the institutional conflict of interest management committee with the employee requesting the exemption)

☒ A. Check this box, if the answer to Question 1A above is YES and skip forward to Question 4. Responsible Persons (The Request for Exemption/Disclosure-(B5) as an attachment to this monitoring plan, will address this question.)

☐ B. Check this box, if the answer to Question 1A above is NO. The conflict(s) of interest (both actual and potential) to be addressed by this monitoring plan are described below, and include 1) the employee's employment responsibilities at the institution, 2) the employee's outside activities and/or financial interest(s), 3) delineation of the differences and 4) identification of the potential areas in conflict. Areas of conflict should be identified in detail. The delineation of duties should reveal clear distinctions between the employee's obligations to the institution and his/her efforts and duties for the outside entity or his/her financial interest(s).

Describe for 2B:

3.

Term of Monitoring Plan

This monitoring plan is accepted and will become effective upon execution of all parties and will remain in effect until circumstances are documented that dictate otherwise.

If, at any time, substantive changes need to be made to this monitoring plan, the Monitor may elect to replace this plan in its entirety or add supplemental conditions. The changes will be reviewed and approved in accordance with established policy and procedure.

This monitoring plan may be terminated with the submission of proper documentation indicating the non-existence of a conflict or perception of conflict, in accordance with established policy and procedures for proper review and approval.

4.

Responsible Persons

The Dean of the College or unit Administrator, and designee of the President of the institution, assumes primary responsibility for monitoring Employee's activities regarding the potential conflict(s) presented by Employee's activities with the Company. In certain Colleges or units, the President's designee may have delegated these responsibilities to another person within their office.

College/Unit:	Pharmacy
College Dean/Unit Administrator	Paul Larrat
Title:	Dean
Campus Address:	220A Avedisian Hall
Campus Phone:	401.874.5003
Campus Fax:	
Campus E-Mail:	larrat@uri.edu

The Chair of the Department or Unit Supervisor is also responsible for reviewing outside activities and financial interests as well as reporting any problems or concerns with regard to this plan, to the College Representative or Area Administrator. In some instances, it may be necessary to use an alternate or designee assigned by the Chair of the Department or Unit Supervisor. The Chair of the Department, Unit Supervisor or designee (hereinafter called the "Chair or Unit Supervisor"), is listed below:

Department / Unit	
Dept. Chair / Unit Supervisor	
Title:	
Campus Address:	
Campus Phone:	
Campus Fax:	
Campus E-Mail:	

5.

Management of Conflicting Interests / Conditions of Approval

In this section, provide detailed plan to manage the conflict of interest .

See attached management plan

☐

"Additional" reviews by College Representative or Area Administrator;

- ☐ Quarterly basis,
☐ Semi-Annual basis,
☒ Other:

Comments: Annual review report submitted to the Office of Research Integrity

☐

Monitoring of activity or research by independent reviewers;

- ☐ Advisory committee of disinterested scientists
☒ Other committee or individuals as described below:

Describe: Research activities will be reviewed by disinterested scientist per the management plan

☐

Modification of the research plan/protocol;

Describe:

☒

Disqualification from participation in all or a portion of the research/protocol;

Describe:

Dr. Seeram will not be involved in proposed research.

☐

Other;

Describe:

Employee understands and agrees that violation of any of the conditions of this Monitoring Plan or institutional rules and policies governing outside activities and conflict of interest, the use of institutional equipment and personnel, and intellectual property, is grounds for withdrawing approval of Employee's Exemption and outside activity or interest.

Acknowledged & Agreed To:

NANINDRA JEGAN

Employee:

Typed Name:

Date:

Nate Sen

4/13/2020

Chair or Unit Supervisor (or designee)

Typed Name:

Date:

[Signature]

College Dean or Unit Administrator

(or designee)

Typed Name: E. PAUL LARSEN

Date: 4-3-20

[Signature]

Approved:

President of Institution

Typed Name: David M. Dooley

Date: May 14, 2020

Margo L. Cook

Chair, Rhode Island Board of Governors for Higher Education

U Rhode Island Board of Trustees

Typed Name: Margo L. Cook

Date: January 26, 2021

CONFLICT OF INTEREST MANAGEMENT PLAN

Principal Investigator Name: Navindra Seeram

Principal Investigator Position/Title at URI: BPS Department Chair and Professor

Contract Title: Physiochemical characterization and biological evaluations of cannabidiol (CBD) and its formulation

Sponsor/Funding Agency: RISE Therapeutics Inc.

Private Entity: RISE Therapeutics Inc.

Principal Investigator Position/Title with Private Entity: Scientific Advisor

PREAMBLE:

(PI and Other) will cooperate fully with officials of University of Rhode Island (URI) in managing any potential conflict of interest associated with the above-named grant or contract awarded to URI and funded by outside agencies.

Brief narrative in lay terms about the grant and its purpose. What need will the grant meet? What "invention(s)" does the grant intend to develop, produce and/or support?

Since the passage of the USDA Hemp Bill in 2018, there has been a surge in the utilization and commercialization of hemp derived products including the phytocannabinoid, cannabidiol (CBD). Published studies support that CBD may exert biological effects such as antioxidant and anti-inflammatory activity and a variety of its formulations are being sold for topical applications. However, it remains a challenge to develop suitable CBD-based formulations due to the lack of studies on its stability in different environments. Therefore, this grant will characterize the physicochemical properties of CBD and its formulations to guide the future development of quality research-based CBD dermatological products. Studies will include the evaluation of the CBD formulations' ability to penetrate skin barriers, their skin cell uptake capacity, and their cytoprotective and anti-inflammatory effects in cell models. Ultimately, this grant will lead to the development of technologies and intellectual property for the development of novel proprietary CBD formulations for topical applications.

Describe how collaboration with the private entity is necessary to the project.

RISE Therapeutics is willing to fund the proposed research project, which will allow URI to conduct research that we would otherwise not be able to conduct. Additionally, for the proposed project, RISE will provide materials, including standardized quality control and proprietary CBD formulations including microencapsulated CBD that has never been explored for their anti-inflammatory effects for topical applications.

The proposed research project is in keeping with the purpose of the laboratory and of great public interest. Additionally, it allows students and staff to obtain real-world experience of applied research which is beneficial for the student/staff future careers.

This management plan sets forth conditions for the proposed subcontract between RISE Therapeutics and URI.

MANAGEMENT PLAN:

1. Research Support

There will be no diversion of research support from URI to RISE Therapeutics. RISE Therapeutics will be providing research support in the form of a contract to URI Research Foundation, with a sub agreement to URI.

2. Personnel

All URI employees and contractors involved in the conduct of the research project sponsored by RISE Therapeutics will be selected in accordance with University policy and based on qualifications, rather than prior personal relationship.

Dr. Seeram will disclose to all URI personnel directly involved in the conduct of this research project involving RISE Therapeutics the associated conflict of interest and the manner in which it will be managed.

Dr. Seeram will not be personally involved in the research at URI. All research activities associated with the proposed project will be conducted by Dr. Hang Ma.

3. Students, Post Docs and Other Trainees

There will be no outside activities by URI students or employees involving the subcontract with RISE Therapeutics that will be directly or indirectly supervised or evaluated by Dr. Seeram. There will be no direct supervision of any URI student or employee by Dr. Seeram for this project. No post-doctoral fellow or students will be assigned to this project by Dr. Seeram. Only staff/students interested and willing to participate will participate in the proposed project. The proposed project will not be used for any graduate student's thesis/dissertation unless confirmation is obtained from RISE that there are no privacy, patent, or other concerns with the project

4. Intellectual Property

Inventorship and ownership of any new intellectual property arising from the performance of this project will be determined in accordance with the URI policy subject to third party rights. Financial arrangements related to new inventions or discoveries will be negotiated at fair market value.

5. Publications

Scholarly publications of this project will be submitted in accordance with URI policy (i.e., disclosure of financial relationships for all publications). Specifically, this COI must be disclosed on all publications resulting from this research

6. Reporting and Monitoring of Conflict of Interest Management

Dr. Seeram will prepare an annual report updating all information relevant to the management plan, which will be reviewed and approved by CIMC. The report will contain at minimum the financial report for all grants and contracts conducted under the terms of the Agreement for the given year, including salary/stipend support paid to graduate students and post-doctoral fellows working on the project. The CIMC may designate other specific reporting requirements appropriate under the terms of each specific grant or contract.

7. Human Subjects Protections

No studies involving human subjects are envisioned at this time. Any revisions to the scope of work that involves human subject research must be disclosed and approved by the CIMC and the IRB.

8. Maintaining Objectivity and Data Integrity

An unconflicted statistician will independently review research plan and data (including but not limited to data analysis/interpretation, review of raw data, and manuscript). The statistician will be identified by the investigator and approved by the Vice President of Research and Economic Development. A summary of the efforts of the unconflicted statistician will be provided to the CIMC on a semi-annual basis.