



Powers Compliance

Christian Leadership Alliance
The Outcomes Conference
Lobbying and Government Ethics Compliance
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Government ethics laws regulate interactions between public servants and private interests—including nonprofit organizations. These ethics laws include restrictions and regulations regarding:

- Lobbying
- Procurement/government contracts
- Gifts and other ethics restrictions
- IRS restrictions

Risks associated with government ethics laws:

- Legal risks
 - Criminal penalties
 - Civil/administrative penalties
- Public perception/optics risks

Lobbying

- Laws that regulate attempts to influence official government action.
- Definitions, exceptions, registration and reporting requirements vary by jurisdiction (Federal, state, and local).
- Grassroots and indirect actions may be regulated.
- Ask questions before contacting a public official.

Procurement/Government Contracts

- Attempts to influence a government contracting decision. The majority of states and many local jurisdictions regulate such procurement lobbying.
- Usually reportable and may limit ability of certain officials within the organization to make political contributions (*i.e.*, pay-to-play laws).

Gifts

- Regulations on what public servants may receive from private interests (including nonprofit organizations) and what private interests may offer or provide to public servants.
- Varies by jurisdiction (Federal, state, and local).
- Usually defined broadly to mean “anything of value,” and includes meals, travel, entertainment.

IRS Restrictions

- A 501(c)(3) organization:
 - May not participate in any political campaign activity (broadly defined).
 - May participate in limited amount of lobbying activity.

Compliance Best Practices

- Audit your organization’s activities and analyze potential exposure.
- Develop internal policies and procedures to monitor and assess the organization's activities.
- Do not assume that public servants know or understand the rules.
- It is better to ask permission than forgiveness.