

BY INTEROFFICE AND ELECTRONIC MAIL

June 4, 2004

Re: IO-04-58

You inquired whether you may accept expenses, including hotel accommodations and a welcome reception and dinner, in order to attend a two-day "Public Fund Roundtable" held by the Investment Management Institute ("IMI") in Washington, D.C. The answer is that you may not accept expenses for hotel accommodations to attend this conference. You may accept breakfast and lunch on the second day of the meeting, but you may not accept the welcoming cocktail reception and dinner.

The IMI is an organization that holds educational events of various types. The "sponsors" of the events provide the funding to cover the expenses, either directly, or through fees paid to the IMI, which then pays the costs of the event. The participants do not pay for any of the expenses of the events. In this case, there is one sponsor, JP Morgan, a multi-faceted corporation that provides various banking, fund management and investment services. JP Morgan describes itself as follows:

JPMorgan is one of the world's leading investment banks, as measured by the breadth of its client relationships and product capabilities. The Investment Bank has extensive relationships with corporations, financial institutions, governments and institutional investors worldwide. The Firm provides a full range of investment banking and commercial banking products and services, including advising on corporate strategy and structure, capital raising in equity and debt markets, sophisticated risk management and market-making in cash securities and derivative instruments in all major capital markets. The Investment Bank also commits the Firm's own capital to proprietary investing and trading activities.

JPMorgan Fleming Asset Management is a leading global investment manager that delivers financial expertise to governments, corporations, endowments, foundations and individuals worldwide. Our business provides the full spectrum of U.S., non-U.S. and global investment management products - from traditional cash management, equity, fixed income and asset allocation to alternative asset classes such as private equity and real estate. Through our association with JPMorgan Retirement Plan Services®, we provide administrative, investment and communication services for corporate retirement plans. Our global resources position us to deliver excellence in investment performance and the highest quality client. (<http://www.jpmorgan.com>)

Because of the nature of this sponsor's businesses, it may be considered a controlled donor, an entity that seeks to do business with the county. §5-106((b)(1) "Reasonable expenses, including food, travel, lodging, or scheduled entertainment, may be accepted from a controlled donor only in return for participation on a panel or a speaking engagement at a meeting. . . ." §5-

106(c)(2)(vi). You are not a scheduled speaker at the roundtable. The scheduled speakers are employees of JP Morgan. The event planner for IMI stated that in the absence of any other sponsors of the event, the participants will be asked to moderate sessions for which speakers have not been scheduled. You may be asked to serve as a moderator, but it is not in return for that service that your expenses will be paid.

For this reason, you also may not accept the welcoming cocktail reception and dinner, with an estimated value in excess of \$25.

Since there are no registration or other fees, and because of its location, you may simply attend the roundtable as a commuter, without having to accept the largesse of the sponsor. In that case, since the meeting may be seen as local, you may accept the continental breakfast and luncheon offered on the second day of activities. Instead of viewing these expenses as travel expenses, they may be accepted as “occasional meals and beverages of modest value”. §5-106(c)(2)(i).

This decision is consistent with three previous commission opinions, which will be provided to you upon request. See, AO-98-24, AO-98-31, and IO-01-31. Thank you for your inquiry. If you have additional questions, please feel free to call me.

Sincerely,

Betsy K. Dawson
Executive Director