



Department of Transformation and Shared Services

Governor Sarah Huckabee Sanders

Secretary Joseph Wood

June 29, 2023

Dr. Susan Okroglic
President/CEO
Community Service, Inc.
100 S. Cherokee Street
Post Office Box 679
Morrilton, Arkansas 72110

RE: Advisory Opinion No. 2023-09

Dear Dr. Okroglic:

This letter is in response to a written request for an advisory opinion and a waiver pursuant to Ark. Code Ann. § 19-11-715(b) and (c), which was sent to me electronically in a letter received on June 28, 2023, regarding the circumstances described below involving Community Service, Inc. (CSI) and contract numbers 4502091729, 4502091733, and 4502091751 through the Arkansas Department of Health (DOH) Tobacco Cessation and Prevention Program.

This opinion is based upon the following information that you have presented to me and upon which I am relying. It should be noted that if one or more of these information items are later shown to be incorrect, that could result in a revised opinion.

1. You have been employed at CSI for over 20 years;
2. Your most recent position is President/CEO;
3. CSI is a community-based youth service provider and provides services to youth and families, such as mental and behavioral health, juvenile justice services, mentoring and tutoring, rehabilitative day treatment services, life skills, vocational and career support, alcohol, tobacco, and other drug prevention services, and therapeutic foster care;
4. You are an adjunct faculty member at the University of Arkansas at Little Rock (UALR) and teach one section of the Practice III course in the Bachelor of Social work Program (SOWK 433-9U2);
5. The UALR instructor responsible for the course is Kelly Moore, MSW LCSW, and the course uses asynchronous teaching methods such as online lectures, posted materials, and other written assignments;
6. The class is typically offered in the spring semester (January – May);
7. Your responsibilities for this role include creating and scoring weekly assignments, composing and scoring exams over content in the curriculum, meeting with students periodically to answer questions or facilitate understanding of the curriculum, providing resources for the students in addition to the pre-approved curriculum, and reviewing and scoring student term papers; and

8. You complete these tasks for this course on evenings and weekends, and the duties are separate from your duties at CSI.

I. Relevant Law

For purposes of interpreting Ark. Code Ann. §19-11-701 *et seq.*, Arkansas Code Annotated § 19-11-701(8) defines “employee,” as “an individual drawing a salary from a state agency, whether elected or not, and any non-salaried individual performing personal services for any state agency.” “State agency” is defined in Arkansas Code Annotated § 19-11-701(16) as meaning “any office, department, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branch of this state.”

Arkansas Code Annotated § 19-11-701(2) defines “business” to mean “any corporation, partnership, individual, sole proprietorship, joint-stock company, joint venture, or any other legal entity.” The term “financial interest” is defined in Ark. Code Ann. §19-11-701(9) as meaning:

- (A) Ownership of any interest or involvement in any relationship from which, or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive, more than one thousand dollars (\$1,000) per year, or its equivalent;
- (B) Ownership of more than a five percent (5%) interest in any business; or
- (C) Holding a position in a business such as an officer, director, trustee, partner, employee, or the like, or holding any position of management;

The ethical strictures set forth in Arkansas Code Annotated § 19-11-705(a)(1)(A) prohibit state employees from participating directly or indirectly in any particular matter pertaining to any state agency contracts in which an employee or an employee's immediate family member has a financial interest. *See* Arkansas Code Annotated § 19-11-705. Arkansas Code Annotated § 19-11-705(a)(2) defines “direct or indirect participation” as including, but not being limited to, “involvement through decision, approval, disapproval, recommendation, preparation of any part of a procurement request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity.”

II. Analysis

Based on the above representations, your employment at UALR classifies you as a state employee, and your role as President/CEO of CSI establishes that you have a financial interest in the proposed state agency contracts.

However, your representations that 1) the two roles at CSI and UALR are maintained separately, and 2) there is no cross-over in time or responsibilities between the two roles demonstrate that a conflict does not exist at this time or is insubstantial or remote so as not to taint the procurement process with DOH.

III. Decision

Thank you for seeking my counsel and approaching the issue with transparency. I am persuaded that, under the representations as stated above, any ethical conflict that might exist is insubstantial or remote, and I grant permission to proceed to such extent and upon such terms and conditions as specified in this letter. This decision grants a waiver in accordance with Arkansas Code Annotated § 19-11-715(c) and,

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to the extent that the underlying circumstances do not change, compliance with the above course of conduct is deemed to constitute compliance with the ethical standards of the Arkansas Code Annotated § 19-11-701 *et seq.*

Sincerely,

Joseph K. Wood

Joseph Wood
Secretary

Signature: 
[Joseph Wood \(Jul 3, 2023 11:17 CDT\)](#)

Email: joseph.wood@arkansas.gov






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Final Audit Report

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