

Time for a Public Financial Code of Conduct in our state

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--By [Special to The Colletonian](#) --

For many hardworking South Carolinians focused on doing the right thing every day, the embezzlement of public funds might seem to rarely occur in the Palmetto State – you know, one of those crimes limited to corrupt, big-city politics.

However, the exact opposite is true. The fact is that cases of embezzling public funds have occurred at alarming rates in recent years. From the federal level on down to local town halls and even school booster programs, many examples have been publicized in media headlines on a running basis, each case revealing outrageous violations of the public's trust.

Indeed, The State newspaper detailed the ugly truth of this situation in a big Sunday spread just last month. The headline of the story says it all: "Embezzlement epidemic plagues SC."

The article chronicled alleged embezzlements of public funds at locations ranging from the Savannah River Site to Clemson University to a Columbia-area high school. The number of similar cases has been rising, and they almost always involve public money, the story said, citing State Law Enforcement Division information. People entrusted with handling public money often are the very ones accused of violating the trust they have received. Beyond any actual financial harm, each violation inflicts terrible social harm by eroding public confidence in the stewardship of public dollars. So what can be done about this appalling epidemic? That's really the question, isn't it? After all, laws can regulate human behavior only so far.

Having said that, by some accounts South Carolina could benefit from a stronger whistleblower law, one that would offer greater protection – and rewards – to public employees who report the theft or misuse of public money. That seems to be a good idea, and a bill to do just that was introduced yet didn't pass in the last session of the General Assembly. But it's the responsibility of legislators to make that call, so I'll leave it to them to do so. But there's a practical matter at work here that also needs to be addressed. Unlike what's required of professional accountants, often called certified public accountants or CPAs, there is no special training or credentialing required for many state and local government employees who oversee and handle taxpayers' money. And we're talking about a lot of folks here who aren't professional accountants yet who undertake responsibilities normally performed by them. It's a point that embezzlements by professional accountants are extremely rare. I suspect that the frequency of using non-accountants for positions that normally should be filled by professional accountants is one reason some states have adopted codes of conduct for their finance-related employees.

Arizona is one such state. It has a single-page code of conduct that spells out guidelines for integrity, competence, professional conduct and conflicts of interest for its state employees engaged in accounting and other financial activities.

Arizona's code resembles a code produced by the National Association of State Comptrollers, a national professional organization in which I've been active for many years and am privileged to serve

as its president this year. Like many other states, South Carolina does not require any special training or credentialing for its state and local public employees who oversee and handle taxpayers' money. Because of that, it's reasonable to expect that having a financial code of conduct for public employees would benefit our state. Through researching what other states have done and seeking the input of state and local government representatives here at home, my office is developing such a code. Our goal is to produce a simple but thorough single-page code of conduct that lays out what's expected of those who have the high duty of carefully managing taxpayer dollars. In the coming weeks, after this code is completed, my office will be reaching out to government units across South Carolina, encouraging them to adopt it. It won't be a law. It will be a pledge made by all who sign it. I'll ask all signers to proudly display the pledge both on their office walls and on their public websites. Granted, this code will not carry the force of law. But hopefully it will serve as a constant reminder to every public employee with access to public money to think twice about taking shortcuts in their work or breaking the law.

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If it does, and if it deters even one case of embezzlement, it will be worth its weight in – well – gold.

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