

INDIANA STATE ETHICS COMMISSION

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42 IAC 1-5-7 Prohibition against financial interest in a contract IC 4-2-6-10.5

42 IAC 1-5-5 Conflict of interest IC 4-2-6-5.5

42 IAC 1-5-6 Conflict of economic interest IC 4-2-6-9

42 IAC 1-5-10 Benefiting from confidential information

42 IAC 1-5-11 Divulging confidential information

IC 4-2-6-6 Compensation resulting from confidential information

IC 35-44.1-1-4 Conflict of interest

Appointee, a volunteer appointee to the State Workforce Development Board (SWDB) and the founder and sole owner of The Firm, sought the State Ethics Commission's (Commission) determination as to whether The Firm's contract and subcontracts would prohibit or limit Appointee's ability to serve on the SWDB as an unpaid special state appointee under the Code of Ethics (Code) and whether the Code requires Appointee to file additional disclosure statements for each new contract or subcontract executed during his time as an appointee to the SWDB.

The Commission finds The Firm's preexisting contracts and subcontracts do not limit Appointee ability to serve as an appointee to the SWDB because these contracts and subcontracts were executed before he was appointed to the board and was therefore unable to file a disclosure. The Commission also finds Appointee is required to file additional disclosure statements before future contracts or subcontracts are executed.

August 13, 2026

2026-FAO-005

The Indiana State Ethics Commission (Commission) issues the following Formal Advisory Opinion (FAO) concerning the State Code of Ethics (Code) pursuant to IC 4-2-6-4(b)(1). The following opinion is based exclusively on sworn testimony and documents presented by the requestor, Appointee, a volunteer appointee of the Governor to the State Workforce Development Board (SWDB), along with Ethics Officer, General Counsel and Ethics Officer with the Department of Workforce Development (DWD).

BACKGROUND

A. SWDB Purpose and Membership

DWD was established under IC 22-4.1-2-1 as Indiana's designated state workforce agency responsible for administering multiple state and federal workforce development programs, including those in the Workforce Innovation and Opportunity Act (WIOA) of 2014¹. The WIOA² requires each state's governor to establish a state workforce development board and outlines the requirements for board membership.

¹ See 29 USC 3101 et seq.

² See 29 USC 3111(a) and 20 CFR 679.110

The SWDB's functions include but are not limited to

- development, implementation, and modification of Indiana's WIOA State Plan;
- development of State performance accountability measures;
- development of allocation formulas to distribute funds for employment and training activities to local areas;
- preparation of performance reports as described in WIOA; and
- the development of a statewide workforce and labor market information system.

Criteria for the State WDB's composition is defined by 20 CFR 679.110. Among several required categories, membership must include a majority of representatives of businesses/organizations in the state. In addition, one member must represent small businesses as defined by the U.S. Small Business Administration (SBA). Members that qualify under 20 CFR 679.110 are special state appointees who volunteer their time and resources to better support the State workforce. Federal regulations also address codes of conduct and conflicts of interest for members of state workforce development boards. *See 20 CFR 683.200.*

B. Appointments

In 2018, IC 4-3-27-3 established the Governor's Workforce Cabinet (GWC). Pursuant to a waiver received from the U.S. Department of Labor, the GWC served as Indiana's State WDB. Appointee was appointed by the previous administration to the GWC and served in that position from May 2018 until the GWC was dissolved by legislation in 2025.

The SWDB was reconstituted under Executive Order 25-77 (issued by Governor Braun on December 29, 2025), naming DWD as the administering agency for the activities and functions of the State WDB. Appointee was appointed to the State WDB for a four-year term, beginning April 1, 2026. Appointee serves as a technology business owner. Travel reimbursement is available to SWDB members, but Appointee has requested not to receive any travel reimbursement related to his service.

D. The Firm

The Firm was founded by Appointee in 2014 in Indianapolis, Indiana, and is a technology consulting firm that offers services in cloud solutions, data architecture and analytics, enterprise applications, and more. Appointee is the sole owner of The Firm and shares in the general profits of the business; Appointee is also a salaried employee of The Firm. The Firm has been certified by the SBA as a veteran-owned small business.

E. State Contracts and Subcontracts

The Firm is currently performing as a subcontractor for thirteen (13) state projects. The Firm's role in these projects generally consists of augmenting the prime contractors' project teams with Firm employees. All subcontracts were executed before Appointee's appointment to the State WDB on April 1, 2026.

Prime Contractor	State Contract #	Agency
GUIDESOFT INC	24237	FSSA-Procurement (00500)
COORDINATED CARE CORPORATION INDIANA	69655	FSSA-Procurement (00503)
LIBERTY BEHAVIORAL HEALTH CORP	36951	DOC, Central Office IGCS (00615)
ANTHEM INSURANCE COMPANIES INC	51705	FSSA-Bill To (00503)
ANTHEM INSURANCE COMPANIES INC	82034	FSSA-Bill To (00503)
CINCINNATI BELL TECHNOLOGY SOLUTIONS INC	14353	IOT (00067)
PCG-INDIANA INC.	38419	FSSA-Procurement (00497)
LIBERTY OF INDIANA CORP	41858	FSSA-Bill To (00497)
Deloitte Transactions & Business	53902	FSSA Medicaid Policy & Planning- 00503
CENTURION HEALTH OF INDIANA LLC	64083	STATE OF IN/DOC (00615)
COORDINATED CARE CORPORATION INDIANA	51706	FSSA-Procurement (00503)
ANTHEM INSURANCE COMPANIES INC	D9-24-BENEF-229	State Personnel Dept (00070)
ANTHEM INSURANCE COMPANIES INC	D9-24-BENEF-230	State Personnel Dept (00070)

The Firm is also named as a subcontractor for a number of contracts where their performance has ended. None of the Firm contracts are with DWD or the State WDB2.

Vespa Group LLC	12967	SHI INTERNATIONAL CORP	70026	67	Ofc of Technology
Vespa Group LLC	19422	GLOBAL TEL LINK CORP	38061	615	Correction
Vespa Group LLC	19422	GLOBAL TEL LINK CORP	D12-19-17055	615	Correction
Vespa Group LLC	50667	BI INC	40620	621	Parole Division
Vespa Group LLC	54131	GUIDESOFT INC	24237	500	FSSA Family Resources
Vespa Group LLC	55310	COORDINATED CARE CORPORATION	18315	503	FSSA Medicaid Policy & Plan
Vespa Group LLC	55310	COORDINATED CARE CORPORATION	32139	503	FSSA Medicaid Policy & Plan
Vespa Group LLC	55310	COORDINATED CARE CORPORATION	51706	503	FSSA Medicaid Policy & Plan
Vespa Group LLC	55310	COORDINATED CARE CORPORATION	69655	503	FSSA Medicaid Policy & Plan
Vespa Group LLC	55310	COORDINATED CARE CORPORATION	69680	503	FSSA Medicaid Policy & Plan
Vespa Group LLC	58011	UNION SUPPLY COMPANY INC	42119	515	Correctional Industries
Vespa Group LLC	58011	UNION SUPPLY COMPANY INC	71071	515	Correctional Industries
Vespa Group LLC	58011	UNION SUPPLY COMPANY INC	D25-6-0978	515	Correctional Industries
Vespa Group LLC	59116	DELOITTE AND TOUCHE	58012	90	Revenue
Vespa Group LLC	66322	LIBERTY BEHAVIORAL HEALTH CORP	36951	615	Correction
Vespa Group LLC	69772	ANTHEM INSURANCE COMPANIES INC	51705	503	FSSA Medicaid Policy & Plan
Vespa Group LLC	77491	FUSION TECHNOLOGIES LLC	46973	495	Environmental Management
Vespa Group LLC	89103	PHOENIX DATA CORP	18979	500	FSSA Family Resources
Vespa Group LLC	90075	DELOITTE CONSULTING LLP	56358	501	Early Child Learning
Vespa Group LLC	90075	DELOITTE CONSULTING LLP	72918	235	Motor Vehicles
Vespa Group LLC	91310	WOOLPERT, INC	83590	67	Ofc of Technology
Vespa Group LLC	118431	CINCINNATI BELL TECHNOLOGY SOLUTIONS INC	14353	67	Ofc of Technology
Vespa Group LLC	222064	UNITED COLLECTION BUREAU INC	36762	90	Revenue
Vespa Group LLC	223759	FAIRFAX IMAGING INC	49028	90	Revenue
Vespa Group LLC	276706	PCG-INDIANA INC.	38419	497	FSSA Disability & Rehab Svcs
Vespa Group LLC	278588	RESULTANT LLC	A47-18-235-802	235	Motor Vehicles
Vespa Group LLC	297290	CATALIS PAYMENTS LLC	59726	61	Dept of Administration

Vespa Group LLC	338357	POWERSCHOOL HOLDINGS LLC	80283	700	Education
Vespa Group LLC	352877	BRITE SYSTEMS INC	23632	502	Child Services
Vespa Group LLC	352877	BRITE SYSTEMS INC	A93-8-18-HF-M0-4204	502	Child Services
Vespa Group LLC	379679	TD ADVERTISING	38404	51	Dept of Administration
Vespa Group LLC	385035	LIBERTY OF INDIANA CORP	41858	497	FSSA Disability & Rehab Svcs
Vespa Group LLC	394305	DELOITTE TRANSACTIONS & BUSINESS	53902	503	FSSA Medicaid Policy & Plan
Vespa Group LLC	395520	CENTURION HEALTH OF INDIANA LLC	54083	515	Correction
Vespa Group LLC	409560	BAMBOO HEALTH INC	56358	410	FSSA Mental Health & Addiction

Pursuant to recommendation of the OIG, Appointee filed a Conflicts of Interest – Contracts Ethics Disclosure Statement on July 23, 2026.

ISSUES

Do The Firm’s preexisting contracts and subcontracts with the State limit or prohibit Appointee from serving as an unpaid special state appointee on the SWDB consistent with IC 4-2- 6-10.5?

Is Appointee required to file a disclosure for each new contract or subcontract executed during his time as a state appointee on the SWDB or is the disclosure he filed on July 23, 2026 adequate?

RELEVANT LAW

IC 4-2-6-10.5 (42 IAC 1-5-7)

Prohibition against financial interest in contract; exceptions; disclosure statement; penalty for failure to file statement

IC 4-2-6-5.5 (42 IAC 1-5-5)

Conflict of interest; advisory opinion by commission

IC 4-2-6-9 (42 IAC 1-5-6)

Conflict of economic interests; commission advisory opinions; disclosure statement; written determinations

42 IAC 1-5-10

Benefiting from confidential information

42 IAC 1-5-11

Divulging confidential information

IC 4-2-6-6

Present or former state officers, employees, and special state appointees; compensation resulting from confidential information

IC 35-44.1-1-4

Conflict of interest

ANALYSIS

Appointee's request for a FAO invokes consideration of the provisions of the Code pertaining to; conflicts of interest related to (a) contracts, (b) decisions and votes, and (c) outside employment; and confidential information. The application of each provision to Appointee's situation is analyzed below.

A. Conflict of Interests – Interest in a State Contract

Under IC 4-2-6-10.5, special state appointees are prohibited from knowingly having a financial interest in a contract made by an agency. The Code defines "financial interest" to include an interest arising from employment. The Commission has interpreted this rule to apply when a state employee derives compensation from a contract between a state agency and a third party.

The prohibition does not apply if the appointee (1) does not have or participate in contracting for the agency and (2) they file a written statement with the inspector general before the contract is executed. Contracts executed prior to state employment/appointment present a challenge because the state officer/employee/appointee is unable to comply with the requirement that a disclosure be filed before the contract is executed.

The Commission finds here that Appointee clearly has a financial interest in a state contract, through sharing in the profits of The Firm. Whether or not this financial interest prohibits his appointment to the SWDB is a more nuanced question. **However, the Commission agrees that in this instance Appointee's inability to file a disclosure prior to contract execution is not prohibitive.** IC 4-2-6-10.5 was not triggered because the contracts were executed before Appointee's appointment to the SWDB.

IC 4-2-6-10.5 *does* apply to any future contracts or subcontracts. The Commission finds that Appointee is required to file a financial disclosure for each future state contract or subcontract The Firm is awarded. A single umbrella disclosure is not sufficient.

B. Moonlighting (Conflict of Interests - Outside Employment)

Appointee's Firm role creates a conflict of interest under IC 4-2-6-5.5 if it results in any of the following:

- (1) The responsibilities of his Firm role are inherently incompatible with the responsibilities of public office or require his recusal from matters so central or critical to the performance of his official SWDB duties that his ability to perform them would be materially impaired;
- (2) His Firm role requires Appointee to disclose confidential information gained in the course of his state role; or
- (3) Appointee uses or attempts to use his official SWDB position to secure unwarranted privileges or exemptions of substantial value that are not properly available to similarly situated individuals outside state government.

Appointee described his duties on the SWDB to the committee as a member-at-large representing the small business owner community. The SWDB assists with strategy alignment and policy. Appointee has not yet in his years of service on the GWC or SWDB had to recuse himself from any matters as a result of his ownership of and employment with The Firm. All SWDB meetings Appointee has attended have been subject to Indiana's Open Door Laws.

Regarding subsection (1), the information provided does not indicate that Appointee's outside employment with The Firm is inherently incompatible with his SWDB position or would require his recusal from his official state duties to the extent that his ability to perform them would be materially impaired.

Regarding subsection (2), the information provided does not indicate that Appointee's Firm role would require him to disclose confidential SWDB information; therefore, such employment will not violate this subsection. So long as Appointee does not use his official SWDB position to secure unwarranted privileges or exemptions that subsection (3) prohibits, IC 4-2-6-5.5 does not prohibit him from working with The Firm while maintaining his role with SWDB.

C. Conflict of Interests - Decisions and Votes

IC 4-2-6-9 prohibits Appointee from participating in any decision or vote, or matter relating to that decision or vote, if he has knowledge that various persons may have a "financial interest" in the outcome of the matter, including himself or a business organization in which he is serving as an officer, a director, a member, a trustee, a partner, or an employee. As Appointee is the owner and an employee of The Firm, this rule prohibits him from participating in matters related to a decision or vote in which The Firm would have a financial interest in the outcome.

Appointee testified that SWCB is not authorized to award contracts to The Firm. But he remains vigilant about the potential for conflict and will recuse himself from any matters, seek guidance from the DWD Ethics Officer, and file any appropriate disclosures as needed.

D. Confidential Information

42 IAC 1-5-10 prohibits Appointee from benefitting from, or permitting any other person to benefit from, information of a confidential nature except as permitted by law. 42 IAC 1-5-11 prohibits Appointee from divulging information of a confidential nature except as permitted by law. IC 4-2-6-6 prohibits Appointee from accepting any compensation from any employment, transaction, or investment, which was entered into or made as a result of material information of a confidential nature.

Appointee does not believe he has access to any confidential information as part of his role on the SWCB. Appointee testified that all SWCB meetings are subject to Indiana's Open

Door Laws. **Accordingly, the Commission finds that the Code's confidential information rules do not prohibit Appointee from allowing The Firm subcontracts to continue while remaining in his SWDB role.**

CONCLUSION

Subject to the analysis above and the information provided, Appointee clearly has a financial interest in a state contract. But because the contract was executed before Appointee's appointment to a state board, IC 4-2-6-10.5 was not triggered. Appointee's inability to file a financial disclosure statement before the contract was executed does not prohibit his ability to serve as an unpaid appointee to the SWDB.

The Code of Ethics *does* require Appointee to file financial disclosures before any future state contracts or subcontracts are executed. Appointee should remain aware of the potential for conflicts of interest and seek guidance from the DWD Ethics Officer, the Office of Inspector General, or the Commission as needed.

Respectfully Submitted,

Rachael Ehlich
State Ethics Commission Director
Office of Inspector General