



FY22 Operating Budget: Committee Consent Calendar

GO Committee #5L

April 26, 2021

Department/Office: Ethics Commission
Staff: Carlos Camacho, Legislative Analyst

1. Staff Recommendation

Council staff recommends approval of the FY22 Ethics Commission Budget as submitted by the County Executive.

2. Summary of FY22 Recommended Budget

The County Executive's complete FY22 Recommended Operating Budget for the Ethics Commission is attached at ©1-4.

Ethics Commission	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	\$365,266	\$371,629	\$6,363
Personnel Costs	\$326,359 2.0 FTEs	\$333,370 2.0 FTEs	2.1% --
Operating Costs	\$38,907	\$38,259	(1.7%)
Total Expenditures (All Funds)	\$365,266 2.0 FTEs	\$371,629 2.0 FTEs	1.7% --

3. Summary of FY22 Recommended Changes/Adjustments

General Fund - No Service Impact

- Increase in personnel costs totaling \$7,011, which includes FY21 and FY22 compensation adjustments, as well as a retirement adjustment.
- Decrease of \$648 for costs related to printing and mail.

4. Racial Equity and Social Justice

- The Ethics Commission promotes racial equity by seeking to ensure that County programs are not subject to improper influence and that County employees execute their roles impartially, through the exercise of independent judgment. The efficient and impartial execution of government responsibilities benefits everyone.
- Going forward, as departments staff receive training on applying a racial equity and social justice (RESJ) lens to programming and budget decisions, the Ethics Commission

may consider reviewing its procedures regarding disclosures, investigations, complaints, and training through a RESJ lens.

5. Attachments

- FY22 Ethics Commission Recommended Budget

©1-4



Ethics Commission

RECOMMENDED FY22 BUDGET

\$371,629

FULL TIME EQUIVALENTS

2.00

☼ ROBERT W. COBB, DIRECTOR

MISSION STATEMENT

The Ethics Commission exercises authorities granted to it under the Public Ethics Law to promote the public's trust of County government and to ensure the impartiality of County employees, including elected officials, in the execution of their responsibilities.

BUDGET OVERVIEW

The total recommended FY22 Operating Budget for the Ethics Commission is \$371,629, an increase of \$6,363 or 1.74 percent from the FY21 Approved Budget of \$365,266. Personnel Costs comprise 89.71 percent of the budget for two full-time position(s) and no part-time position(s), and a total of 2.00 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 10.29 percent of the FY22 budget.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following is emphasized:

◆ **Effective, Sustainable Government**

PROGRAM CONTACTS

Contact Robert Cobb, Director of the Ethics Commission at 240.777.6674 or Philip Weeda of the Office of Management and Budget at 240.777.2780 for more information regarding this department's operating budget.

PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable). The FY21 estimates reflect funding based on the FY21 Approved Budget. The FY22 and FY23 figures are performance targets based on the FY22 Recommended Budget and funding for comparable service levels in FY23.

Measure	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Program Measures					
Number of financial disclosure statements required (calendar year)	1,814	1,703	1,703	1,703	1,703
Number of formal opinions, waivers and guidance (calendar year)	19	13	13	13	13
Number of lobbyist activity reports (calendar year)	219	221	221	221	221
Number of lobbyists registered (calendar year)	135	148	148	148	148
Number of outside employment requests processed (calendar year) ¹	2,241	1,125	1,125	1,125	1,125
Percentage of Executive Branch public financial disclosure filers in compliance with ethics training requirement	99%	99%	99%	99%	99%

¹ The Police Department began using the Outside Employment Online System and ended the practice of providing for "indefinite" approval (without an end date). These two factors created a precipitous climb in the number of OE requests processed by the Ethics Commission in

PROGRAM DESCRIPTIONS

☼ Ethics Program Compliance

Financial Disclosure: The Public Ethics Law requires filing of financial disclosure reports by certain County employees. The Ethics Commission administers the electronic filing system for reporting and coordinates with the Office of Human Resources and all County agencies regarding the status of filers. It resolves all anomalous circumstances and questions from filers that routinely arise associated with the filing of financial disclosure reports and the system designed for that purpose.

Outside Employment: The Public Ethics Law requires that County employees obtain approval from the Ethics Commission prior to engaging in any employment other than County employment. The Ethics Commission administers an online process pursuant to which requests are made and reviewed by the employee's agency. The Ethics Commission staff prepares all requests for consideration by the Ethics Commission, including obtaining additional information from requestors and County agencies and conducting preliminary legal analysis of requests. The Ethics Commission approves requests, as appropriate, setting conditions on approval as necessary to ensure compliance with ethics requirements, and staff notifies requestors by letter of the disposition of requests. The Ethics Commission publishes and updates approved outside employment information required to be made public by the Public Ethics Law.

Lobbying: The Public Ethics Law requires certain persons who spend or receive over \$500 to communicate with County officials and employees to register as lobbyists and to file semi-annual activity reports with the Ethics Commission. Annual registration fees are required and are paid to the Ethics Commission and processed and deposited in the General Fund. The Ethics Commission publishes and updates information required to be made public by the Public Ethics Law.

Complaints, Investigations, and Hearings: Pursuant to the Public Ethics Laws, the Ethics Commission receives complaints and, as appropriate, conducts investigations, and/or hearings; makes findings; and imposes sanctions and penalties, if warranted.

Advisory Opinions, Waivers, and Advice: In accordance with the Public Ethics Law, the Ethics Commission answers inquiries on the application of the Public Ethics Law, publishes opinions, and grants waivers of Ethics Law requirements, as appropriate.

Education: The Ethics Commission conducts public education and other information programs regarding the Public Ethics Law.

Legislative and Regulatory: The Ethics Commission recommends and prepares new ethics legislation and regulations.

Coordination and Outreach: The Staff of the Ethics Commission coordinates with the Office of the County Attorney and the Office of the Inspector General as necessary on legal and investigative matters. The staff also serves as the principal public resource on the County's Ethics Laws, including managing a website that reflects Ethics Commission programs, activities, and publications such as annual reports, approvals of outside employment requests, lobbying data, and waivers and opinions.

Administration: The staff of the Ethics Commission is responsible for ensuring that Ethics Commission meetings are conducted in accordance with the Open Meetings Act and other applicable law. The Ethics Commission members are informed and advised as to all material matters under their jurisdiction. The Ethics Commission staff is also responsible for budget, procurement, human resources, and resource management for the operation of the office in accordance with Montgomery County policies.

BUDGET SUMMARY

	Actual FY20	Budget FY21	Estimate FY21	Recommended FY22	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	261,055	267,006	265,301	271,330	1.6 %
Employee Benefits	60,016	59,353	54,738	62,040	4.5 %
County General Fund Personnel Costs	321,071	326,359	320,039	333,370	2.1 %
Operating Expenses	37,911	38,907	16,991	38,259	-1.7 %
County General Fund Expenditures	358,982	365,266	337,030	371,629	1.7 %
PERSONNEL					
Full-Time	3	2	2	2	---
Part-Time	0	0	0	0	---

BUDGET SUMMARY

	Actual FY20	Budget FY21	Estimate FY21	Recommended FY22	%Chg Bud/Rec
FTEs	3.00	2.00	2.00	2.00	---
REVENUES					
Miscellaneous Revenues	6,639	20,000	20,000	20,000	---
County General Fund Revenues	6,639	20,000	20,000	20,000	---

FY22 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY21 ORIGINAL APPROPRIATION	365,266	2.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY21 Compensation Adjustment	4,339	0.00
Increase Cost: Retirement Adjustment	1,632	0.00
Increase Cost: FY22 Compensation Adjustment	1,040	0.00
Decrease Cost: Print and Mail Adjustment	(648)	0.00
FY22 RECOMMENDED	371,629	2.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY22	FY23	FY24	FY25	FY26	FY27
COUNTY GENERAL FUND						
EXPENDITURES						
FY22 Recommended	372	372	372	372	372	372
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	4	4	4	4	4
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	372	376	376	376	376	376

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