

SUBJECT

FY21 Operating Budget: Ethics Commission

EXPECTED ATTENDEES

- Robert Cobb, Director, Ethics Commission
- Phil Weeda, Office of Management and Budget

EXECUTIVE RECOMMENDATION

FY21 Executive Recommendation	\$367,885	2.00 FTE
Increase (Decrease) from FY20	(\$99,441) (21.3%)	(1.00 FTE) (33.3%)

COUNCIL STAFF RECOMMENDATION – CONTINUITY OF SERVICES BUDGET

FY21 Council Staff Recommendation	\$365,698	2.00 FTE
Increase (Decrease) from FY20	(\$101,628) (21.7%)	(1.00 FTE) (33.3%)
Increase (Decrease) from CE FY21 Rec	(\$2,187) (0.6%)	0 FTE --

EXECUTIVE RECOMMENDED ITEMS NOT INCLUDED IN CONTINUITY OF SERVICES

- This budget included FY21 compensation adjustments of \$2,187. The Council will review and discuss compensation and benefits for all the County Government separately.

CONTINUITY OF SERVICES FROM FY20

- Decrease of \$89,657 and 1.0 FTE from shifting a vacant Program Specialist II position to the new Shared Administrative Resources Team in the Office of Management and Budget (OMB). This shift is cost neutral, as a corresponding increase was made to the OMB budget. The Shared Administrative Resources Team will “promote the efficient use of County resources by providing core administrative and business functions to smaller County departments and offices, thereby allowing those departments and offices to focus their duties directly on their core mission and functions.”
- Net decrease of \$11,971 from annualization of FY20 compensation and personnel costs, retirement adjustment, and print and mail adjustment.

POTENTIAL REDUCTIONS

- None identified.

POTENTIAL ITEMS RELATED TO COVID-19

- None identified.

This report contains:

County Executive's FY21 Recommended Operating Budget: Ethics Commission

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Ethics Commission

RECOMMENDED FY21 BUDGET

\$367,885

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 FY21 Operating Budget for the Ethics Commission is \$367,885, a decrease of \$99,441 or 21.28 percent from the FY20 Approved Budget of \$467,326. Personnel Costs comprise 89.42 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 10.58 percent of the FY21 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 FY20 estimates reflect funding based on the FY20 Approved Budget. The FY21 and FY22 figures are performance targets based on the FY21 Recommended Budget and funding for comparable service levels in FY22.

Measure	Actual FY18	Actual FY19	Estimated FY20	Target FY21	Target FY22
Program Measures					
Number of financial disclosure statements required (calendar year)	1,786	1,814	1,814	1,814	1,814
Number of formal opinions, waivers and guidance (calendar year)	15	19	19	19	19
Number of lobbyist activity reports (calendar year)	259	219	219	219	219

Measure	Actual FY18	Actual FY19	Estimated FY20	Target FY21	Target FY22
Number of lobbyists registered (calendar year)	172	135	135	135	135
Number of outside employment requests processed (calendar year)	882	2,241	2,241	2,241	2,241
Percentage of Executive Branch public financial disclosure filers in compliance with ethics training requirement	99%	99%	99%	99%	99%

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, and the Ethics Commission members are informed and advised as to all material matters under their jurisdiction, 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 FY19	Budget FY20	Estimate FY20	Recommended FY21	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	310,402	342,874	252,871	269,625	-21.4 %
Employee Benefits	75,013	85,569	58,916	59,353	-30.6 %
County General Fund Personnel Costs	385,415	428,443	311,787	328,978	-23.2 %
Operating Expenses	21,165	38,883	38,883	38,907	0.1 %
County General Fund Expenditures	406,580	467,326	350,670	367,885	-21.3 %
PERSONNEL					
Full-Time	3	3	3	2	-33.3 %
Part-Time	0	0	0	0	—
FTEs	3.00	3.00	3.00	2.00	-33.3 %
REVENUES					
Miscellaneous Revenues	22,253	30,000	30,000	20,000	-33.3 %
County General Fund Revenues	22,253	30,000	30,000	20,000	-33.3 %

FY21 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
	FY20 ORIGINAL APPROPRIATION	467,326 3.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: MLS Pay for Performance (Increase to Base Pay)	4,081	0.00
Increase Cost: Annualization of FY20 Compensation Increases	3,784	0.00
Increase Cost: Retirement Adjustment	2,284	0.00
Increase Cost: FY21 Compensation Adjustment	2,187	0.00
Increase Cost: Print and Mail Adjustment	24	0.00
Decrease Cost: Annualization of FY20 Personnel Costs	(22,144)	0.00
Shift: Vacant Program Specialist II Position to Shared Administrative Resources Model [Ethics Program Compliance]	(89,657)	(1.00)
	FY21 RECOMMENDED	367,885 2.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY21	FY22	FY23	FY24	FY25	FY26
COUNTY GENERAL FUND						
EXPENDITURES						
FY21 Recommended	368	368	368	368	368	368
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	1	1	1	1	1
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	368	369	369	369	369	369