



Committee: GO
Committee Review: Completed
Staff: Nazeefa Hossain, Post-Graduate Fellow
Purpose: To make preliminary decisions – straw vote expected

AGENDA ITEM # 22
 May 11, 2023
Worksession

SUBJECT

Ethics Commission FY24 Operating Budget

EXPECTED ATTENDEES

None

FY24 COUNTY EXECUTIVE RECOMMENDATION

Ethics Department	FY23 Approved	FY24 CE Recommended	Change from FY23 Approved
Total Expenditures (General Fund)	\$375,756	\$391,253	4.12%
Personnel Costs	\$337,462 2.0 FTEs	\$352,921 2.0 FTEs	4.6% --
Operating Costs	\$38,294	\$38,332	0.1%

COMMITTEE RECOMMENDATIONS

- Approve the Executive’s FY24 recommended expenditures for the Ethics Commission.

SUMMARY OF KEY ISSUES

- The Commission is working with the Office of Racial Equity and Social Justice to build on their racial equity and social justice efforts.

This report contains:

Staff Report
 Staff Report Attachments

Pages 1-3
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M E M O R A N D U M

May 2, 2023

TO: Government Operations and Fiscal Policy Committee (GO)

FROM: Nazeefa Hossain, Post-Graduate Fellow
Craig Howard, Deputy Director

SUBJECT: **Ethics Commission FY24 Operating Budget**

PURPOSE: Review and make recommendations to the Council.

Expected Participants:

- Robert Cobb, Director, Ethics Commission
- Erin Chu, Program Manager I, Ethics Commission
- Eva Acevedo, Fiscal and Policy Analyst, Office of Management and Budget (OMB)

Summary of FY24 Recommended Operating Budget

	<i>FY23 Approved</i>	<i>FY24 Recommended</i>	<i>Change from FY23 Approved</i>
<i>Personnel Costs</i>	\$337,462	\$352,921	4.6%
<i>FTEs</i>	2	2	—
<i>Operating Expenses</i>	\$38,294	\$38,332	0.1%
<i>Total Expenditures</i>	\$375,756	\$391,253	4.12%

I. Overview

The Ethics Commission exercises authority granted under the Public Ethics Law. The purpose of this Commission is to promote the public’s trust of County government and to ensure the impartiality of County employees, including elected officials. The table below displays the functions of the Commission:

Program	Description
Administration	Staff of the Commission are responsible for ensuring that the Ethics Commission meetings are conducted in accordance with the Open Meetings Act and other applicable law.
Financial Disclosure	The 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.
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 approves requests, as appropriate, setting conditions on approval as necessary to ensure compliance with ethics requirements. Lastly, staff notify requestors by letter of the disposition of requests.
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.
Complaints, Investigations, and Hearings	The 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	The Commission answers inquires on the application of the Public Ethics Law, publishes opinions, and grants waivers of Ethics Law requirements, as appropriate.
Education	The Commission conducts public education and other information programs regarding the Public Ethics Law.
Legislative and Regulatory	The Commission recommends and prepares new ethics legislation and regulations.
Coordination and Outreach	The staff of the Commission serves as the main public resource on the County’s Ethics Laws. Staff also coordinate with the Office of the County Attorney and the Office of the Inspector General as necessary on legal and investigative matters.

For the FY24 Recommended Operating Budget, the executive recommends total expenditures of \$391,253, an increase of \$15,497 or 4.12% from the FY23 approved Operating Budget. The increases in the Ethics Commission budget are based on annualization of FY23 compensation increase and proposed FY24 compensation adjustments. As a result, these increases are not required to be placed on the reconciliation list under the Council President’s budget review guidance.

II. Vacancies

The Ethics Commission is made up of two positions and does not have any vacancies.

III. Racial Equity and Social Justice

The [Operating Budget Equity Tool](#) is a product developed by the Office of Racial Equity and Social Justice (ORESJ) for departments to assess the impacts of their programs by centering race in pursuit of equity and justice. Departments are rated based on a three-star scale and given a short explanation of their rating.

The Ethics Commission received a one out of three stars. A one star *demonstrates an emerging commitment to advancing racial equity and social justice.*

ORESJ Justification

“The department did not indicate activities aligned with the GARE framework, and currently do not appear to apply an explicit racial equity lens to its mission or operations. However, this unit has the potential to impact experiences of BIPOC residents and County employees through its functions. Further consideration of and capacity building for racial equity (by reviewing Bill 44-20) would strengthen this department’s efforts and existing mission.”

IV. Council Staff Recommendations

Council staff recommend approving the Executive’s FY24 recommended expenditures for the Ethics Commission.



Ethics Commission

RECOMMENDED FY24 BUDGET

\$391,253

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 FY24 Operating Budget for the Ethics Commission is \$391,253, an increase of \$15,497 or 4.12 percent from the FY23 Approved Budget of \$375,756. Personnel Costs comprise 90.20 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 9.80 percent of the FY24 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

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

-  To ensure new employees are aware of ethics requirements, the Commission implemented a system requiring new County employees to sign and submit an acknowledgement form regarding ethics obligations, in collaboration with the Office of Human Resources. In addition, the Department of Technology Enterprise Business Solutions (TEBS) built a system to enroll new County employees in a mandatory one-hour online ethics training program, conducted monthly by Commission staff.
-  In coordination with the Boards, Committees and Commissions (BCC) office in the County Executive's office, a new mandatory training module was created for all BCC members. Commission staff engaged TEBS staff to build a framework for BCC members to take the training, with certificates of completion issued for compliance purposes.
-  Implemented new program requirements, including making changes to the financial disclosure system's reporting requirements, as a result of ethics law changes in Bill 17-22.

PROGRAM CONTACTS

Contact Erin Chu of the Ethics Commission at 240.777.6676 or Eva Acevedo of the Office of Management and Budget at

PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable). The FY23 estimates reflect funding based on the FY23 Approved Budget. The FY24 and FY25 figures are performance targets based on the FY24 Recommended Budget and funding for comparable service levels in FY25.

Measure	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Program Measures					
Number of financial disclosure statements required (calendar year)	1,463	1,872	1,872	1,872	1,872
Number of formal opinions, waivers, and guidance (calendar year)	13	21	21	21	21
Number of lobbyist activity reports (calendar year)	222	287	287	287	287
Number of lobbyists registered (calendar year)	130	184	184	184	184
Number of outside employment requests processed (calendar year)	768	2,042	2,042	2,042	2,042
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. The Ethics Commission members are informed and advised as to all material matters under their jurisdiction.

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	275,643	274,459	283,465	287,019	4.6 %
Employee Benefits	62,530	63,003	58,516	65,902	4.6 %
County General Fund Personnel Costs	338,173	337,462	341,981	352,921	4.6 %
Operating Expenses	19,545	38,294	38,294	38,332	0.1 %
County General Fund Expenditures	357,718	375,756	380,275	391,253	4.1 %
PERSONNEL					
Full-Time	2	2	2	2	—
Part-Time	0	0	0	0	—
FTEs	2.00	2.00	2.00	2.00	—
REVENUES					
Miscellaneous Revenues	27,375	20,000	20,000	20,000	—
County General Fund Revenues	27,375	20,000	20,000	20,000	—

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY23 ORIGINAL APPROPRIATION	375,756	2.00
Other Adjustments (with no service impacts)		
Increase Cost: Annualization of FY23 Compensation Increases	9,189	0.00
Increase Cost: FY24 Compensation Adjustment	7,783	0.00

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
Increase Cost: Printing and Mail	38	0.00
Decrease Cost: Annualization of FY23 Personnel Costs	(14)	0.00
Decrease Cost: Retirement Adjustment	(1,499)	0.00
FY24 RECOMMENDED	391,253	2.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
COUNTY GENERAL FUND						
EXPENDITURES						
FY24 Recommended	391	391	391	391	391	391
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	391	392	392	392	392	392