

Presentation to Government Audit & Oversight Committee

Performance Audit of the Ethics Commission

November 19, 2020

San Francisco Board of Supervisors

Budget & Legislative Analyst's Office



Overview of Ethics Commission

- The Ethics Commission was created by San Francisco voters in 1993 to:
 - a) administer the City's campaign contribution, conflict of interest, lobbying, and whistleblower laws;
 - b) investigate violations of these laws and assess penalties; and
 - c) submit directly to the voters ordinances relating to governmental ethics.

1. Tools to Assess Effectiveness & Risk of Ethics Programs Are Needed

- ❑ Department does not produce annual report and has not implemented consistent methods for performance reporting

Training for City Employees on Ethics Laws

- ❑ The Department does not assess training needs of City employees and officials based on risk and develop targeted trainings to address areas of risk



Recommendations

Executive Director should:

- ❑ Produce an annual report that includes specific performance measures
- ❑ Formalize and document process to provide training on ethics laws to City employees and officials

2. Persistent Vacancies Impact Ethics Programs

Fiscal Year	Salaries and Benefits Budget	Salaries and Benefits Actual Expenditures	Surplus	Surplus Percentage
FY 2016-17	\$2,712,001	\$1,912,265	\$799,736	29.5%
FY 2017-18	3,264,429	2,499,593	764,836	23.4%
FY 2018-19	3,648,235	2,869,322	778,913	21.4%
FY 2019-20	3,952,144	3,228,999	723,145	18.3%
Total	\$13,576,809	\$10,510,179	\$3,066,630	22.6%

- The Department had an average vacancy rate of **19%** between FY 2016-17 and FY 2019-20
- As of FY 2019-20, four out of 24 FTEs were vacant



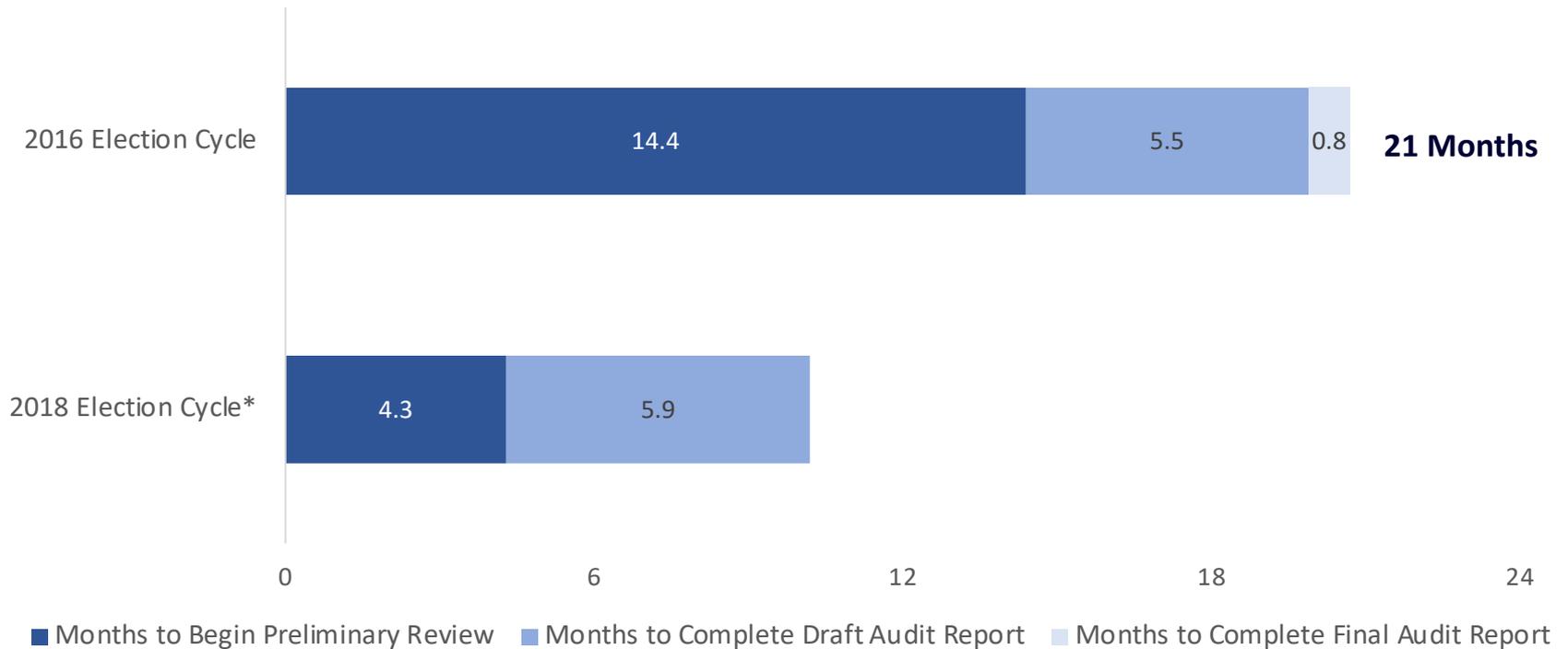
Recommendation

The Board of Supervisors should:

- Request that the Mayor's Budget Office (a) expedite approval of requests to fill vacancies and (b) allocate the Department's salary savings to the workorder with the Department of Human Resources

3a. Discretionary Audits of Election Campaign Committees

Average Audit Completion Times by Phase (Months), 2016 and 2018 Election Cycles



* Not all 2018 election cycle audits had been completed at the time of the audit.



3b. Lobbyist Audits

- ❑ SF Campaign and Governmental Conduct Code Section 2.135 (c) requires that the Department conduct at least one lobbyist audit per year
- ❑ Audit Division has not completed a lobbyist audit

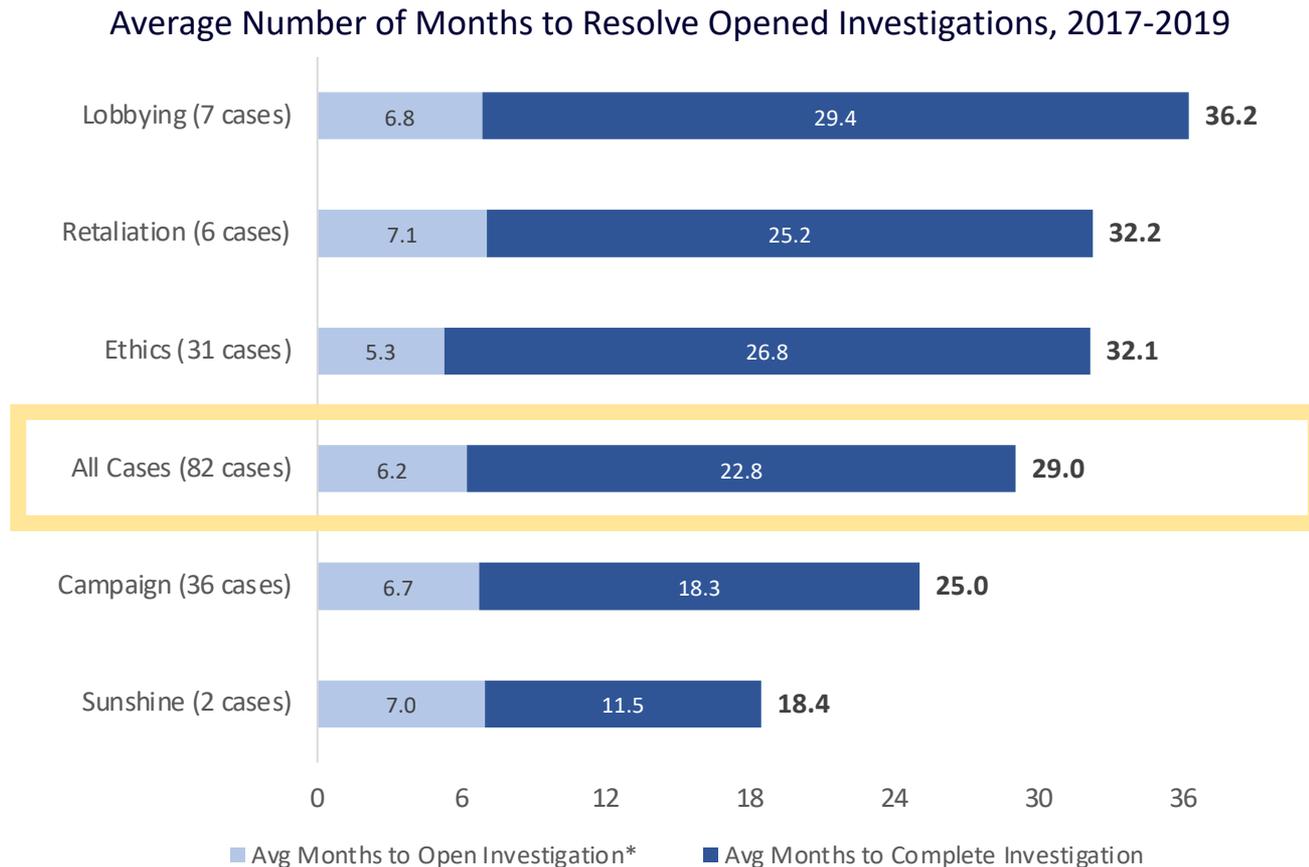


Recommendations

The Executive Director should:

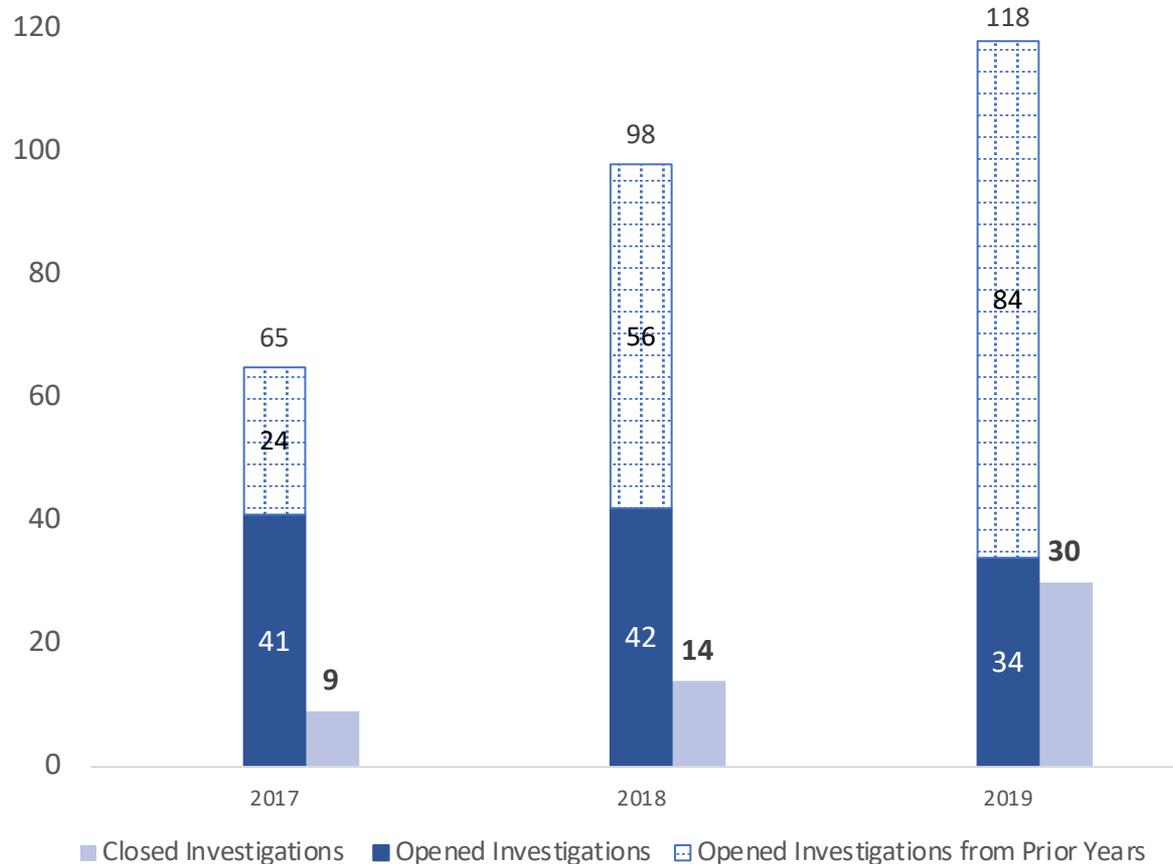
- ❑ Enhance performance monitoring, staff training, and process documentation to reduce timelines for discretionary audits of campaign committees
- ❑ Establish a lobbyist audit program

4. Investigations of Alleged Violations



4. Investigations of Alleged Violations (cont.)

Rate of Investigation Resolution, 2017-2019





Recommendation

The Executive Director should:

- Improve the efficiency of investigations through expansion of the number of violations that undergo a streamlined enforcement process and fixed penalty, and enhanced training for investigators

5. Whistleblower Protection from Retaliation

- ❑ The City's Whistleblower Protection Ordinance protects individuals from retaliation for reporting improper governmental activity
- ❑ Investigations take more than 2.5 years to resolve
- ❑ Investigations require specialized training



Recommendation

The Executive Director should:

- Enhance investigator training and reporting on whistleblower retaliation case outcomes to the Ethics Commission



Conclusion

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Thank you to the management and staff
of the Ethics Commission for assistance
during this audit

Questions?