



Los Angeles City Ethics Commission

April 20, 2017

The Honorable Budget and Finance Committee
c/o Richard Williams
200 North Spring Street
City Hall Room 395
Los Angeles CA 90012

Re: Proposed Ethics Commission Budget for Fiscal Year 2017-18

FOR COUNCIL CONSIDERATION

Dear Committee Members:

We understand that the budgetary forecast for Fiscal Year 2017-18 will again require all departments to tighten belts and work collectively for the good of the City. The Mayor has proposed a number of cuts to our budget; and, while we continue to do our part to support the City's fiscal stability, we do want to point out several important requests.

Our first critical request is for one regular authority Auditor II position, including nine-month funding and the ability to fill the position. We currently have just four auditor positions to conduct all of the mandatory audits of City and LAUSD candidate committees. With so few auditors, the audit cycle for the 2013 elections is just now concluding. The 2015 audit cycle, with approximately 50 mandatory audits, is just beginning. And we anticipate an additional 60 audits will be added to the backlog for the 2017 elections. Adding even one auditor to the staff will significantly reduce the amount of time required to complete audits. When audits are completed in a timely way—before the following election cycle—both candidates and the public are benefitted. Candidates learn how to improve their compliance with the campaign finance laws, and the public is informed about how well candidates do comply. If no additional auditors are added to the staff, we project that audits for the 2015 elections will be completed in early 2019 and that audits for the 2017 elections will be completed in the spring of 2021. Neither audit cycle would be completed until after the statute of limitations has expired.

Our second critical request is for one regular authority Management Analyst II position, including nine-month funding and the ability to fill the position. We have a Charter mandate to provide education and to promote understanding of the laws within our jurisdiction. In the past, to meet that mandate, we have had three staff members whose work focused exclusively on education, outreach, developing training materials, and keeping pace with technological innovations in communication. In the economic downturn, we lost all three of those positions and currently have no dedicated education or outreach staff. As a result, we can provide only basic and limited educational assistance to the public and to those who are regulated by our laws. At the same time,

we are in the process of modernizing our web site, making it mobile-friendly and ADA-compliant and enhancing its search capabilities. An outreach position is necessary to ensure that the data on our web site continues to be current, to allow our programmatic staff to focus on their primary duties, and to harness technology to ensure that the public is informed and that our regulated communities understand how to avoid inadvertent violations of the law.

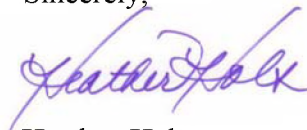
Our third critical request is to maintain current funding in our as-needed salary budget. We do not have any permanent clerical support for either the staff or for the members of the commission. In addition, our small staff continues to have to shoulder increased legal mandates. The only way to continue to manage our work load is by bringing on as-needed staff. As-needed staff was critical to our ability to handle our duties for the 2017 City and LAUSD elections, and those elections will continue to affect our workload next year. The Mayor's proposal would cut our as-needed salaries by nearly one-half, but we urge you to maintain our current funding of \$100,000.

In addition to highlighting these critical requests, we also want to acknowledge that the Mayor's budget proposal includes a reduction in our mandatory salary savings rate, moving it from three percent to one percent. As a very small department, it is extremely difficult for us to meet the salary savings requirement, and a two-percent reduction will significantly enhance our ability to meet our salary needs.

As always, we are willing to work with our City partners to develop a fair and sustainable budget. We work diligently to manage our resources, and we stay within our budget every year. We urge you to invest in the Ethics Commission as identified above for Fiscal Year 2017-18, to help us provide the public with the governmental transparency and accountability that they voted for.

Thank you for your consideration as you determine next year's budget. We will be available to answer questions at committee and City Council budget hearings, and I am happy to talk with you or your staff at any time.

Sincerely,



Heather Holt
Executive Director

cc: John Chavez, Budget Director, Mayor's Office
Heather Smith, Analyst, CAO's Office