

April 23, 2019

The Honorable Budget and Finance Committee
c/o John Choi, City Clerk's Office
200 North Spring Street
City Hall Room 395
Los Angeles CA 90012

Re: Ethics Commission Budget for Fiscal Year 2019-20
FOR COUNCIL CONSIDERATION

Dear Committee Members:

For Fiscal Year 2019-20, the Ethics Commission made several requests that continue to support and invest in our critical and legally mandated work. The requests also advance our commissioners' priorities of educating our regulated communities, fostering transparency, and completing audit cycles in a timely way.

We requested three education positions, one auditor position, and two project assistants. We also requested the reclassification of two positions to their appropriate classes, as well as an additional \$20,194 in Office and Administrative funds. The Mayor's proposed budget would provide one resolution authority auditor position and the two reclassifications. We thank the Mayor's office for supporting those requests. However, we believe that the remaining requests are just as critical to our mandated work, and we urge you to support them.

The first request we make of the Budget and Finance Committee is to provide funding for two regular authority **project assistant positions**. The Ethics Commission currently has eight program areas: campaign financing, lobbying, governmental ethics, contracts, policy, communications, audits, and enforcement. In addition, we oversee the City's public matching funds program. Currently, administrative work for all of these programs must be handled by each program's professional staff, because we have no permanent administrative staff. As a result, professional resources are diverted away from critical programmatic work. Project assistant positions would provide desperately needed support for the cyclical work of our agency, would be shared by all the programs, and would allow professional staff to meet their programmatic obligations. In addition, the project assistants would address other office-wide work that is also currently handed by the professional staff, such as performing client intakes, providing materials to the public and regulated communities, responding to public records requests, processing candidate claims for matching funds, testing our electronic filing programs, conducting research projects, and providing support for the commissioners.

The second request we make to the Committee is to provide funding for three regular authority **education positions**. The Charter mandates an educational program to help the

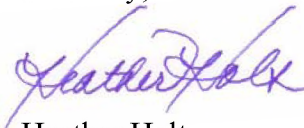
public and those we regulate understand their obligations. The laws within the Ethics Commission's jurisdiction are numerous and can be complex, particularly in light of the interplay with state laws. The Ethics Commission previously had a three-person education team, but those positions were cut during the economic downturn and have never been restored. The existing program staff have filled in education gaps when possible. But they cannot properly perform their programmatic work (including processing over 20,000 filings and handling over 22,000 advice contacts annually) while also creating and running education courses, creating education materials, and maintaining a robust and up-to-date website and social media presence.

In addition, recent updates to departmental conflict of interests codes will result in as many as 3,500 new City officials in the next fiscal year (a 50-percent increase), and all of them will be required to file Form 700 and complete ethics training. New City officials will continue to be added as departmental codes are updated, as required by state law. An education team is necessary to reach the thousands of individuals in the City family who are and will soon be regulated, to help them avoid inadvertent violations. An education team will also allow us to conduct more live trainings—a request that we regularly receive from City departments, community groups, and those we regulate.

We urge you to continue to invest in the important work the Ethics Commission does and fund two project assistants and three education positions. We do remain committed to working with our City partners to develop a fair and sustainable budget and understand that funding for those five positions may not be within the budget. If that is the case, we urge you to fund, at a minimum, one project assistant and one education position. These positions are essential to ensuring the Ethics Commission can meet its mandates and ever-growing responsibilities.

Thank you for your consideration. We will be available to answer questions at budget hearings, and I am happy to talk with you or your staff at any time.

Sincerely,



Heather Holt
Executive Director

cc: Diana Mangioglu, Budget Director, Mayor's Office
Sharon Lee, Analyst, CAO's Office