



Item 11 - Executive Director's Report

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Nicolas Heidorn, Executive Director

TO: Public Ethics Commission
 FROM: Nicolas Heidorn, Executive Director
 DATE: October 26, 2023
 RE: Executive Director's Report for the November 8, 2023, PEC Regular Meeting

This memorandum provides an overview of the Public Ethics Commission's (PEC or Commission) significant activities not included in other program reports since the last regular meeting. The attached overview of Commission Programs and Priorities includes the ongoing goals and key projects for 2023-24 for each program area.

Commissioner Recruitment Update

The Public Ethics Commission (PEC or Commission) is currently recruiting to fill a Commission-appointed vacancy to the PEC that will occur in January 2024. The application period opened in August and will close on October 27, 2023. The Application Review Ad Hoc Subcommittee will review applications in November and forward its recommended applicants, likely three to five applicants, to the full Commission for a final in-person interview and selection at the PEC's December 13 meeting.

As of October 25, 2023, the PEC has received 13 applications. Applications were received from residents in each of Oakland's 7 council districts. Most applicants heard about the opportunity to serve on the PEC from the Commission's website or email listserv, followed by media coverage or advertising. The PEC plans to survey applicant demographics at the close of the application period.

Applicant District Residency

District	Count	Percent
District 1	3	23%
District 2	2	15%
District 3	2	15%
District 4	2	15%
District 5	1	8%
District 7	3	23%
Grand Total	13	100%

How Candidates Heard About the Vacancy

How did they hear about the PEC vacancy?	Responses	Percent
City of Oakland/PEC website/email subscriber	6	40%
Ethics Commissioner/Staff Outreach	3	20%
Newspaper article/ad	5	33%
Word of mouth	1	7%

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LPF and LRA Legislation

At its August meeting, the PEC adopted recommendations to the City Council to (1) reinstate a limited public financing (LPF) program for the 2024 election only and (2) make changes to the Lobbyist Registration Act (LRA), including codifying in the LRA recent changes adding a lobbyist registration fee and lobbyist reporting late fees adopted in the Master Fee Schedule, proposing a fee waiver and fee reduction program for certain lobbyists, and making other administrative changes to the LRA.

The two proposals, which were co-sponsored by Council President Bas, were approved by the City Council on October 17 (“first reading”) and are scheduled for adoption on November 7 (“second reading”).

Measure W / Voter Guide

In October, PEC staff continued to work on developing an RFP for the Democracy Dollars database that will be used to distribute, process, and track Democracy Dollars vouchers.

PEC staff are also pursuing several potential partnerships on projects related to outreach, user research, and website design to add capacity and enhance our Democracy Dollars implementation work in the upcoming year. In October, PEC staff sought feedback on its voter guide concepts from the Center for Civic Design, a nonprofit which focuses on improving usability and accessibility of elections materials, and the Oakland League of Women Voters. The PEC plans to do user testing of guide concepts in November or December.

Staffing

The PEC has experienced a number of staffing changes over the past few months and is actively engaging with Human Resources to fill vacant positions and use salary savings or apply for grant funding to bring on additional limited duration staff assistance:

- The PEC is hiring a permanent Commission Analyst and has extended an offer to a candidate. We anticipate filling this position in November or December.
- The PEC hopes to hire two part-time law clerks and is currently reviewing applications. We anticipate filling one position in November or December and an additional position in January.
- The PEC hopes to hire a permanent Investigator and a limited duration Investigator and is currently reviewing applications. We anticipate filling both positions in November or December.
- The PEC will be hiring a limited duration Ethics Analyst to fill the role temporarily vacated by Suzanne Doran when she was appointed interim Democracy Dollars Program Manager. The position has not yet been posted.
- With PEC approval at the October 25, 2023, staff will apply for grant funding from the Haas, Jr. Fund to hire a limited duration outreach specialist and a graduate student to assist with the implementation of the Democracy Dollars Program.

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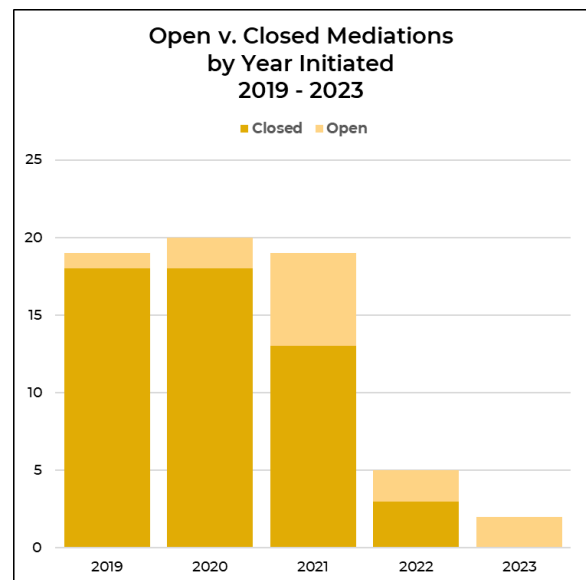
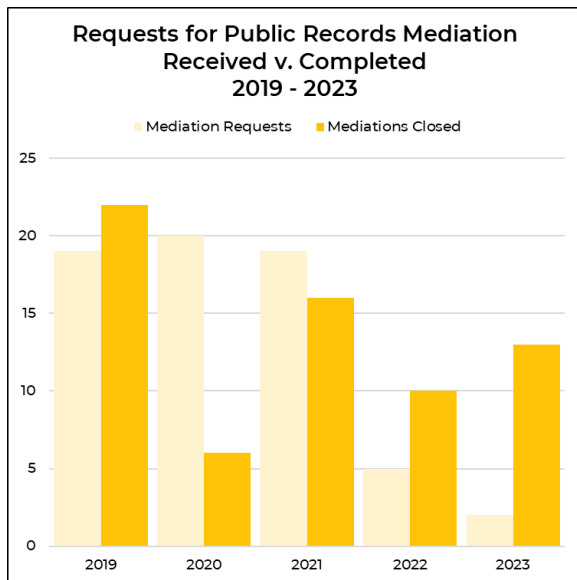
\$1,000+ Late Fees / Late Fee Waivers

Under City Charter Section 603(f), any assessment of a per diem late fee of \$1,000 or more must be placed on the PEC's agenda. The PEC did not issue any late fees exceeding that amount since the last reporting period.

Under City Charter Section 603(f), if the Executive Director waives any per diem fees for the late filing of campaign finance report, he or she must notify the Commission at their next regular meeting. I have not waived any late fees since the last reporting period.

Mediation Program

Pursuant to the Oakland Sunshine Ordinance, the Commission conducts mediation of public records requests made by members of the public to City departments for records within the department's control. The PEC currently has 13 open mediations. No new mediation requests were received and none completed since the last regular meeting.



Additional Attachment: Commission Programs and Priorities.

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PUBLIC ETHICS COMMISSION

Programs and Priorities 2023/24 (new additions in **bold**)

Program	Goal	Desired Outcome	Regular Program Activities	2023/24 Projects
<p>Lead/ Collaborate (Policy, Systems, Culture)</p>	<p>PEC facilitates changes in City policies, laws, systems, and technology and leads by example to ensure fairness, openness, honesty, integrity, and innovation.</p>	<p>Effective campaign finance, ethics, and transparency policies, procedures, and systems are in place across City agencies</p>	<ul style="list-style-type: none"> ○ Lead Measure W implementation ○ Engage in review of laws PEC enforces 	<ul style="list-style-type: none"> ○ Lobby Registration Act amendment to incorporate new fees and waiver policy ○ Ordinance for one-time LPF for 2024 elections ○ Voter Guide Pilot ○ Mayor Salary Setting Guidance ○ Charter Review Options ○ Policy Review: Lobbyist Registration Act ○ Ethics Commission Network ○ Invite Department Presentations on Records Request Responses
<p>Educate/ Advise</p>	<p>Oakland public servants, candidates for office, lobbyists, and City contractors understand and comply with City campaign finance, ethics, and transparency laws.</p>	<p>The PEC is a trusted and frequent source for information and assistance on government ethics, campaign finance, and transparency issues; the PEC fosters and sustains ethical culture throughout City government.</p>	<ul style="list-style-type: none"> ● Regular ethics training ● Information, advice, and technical assistance ● Targeted communications to regulated communities ● New trainings as needed for diversion 	<ul style="list-style-type: none"> ○ Collaboration with Clerk and HR on process improvements for ethics onboarding/exit and Form 700 compliance ✓ Public Records training
<p>Outreach/ Engage</p>	<p>Citizens and regulated community know about the PEC and know that the PEC is responsive to their complaints/questions about government ethics, campaign finance, or transparency concerns.</p>	<p>The PEC actively engages with clients and citizens demonstrating a collaborative transparency approach that fosters two-way interaction between citizens and government to enhance mutual knowledge, understanding, and trust.</p>	<ul style="list-style-type: none"> ● Public Records mediations ● Commissioner-led public outreach ● Outreach to client groups – targeted training and compliance ● PEC social media outreach 	<ul style="list-style-type: none"> ○ Update guides and trainings to reflect Measure W and LPF changes ✓ Update public and stakeholders on Democracy Dollar postponement ✓ Update Lobbyist Registration Act educational materials and share with Council ✓ Recruit for PEC vacancy ○ Publicize Enforcement Needs ○ Publicize PEC campaign finance tools ○ Publicize how to file complaints

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Program	Goal	Desired Outcome	Regular Program Activities	2023/24 Projects
Disclose/ Illuminate	<p>PEC website and disclosure tools are user-friendly, accurate, up-to-date, and commonly used to view government integrity data.</p> <p>Filing tools collect and transmit data in an effective and user-friendly manner.</p>	<p>Citizens can easily access accurate, complete campaign finance and ethics-related data in a user-friendly, understandable format.</p> <p>Filers can easily submit campaign finance, lobbyist, and ethics-related disclosure information.</p>	<ul style="list-style-type: none"> • Monitor compliance (campaign finance/lobbyist/ticket use) • Proactive engagement with filers • Technical assistance • Assess late fees/refer non-filers for enforcement • Maintain data assets 	<ul style="list-style-type: none"> ○ Democracy Dollars admin system development/issue RFP ○ Updates to Ticket Distribution (Form 802) database ○ Lobbyist App Updates ○ Public Records Performance Dashboard ○ Update Open Disclosure 2024 ✓ Update Show Me The Money ○ Digitize Schedule O Form
Detect/ Deter	<p>PEC staff proactively detects potential violations and efficiently investigates complaints of non-compliance with laws within the PEC's jurisdiction.</p>	<p>Public servants, candidates, lobbyists, and City contractors are motivated to comply with the laws within the PEC's jurisdiction.</p>	<ul style="list-style-type: none"> • Process and investigate complaints • Initiate proactive cases • Collaborate/coordinate with other government law enforcement agencies 	<ul style="list-style-type: none"> ○ Digital complaint form/ mediation request ○ Improve Enforcement database
Prosecute	<p>Enforcement is swift, fair, consistent, and effective.</p>	<p>Obtain compliance with campaign finance, ethics, and transparency laws, and provide timely, fair, and consistent enforcement that is proportional to the seriousness of the violation.</p>	<ul style="list-style-type: none"> • Prioritize cases • Conduct legal analyses, assess penalty options • Negotiate settlements • Make recommendations to PEC 	<ul style="list-style-type: none"> ○ Resolve 2016 and 2017 case backlog ○ Review/revise policies for release of public information and election-related complaints ○ Develop internal Enforcement staff manual ○ Expand streamline and diversion program
Administration/ Management	<p>PEC staff collects and uses performance data to guide improvements to program activities, motivate staff, and share progress toward PEC goals.</p>	<p>PEC staff model a culture of accountability, transparency, innovation, and performance management.</p>	<ul style="list-style-type: none"> • Annual Report • Budget proposal • Ongoing professional development and staff reviews • Fill staff vacancies • Commissioner onboarding 	<ul style="list-style-type: none"> ✓ 2023 – 2025 strategic plan preparation/retreat ✓ Develop process for City Attorney and City Auditor Salary Adjustment and adopt resolution for Council ○ Increase enforcement capacity