



Item 14a - Executive Director's Report

Arvon Perteet, Chair
Ryan Micik, Vice Chair
Charlotte Hill
Joe Tuman
Francis Upton IV

Suzanne Doran, Acting Executive Director

TO: Public Ethics Commission
FROM: Suzanne Doran, Acting Executive Director
DATE: December 1, 2022
RE: Acting Executive Director's Report for the December 14, 2022, PEC Meeting

This memorandum provides an overview of the Public Ethics Commission's (PEC or Commission) significant activities this past month that are not otherwise covered by other program reports. The attached overview of Commission Programs and Priorities includes the ongoing goals and key projects in 2022 for each program area.

Return to In-person Meetings

Assembly Bill 361 amended the Ralph M. Brown Act, Government Code section 54953, to allow more liberal use of teleconferencing at local agency public meetings during a proclaimed state of emergency. Governor Newsom plans to end California's COVID-19 State of Emergency on February 28, 2023. City boards and commissions will no longer be able to invoke AB 361 provisions after that date, and fully-remote meetings will no longer be permissible for the PEC. Barring any change from the Governor's Office, this change will go into effect on March 1, 2023.

City administration is investigating space and technology requirements to conduct hybrid meetings in compliance with the Brown Act. Until new guidelines or procedures are received, staff will prepare to conduct Commission meetings in Hearing Room 1 of City Hall effective the March regular meeting.

PEC Staffing

Executive Director - Kellie Johnson submitted her resignation as the Public Ethics Commission's Executive Director on October 14, 2022. The Commission Chair and Assistant City Attorney are coordinating with the HR Department on recruitment and hiring. The job posting is scheduled for December.

Administrative Analyst I - The Commission received one new position in the 2022-23 FY budget for Administrative Analyst I. Ana Lara-Franco (Administrative Assistant II) has been promoted to the position of Administrative Analyst I (Commission Analyst), effective November 26, 2022. Congratulations to Ms. Lara-Franco for this well-deserved promotion!

Enforcement Chief - In August, the Enforcement Chief job became vacant when Kellie Johnson was hired as Executive Director. Simon Russell (Ethics Investigator) has been Acting Enforcement Chief in the interim and was promoted to the permanent position effective

November 26, 2022. Thank you to Mr. Russell for taking on the role of Acting Enforcement Chief and congratulations on this well-earned promotion!

Additional Staff Vacancies – The promotion of two PEC staff members created vacancies for two full-time positions: Ethics Investigator and Administrative Assistant II. Staff has begun work with the City's Human Resources department to post the job announcements, design the civil service examination process, conduct recruitment, and plan and engage in the examination/interview selection process.

New Commissioner Recruitment

In November, the ad-hoc Recruitment Subcommittee met to review the eight applicants for two commissioner vacancies and selected seven candidates for individual interviews with the subcommittee. Four finalists were selected for nomination to the full Commission. The finalists have been invited to the January regular meeting where they will each present a four-minute introduction of themselves. Commissioners will then ask follow-up questions and vote to make their selection.

Ballot Measure W - Oakland Fair Elections Act (Democracy Dollars)

On November 8, Oakland voters approved ballot measure W, the Oakland Fair Elections Act (OFEA), by 73.9 percent, replacing the Limited Public Financing Act with the Oakland Fair Elections Act and a newly designed public financing program to be administered by the Public Ethics Commission that disperses \$100 in Democracy Dollar vouchers to eligible Oakland residents who can then assign the Dollars to their preferred candidate. In November, Commission staff initiated meetings with the various City departments and stakeholders connected to the new program to determine immediate next steps and timeframes for the implementation process.

While the new OFEA takes effect January 1, 2023, the additions to staff and program funds are not effective July 1, 2023. The Commission continues to be supported at current staffing levels until July 2023. This means that some program development cannot occur until the second half of 2023, when and after the Commission has the new funding and additional staff in place.

Priority implementation activities for December and January focus on ensuring adequate staffing and technology necessary to properly administer the new Democracy Dollars Program. Once election results were finalized, staff began working with the City's Human Resources department to develop the job specifications for the new staff positions so that civil service examination processes and recruitment can begin within the first quarter of 2023 and place staff into these positions by July 2023.

In addition, staff initiated collaboration with the City's IT department to develop the technology system needed to administer the program. Staff is drafting a business requirements document in collaboration with the IT department, which will be the basis of a request for proposals (RFP). The projected timeframe is to complete the business requirements and basic workflows by early February, release the RFP by March, and select a

vendor in April, so development work can start in July when program start-up funds are available.

Lastly, staff initiated collaboration with the City's Finance Department to begin the fiscal year 2023-2025 budgeting process to ensure timely allocation of new program funds. A preliminary overview of implementation tasks and key dates is covered under separate memo.

Ballot Measure X - Good Governance

On November 8, Oakland voters also approved ballot measure X, Good Governance Charter Reform, by 80.2 percent. In addition to setting a three-term limit for councilmembers, the measure adjusts the formula for the Public Ethics Commission to set councilmember salaries and adds setting the salaries of the City Auditor and City Attorney to the Commission's duties.

The measure provides that the Commission adjust Council members' salaries every two years based on CPI increases, up to a total of five percent. If the total CPI increase over the prior two years exceeds five percent, the Commission may adjust salaries up to five percent per year but may not adjust the salaries more than the CPI increase per year.

The City Attorney and City Auditor salary ranges use a formula based on salaries of the highest paid professional employee in their respective offices, other City department heads, and comparable positions in other California jurisdictions. Commission Staff will update its salary calculation methods to conform with the revised formulas and offices covered.

Attachment: Commission Programs and Priorities, Full text Measure X.

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PUBLIC ETHICS COMMISSION

Programs and Priorities 2022

Program	Goal	Desired Outcome	Program Activities	2022 Major Projects
Lead/ Collaborate (Policy, Systems, Culture)	PEC facilitates changes in City policies, laws, systems, and technology and leads by example to ensure fairness, openness, honesty, integrity, and innovation.	Effective campaign finance, ethics, and transparency policies, procedures, and systems are in place across City agencies		<ul style="list-style-type: none"> ✓ Public Finance Redesign//Ballot measure ✓ Ticket administration policy & process improvements adopted ○ Public Records Performance Tool
Educate/ Advise	Oakland public servants, candidates for office, lobbyists, and City contractors understand and comply with City campaign finance, ethics, and transparency laws.	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.	<ul style="list-style-type: none"> • Regular ethics training • Information, advice, and technical assistance • Targeted communications to regulated communities • Campaign Finance Training • New trainings as needed for diversion 	<ul style="list-style-type: none"> ✓ Sunshine training – Open meetings ✓ Ethics onboarding process improvement/SPOC training ✓ New ticket policy training ○ Sunshine training – Public records
Outreach/ Engage	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.	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.	<ul style="list-style-type: none"> • Public Records mediations • Outreach to client groups – targeted training • PEC social media outreach • Improvements and updates to website content 	<ul style="list-style-type: none"> ✓ PEC performance dashboards and data story for enforcement program and mediations ✓ Commissioner-led public outreach/PEC roadshow reboot
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>Residents 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"> • Technical support for filers • Facial review of disclosure filings, amendments, impose late fees • Monitor compliance, engage with filers, refer for enforcement as needed • Maintain data assets 	<ul style="list-style-type: none"> ✓ Open Disclosure updated and launched in time for 2022 election ✓ Show Me the Money campaign finance app with expanded features launched in time for 2022 election ✓ Public Records Request data published ○ Updates to Ticket Distribution (Form 802) database

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				<ul style="list-style-type: none"> ○ Government Integrity Data Project – data portal integrating all ethics data
Detect/ Deter	PEC staff proactively detects potential violations and efficiently investigates complaints of non-compliance with laws within the PEC's jurisdiction.	Public servants, candidates, lobbyists, and City contractors are motivated to comply with the laws within the PEC's jurisdiction.	<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"> ✓ Collaborated with front office staff to streamline monitoring of campaign forms during election
Prosecute	Enforcement is swift, fair, consistent, and effective.	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.	<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"> ✓ Conducted administrative hearing officer training ✓ Enforcement subcommittee researched best practices across state ○ Resolve 2016 and 2017 case backlog
Administration/ Management	PEC staff collects and uses performance data to guide improvements to program activities, motivate staff, and share progress toward PEC goals.	PEC staff model a culture of accountability, transparency, innovation, and performance management.	<ul style="list-style-type: none"> ● Limited Public Financing program implementation ● Annual Report ● Review data to inform activities ● Ongoing professional development and staff reviews 	<ul style="list-style-type: none"> ✓ PEC Retreat ✓ Budget – new Administrative Analyst position ✓ Administrative Analyst position filled ✓ Enforcement Chief position filled ○ ED recruitment/hiring ○ Commissioner recruitment ○ Enforcement database upgrade