



San Francisco Ethics Commission

Annual Report
July 1, 2008 - June 30, 2009

The Ethics Commission is pleased to present this report on the activities, progress, and accomplishments of its fourteenth year of operation to the Mayor, Board of Supervisors, and citizens of San Francisco.

Jamienne S. Studley
Chairperson

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SAN FRANCISCO ETHICS COMMISSION ANNUAL REPORT FY 2008-2009

The Ethics Commission serves the citizens of San Francisco, City employees, elected and appointed officials, and candidates for public office by enforcing the City's governmental ethics laws, providing education about their provisions, and serving as a repository for information.

The Commission acts as filing officer for campaign finance disclosure statements; audits statements for compliance with state and local laws; administers City laws regulating lobbyists and campaign consultants; investigates complaints alleging ethics law violations; serves as the filing officer for financial disclosure statements required from City officials; raises public awareness of ethics laws; researches and proposes ethics-related legislative changes; and provides ethics advice to candidates, office-holders, public officials, City and County employees and the general public.

The Commission is pledged to a high standard of excellence in government accountability, and to that end has worked not only to implement the law, but also to amend existing law or create new law that will further the principle of the voters' right to know and to ensure integrity in government decision-making and in the campaigns of those who wish to govern.

HIGHLIGHTS OF THE FOURTEENTH YEAR

The Commission continued to deliver a diverse array of work products and services to the citizens of San Francisco:

- Enforced reporting requirements for political committees, campaign consultants, lobbyists, and City officials;
- Conducted compliance audits of campaign finance committees;
- Continued the constant review of the Campaign Finance Reform Ordinance, making recommendations to the Board of Supervisors on changes to strengthen, clarify, and update campaign finance law. Drafted and adopted regulations to implement such changes;
- *Completed* five years worth of work on the Statements of Incompatible Activities after dozens of hours of deliberation by the Ethics Commissioners and hundreds of hours of meetings and discussions with department heads and personnel and hundreds more hours of meet and confer sessions with union representatives. *Adopted appropriate regulations and set them into effect in late 2008;*
- *Conducted an exhaustive review of the Lobbyist Ordinance and approved a series of important changes that may go into effect on January 1, 2010;*
- Conducted on-going sessions of its educational program on conflicts of interest, incompatible activities, candidate and treasurer information, campaign finance, public finance, on-line filing, lobbying, and other issues under its jurisdiction

- surpassing the record number of sessions reached in the previous year. *Initiated a new on-line training program so that classes and training will be available in many areas for Ethics Commission clients to use at their convenience;*
- Provided informal written or oral advice and responded to requests for formal written advice letters;
 - *Launched a new web site at www.sfethics.org and greatly expanded the nature and number of documents available on-line;*
 - Facilitated interested persons meetings for the general public to provide input on issues under consideration by the Commission;
 - Conducted hearings on requests for waivers from conflict of interest laws;
 - Considered and adopted *or provided comment on* legislative changes recommended by the Board of Supervisors;
 - Responded to hundreds of citizen inquiries; and
 - Conducted an in-depth policy analysis and followed through with a number of policy updates and changes. Set the following policy priorities for the Commission and staff:
 1. *Education and Technology*
 2. *Campaign Finance Laws*
 3. *Communications with the Public*
 4. *Enforcement*
 5. *Conflicts of Interest*
 6. *Lobbyist and Campaign Consultant Ordinances.*

MANDATES AND ACCOMPLISHMENTS OF THE COMMISSION

The Commission's work covers ever-growing responsibilities, demanding consistent innovation in this extended period of budget shortfalls that impact funding and personnel. The Commission uses a five-year planning format to anticipate growth of staff and the dual needs for the Commission to better meet its currently existing mandates and to expand its abilities to regulate campaign finance activities and conflict-of-interest laws. The five-year plan is personnel-based and is adjusted yearly in consideration of budgetary influences, the creation of new laws and regulations under the Commission's jurisdiction, and housekeeping issues related to equipment, software and office space. In the long-term, the Commission estimates that it will require more than 30 staff members to provide top-quality service. The Commission remains committed to a sensible growth structure towards this goal.

Campaign Finance Regulation and Reporting

The Commission enforces the City's Campaign Finance Reform Ordinance (CFRO), which sets voluntary ceilings on campaign expenditures by candidates and imposes mandatory limits on contributions to candidates.

The Commission regularly reviews the operation of the CFRO, as well as the other City ordinances under its jurisdiction, enacts enabling regulations, and proposes substantive

and operational changes. It also advises on amendments proposed by the Board of Supervisors.

Under the Charter, the Commission serves as filing officer for five categories of local candidates and committees:

1. Candidates seeking election to local office and their controlled committees,
2. Committees formed or existing primarily to support or oppose candidates seeking election to local office,
3. Committees formed or existing primarily to support or oppose qualification or passage of a ballot measure being voted on only in San Francisco,
4. County general-purpose committees active only in San Francisco, and
5. Candidates and candidate committees for county central committee office.

As filing officer, the Commission promotes compliance by candidates and committees and maintains records of reports filed. It audits campaign statements and imposes penalties for failure to adhere to filing deadlines and reporting requirements. It also distributes the fine policy to all filers and imposes fines for late statements.

Regular semi-annual filings for active committees took place on *July 31, 2008 and January 31, 2009*. The November 2007 election occasioned the additional filing of pre-election reports on *October 5 and October 23*. *Quarterly filing deadlines occurred on October 31, 2008 and April 30, 2009 for committees primarily formed to support or oppose a ballot measure(s) not yet voted upon*. The Commission reminded committees of the deadlines, sent out notices to delinquent filers, and posted reports on its web site, www.sfethics.org.

Staff has endeavored to send out more advance notices than previous years through mail, email and phone calls in order to reduce the number of late filings.

Public Financing

San Francisco's public financing program for candidates for the Board of Supervisors was adopted through a ballot measure (Proposition O) in November 2000. The Commission administered the public financing program in elections for candidates for the Board of Supervisors in 2002, 2004, 2006 and 2008. *Campaigns are already gearing up for the Supervisorial races in 2010 and the Mayoral Race in 2011. Readers who wish to know more information about the public financing program are encouraged to read the reports on the Commission web site at:*

<http://www.sfethics.org/ethics/2009/05/campaign-finance.html>

The Commission also spent time deliberating whether the qualifying documents and contributions of a particular candidate for Supervisor met the minimal requirements to gain approval for public financing. In addition, during the November 2008 election, staff spent considerable time tracking expenditures in order to adjust the individual expenditure ceilings governing publicly financed supervisorial candidates. This was the

first time that the revised public financing system was implemented utilizing individual expenditure ceilings. Staff also provided extensive outreach and education on the program and its requirements.

During the period covered by this report, the Commission and the Board of Supervisors approved some changes to alter the public financing programs. *In particular, the changes modified the calculation governing when a publicly financed candidate may access additional public funds.*

Following the 2008 elections, the Commission published a questionnaire for and received public comment from candidates and their staff members regarding their participation in the program.

Campaign Finance Reform Ordinance

As mentioned above, the Commission implemented several new provisions of the public financing program for candidates for the Board of Supervisors for the first time in the November 2008 election. These provisions required staff to track on a daily basis the independent expenditures, electioneering communications or member communications that clearly identify any candidate for the Board of Supervisors in order to make adjustments to the individual expenditure ceilings of publicly financed candidates. Subsequent to the election, Commission staff began crafting several proposed amendments to the CFRO that the Commission considered in late summer 2009.

The Commission also adopted regulations to implement Proposition H, approved by the voters in June 2008, which made changes to section 1.126 of the CFRO regulating the receipt of contributions by City elective officers from contractors with the City, the School Board and the Community College District.

Audit Program

The California Political Reform Act of 1974 and the City's CFRO require officeholders and candidates as well as campaign committees that support or oppose ballot measures or candidates to file finance statements disclosing campaign contributions and expenditures made in connection with a campaign.

The Commission serves as filing officer for statements required to be filed locally. The statements cover disclosure of monetary and non-monetary contributions including loans and enforceable promises, expenditures, unpaid bills and miscellaneous increases to cash. Filers must also keep detailed records of receipts and expenditures of \$25 or more.

The Commission audits the statements for compliance. Its process is outlined in an audit manual available to the public. Filers are selected for audit by random drawing at Commission meetings, or are targeted based on preliminary staff reviews. In addition, all publicly financed candidates are audited. *In 2008-2009, staff completed audits of*

committees selected for audit from the year 2007 audit pool and commenced audits of supervisorial candidates who received public funds in the November 2008 election.

Sunshine Ordinance Declarations

The San Francisco Sunshine Ordinance requires department heads and commissioners who are required to file Statements of Economic Interests (“SEIs”) with the Ethics Commission to sign an annual declaration stating under penalty of perjury that they have read the Sunshine Ordinance and have attended, or will attend, an annual training on the Sunshine Ordinance. *The training program is and remains available on the City Attorney’s web site and can be accessed from the Commission’s web site.*

The adoption of the Netfile system enabled the Commission to provide for on-line filing of SEIs. In addition, the Commission has scanned the SEIs so that they are available for view on the Commission’s website.

The Commission also held a joint meeting with the Sunshine Ordinance Task Force to discuss issues of mutual concern, including ways to communicate better and the particular treatment of referrals from the Sunshine Ordinance Task Force to the Ethics Commission. Staff has proposed opening up part of the enforcement process when considering SOTF referrals. This proposal is pending before the Commission. Staff is also considering other ideas to follow-up on this particular meeting and is expected to produce recommendations in calendar 2009.

Lobbyist Registration and Reporting

Lobbyists are required by ordinance to register with the City and file quarterly reports of any activity intended to influence local legislative or administrative action. The Commission reviews lobbyist statements to ensure completeness and accuracy. It assesses penalties for failure to adhere to deadlines and other requirements.

Registration is triggered by a threshold level of activity based on the number of City officials contacted and/or the amount of payments received or made. The threshold varies according to the type of lobbying engaged in.

Statements must disclose which City officials were contacted, the positions advocated by the lobbyist, and any campaign contributions or gifts donated. Contract lobbyists are required to disclose the names of their clients and how much money they received from them. Lobbyists who advocate on their own behalf are required to disclose payments made for the purpose of influencing local legislative or administrative action.

The Commission summarizes statements in quarterly reports it issues soon after the filing deadlines. The reports are posted on the Commission's web site.

At the close of the fiscal year, there were 42 lobbyists registered with the Commission reporting more than \$6.5 million in earnings for the fiscal year.

During its extensive review of the Lobbyist Ordinance, the Commission determined that it would move to an electronic filing format which, if adopted by the Board of Supervisors and signed into law by the Mayor, will take effect on January 1, 2010. Complementing this decision, the Commissioners adopted the following major changes in the lobbyist program:

- *Approved amending the Ordinance to state that providing oral information to a City officer in response to a request from that officer is not a contact for the purpose of determining whether the person providing the information qualifies as a lobbyist. But a person who otherwise qualifies as a lobbyist must report such a communication as a contact.*
- *Approved amending the Ordinance to provide that a communication seeking the status of an action is not a contact for the purposes of qualifying as a lobbyist. A person who otherwise qualifies as a lobbyist must report the communication as a contact if it is a communication to influence local legislative or administrative action under section 2.105(d)(2)(B).*
- *Approved amending the Ordinance to narrow the exception for expert communications such that only a person providing purely technical data, analysis or expertise in the presence of a registered lobbyist is not making a “contact” under the Ordinance.*
- *Approved amending the Ordinance to provide that a person negotiating the terms of a contract after being selected to enter into a contract with the City is not making a “contact” under the Ordinance.*
- *Approved amending the Ordinance to provide that a person appearing as a party or a representative of a party in an administrative adjudicatory proceeding before a City agency or department is not making a “contact” under the Ordinance.*
- *Approved amending the Ordinance to state that a person communicating on behalf of a labor union representing City employees regarding the establishment, amendment, or interpretation of a collective bargaining agreement (CBA) or memorandum of understanding (MOU) with the City, or communicating about a management decision regarding the working conditions of employees represented by a CBA or MOU is not making a “contact” under the Ordinance.*
- *Approved amending the Ordinance to provide that, unless representing a client, a person participating in a public interested persons meeting, workshop or other forum convened by a City department for the purpose of soliciting public input is not making a “contact” under the Ordinance.*
- *Approved amending the Ordinance so that the term “economic consideration” does not include salary, wages or benefits furnished by a federal, state or local agency.*
- *Approved amending the Ordinance to create a single category of lobbyists. A lobbyist would be defined as any individual who receives or is promised \$3,000 or more in economic consideration within three consecutive months for lobbyist services and makes at least one contact with a City officer on behalf of the person(s) providing the economic consideration.*

- *Approved amending the Ordinance to require any individual who qualifies as a lobbyist to register with the Ethics Commission no later than five business days after qualifying as a lobbyist and, in any event, prior to making any additional contacts with any City officer.*
- *Approved amending the Ordinance to require lobbyists to disclose activities on a monthly basis, and a Commission policy to revisit the frequency and timing of filing requirements within six months of the date of implementation of an electronic filing system; lobbyists will also be required to disclose the dates of their contacts with City officers.*
- *Approved amending the Ordinance to require lobbyists to disclose information such as the local legislative or administrative action that they sought to influence, including, if any, the time and file number of any resolution, motion, appeal, application, entitlement, or contact, and the outcome sought by the client, as well as the economic consideration received or expected by the lobbyist from each client during the reporting period.*
- *Approved amending the Ordinance to require disclosure of additional information regarding political contributions made, arranged, or delivered by a lobbyist or made by a client at the behest of the lobbyist or lobbyist's employer, including the amount and date of the contribution, name and street address of the contributor, contributor's occupation and employer, or if self-employed, the name of the contributor's business, and the committee to which the contribution was made.*
- *Approved amending the Ordinance to require lobbyists to undergo a training during the first year of registration and thereafter as necessary as determined by the Executive Director.*

Campaign Consultant Registration and Reporting

The Regulation of Campaign Consultants Ordinance, passed in 1997, requires anyone who earns \$1,000 or more in a calendar year from activity as a campaign consultant to register with the City and submit quarterly reports.

Campaign consultants are required to report names of clients, services provided, payments received, contributions and gifts made to local officials, and other information. The Commission prepares summaries of the quarterly filings, posts them on the web site, and publishes a manual. During the fiscal year, 41 campaign consultants registered with the Commission, reporting earnings of \$5,690,080.

The Campaign Consultant Ordinance is the result of a voter referendum and therefore is not subject to changes without additional voter approval.

Investigations and Enforcement

The San Francisco Charter charges the Ethics Commission with authority to investigate alleged violations of laws governing campaign finance, lobbying, conflicts of interest, and government ethics. In addition, the Improper Government Activities Ordinance, also

known as the Whistleblower Ordinance, directs the Commission to investigate charges of retaliation directed against complainants.

During the year, the Enforcement staff resolved 32 cases, including four that went to settlement (settlement summaries are available on the Commission web site). *Staff advanced one case to a hearing on the merits, the first in the Commission's history.* A number of other cases remain under investigation.

Education and Outreach

The Commission has a strong institutional commitment to educate the public about San Francisco's ethics laws and to support campaign reform and government accountability efforts consistent with City policy throughout the state and elsewhere.

It conducts ongoing informational programs about ethics-related laws and requirements. It produces educational materials and actively publicizes its outreach activities through public notices.

Between July 2008 and the present, staff conducted workshops and meetings on 83 occasions for 2,223 persons, on subjects that included, but were not limited to: public financing, on-line filing and the new electronic filing system, the Lobbyist Ordinance, candidate forums for Supervisor, forums for treasurers, Statements of Economic Interests, and individual City agency conflict of interest seminars. See Attachment 1. Staff also conducted one-on-one sessions with officials and employees. Staff also conducted seven ethics seminars for delegations of international visitors from over twenty nations.

The Commission works to educate City and County employees in individual departments regarding ethics rules with a focus on conflict of interest laws. Commission staff has created – and constantly updated -- presentations that instruct civic employees on the several laws – local and state – that prescribe conflict of interest rules. While complex, these trainings help present the requirements in a common-sense approach. The feedback from such presentations has been quite positive and the Commission will endeavor to continue such outreach on an ever-wider basis as staffing levels allow.

Advice and Opinions

The Commission is charged with interpreting and applying the conflict laws under its jurisdiction, requiring that it consider requests for waivers, which it routinely does, and that it issue formal and informal written advice on matters requiring interpretation.

Commission staff is available each workday to answer public inquiries about San Francisco ethics laws. During the course of the year, the number of inquiries run into the hundreds. *In the fiscal year, the Commission issued six advice letters, covering compensated advocacy, mass mailings, liability for accrued expenses and cross-filing rules.*

Electronic Advances

Starting in 2008, the Ethics Commission converted its on-line filing operations from the limited-capability system that it used previously to a state-of-the-art application operated by the private vendor Netfile. Working with Netfile, staff has been able to provide the user community with a much easier and comprehensive program. *Five campaign finance forms are now available for submission in electronic format that are instantly accessible on-line to the public upon receipt.* Staff continues to work with Netfile to upgrade and expand system capabilities.

Staff has created much greater access to filings made at the Ethics Commission for on-line users. *The Commission's records database is now available on-line to the public. Staff continues scanning all forms on file at the Commission for recent years and posting them to the Commission's web site;* this means that the public has access to paper-only documents that have never been available to on-line users. Previously, people searching for paper documents could only view them at the Ethics Commission office; now they have the option to view them on-line. *Over 15,500 records are now viewable on the Commission's web site. In addition, the same campaign finance data report used by Commission audit staff has also been made available to the public.*

The Commission has also made Ethics Commission training modules accessible on-line, so that the regulated community will have opportunities to attend public trainings or to satisfy training requirements at their own convenience.

The Commission launched a new web site and obtained its own web site domain at www.sfethics.org. The new web site offers a wealth of new services including:

- *Better compliance with World Wide Web Consortium (W3C) and Federal Section 508 web accessibility standards;*
- *A calendar of deadlines, trainings and events;*
- *RSS feeds for the public to track new information posted to the site;*
- *Connections to social networking sites to expand the Commission's communications capabilities;*
- *Audio recordings of Ethics Commission meetings accessible on the web and the iTunes Local Government Podcast Directory;*
- *Improved back-end statistical reporting to help better understand how the public navigates and uses the web site; and*
- *Training and educational videos.*

POLICY RECOMMENDATIONS

The Commission is charged with making policy recommendations on issues under its jurisdiction. The Commission endeavors to create new legislation that makes campaign finance and ethics laws and regulations more effective while being easier to comprehend and also works as a partner with the Board of Supervisors in effecting positive changes to the Administrative Code, the Campaign and Governmental Conduct Code and other

statutes governing the City. It has been *energetically* reviewing the breadth of its mission and continuously prioritizes its work as need and progress require.

The Commission seeks at all time to be proactive in its work, its outreach and its relations. For this particular year, the Commission determined that the following were areas of priority for the Commission to consider and improve.

1. *Education and Technology*
2. *Campaign Finance Laws*
3. *Communications with the Public*
4. *Enforcement*
5. *Conflicts of Interest*
6. *Lobbyist and Campaign Consultant Ordinances.*

Education and Technology – *The Commission made significant technological advancements including: on-line training and education classes; a new web site that better connects with the community; digitizing Commission filings and making records accessible on-line; and enhancements to on-line filing including making additional forms available in electronic format.*

Campaign Finance Laws – *the Commission implemented complex changes to the public financing laws related to individual expenditure ceilings this fiscal year. In addition, it approved amendments to modify the calculation governing when a publicly financed candidate may access additional public funds. After the election, the Commission began taking steps to propose substantive amendments to the CFRO. The Commission also recommended and adopted regulations to implement the voter-approved Proposition H to provide guidance on when elected officials are barred from soliciting or receiving contributions from contractors.*

Communications with the Public – *the Commission set aside a portion of its November 2008 meeting to discuss this subject and some positive feedback was received from the Department of Human Resources and the general public on the quality of Commission communications. The Commission also scheduled a first-time joint meeting with the Sunshine Ordinance Task Force in April of 2009 which appears will result in changes in the methods the two bodies use to relate to each other.*

Enforcement – *after the Commission completed work on its first ever Hearing on the Merits, Commission staff worked closely with Commissioner Harriman to draft new and improved regulations related to the conduct of enforcement duties, particularly those governing procedures in probable cause hearings and hearings on the merit. The series of recommendations in these areas is currently pending before the Commission.*

Conflicts of Interest – *As noted earlier, the Commission completed its several-year review of Statements of Incompatible Activities, with the final SIAs for all departments, boards and commissions approved on September 8, 2008. On October 8, all the SIAs went into effect; Commission staff then worked with several departments to develop and present trainings on ethics and the SIAs. Such trainings remain ongoing. Earlier in the*

fiscal year, the Commission proposed and approved regulations that address various aspects of the SIAs relating to the advance written determination, handling of complaints of alleged violations of the SIAs and penalties for violations.

This fiscal year, the Commission also proposed legislation to amend the post-employment restrictions set forth in section 3.234 of the Campaign and Governmental Conduct Code. The amendments, which will become effective on October 25, 2009, extend the one-year restriction on communicating with one's former department to employees and officers who have transferred departments within the City, and provide that an officer or employee may not be employed by a party to a City contract within one year after the contract date if the officer or employee participated personally and substantially in the award of the contract.

Lobbyists and Campaign Consultant Ordinances – as stated earlier, the Campaign Consultant Ordinance would require the approval of the voters; the Commission may choose in the future to offer a ballot measure on this subject. The exhaustive Lobbyist Ordinance proposals approved by the Commission involved not only a numerous Commission meeting hours but also a number of Interested Persons Meetings, one-on-one meetings and telephone calls, a great deal of public input and lots of background research by staff. The result is expected to be a better lobbyist program with more transparency and easier-to-attain and understandable information about who is working to influence and who is paying to influence governmental decisions.

AFFILIATIONS

The Commission is a member of the Council on Governmental Ethics Laws (COGEL) but due to budget limitations no longer attends the annual convention.

BUDGET

The Commission's annual approved budget totals are as follows:

| | |
|------------|--|
| FY 94 - 95 | \$157,000 |
| FY 95 - 96 | 261,000 |
| FY 96 - 97 | 313,274 |
| FY 97 - 98 | 394,184 |
| FY 98 - 99 | 475,646 |
| FY 99 - 00 | 610,931 |
| FY 00 - 01 | 727,787 |
| FY 01 - 02 | 877,740 |
| FY 02 - 03 | 1,156,295 |
| FY 03 - 04 | 909,518 |
| FY 04 - 05 | 1,052,389 |
| FY 05 - 06 | 1,382,441 |
| FY 06 - 07 | 8,416,109* (1,711,835 non-grant funding) |
| FY 07 - 08 | 3,592,078 ** (2,261,877 non-grant funding) |
| FY 08-09 | 5,453,874 (2,241,818 non-grant funding) |

*Includes 6,704,274 front-loaded funding for Mayoral Election Campaign Fund

**Includes 1,358,747 annual set-aside for the Election Campaign Fund

The Commission actually received an approximate 3% increase in its budget at a time when the City was required to institute many severe cuts in order to achieve a balanced budget. However, this increase did not prevent the Commission from losing a full-time permanent position in the new fiscal year.

MEMBERSHIP AND ADMINISTRATION

Commission membership was as follows:

| <u>Commissioner</u> | <u>Appointed By</u> | <u>Dates of Service</u> |
|---------------------|----------------------|--------------------------------------|
| Jamienne S. Studley | City Attorney | 1-2007 to 2-2008 2-2008 to 2-2014 |
| Eileen Hansen | Board of Supervisors | 2-2005 to 2-2011 |
| Susan J. Harriman | Mayor | 3-2006 to 2-2012 |
| Charles L. Ward | District Attorney | 7-2006 to 2-2007 2-2007 to 2-2013 |
| Emi Gusukuma | Assessor | 3-2004 to 2-2010 |

Commissioner Jamie Studley was elected to serve as Chair beginning in February 2008 and Commissioner Susan Harriman was elected Vice-Chair.

The Ethics Commission had a staff of nineteen, supported by temporary staff and interns throughout the year. Staff included Executive Director John St. Croix; Deputy Executive Director Mabel Ng; Assistant Deputy Director Shaista Shaikh; Auditors John Chan, Menaka Mahajan and Selina Chan; Public Finance Clerk Marvin Ford; Office Manager Jen Taloa; Campaign Finance Officer *Jarrold Flores*; Fines Collection Officer Oliver Luby; Campaign Finance Assistants *Dawn Lin, Christian Narvaez and Demarie Dizon*; Chief Enforcement Officer Richard Mo; Assistant Investigators Paul Solis, Garrett Chatfield and Catherine Argumedo; Investigations Clerk Carmen Torres; IT Officer Steven Massey; and Education and Outreach Coordinator Judy Chang. Temporary staff included Campaign Finance Assistants Felipe Colin, and Harley Chea. In addition to the staff above, interns included: *Anna Schember from Bowdoin University, Jane Kim from St. Ignatius High School, Jamie Bricmont from Bard College and Kamal Boparani from San Jose State University.*

FUTURE INITIATIVES

The Commission will continue to fulfill its mandated duties in the forthcoming years, with a particular focus on achieving the following priority objectives:

- The Commission is dedicated to increasing public confidence in its mission and to delivering fairness both in its actions and the perception of its actions.
- The Commission will actively demonstrate its commitment to the education of the public, the regulated community, the City's leadership body and the employees of the City and County through continued educational forums, seminars, on-line tutorials and other outreach mechanisms in order to strengthen both the understanding of and adherence to the laws under the Commission's jurisdiction.
- The Commission will continue the ongoing process of reviewing, updating and renewing the Campaign Finance Reform Ordinance in order to keep pace with changes in policy, technology, civic needs and campaign modernization.
- The Commission will expand its communications and improve its relations with the general public and work to ensure that there is general understanding in the community about the Commission's work, mission and decision-making processes.
- The Commission will work continually to expand the scope of its enforcement and investigation activity, to analyze the needs and accomplishments in this area and to make productive use of staff and other resources.
- The Commission will place new emphasis on resolving conflicts of interest and also the appearance of conflicts of interest by City agencies, officials, department heads and candidates and campaigns through both the education and investigations processes.
- The Commission will *implement changes to* the Lobbyist Ordinance and conduct a review of the Campaign Consultant program in order to seek improved regulations and reporting requirements.
- The Commission will *continue to* work with various City departments, boards and commissions to *inform members and employees of the various ethics rules that govern them*. The Commission and staff will take advantage of training, education and other opportunities that will help advance its capabilities.
- The Commission will endeavor to provide timely and comprehensible advice.
- The Commission will work to secure sufficient budget resources to meet its mandates.
- The Commission will continue to monitor the application of laws within its jurisdiction and will continue to propose amendments and regulations as appropriate.

Respectfully Submitted,

John St. Croix, Executive Director

ATTACHMENT 1

Approximately 2,223 people participated in the 83 trainings and informational meetings sessions listed below.

| Date | # of Trainings or Meetings | Training Name and Description | Approx. # of People |
|---------------------------------|-----------------------------------|---|----------------------------|
| July 8 and August 25, 2008 | 2 | Staff conducted a Candidates' Training which covered filing requirements for potential candidates for the City elective offices of Board of Supervisors for Districts 1, 3, 4, 5, 7, 9, 11, Board of Education, and Community College Board for the November 4, 2008 Election. | 40 |
| July 9 and 15, 2008 | 6 | Staff facilitated small group hands-on clinics for users of the San Francisco Electronic Disclosure System (SFEDS). | 20 |
| July 15, 2008 | 2 | Staff facilitated a SFEDS Training for first-time SFEDS users. Some of the participants followed up the training with a SFEDS clinic to receive support on how to enter in their committee's specific filing information. | 25 |
| August 6, 2008 | 1 | Staff met with a State Department delegation of visitors from Central and South America. The 18 visitors, who are active in the politics and communities of their home countries, were part of a regional project on Anti-Corruption and Accountability in Government and Business. During their visit to the United States, they met with various governmental officials to examine the ethical standards of conduct in government and business that underlie the American democratic system and to explore how ethical standards are defined, monitored and enforced. It was the first time that staff experienced simultaneous translations through transmitters as the visitors asked questions in Spanish and interpreters translated them into English, or staff spoke in English and interpreters translated into Spanish. | 18 |
| August 15, 2008 | 1 | Staff attended the quarterly meeting of the California Political Treasurers Association. Staff provided information regarding the new standards of service to the public and Commission operations, as approved by the Commission at its meeting in March of this year. | 20 |
| August 18, 2008 | 1 | Staff conducted a Recipient Committee Training for treasurers who were interested in fulfilling the training requirement under the Campaign Finance Reform Ordinance. | 35 |
| August 21 and September 2, 2008 | 3 | All of the Ethics staff received training on all ethics laws governing City employees as well as the provisions of the Commission's Statement of Incompatible Activities. The training was very well received. | 22 |

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|-------------------------------|---|--|-----|
| August 28, 2008 | 1 | Staff made a presentation on the gift rules that govern City employees to attendees at the Management Academy I of the Human Services Agency, which provided training and orientation about City processes to new supervisors and managers at HAS. | 22 |
| September 9, 2008 | 1 | Staff conducted a Candidates' Training which covered filing requirements for potential candidates for the City elective offices of Board of Supervisors for Districts 1, 3, 4, 5, 7, 9, 11, Board of Education, and Community College Board for the November 4, 2008 Election. | 38 |
| September 9, 2008 | 1 | Staff conducted a Recipient Committee Training for treasurers who were interested in fulfilling the training requirement under the Campaign Finance Reform Ordinance. | 25 |
| September 9, 29, and 30, 2008 | 3 | Staff facilitated San Francisco Electronic Disclosure System (SFEDS) Trainings for first-time SFEDS users. | 55 |
| September 17, 2008 | 1 | Staff participated in an overview presentation of the Statements of Incompatible Activities before City departmental personnel officers. | 102 |
| September 18, 2008 | 1 | Staff met with a group of visitors from Spain who were sponsored by the Department of State's International Visitor Leadership Program to study the American political system. They were here to listen to how the Ethics Commission works to affect public policy by taking the initiative to solve problems and create a healthy environment for business and economic growth. In the process, they learned about our campaign finance system, how the Commission is structured, and how we conduct audits and investigations, among other things. The group was accompanied by simultaneous interpreters. | 5 |
| October 2, 2008 | 1 | Staff made a presentation on the SIA to the general managers of the General Services Agency. | 15 |
| October 2, 2008 | 1 | Staff met with Mr. Afzal Latif, Deputy Secretary of the Cabinet Secretariat of Pakistan, who was a guest of the U.S. Department of State's Institute of International Education/West Coast. Mr. Latif was in the U.S. to discuss civil service reform and political independence in government agencies; in particular, he was interested in discussing how the Ethics Commission uses education and enforcement to promote higher standards of ethical behavior in government. | 1 |
| October 6, 2008 | 1 | Staff conducted a Candidates' Training, which covered filing requirements for potential candidates for the City elective offices of Board of Supervisors for Districts 1, 3, 4, 5, 7, 9, 11, Board of Education, and Community College Board for the November 4, 2008 election. | 30 |
| October 23, 2008 | 1 | Staff met with Laura Alonso, Executive Director of Fundacion Poder Ciudadano, Buenos Aires, Argentina, a chapter of Transparency International, who was visiting the U.S. as an | 1 |

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| | | Eisenhower Fellow in the 2008 Latin American Regional Program. The Eisenhower Fellowships is a non-profit and non-partisan international leadership organization based in Philadelphia that brings emerging leaders from around the world to the U.S. for two months to meet with experts in their fields of interest. Ms. Alonso was here to explore the U.S. political system, campaign financing, public administration, and mechanisms for promoting an open, pluralistic society. | |
| October 8, 2008 | 1 | Office of Citizen Complaints Statement of Incompatible Activities Training and Ethics Training for City Employees | 45 |
| October 20, 2008 | 1 | Department of Public Health Statement of Incompatible Activities Training and Ethics Training for City Employees | 34 |
| October 27, November 24, December 16, 2008 | 3 | Controller's Office S Statement of Incompatible Activities Training and Ethics Training for City Employees | 160 |
| October 28, November 12 and 13, 2008 | 3 | Board of Supervisors Statement of Incompatible Activities Training and Ethics Training for City Employees | 82 |
| November 19, 2008 | 1 | Staff met with 23 members of the Yunnan Public Administration. The delegation was sponsored by the U.S.-China Exchange Council, a California non-profit organization that conducts various professional exchange programs in order to deepen economic and cultural ties between the U.S. and China. The discussion focused on the mission of the Ethics Commission, conflicts of interest, investigations and education. | 23 |
| November 24, 2008 | 1 | Staff met with representatives of the Provincial Department of Supervision from Henan Province, China. The delegation was hosted by the Triway International Group of Falls Church, Virginia, which provides professional training and designs visits to Chinese delegations in the U.S. The discussion focused on the mission and structure of the Ethics Commission, conflicts of interest, investigations and penalties. | 20 |
| November 21, December 29, 2008 January 14, 2009 | 3 | Department of Human Resources Statement of Incompatible Activities Training and Ethics Training for City Employees | 294 |
| December 18, 2008 | 2 | Human Services Administration and Department of Aging Statement of Incompatible Activities Training and Ethics Training for City Employees | 25 |
| January 6 and 29, 2009 | 3 | Department of Recreation and Park Statement of Incompatible Activities Training and Ethics Training for City Employees | 90 |
| January 13, 2009 | 1 | Staff met with Akram Belkaid, a visitor from France who was visiting to discuss the structure and function of democracy in the United States; the interaction of federal, state and local | 1 |

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| | | government; and approaches to civil service reform. Mr. Belkaid was a participant in the U.S. Department of State's International Visitor Leadership Program and was sponsored by the International Visitor Leadership Program and the Institute of International Education/West Coast Center. | |
| January 23, 2009 | 1 | Staff conducted a Statement of Economic Interests (SEI) Training for Filing Officers and Commission secretaries covering roles and responsibilities, how to conduct a facial audit if the SEI, how to manage the filings of designated employees, department heads, and members of boards and commissions. | 12 |
| February 19, 2009 | 2 | Treasurer and Tax Collector Statement of Incompatible Activities Training and Ethics Training for City Employees | 200 |
| February 23, 2009 | 3 | Adult Probation Department Statement of Incompatible Activities Training and Ethics Training for City Employees | 105 |
| March 3, 2009 | 1 | Staff conducted a Statement of Economic Interests (SEI) Training for Filing Officers and Commission secretaries covering roles and responsibilities, how to conduct a facial audit if the SEI, how to manage the filings of designated employees, department heads, and members of boards and commissions. | 15 |
| March 3 and 10, 2009 | 2 | Staff conducted a Statement of Economic Interests (SEI) Training for Filing Officers and Commission secretaries covering roles and responsibilities, how to conduct a facial audit of the SEI, and how to manage the filings of designated employees, department heads, and members of boards and commissions. | 34 |
| March 18 and 26, 2009 | 2 | Staff conducted SEI trainings for members of boards and commissions and department heads, covering and responding to questions about their filing requirements. | 17 |
| March 16, 2009 | 1 | Staff provided a Lobbyist Ordinance Training for lobbyists, their representatives, elected officials, the media, department heads, and other interested persons. | 5 |
| March 23 and 24, 2009 | 4 | Department of Building Inspection Statement of Incompatible Activities Training, Ethics Training for City Employees, and Statement of Economic Interests Training. | 90 |
| April 2, 16 and 21, 2009 | 3 | Port of San Francisco Statement of Incompatible Activities Training and Ethics Training for City Employees | 330 |
| April 28, 2009 | 1 | General Services Agency Statement of Incompatible Activities Training and Ethics Training for City Employees | 28 |
| April 28, 2009 | 1 | Staff met with Elena Panfilova, Director of the Center for Anti-Corruption Research and Initiatives, Transparency International – Russia. Ms. Panfilova, an expert in anti-corruption in transitional economies who works to develop and encourage an engaged citizenry to promote the rule of law within Russia, is an Eisenhower Fellow traveling in the U.S. to visit with governmental agencies to learn about systems that have advanced anti-corruption efforts. | 1 |
| April 13, 2009 | 1 | Board of Supervisors Statement of Incompatible Activities | 35 |

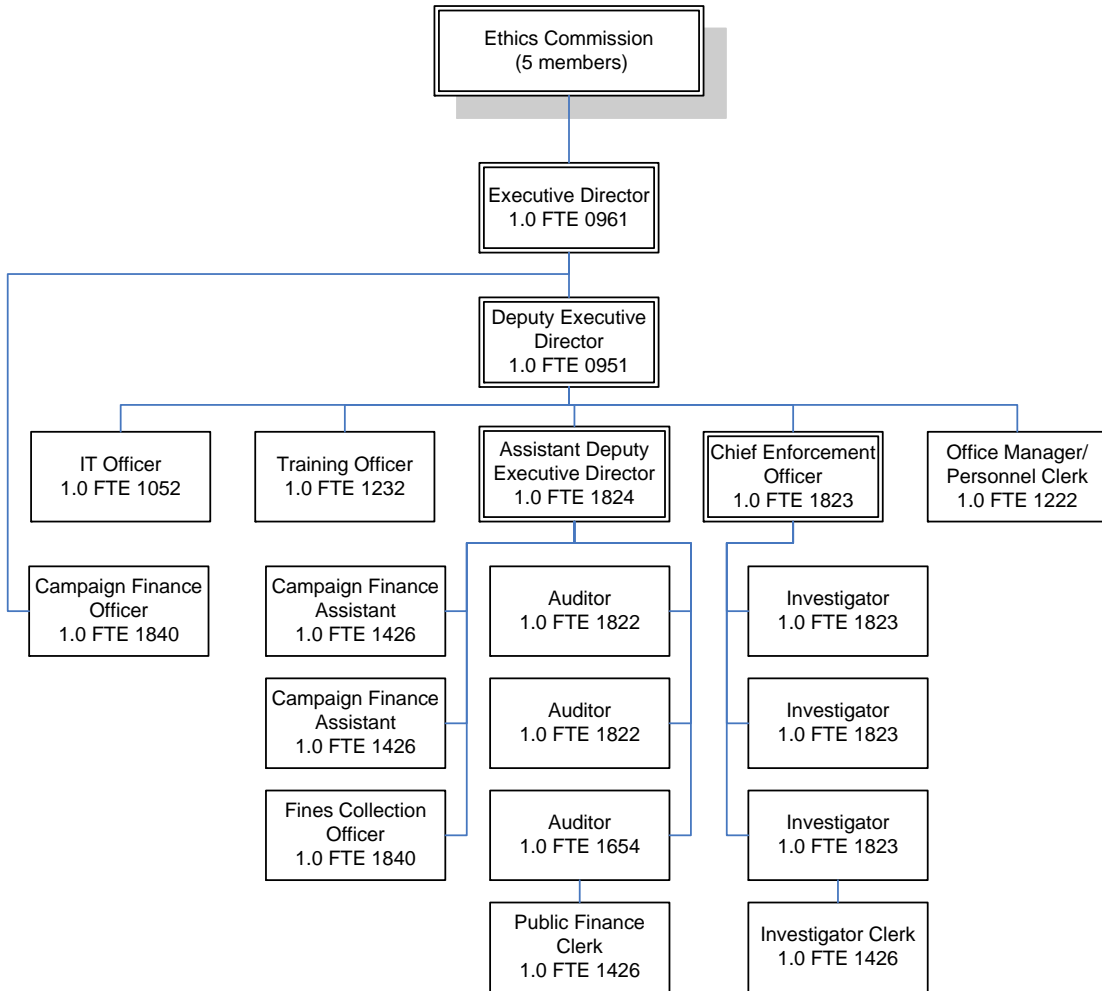
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| | | Training and Ethics Training for City Employees | |
| June 22, 2009 | 1 | Staff provided an SEI Training for the Civil Grand Jury. | 15 |
| June 29, 2009 | 1 | Staff provided a Lobbyist Ordinance Training for lobbyists, their representatives, elected officials, the media, department heads, and other interested persons. | 6 |
| July 17 and 28, 2009 | 2 | Staff held interested persons meetings on possible changes to the Campaign Finance Reform Ordinance. The Commission will consider the proposals at its August 10, 2009 meeting. | 12 |
| August 24, 2009 | 1 | Staff met with a delegation of representatives from Shaanxi Province, People's Republic of China. The delegation sought to learn about promoting the highest standards of ethical behavior in government; new laws, rules and programs that will lead to ethics compliance; and ethics education and training. | NA |
| September 8, 2009 | 1 | Staff conducted a Candidates' Training which covered filing requirements for potential candidates for the City elective offices of City Attorney and Treasurer. This training focused on campaign finance requirements that apply to candidates for all City elective offices, focused on required forms for candidates. | 25 |
| October 8, 2009 | 1 | Staff met with a delegation from the Republic of Moldova, a landlocked Eastern European country located between the Ukraine and Romania. The group, sponsored by the Institute of International Education, was interested in obtaining information about local governments. | 8 |
| September 22, and 25, 2009 | 3 | Staff conducted a Training for Treasurers of Non-Candidate Recipient Committees who were interested in fulfilling the training requirement under the Campaign Finance Reform Ordinance. | 29 |
| September 25, 2009 | 1 | Staff conducted a Candidates' Training which covered filing requirements for potential candidates for the City elective offices of City Attorney and Treasurer. | 8 |
| Launched on September 28, 2009 | 1 | WEB TRAINING: Training for Treasurers of Non-Candidate Recipient Committees | ? |
| Launched on September 30, 2009 | 1 | WEB TRAINING: Building Inspection Commission, Access Appeals Commission, Board of Examiners and Unreinforced Masonry Building Appeals Board SIA Training | ? |
| Launched on October 7, 2009 | 1 | WEB TRAINING: Ethics Training for City Employees | ? |
| Total trainings: | 83 | | Total in attendance: 2,223 |

**Trainings offered by the Ethics Commission
July 2008 to October 2009**

California Political Treasurers Association Meeting: 1
Candidates' Training: 6
DBI SIA Training (Web Training): 1
Delegates meetings: 10
Ethics Training for City Employees (Web Training): 1
Ethics Training for City Employees and Statement of Incompatible Activities Training for various City departments, boards, and/or commissions: 33
Interested persons meetings: 2
Lobbyist Ordinance: 2
San Francisco Economic Disclosure System Training: 11
Statement of Economic Interests Training: 9
Statement of Incompatible Activities and Public Records Training: 1
Training for Treasurers of Non-Candidate Committees (Web Training): 1
Training for Treasurers of Non-Candidate Recipient Committees: 5

San Francisco Ethics Commission

FY 08-09



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