

# PUBLIC TRUST

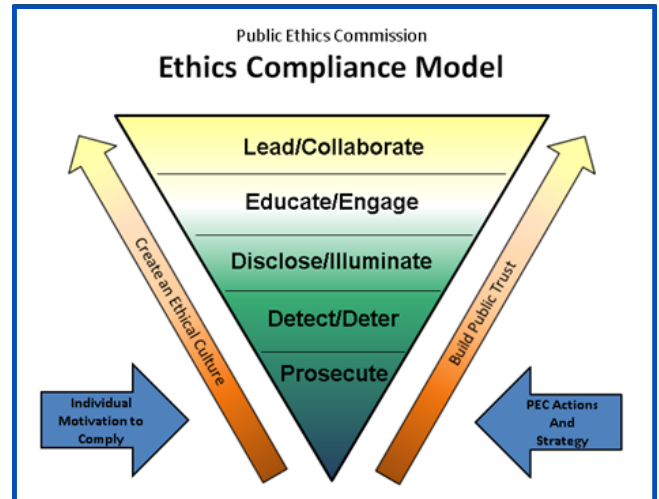
## Creating an Ethical Culture in Oakland City Government

November 2019 marks the 5-year anniversary of the passage of Measure CC and the Government Ethics Act in 2014, making this an important year to reflect on the Public Ethics Commission’s work and City progress toward institutionalizing ethics in City government.

Measure CC was adopted by Oakland voters on November 4, 2014 to amend the City Charter to augment the authority, independence, and staffing of the Public Ethics Commission (PEC or Commission). The six staff were budgeted in 2015 and in place by August 2016. Also in 2014, City Council adopted landmark legislation proposed by the Commission to create a local Government Ethics Act that outlined ethics rules and equipped the Commission with the authority to enforce ethics laws.

Since then, the PEC has created a comprehensive system of educational support for public servants to receive ethics training, support, and advice needed to ensure ethics compliance. Since 2016, PEC staff has provided over 65 in-person trainings to City employees, boards and commissions, and elected officials. The PEC produced a 10-minute Government Ethics Act Introductory video for all public servants as well as a comprehensive, 1-hour online ethics training specifically for Form 700 filers and made available through the City’s Human Resources Management Department staff training program.

In addition to these institutionalized trainings, Commission staff also proactively reaches out to new and continuing elected officials to personally ensure they receive the offered trainings, understand the general framework of rules, and utilize the Commission’s supportive services. This aggressive and collaborative education approach is foundational to the Commission’s compliance framework, shown on this page, that emphasizes proactive leadership and engagement to proactively create an ethical culture and build public trust.



As a result, the sheer volume and complexity of the advice calls received by Commission staff in recent years shows that the City is in an entirely different place than even 3 years ago. These calls have quadrupled in the past three years, from 94 calls in 2016 to 400 in 2018, with questions ranging from conflicts of interest matters to revolving door, misuse of resources, and misuse of position issues for which there was no local law in 2014.

Even with this great progress, more work lies ahead to reform our campaign finance system toward one that ensures all Oaklanders can participate meaningfully in the campaign process, institutionalize a Sunshine compliance program similar to our ethics program, enhance illumination of City ethics data, and more.

To check out our work and government ethics resources, visit the Commission’s website at [www.oaklandca.gov/pec](http://www.oaklandca.gov/pec).

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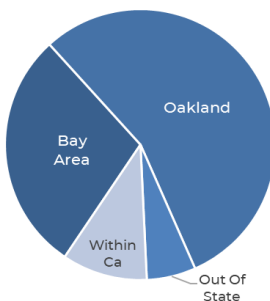
# Who Contributes to Oakland Candidates? What the Data Says

Candidates for City elected offices as well as local ballot measure committees are subject to campaign rules under the California Political Reform Act and Oakland Campaign Reform Act. The Public Ethics Commission enforces campaign rules, serves as filing officer for campaign finance reporting and provides education and advice to candidates and campaign committees.

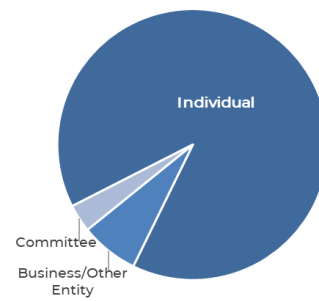
Campaign finance statements can help answer questions about how Oakland candidates fund their campaigns as well as how that money is being spent. For example, our analysis of the data provided by 2018 candidates presented the following insights into how much campaign money came from Oakland residents shown at the left.

Oaklanders can access campaign finance data online at our [Public Portal for Campaign Finance and Lobbyist Disclosure](#) or visit [www.OpenDisclosure.io](http://www.OpenDisclosure.io), built by OpenOakland volunteers, for easy to understand charts.

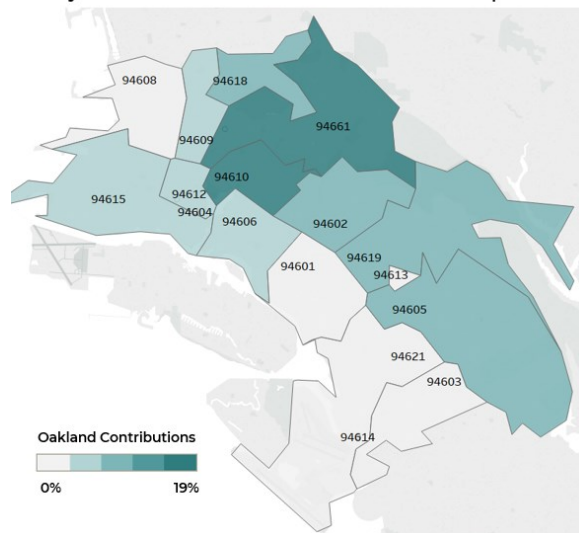
Over Half of Contributions to 2018 Candidates Came from Oakland Donors



Most Oakland Contributions to 2018 Candidates Came from Individual Donors



Nearly Two-thirds of Oakland Donors Live in Five Zip Codes



## Meet Our New Commissioners

The City Charter dictates that Public Ethics Commissioners are selected as follows: three members of the Commission are appointed respectively by the Mayor, City Attorney, and City Auditor, and the other four members are recruited and selected by the Commission itself. Recently, the PEC welcomed two new commissioners, Jill Butler and Nayeli Maxson.

### Commissioner Butler

Jill Butler was appointed by City Attorney Barbara Parker and began her term in November 2018. She is a Manager of system-wide Human Resources at the University of California (UC) Office of the President. In this role, she manages system-wide compliance to ensure Senior Management executives' outside activities do not pose conflict of interest or other risks to the University.



Ms. Butler's public policy and legal experience includes Counsel and Legislative Affairs positions in the US Congress, Social Security Administra-

tion and the American Federation of State, County and Municipal Employees (AFSCME). She is eager to focus her work on enhancing the Commission's education efforts to assist those subject to laws under the PEC's jurisdiction.

### Commissioner Maxson

Nayeli Maxson was selected as one of six finalists through the Commission's public recruitment process at its January 7, 2019, public meeting. Ms. Maxson is the Chief Executive Officer of the Alliance for Community Development, an Oakland-based not-for-profit dedicated to economically empower local residents and increase access to capital for underrepresented entrepreneurs and small business owners across the Bay Area.



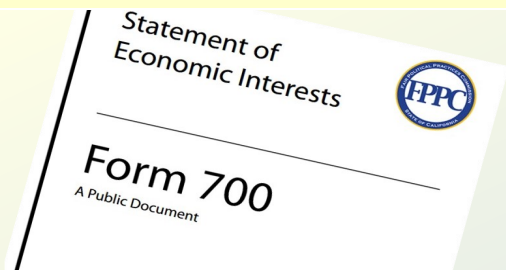
Ms. Maxson brings campaign experience in both California and Nevada at all levels of government. This experience drives her interest and commitment to the Commission's campaign finance reform work to ensure that elections are inclusive and equitable so that all Oaklanders can participate meaningfully in the process.

## Spot the Yellow Flag!

**File Your form 700!**

**Filing Deadline:**

**April 2, 2019**



Did you know that there are penalties for not timely filing or accurately disclosing information on your Form 700? The Statement of Economic Interests, also known as Form 700, is an important document that serves two purposes:

1. Provides necessary information to the public about the financial interests of decision-makers
2. Reminds public servants of their own financial interests so that they avoid making decisions that have any relation to their own personal finances

Public servants identified in the City's Conflict of Interest (COI) Code are required to file Form 700 within 30 days of assuming position/office, annually by April 1 deadline, and within 30 days of leaving position/office. The Conflict of Interest Code provides disclosure categories for each position listed that identifies what an individual is required to disclose on their Form 700.

If you are unsure if you are a required filer or what to disclose on the form, check with your department head to see if your position is listed in the City's COI Code. You can also contact the PEC with questions about filing requirements.

Forms must be filed with the Office of the City Clerk. To file your Form 700 electronically (recommended), contact Krystal Sams in the City Clerk's office at [ksams@oaklandca.gov](mailto:ksams@oaklandca.gov). Penalties for non-compliance include fines of up to \$5,000 or more for each violation.



## Ask the PEC

### Conflicts of Interests

**Q: What is a financial conflict of interest?**

**A:** Under the California Political Reform Act, a public official has a conflict of interest if it is foreseeable that the outcome of a particular government decision will have an effect on the official's personal finances or other financial interests.

**Q: What financial interest can be a source of conflict?**

**A:** There are 5 different types of financial interests that may be the basis of a conflict for a public official:

1. **Business Investment, Employment, or Management**— a business entity in which the official, or the official's spouse, registered domestic partner, or dependent children or an agent has invested \$2,000 or more.
2. **Real Property**— real property in which the official, or the official's spouse, registered domestic partner, or dependent children, or an agent has invested \$2,000 or more.
3. **Sources of Income**— an individual or an organization, from whom the official has received (or from whom the official has been promised) \$500 or more in income within 12 months prior to the decision
4. **Gifts**— Anyone that has given an official a gift that totals \$250 or more within 12 months prior to decision
5. **Personal Finances**— Personal expenses, income, assets, liabilities, as well as those of immediate family

For more information on conflicts of interest, go to [www.oaklandca.gov](http://www.oaklandca.gov) and search *Conflicts of Interest*.



## Activity Updates

### Enforcement

The Commission's investigative staff welcomes tips and complaints from City employees and members of the public.

So far in 2019, the Commission has received 4 formal complaints, as well as a number of informal tips and complaints. We have opened 2 new investigations this year, regarding the misuse of City resources and the failure to comply with a public records request.

Last year, the Commission found probable cause that a former City employee committed 47 violations of the Government Ethics Act, including allegations of bribery and conflict of interest. The matter is being set for an administrative hearing.

Check out the PEC website for a list of fines, advisory letters, warning letters, and settlement documents.

### Education

In 2018, PEC education staff devoted significant resources directly helping Oakland candidates and committees filed required forms and understand campaign finance rules.

Following the election, education staff turned its focus back to ethics to work toward ensuring that all Form 700 filers receive the required ethics training. In addition, staff is helping ensure boards and commissions are in compliance with ethics and also meeting posting.

### Lobbyist Registration

Under the Lobbyist Registration Act, registered lobbyists are required to submit quarterly reports disclosing their lobbying activities in Oakland and are required to register with the City before commencing with any lobbying activities.

To date, there are 35 registered lobbyists with the City reporting lobbying activities including compensation received as well as solicitation of contributions made on behalf of an elected official.

Find out who is being paid to influence City staff and elected officials on administrative or legislative actions in Oakland by checking out our lobbyist information page on the PEC website.

### Policy

In 2017, the Commission released a report, *Ensuring Ethical and Transparent Distribution of City Tickets*, that reviewed the City's current ticket distribution policy that makes recommendations for system and process improvements.

Subsequently, the Commission drafted a new ticket policy incorporating the recommended changes from the report. Commission staff is now working to achieve adoption of the revised policy by City Council.

### Outreach

The PEC continues to be available to conduct community presentations to educate the public about the PEC's prevention and policy work, share information about recent enforcement actions, and hear from the community about issues that are important to them.

If you would like to have a Commissioner come speak to your community group or association, contact Jelani Killings by phone at (510) 238-3593 or by email at [jkillings@oaklandca.gov](mailto:jkillings@oaklandca.gov).



### Social Media

Follow the PEC on Twitter and Facebook. Stay informed of important updates and join the conversation on good governance and ethics.



@OakGovEthics



@OaklandEthics

You can also subscribe to our email distribution list at [www.oaklandnet.com/pec](http://www.oaklandnet.com/pec).