



City & County of San Francisco  
**Ethics Commission**

# FY24 - FY25 Departmental Budget Overview

Special Meeting of the Ethics Commission

Agenda Item 3 - Attachment 1

Friday, January 20, 2023

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# FY24 and FY25 Budget Submission Process

- Departmental budget submissions for the Fiscal Years that begin July 1, 2023 and end June 30, 2025 must be submitted to the Mayor's Office by February 21, 2023
- Departments are required to hold two public meetings concerning budget priorities and budget proposals respectively to receive public input prior to submitting their proposed budgets
  - This agenda item constitutes the Commission's first meeting to receive public input on its budget priorities
  - A second hearing to receive public input on the Commission's proposed budget will be scheduled during its next regular meeting on February 10, 2023
- Following budget submission by departments, the Mayor's Budget Office will develop the Mayor's proposed balanced budget to submit to the Board by June 1, 2023
- The Board of Supervisors must send a balanced budget back to the Mayor for signature by August 1, 2023

# Budget Instructions to City Departments

## Mayor's Budget Instructions to City Departments

- Propose cuts of 5% in Fiscal Year 2023-24 (FY24) and 8% (an additional 3%) in Fiscal year 2024-25 (FY25) from their General Fund budgets
- Prioritize filling or reclassifying vacancies for core departmental functions and Mayoral priorities
- Propose remaining vacancies for budget savings
- Maintain Mayoral initiatives and recommend ways to fund more efficiently
- Prepare for outlook to worsen

# Budget Instructions to City Departments

## Mayor's Priorities for the City

- Recovery of the local economy with focus on downtown and economic core
- Improving public safety and street conditions
- Reducing homelessness and transforming mental health service delivery
- Accountability & equity in services and spending

# FY24 and FY25 Commission Priorities

## Ongoing Departmental Priorities

- Strong laws, well implemented, with timely and effective oversight and accountability to enhance the impact of core Commission programs.
- Heightened awareness of the laws through organization-wide focus on practical tools and information, essential outreach, and accessible public disclosure to enhance understanding, promote improved compliance, and foster equitable and meaningful public engagement.
- Strive for excellence through continuous improvement, transparency, and accountability for Commission's work. Implement program and business process improvements and re-calibrate services as needed to maximize impact.

# Ethics Commission Funding Snapshot

<b>Budget Allocations</b>	<b>FY23 Approved</b> (July 1, 2022 - June 30, 2023)	<b>FY24 Baseline</b> (July 1, 2023 - June 30, 2024)	<b>FY25 Baseline</b> (July 1, 2024 - June 30, 2025)
Annual Operating Budget	\$7.1 million	\$6.9 million	\$5.4 million
Number of Staff Positions*	34	32**	24**

*\* Authorized FTE levels are lower than the numbers listed in this table as departments are required to meet specific attrition savings targets identified in their budget. For FY24 and FY25, the Commission's attrition savings target is approximately 2.4 FTE each year. In prior years, the Commission has been able to meet its attrition savings targets due to staff attrition and vacancies.*

*\*\* Staffing levels in the base budget have decreased, as funding for two positions will expire at the end of FY23 and eight additional positions at the end of FY24.*

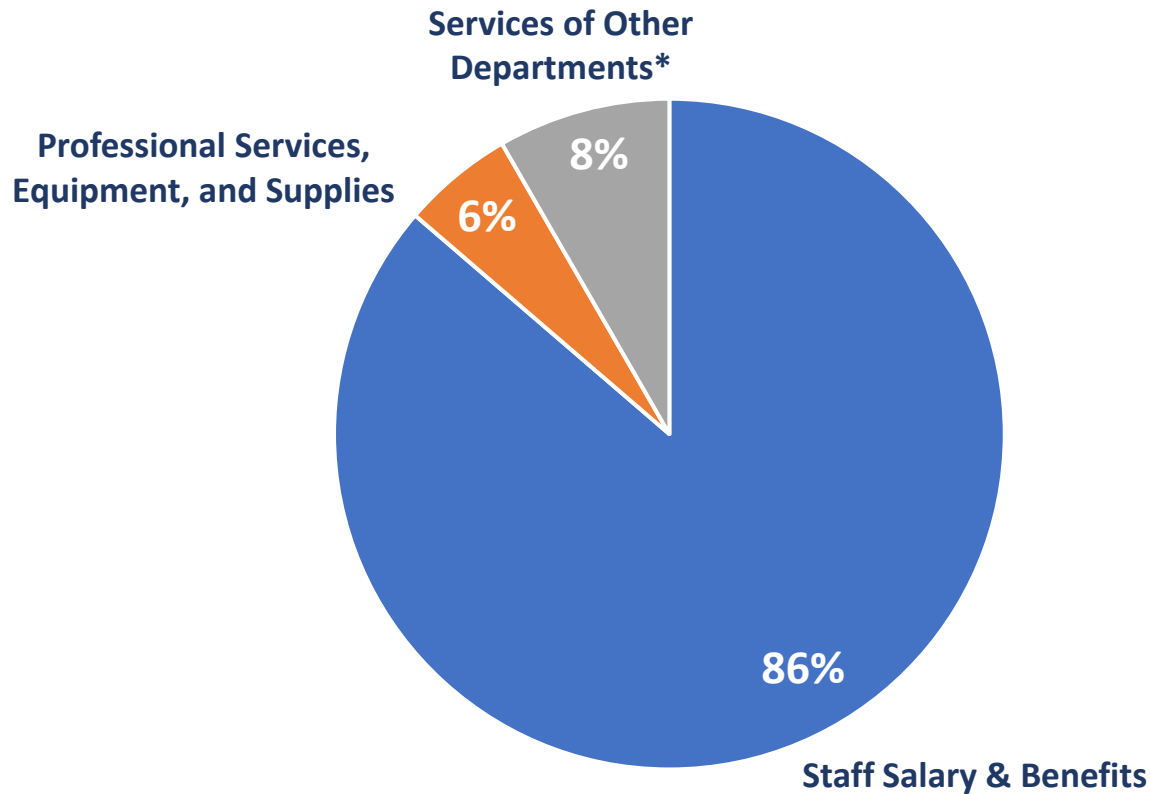
# Ethics Commission Funding Snapshot

## Election Campaign Fund

- Commission also administers an Election Campaign Fund established in the City's Campaign Finance Reform Ordinance to provide partial public financing for candidates for Mayor and the Board of Supervisors who meet the required eligibility criteria
- Fund has a balance of \$3.5 million and is capped at a maximum of \$7 million
- City's baseline budget for FY24 and FY25 currently provides an additional allocation of \$446,860 each year

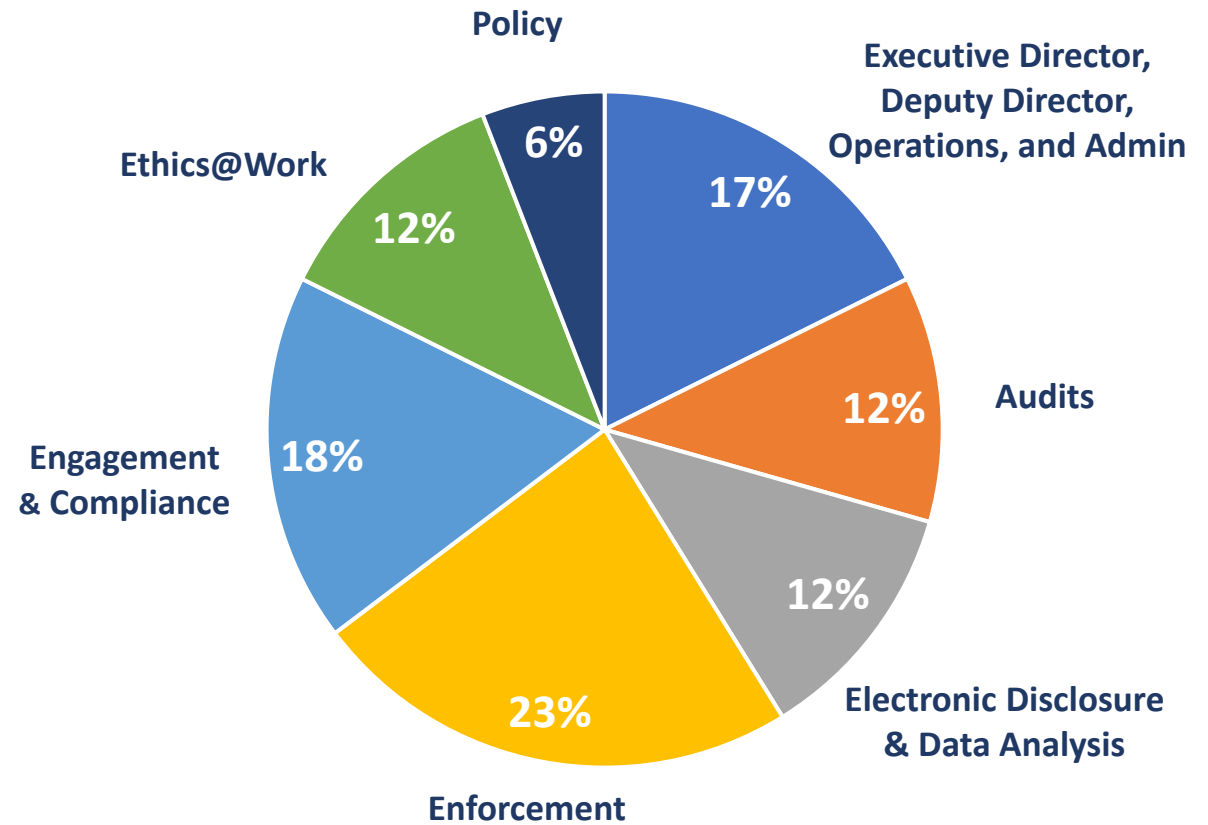
# FY23 Operating Budget Distribution

## Budget Distribution



*\*Departments include Technology, HR, Controller's Office, Contract Administration, and Real Estate*

## Staffing Distribution





# Ethics Commission Current Organization Structure (Fiscal Year 2022-23)

**Executive Director (0961)**  
 Vacant effective Jan 24, 2023

1454 Executive Secretary (*Vacant*)

**Deputy Director & COO (0951)**

1823 Program Performance & Reporting Analyst (*Vacant*) (*Funding expires FY24*)  
 1840 Junior Management Assistant (*Vacant*)  
 1222 Payroll Clerk

**Engagement & Compliance**

= 6

1824 Engagement & Compliance Manager (*Vacant*)  
 1823 Sr. Program Administrator  
 1844 Engagement & Compliance Officer  
 1844 Engagement & Compliance Officer (*Vacant*)  
 1840 Client Support Specialist (*Funding expires FY23*)  
 1406 Sr. Administrative Coordinator

**Education & Training**  
*(Ethics@Work)*

= 4

1824 Program Manager (*Funding expires FY24*)  
 1823 Training & Outreach Specialist (*Funding expires FY24*)  
 1823 Training & Outreach Specialist (*Funding expires FY24*)  
 1230 Training Design Specialist (*Funding expires FY24*)

**Policy**

= 2

1824 Policy & Legislative Affairs Manager (*Vacant*)  
 1823 Sr. Policy Analyst

- 34 Staff positions funded by Annual Operating Budget
- Eight vacancies (excluding ED)
- Funding for two positions expire in FY23
- Funding for additional eight positions expire in FY24

**Audits**

= 4

1824 Audit & Compliance Review Manager  
 1822 Auditor  
 1822 Auditor

**Enforcement**

= 8

0922 Director of Enforcement  
 1823 Sr. Investigative Analyst  
 1823 Sr. Investigative Analyst  
 1823 Sr. Investigative Analyst  
 1823 Sr. Investigative Analyst (*Funding expires FY24*)  
 1823 Sr. Investigative Analyst (*Funding expires FY24*)  
 1823 Sr. Investigative Analyst (*Vacant*) (*Funding expires FY24*)  
 1822 Investigative Analyst (*Vacant*)

**Electronic Disclosure & Data Analysis**

= 4

1054 Director of Technology Services  
 1053 Sr. IS Analyst  
 1052 IS Analyst  
 1043 Sr. IS Engineer (*Funding expires FY23*)

In order to maintain FY23 staffing levels, funding for the following positions need to be continued in the upcoming fiscal years.

Funding for the following two positions expires at the end of FY23

- 1043 Senior IS Engineer, Electronic Disclosure & Data analysis Division
- 1840 Client Support Specialist, Engagement & Compliance Division

Funding for the following eight positions expires at the end of FY24

- 1824 Program Manager, Ethics@Work Division
- Two 1823 Training & Outreach Specialists, Ethics@Work Division
- 1230 Training Design Specialist, Ethics@Work Division
- Three 1823 Senior Investigator & Legal Analysts, Enforcement Division
- 1823 Program Performance & Reporting Analyst, Administrative

### Electronic Disclosure & Data Analysis Division

FY24

FY25

#### **Enable continuity of essential public disclosure functions by retaining 1043 Senior IS Engineer position**

- Funding for this existing position expires effective June 30, 2023.
- This role needs to be retained as an ongoing PCS position starting in FY24.
- *Senior IS Engineer* position is sole engineering position tasked with building and maintaining essential technology services and systems infrastructure.
- Key responsibilities include development and maintenance of:
  - Campaign Finance Dashboards for the 2024 election cycle
  - Open data resources on DataSF for all program areas
  - Online complaint form and Case Management System
  - Electronic filing systems for local forms for all program areas
  - Sfethics.org web site services and infrastructure
  - Citywide contract disclosure system for administration of contractor contribution ban

+\$238k

+\$242k

### Engagement & Compliance Division

FY24

FY25

#### **Strengthen direct support for e-filing compliance and guidance across program areas by expanding Client Support Services**

- Funding for the existing *1840 Client Support Specialist* position expires effective June 30, 2023.
- This role needs to be retained as an ongoing PCS position starting in FY24.
- This position provides telephone and online technical support, compliance guidance, and educational materials to 5,000+ departmental Form 700 filers and 80+ departmental filing officers throughout the year. This role is critical to enable streamlined and timely support that filers currently rely on to comply with their filing requirements and plays an integral role in the division to provide day-to-day support for the program administration.

+\$137k

+\$141k

### Engagement & Compliance Division

FY24

FY25

#### **Strengthen direct support for e-filing compliance and guidance across program areas by expanding Client Support Services**

- Technical training and e-filing support continues to be an essential need across program areas including for 200+ lobbyists, 300+ active committees, and other members of the public with Ethics Commission filing obligations.
- Vacant *1840 Junior Management Assistant position* will be repurposed to a *Client Support Specialist* role to expand this division's capacity for direct filer assistance. This position was originally designated as *Fines Collection Officer* and upon staff retirement repurposed as *Finance and Operations Coordinator*. This position has been vacant due to hiring backlog.
- As this position is fully funded on an ongoing basis there is no budget impact for this change.

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### Engagement & Compliance Division

FY24

FY25

**Ensure complex program administration work necessary to achieve strong compliance in the Campaign Finance program is supported by job classification that reflects the full nature and level of that work**

- Reclassify vacant *1844 Engagement & Compliance Officer* position to *1823 Senior Program Administrator* position to provide compliance assistance, outreach, training, and program support for the Campaign Finance program.
- This work demands application of significant strategic thinking, analytical skills, independent sound judgement, and strong program management skills that have impact on filers, public, and the Commission's operations.

+16k

+\$17k

### Ethics@Work Program

FY24

FY25

**Ensure continued funding for this critical ethics training and outreach program to provide City officers, employees, and contractors with the resources they need to actively contribute to a citywide culture of integrity**

- Funding for the Ethics@Work program, which includes the following four positions, will expire on June 30, 2024.
  - 1824 Ethics@Work Program Manager
  - Two 1823 Training & Outreach Specialists
  - 1230 Training Design Specialist
- These roles need to be retained as ongoing PCS positions starting in FY25.
- This program is essential to equip the city's leadership and workforce with practical tools and information to constructively navigate ethical issues that can emerge in their work to sustain and support the highest standards of integrity in city government.

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+\$800k

### Enforcement Division

FY24

FY25

**Ensure continued funding for investigative resources to reduce case resolution times and increase the number, proportion, and severity of cases investigated by the Commission**

- Funding for three Senior Investigator and Legal Analyst positions will expire on June 30, 2024.
- These positions need to be retained as ongoing PCS positions starting in FY25.
- These positions are critical to conduct independent and proactive investigations into matters that result in the most severe public harm to fair and accountable government.

-

+\$583k



### Program Performance

FY24

FY25

**Ensure funding to develop and implement standardized methods to track and regularly report on the performance of the department's core functions**

- Funding for the *1823 Program Performance and Reporting Analyst* position will expire on June 30, 2024.
- This position has not yet been filled due to hiring backlog. It needs to be retained as a 3-year limited term PEX position starting in FY25.
- This position is needed to identify effective program performance metrics and regularly report on the performance of the Commission's operations to support data driven decision-making and greater public engagement.

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+\$194k

### **Maintain core business functions by funding essential technology, professional services, and services of other departments**

- Essential technology includes software tools to support core services for filers, public, and Commission staff
- Funding for translation services to expand the Commission's language access for its online compliance materials to meet City's web accessibility standards
- Funding to meet maintenance cost increase for NetFile e-filing system per consumer price index adjustment
- Funding for the Department of Technology to cover cost increases for office software tools, DocuSign public disclosure e-filings, device support services, cyber security support services, and website hosting charges

FY24

FY25

+\$83k

+\$75k

# Departmental Requests Summary

Funding needed to maintain FY23 staffing and service levels

Description	FY24 (July 1, 2023 - June 30, 2024)	FY25 (July 1, 2024 - June 30, 2025)
Allocated Operating Budget	\$6.9 million	\$5.4 million
<b>ETH Requests</b>		
Position Requests	\$391k	\$1,977k
Non-Position Related Requests	\$83k	\$75k
<b>Total Request</b>	<b>\$474k</b>	<b>\$2,052k</b>
Increase from allocated budget	6.8%	37.6%

Staff will continue to evaluate position related and other operational needs to include in the budget proposal which will be presented at the next budget hearing.

# Mayor's Target Cut Requirements

- The Mayor's target cut amounts for the Ethics Commission are \$339,597 in FY24 to achieve 5% and \$543,355 in FY25 to achieve 8% (an additional 3%).
- These cuts need to be proposed on the Commission's FY24 and FY25 baseline budgets **which do not include funding for the ten positions previously mentioned**, thereby will lead to additional operational impact if enacted.

# Commission's Current Vacancies

Position	Division	Details
1824 Engagement & Compliance Manager	Engagement & Compliance	Vacancy due to staff attrition. This position needs to be filled as a priority.
1824 Policy & Legislative Affairs Manager	Policy	Vacancy due to staff attrition.
1823 Senior Investigator and Legal Analyst	Enforcement	Vacancy due to staff attrition. Funding currently expires on June 30, 2024.
1823 Program Performance & Reporting Analyst	Administrative	This position has not been filled since its funding allocation due to hiring backlog. Funding currently expires on June 30, 2024.
1844 Engagement & Compliance Officer	Engagement & Compliance	Vacancy due to staff attrition. This position has been identified for reclassification to 1823.
1822 Investigator	Enforcement	Vacancy due to staff attrition.
1840 Junior Management Assistant	Engagement & Compliance	Vacancy due to staff attrition. This position needs to be repurposed and filled as a priority.
1454 Executive Secretary	Administrative	New position effective Oct 1, 2022

# Mayor's Target Cuts

The following positions will need to remain vacant in FY24 and FY25, to achieve Mayor's target cuts.

- *1844 Senior Management Assistant*: This position is essential to administer the Campaign Finance program and has been identified for reclassification to *1823 Senior Program Administrator* position due to the complexity of that work. Not filling this position will severely impact the Commission's ability to provide compliance support, guidance, training, and outreach to candidates and campaign committees for the upcoming elections.
- *1454 Executive Secretary*: This position was added to the Commission's budget starting in FY23 to perform administrative and meeting support functions and act as a point of contact for the public. Not filling this position will continue to impact programmatic work as these functions have been currently absorbed by program staff across divisions.
- *1822 Investigator*: Not filling this position will further impact the Enforcement division's ability to perform detailed investigations, reduce case resolution times, and increase the number, proportion, and severity of cases investigated by the Commission.

# Impact Summary: Mayor's cuts and expiring positions

## Services and programs impacted starting in FY24:

- 25% reduction in enforcement resource capacity
- Ongoing development and maintenance of New Case Management System and online complaint form
- Administration of Campaign Finance program including assistance to candidates and campaign committees
- 2024 Primary Election Campaign Finance Dashboards will not be produced
- Form 700 filer and filing officer direct support assistance and compliance materials
- Maintenance of open data resources at DataSF for all program areas
- Maintenance of electronic filing systems for state and local forms for all program areas
- Maintenance of citywide contract disclosure system for administration of contractor contribution ban
- Maintenance of Sfethics.org web site backend infrastructure
- Commission administrative support
- Dedicated performance assessment and reporting will not be feasible
- Essential technology and services to support core business functions

## Services and programs impacted starting in FY25 (*in addition to the impact identified for FY24*):

- Ethics@Work training and education programs will be halted
- 50% total reduction in enforcement resource capacity (from FY23 staffing levels)
- 2024 General Election campaign finance dashboards will not be produced