

**Performance Audit:
Financial Disclosures**

June 2016

**City Auditor's Office
City of Atlanta**

File #15.02



CITY OF ATLANTA

City Auditor's Office
Leslie Ward, City Auditor
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June 2016

Performance Audit:

Financial Disclosures

Why We Did This Audit

We undertook this audit because the city's ethics officer requested an audit of the completeness and accuracy of financial disclosures filed pursuant to Sec 2-814 of the city code, which requires officials and certain employees to disclose income and financial interests annually.

What We Recommended

To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:

- Propose for city council consideration revisions to the code of ordinances regarding who should file a disclosure to ensure the list is aligned with current operations.
- Review a sample of disclosures for potential omissions and for inconsistent, incomplete, and inaccurate responses.
- Update the e-file system to strengthen input controls, such as auto-populating fields with known data, to assist in review of submissions.
- Examine disclosures to identify potential conflicts of interest.
- Investigate to determine whether the 17 filers identified during our audit testing failed to disclose sources of income and real estate as required by city code.

For more information regarding this report, please use the contact link on our website at www.atlaudit.org.

What We Found

The Board of Ethics and the Ethics Office could improve the completeness, accuracy, and usefulness of annual financial disclosure information. We found that unclear city code provision and errors expose the city to risk of non-compliance with the financial disclosures requirements.

City code descriptions lack sufficient clarity to identify required filers. City code lists some specific job titles that are required, but other parts of it list job functions, reporting relationships, or placement in organizational hierarchy that may no longer reflect the city's organizational structure.

Incomplete and inaccurate disclosures reduce the usefulness of the information collected. Although the Ethics Office reviews disclosures to identify non-filers, it does not review the disclosures for completeness, internal consistency, and accuracy. The form prompts the filer to describe other sources of income but has no input controls to ensure the field is completed.

The Ethics Office identifies non-filers but lacks a process to review completeness and accuracy of disclosures. Filers omitted information when prompted to describe the type of service or business entity. The lack of complete information hampers the department's ability to assess potential conflicts of interests and other risks. Currently, the Ethics Office staff examines financial disclosures only upon receipt of a complaint.

Filers may fail to disclose required information. One filer failed to disclose a direct ownership in real property. Seventeen filers may have omitted other sources of income from their disclosures. We identified no familial transactions with the city that filers failed to disclose.

Management Responses to Audit Recommendations

Summary of Management Responses		
Recommendation #1:	<p>To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:</p> <p>Propose for city council consideration revisions to the code of ordinances regarding who should file a disclosure to ensure the list is aligned with current operations.</p>	
Response & Proposed Action:	<p>The Board of Ethics approved proposed language in its December 2015 Retreat and has presented the language to a Council Member on January 29, 2016 for introduction to the entire Council for eventual passage.</p>	Agree
Timeframe:	TBD	
Recommendation #2:	<p>To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:</p> <p>Review a sample of disclosures for potential omissions and for inconsistent, incomplete, and inaccurate responses.</p>	
Response & Proposed Action:	<p>The Ethics Office will develop a plan to review a sample of disclosures filed during the 2016 Annual Financial Disclosure Process; The Ethics Office has also proposed the creation of a position, Ethics Analyst, who will have review of the disclosures for potential omissions, inconsistent, incomplete or inaccurate responses, as a part of its primary responsibilities. This position is included in the FY 2017 budget proposal, which will be voted on in June of 2016.</p>	Agree
Timeframe:	FY 2017	

Recommendation #3:	To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:	Agree
	Update the e-file system to strengthen input controls, such as auto-populating fields with known data, to assist in review of submissions.	
Response & Proposed Action:	The Ethics Office has included a request for \$300,000 in capital funds in the FY 2017 budget which will be used to design and procure a new e-file system. The date of completion and implementation of E-File 3 will be 2018. The FY 2017 budget proposal includes \$200,000 in funds for this purpose. The remainder of the funds will be sought during the FY 2018 process. Enhancements to the system will include auto-populating fields with known data to assist in review of submissions.	
Timeframe:	FY 2018	
Recommendation #4:	To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:	
	Examine disclosures to identify potential conflicts of interest.	
Response & Proposed Action:	See response to Recommendation # 2	Agree
Timeframe:	FY 2017	
Recommendation #5:	To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:	
	Investigate to determine whether the 17 filers identified during our audit testing failed to disclose sources of income and real estate as required by city code.	
Response & Proposed Action:	The Ethics Office will review the 17 filers and determine whether further investigation is warranted and feasible in light of the offices priorities, limited resources and the assessment of the risks involved.	Partially Agree
Timeframe:	TBD	



CITY OF ATLANTA

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AUDIT COMMITTEE
Marion Cameron, CPA, Chair
Cheryl Allen, PhD, CPA
Daniel Ebersole

June 6, 2016

Honorable Mayor and Members of the City Council:

We undertook this audit of the city's financial disclosure process at the request of the former Ethics Officer, who asked that we assess completeness and accuracy of the annual disclosures. The city's code of ordinances requires that elected officials and certain employees report annually on certain financial information and relationships that could pose risk of conflicts of interest.

Our audit work identified risks of incomplete and/or inaccurate filings, based on review of samples of 2014 disclosures. We also found a number of required filers who were not identified as such, so they did not receive the disclosure form and related communications. At the time of the audit, disclosures were not assessed for completeness and accuracy; investigations were initiated only on the basis of complaints. We made recommendations aimed at simplifying the identification of required filers, adding controls to the electronic disclosure filing system, and devoting additional resources to reviewing filings for completeness and accuracy. The Board of Ethics and the former Ethics Officer agreed and has pursued the necessary resources to implement.

The Audit Committee has reviewed this report and is releasing it in accordance with Article 2, Chapter 6 of the City Charter. We appreciate the courtesy and cooperation of city staff throughout the audit. The audit team comprised former staff members Michael Schroth and Christopher Armstead, directed by Deputy City Auditor Amanda Noble.

Leslie Ward
City Auditor

Marion Cameron
Chair, Audit Committee

Financial Disclosures

Table of Contents

Introduction.....	1
Background.....	1
Audit Objectives	3
Scope and Methodology	3
Findings and Analysis	5
Board of Ethics Should Propose Changes to Improve Compliance	5
Unclear City Code Provision and Errors Expose City to Risk of Non-Compliance with Financial Disclosures Requirements	5
Incomplete and Inaccurate Disclosures Reduce Usefulness of Information.....	7
Filers May Fail to Disclose Required Information	10
Recommendations	12
Appendix: Management Review and Response to Audit Recommendations	13

List of Exhibits

Exhibit 1 Number of Filers by Reason for Filing	3
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Introduction

We undertook this audit because the city's ethics officer requested an audit of the completeness and accuracy of financial disclosures filed pursuant to Sec 2-814 of the city code, which requires officials and certain employees to disclose income and financial interests annually.

Background

City code requires certain officials and employees to file annual financial disclosures. Financial disclosures assist in preventing and detecting conflicts of interest that may pose risk to the city. Section 2-814 lists job titles, job functions, and reporting relationships that require elected and appointed officials and employees to file an annual financial disclosure:

- Mayor;
- President of council;
- Members of council;
- Municipal and traffic court judges;
- Chief operating officer and deputy chief operating officers;
- Chief of staff and deputy chiefs of staff;
- All employees of the office of the mayor who report directly to the mayor;
- Commissioners, deputy commissioners, department heads and their equivalents;
- Bureau directors, assistant bureau directors and managers;
- Division heads;
- Executive directors of city boards, commissions, authorities or other similar bodies;
- Zoning administrator and any assistant zoning administrators;
- Inspectors of all departments and bureaus;
- City attorney and deputy, assistant, and associate city attorneys;
- Director of the office of contract compliance and employees of the office of contract compliance with discretionary or supervisory authority over certification, compliance, monitoring, or auditing;
- Assistant directors, contracting officers, and buyers in the purchasing bureau;

- Within the department of finance, assistant directors and all employees who have discretionary or supervisory authority over the investment of city funds or the auditing of city finances or city contracts;
- City internal auditor and employees of the office of internal auditor with investigative and supervisory authority over audits, the audit process, and audit reports;
- City ethics officer;
- Hearing officers;
- Members, whether paid or unpaid, of all city boards, committees, councils, commissions, authorities and other similar bodies created by state law, Charter, ordinance or resolution;
- Members appointed by the mayor and/or council or council president to other public boards, committees, councils, commissions, authorities of the city, county, or state; and
- Officers of neighborhood planning units.

Each year, the Ethics Office coordinates with the Department of Human Resources and other departments to identify individuals who fit into one or more of these descriptions using job codes. Job codes are classifications that the Department of Human Resources uses to organize employee positions across the city. The Ethics Office uses a list of employees in the targeted job codes along with employer department recommendations to create the master filer list.

Near the beginning of each calendar year, the Ethics Office requests filers to complete a disclosure form by April 1. Disclosures contain information concerning the previous calendar year. The annual financial disclosures form requires filers to disclose the following information:

- Reason for filing;
- Sources of income;
- Business with the city;
- Family members' transactions with the city;
- Direct ownership in real property; and
- Additional questions for designated filer covering stocks and debt holdings, relatives employed by the city, and identity of individual clients.

Filers submit this information online using the Atlanta E-File form. Forms are available for public review on the Ethics Office's website.

As Exhibit 1 illustrates, over 1,700 individuals filed disclosures in 2014. City employees accounted for almost 1,350 or 77% of filers.

Exhibit 1 Number of Filers by Reason for Filing

Reason for filing	Number of Filers
Board member or hearing officer	296
City elected official	28
City Employee	1,342
Executive Director	11
Neighborhood Planning Officer chair of vice chair	56
Total	1,733

Source: Analysis of Ethics' Office eFile database

Audit Objectives

This report addresses the following objective:

- Are financial disclosures complete and accurate?

Scope and Methodology

We analyzed 2014 financial disclosures. We sampled disclosures and performed tests to assess the completeness and accuracy of disclosures. We tested direct ownership of real property, familial business transactions with the city, and other sources of income. Our audit methods included:

- Reviewing city ordinances and city policy related to annual financial disclosure requirements
- Interviewing Ethics management and line personnel to understand standard operating procedures and departmental practices
- Sampling financial disclosures to determine completeness and accuracy
- Reviewing disclosure policies and procedures of other governments
- Compiling and reviewing 262 comprehensive TLO investigative reports for individuals and businesses. TLO is a database of public and proprietary records used for locating and

researching connections between individuals, businesses, and assets.

- Reviewing business registrations with Georgia's Secretary of State website
- Comparing master list of required filers for 2014 with human resource records in Oracle

We conducted this audit in accordance with generally accepted government auditing standards. Generally accepted government auditing standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Findings and Analysis

Board of Ethics Should Propose Changes to Improve Compliance

The Board of Ethics and the Ethics Office could improve the completeness, accuracy, and usefulness of annual financial disclosure information by proposing for City Council consideration revisions to city code to clarify who is required to file disclosures; strengthening input controls on the report form; and reviewing a sample of completed forms for internal and year-to-year consistency, and to identify and investigate potential conflicts of interest. While most governments do not undertake independent efforts to verify the completeness and accuracy of submitted financial disclosures, five of the eight jurisdictions we contacted perform some level of review. Also, the U.S. Office of Government Ethics has issued guidelines for federal agencies to use in administering financial disclosure programs. These guidelines could be useful to other levels of government; they include maintaining a master list of filers, comparing reports to previous submissions, obtaining additional information for accuracy or completeness, and reviewing submissions for potential conflict of interests. The Ethics Office currently reviews submissions after receiving complaints. Testing or verifying the completeness of information in a sample of disclosures could improve voluntary compliance with disclosure requirements.

Our tests identified one filer out of the 26 we reviewed who failed to disclose a direct interest in real property, and 17 filers out of 60 we reviewed who may have omitted other sources of income. We identified no undisclosed familial transactions with the city from our sample of 26 filers, which included elected officials and employees who report directly to the mayor.

Unclear City Code Provision and Errors Expose City to Risk of Non-Compliance with Financial Disclosures Requirements

City code prescribes financial disclosure requirements including who should file, when individuals should file, and what information individuals must disclose. Because code descriptions of who should file lack clarity, Ethics Office staff, with the assistance of other departments, uses a manual process to identify required filers. The manual process can result in errors. We found employees missing

from the Department of Human Resources' list who should have been identified as potential filers based on job codes.

City code descriptions lack sufficient clarity to identify required filers. Section 2-814 (b) lists 23 bullet points describing who is required to file an annual financial disclosure. Some of the bullets list specific job titles, but others list job functions, reporting relationships, or placement in organizational hierarchy that may no longer reflect the city's organizational structure. For example, the code requires "(b)ureau directors, assistant bureau directors and managers" to file disclosures, however, it's unclear whether the term manager is intended to identify employees with supervisory responsibilities, administrative responsibilities, or both. The code requires "(a)ssistant directors, contracting officers, and buyers in the purchasing bureau" to file disclosures, but is silent on whether buyers within operational departments are required to file disclosures.

Ethics Office staff has compiled a list of targeted job codes based on corresponding job titles and the descriptions of required filers in city code. The Ethics Office obtains a list of potential filers from the Department of Human Resources using these targeted job codes and submits the list to individual departments. Ethics Office staff adjusts the required filers list based on the recommendation of the departments. Ethics Office staff told us that these targeted job codes do not map directly to descriptions in the city code. For example, staff included engineers in the list of targeted job codes, although an engineer is not included in any of the 23 city code descriptions. We recommend the Board of Ethics and the Ethics Officer propose for city council consideration an update to city code regarding who should file a disclosure to ensure the list is aligned with current operations.

We generated a list of employees who had positions in 2013 that were on the Ethics Office's list of targeted job codes and compared it to the 2014 list of required filers. We found that Ethics Office staff manually removed over 300 individuals based on department recommendation. The fire department accounted for over two-thirds of the removed individuals. Ethics Office staff also added 512 employees to the required filers list who were not in a targeted job code. This manual process can generate errors; we identified eight individuals who were not employees during 2013 who were required to file. Ethics Office staff told us that they added additional job codes to the list for 2015.

The Department of Human Resources did not include 87 employees with positions in targeted job codes during calendar year 2013. The Ethics Office relies on the Department of Human Resources to generate a list of current and terminated employees who had positions in the targeted job codes. Using data from Oracle, we identified 87 employees that the Department of Human Resources failed to include in its list for the Ethics Office. The missing individuals included a watershed director, 12 code enforcement officers, and a treasury chief.

Incomplete and Inaccurate Disclosures Reduce Usefulness of Information

Although the Ethics Office reviews disclosures to identify non-filers, it does not review the disclosures for completeness, internal consistency, and accuracy. Our review of disclosures indicates that filers can submit insufficient and incomplete information, which hinders the Ethics Office's ability to effectively review disclosures for potential conflicts of interest. Additional controls should be in place to ensure the completeness of the submitted information. For example, the current disclosure forms prompt for information that could be auto-populated, such as reason for filing, position or job title, and employee category.

The U.S. Office of Government Ethics has issued guidelines for federal agencies to use to administer effective financial disclosure programs. These guidelines include maintaining a master list of filers, comparing reports to previous submissions, obtaining additional information for accuracy or completeness, and reviewing submissions for potential conflicts of interests. The Ethics Office examines financial disclosures for potential conflicts, but only after it receives a complaint. Sampling disclosures for examination or other preemptive measures may be beneficial.

Several state and local governments perform limited reviews of financial disclosures. Five of the eight governments we contacted perform some level of review on the submissions. We recommend the Ethics Office review disclosures for potential omissions and for inconsistent and inaccurate responses.

The Ethics Office should strengthen the disclosure form's input controls. Filers access the financial disclosure forms online. Although the Ethics Office possesses most if not all of the initial identifying filer information, individuals can submit erroneous or conflicting data. The form prompts the filer to select the reason for filing from a drop-down menu that includes:

- elected official
- city employee
- board member/hearing officer
- NPU chair or vice chair
- executive director of a city board, commission, authority or similar body

Nothing prevents a filer from checking an incorrect filing category. City employees who file choose one of the following as their position with the city:

- Chief or Deputy Chief Operating Officer; Chief or Deputy Chief of Staff
- Commissioner; Department Head; or its equivalent
- Employee in the Office of the Mayor who reports directly to the mayor
- Other city employee

The “other city employee” category is too broad to allow meaningful review for compliance or potential conflict of interest risk. Additionally, the form has free response inputs for employee job titles. Autopopulating more fields with known data would ensure greater consistency.

When a filer reports non-city employment income and other business income, they may choose “Other” from a dropdown list to describe the source of income. The form prompts the filer to describe the source of income in another field, but has no input controls to ensure the field is completed. Filers may omit descriptions of outside income sources that could present a conflict of interest with their city duties.

The Ethics Office identifies non-filers but lacks process to review completeness and accuracy of disclosures. After the filing period, the Ethics Office reviews submissions to identify non-filers. Staff notifies non-filers that the submission deadline has passed and requests that they submit a disclosure. Ethics Office staff told us that they do not review individual disclosures for completeness or consistency. Because of the lack of input controls and lack of review, filer responses may be insufficient or nonsensical. We reviewed disclosure forms in which filers stated that they had non-city employment and outside business income and listed the entity name as “government” or “none.” Filers also omitted information when prompted to describe the type of service or business entity. The lack of complete information hampers the department’s ability to assess potential conflicts of interests and other risks.

The U.S. Office of Government Ethics issued guidelines on how to review filings. The U.S. Officer of Government Ethics oversees the executive branch ethics program that covers more than 130 agencies and 5,000 ethics officials. The office published a guide for federal ethics officials who review public financial disclosures of employees at federal agencies. We obtained the latest version of the guide, published in November 2004. It recommends ethics program officials:

- Compile a master list of filers. In addition to a basic list of names, titles, addresses, and phone numbers include other information in a database to assist in program management;
- Compare and reconcile the report against the previous report, if any;
- Obtain additional information, if necessary, to make all disclosures complete. A reviewer should obtain information when:
 - The form is incomplete;
 - The form reveals one entry (or the absence of one) that is inconsistent with another entry on the report or on the filer's previous report; or
 - The form omits an entry of which the reviewer has independent knowledge.
- Look again at each item, especially any additional information supplied by the filer, to identify possible conflicts of interest.

Ethics Office staff examines financial disclosures only upon receipt of a complaint. Ethics Office staff told us that they do not examine financial disclosures unless they receive a tip or complaint about the filer. The lack of examination increases the potential for conflicts of interests to remain undiscovered or uninvestigated. In our review of a sample of financial disclosures, we found cases where building inspectors listed construction-related businesses as non-city employment income. These sources of income could present a conflict with city responsibilities, which federal guidelines suggest warrants investigation. We recommend the Ethics Office examine disclosures to identify potential conflicts of interest. While guidelines for federal agencies are not required of state and local agencies, they can provide useful guidance.

Other state and local governments perform some level of review of the financial disclosures; however, most we talked to do not undertake independent efforts to verify the completeness and accuracy of submitted financial disclosures. We contacted eight state and local governments that require annual financial disclosures. Of the eight, five perform some level of review on the

submissions. The City of Chicago scans the answers to ensure that the filer did not submit gibberish. The City of New York compares submissions to other databases to verify accuracy. The City of Sacramento reviews 20% of the submitted disclosures at random. The State of Delaware reviews disclosures annually. Lastly, the City of Honolulu reviews the forms for incomplete information and potential conflicts of interest. We recommend the Ethics Office review a sample of disclosures to identify incomplete and inaccurate submissions. Additionally, we recommend the Ethics Office update the e-file system to strengthen input controls to assist in the review of submissions.

Filers May Fail to Disclose Required Information

City code requires officials and employees to disclose direct ownership interest in real property, other sources of income, and immediate family members who have done business with the city. Our testing identified one filer who did not disclose a direct ownership in real property and fourteen filers who may not have disclosed other sources of income. Our testing identified no undisclosed relatives who engaged in business with the city. Testing or verifying the information in sample of disclosures could detect omissions and improve voluntary compliance with disclosure requirements.

One filer failed to disclose a direct ownership in real property. City code requires certain officials and employees to disclose all direct ownership interests in real property. To determine whether there may be omissions, we selected a sample of 26 filers consisting of elected officials and direct reports to the mayor. For each filer, we obtained a comprehensive TLO investigative report which listed a total of 34 potential real properties among the filers. We reviewed the 2014 financial disclosures to determine whether each of the real properties was properly disclosed. We determined that former Councilman Aaron Watson failed to disclose his jointly owned real property in zip code 30307. We confirmed his ownership interest on the DeKalb County Tax Commissioner website.

Seventeen filers may have omitted other sources of income from their disclosures. City code requires certain officials and employees to disclose other sources of income greater than \$5,000 during the reporting period. To determine whether filers may have omitted information from these disclosures, we selected a sample of 60 filers consisting of elected officials, direct reports to the mayor, and building inspectors from the Department of Planning and Community Development. For each filer, we obtained a

comprehensive TLO investigative report which listed a total of 91 businesses associated with the sample of filers. Of these 91 businesses, 17 appeared active but were not disclosed. Because there are no publicly available sources of information to confirm income, we have no way of determining whether these potential business relationships should have been disclosed. We provided the information to the Ethics Office and recommend that the Ethics Office investigate to determine whether the 17 filers identified during our testing failed to disclose sources of income as required by city code.

We identified no familial transactions with the city that filers failed to disclose. City code requires certain officials and employees to disclose benefits that their immediate family members, including spouse, domestic partner, mother, father, sister, brother, and natural or adopted children, derived from transactions with the city. To determine whether filers may have omitted information from these disclosures, we selected a sample of 26 filers consisting of elected officials and direct reports to the mayor. For each of the filers, we obtained a comprehensive TLO investigative report. We reviewed business information for a total of 175 individuals, including both close relatives and the filers themselves. For each of these relatives, we obtained comprehensive TLO investigative reports that identified a total 251 associated businesses. We queried our financial system and determined that only one of these businesses was paid by the city during 2013. This particular relative, however, did not own a majority or controlling interest in the company; therefore, no disclosure was required.

Recommendations

To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:

1. Propose for city council consideration revisions to the code of ordinances regarding who should file a disclosure to ensure the list is aligned with current operations.
2. Review a sample of disclosures for potential omissions and for inconsistent, incomplete, and inaccurate responses.
3. Update the e-file system to strengthen input controls, such as auto-populating fields with known data, to assist in review of submissions.
4. Examine disclosures to identify potential conflicts of interest.
5. Investigate to determine whether the 17 filers identified during our audit testing failed to disclose sources of income and real estate as required by city code.

Appendix: Management Review and Response to Audit Recommendations

Report # 15.02	Report Title: Financial Disclosure	Date: April 2016
Recommendation Responses		
Rec. # 1	<p>To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:</p> <p>Propose for city council consideration revisions to the code of ordinances regarding who should file a disclosure to ensure the list is aligned with current operations.</p>	Agree
<p><u>Proposed Action:</u> The Board of Ethics approved proposed language in its December 2015 Retreat and has presented the language to a Council Member on January 29, 2016 for introduction to the entire Council for eventual passage. Ethics Officer /City Council</p> <p><u>Implementation Timeframe:</u> TBD</p> <p><u>Comments:</u></p> <p><u>Responsible Person:</u> Ethics Officer</p>		

Rec. # 2	<p>To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:</p> <p>Review a sample of disclosures for potential omissions and for inconsistent, incomplete, and inaccurate responses.</p>	Agree
<p><u>Proposed Action:</u> The Ethics Office will develop a plan to review a sample of disclosures filed during the 2016 Annual Financial Disclosure Process; The Ethics Office has also proposed the creation of a position, Ethics Analyst, who will have review of the disclosures for potential omissions, inconsistent, incomplete or inaccurate responses, as a part of its primary responsibilities. This position is included in the FY 2017 budget proposal, which will be voted on in June of 2016. Ethics Officer/City Council</p> <p><u>Implementation Timeframe:</u> FY 2017</p> <p><u>Comments:</u></p> <p><u>Responsible Person:</u> Ethics Officer</p>		
Rec. # 3	<p>To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:</p> <p>Update the e-file system to strengthen input controls, such as auto-populating fields with known data, to assist in review of submissions.</p>	Agree
<p><u>Proposed Action:</u> Proposed Action: The Ethics Office has included a request for \$300,000 in capital funds in the FY 2017 budget which will be used to design and procure a new e-file system. The date of completion and implementation of E-File 3 will be 2018. The FY 2017 budget proposal includes \$200,000 in funds for this purpose. The remainder of the funds will be sought during the FY 2018 process. Enhancements to the system will include auto-populating fields with known data to assist in review of submissions. Ethics Officer/AIM/Procurement</p> <p><u>Implementation Timeframe:</u> FY 2018</p> <p><u>Comments:</u></p> <p><u>Responsible Person:</u> Ethics Officer</p>		

Rec. # 4	<p>To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:</p> <p>Examine disclosures to identify potential conflicts of interest.</p>	Agree
<p style="text-align: center;"><u>Proposed Action:</u> See response to Recommendation # 2</p> <p style="text-align: center;"><u>Implementation Timeframe:</u> FY 2017</p> <p style="text-align: center;"><u>Comments:</u></p> <p style="text-align: center;"><u>Responsible Person:</u> Ethics Officer</p>		
Rec. # 5	<p>To improve compliance with the financial disclosure requirements, we recommend the Board of Ethics and The Ethics Officer:</p> <p>Investigate to determine whether the 17 filers identified during our audit testing failed to disclose sources of income and real estate as required by city code.</p>	Partially agree
<p style="text-align: center;"><u>Proposed Action:</u> The Ethics Office will review the 17 filers and determine whether further investigation is warranted and feasible in light of the offices priorities, limited resources and the assessment of the risks involved. Ethics Officer.</p> <p style="text-align: center;"><u>Implementation Timeframe:</u> TBD</p> <p style="text-align: center;"><u>Comments:</u></p> <p style="text-align: center;"><u>Responsible Person:</u> Ethics Officer</p>		