

Philadelphia Board of Ethics
Meeting Minutes
April 20, 2016 - 1:00 p.m.
One Parkway Building
1515 Arch Street, 18th Floor

Board Present

Michael H. Reed, Esq., Chair
Judge Phyllis Beck (Ret.), Vice-Chair
Sanjuanita González, Esq.

Staff Present

J. Shane Creamer, Jr., Esq.
Nedda Massar, Esq.
Maya Nayak, Esq.
Michael Cooke, Esq.
Diana Lin, Esq.
Jordan Segall, Esq.
Thomas Klemm, Esq.
Bryan McHale
Tina Simone
Hortencia Vasquez

Chair Reed recognized the presence of a quorum and called the meeting to order at 1:00 p.m.

I. Minutes

The Board deferred to the May public meeting approval of the minutes for the public meeting held on March 16, 2016.

II. Executive Director's Report

A. Preparations for May 2, 2016 Financial Disclosure Filing

Mr. Creamer reported that four of the ten Board staff members are now involved daily in the annual financial disclosure process, which requires certain City officials and employees and the members of City boards and commissions to file financial disclosure statements. The filing deadline for all forms is May 2nd of this year because the usual May 1st deadline is on a Sunday. In order to promote compliance with the filing requirements, Board staff make every effort to reach as many of the filers as possible with email reminders in which Board staff describe the various disclosure forms and the online electronic filing system.

Board staff again worked closely with the Records Department this year to update the data in the online system, and are currently working with the City's Departmental Human Resource Managers to add new employees, remove duplicate accounts, and accurately set filing requirements in the system.

This year Board staff have again been fortunate to have help from the Office of Human Resources, which issued email filing reminders to thousands of current City employees. Board staff has issued email reminders to hundreds of members of City boards and commissions and

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will mail 668 reminder letters to City employees who left City government during the past year, but still have to file one last time. The reminders typically result in a steady stream of phone calls to the Board's office with two consistent themes: callers want to know why they have to file and how to use the online system.

In Board staff reminders and phone contacts with filers, they explain that an in-person Financial Disclosure Filer Support Center will be available to provide technical assistance for individuals who need help to file the Financial Disclosures reports. Computers are available at the Filing Center for filers to use to submit their reports. The Filing Center is supported by the Records Department and will be available from 8:30 AM until 5:00 PM weekdays from Monday, April 18th through Friday, April 29th and on Monday, May 2nd. It is located at the Residence Inn, 2nd Floor, Franklin Room, at the corner of Market and Juniper Streets across from the east entrance of City Hall.

The Financial Disclosure process is a joint effort of the Records and Human Resources Departments and the Board.

B. FY17 Budget Update

Mr. Creamer noted that last month he reported that the Board's proposed operating budget for FY17, as submitted by the Administration, will be \$1,071,403, which includes \$961,403 for salaries, \$96,000 for purchase of services, and \$14,000 for supplies and equipment. He also noted that as part of the Board's FY17 budget documents, Board staff had submitted a request and justification schedule for additional funding in the amount of \$250,000, but that the budget, as introduced, did not include the additional funding. The Board's budget submission explained that the additional funding would be used primarily to expand the Board's staff to fill crucial roles and to begin technology-related projects.

Recently, Board staff worked with Chair Reed to prepare and submit the Board's FY17 Budget Testimony. A copy of Chair Reed's testimony was provided to Board members. The testimony described the Board's accomplishments during the past year, including the extent of the Board's training and advice programs, and the major legislative initiative, which resulted in an amendment to the City's Campaign Finance Law that increased campaign finance disclosures in the six weeks leading up to the Primary and General Elections. The testimony also looked to the future with the Board's request for additional funding to expand the Board's staff and to begin improvements to the Campaign Finance and Lobbying software applications to improve public access to this information.

Typically, budget hearings occur in early April. As in the past few years, the Board has not been scheduled to testify before City Council this year. However, Board Staff hope that City Council will respond to the Board's request for additional funding that was described in the Board's Budget Testimony. Board staff will continue to press the Board's request for additional FY17 funds and will update the Board on their progress.

III. General Counsel’s Report

A. Advisory Alerts Regarding Volunteering Related to the Democratic National Convention

Ms. Nayak provided an update on the two Advisory Alerts the Board issued in late March regarding City employees engaging in off-duty volunteer activities related to the Democratic National Convention to be held in Philadelphia in July 2016. Ms. Nayak explained that the Advisory Alerts were a significant undertaking that differed from how the Board typically provides advice. General Counsel staff initially contacted the Philadelphia 2016 Host Committee and began work on the project on January 28, 2016, and they devoted substantial resources to the Alerts through April 1, 2016. On that date, Ms. Nayak provided the Host Committee’s Volunteer Director Hannah Tran with written guidelines about the political activity restrictions and how they apply in the context of Convention-related Host Committee volunteering, which General Counsel staff had conveyed to her in previous conversations. Ms. Tran informed General Counsel staff that she found the written guidelines very helpful. Chair Reed stated that, on behalf of the Board, he wished to compliment staff on their excellent work in preparing and presenting the Advisory Alerts and written guidelines.

B. Informal Guidance

Ms. Nayak reviewed a chart summarizing informal guidance provided by Board staff from February 7, 2016 through March 4, 2016.

SUMMARY OF INFORMAL GUIDANCE PROVIDED, FEBRUARY 7, 2016 – MARCH 4, 2016

General Topic	monthly total (#) (ytd total)	email	phone	phone & email	in-person	Subtopics
Political Activity	12 (23)	4	7	1		<ul style="list-style-type: none"> ▪ Volunteering and other activities related to Democratic National Convention and the Philadelphia 2016 Host Committee ▪ City employee prohibited from being a member of a committee of a partisan political group ▪ City employees can attend fundraiser of City elected official; elected official cannot invite or target City employees for solicitation ▪ City employees cannot serve as political party leaders ▪ City official can introduce recipient of award at social welfare organization fundraiser that was not related to organization’s political committee and did not involve political activity ▪ City employee permitted to participate in public demonstration

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**SUMMARY OF INFORMAL GUIDANCE PROVIDED, FEBRUARY 7, 2016 – MARCH 4, 2016
(CONTINUED)**

General Topic	monthly total (#) (ytd total)	email	phone	phone & email	in-person	Subtopics
Conflicts	8 (24)		6	1	1	<ul style="list-style-type: none"> ▪ City employee taking official action that impacts not only City employee but also large classes of City populations ▪ City employees communicating with and working in an official capacity with non-profit that lobbies City government ▪ Disclosure and disqualification process; assistance with drafting required letters ▪ No conflict in City board member's business receiving grant from department that seeks action from member's City board ▪ Overview of ethics restrictions applicable to non-profit board membership by City official ▪ Outside employment inquiries, including an opportunity with company that has City contract with City employee's department
Post-Employment	5 (6)	1	4			<ul style="list-style-type: none"> ▪ Overview of restrictions regarding post-City employment ▪ Restrictions regarding post-City employment and work at non-profit closely affiliated with City and with former City employee's former department
Gifts	4 (21)		3	1		<ul style="list-style-type: none"> ▪ City officials soliciting donations for non-profit organizations ▪ Giving event tickets to City officials ▪ Giving of reception ticket to City employee where attendance by employee is reasonably related to official duties

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**SUMMARY OF INFORMAL GUIDANCE PROVIDED, FEBRUARY 7, 2016 – MARCH 4, 2016
(CONTINUED)**

General Topic	monthly total (#) (ytd total)	email	phone	phone & email	in-person	Subtopics
Financial Disclosure	1		1			<ul style="list-style-type: none"> ▪ Reporting requirement regarding service as an officer of various organizations
Campaign Finance	10 (58)	1	9			<ul style="list-style-type: none"> ▪ Filing assistance ▪ Filing deadlines ▪ Contribution limits ▪ Contributions from business entities ▪ State candidate political committee's filing requirements with Board when committee makes expenditures to influence City covered election
Lobbying	4 (41)	1	3			<ul style="list-style-type: none"> ▪ Registration renewal ▪ Registration thresholds ▪ Assistance with searching lobbying database ▪ Scope of what constitutes lobbying
Other	4 (9)		4			<ul style="list-style-type: none"> ▪ Ethics training requirement ▪ Dual office holding restriction

This chart summarizes the informal guidance provided by a number of Board staff members during the specified time period. The figures provided reflect the approximate number of inquiries that Board staff has responded to and do not indicate the amount of time spent per topic or inquiry.

C. Land Bank Public Advisory Opinion

Ms. Nayak updated the Board regarding the status of the request for a public advisory opinion from the Land Bank that she had previously provided to Board members at the March Board meeting. She stated that Board staff had begun background work for the opinion. Ms. Nayak and Ms. Lin spoke to Nicholas Scafidi, the Land Bank’s Interim Executive Director and General Counsel, on April 13, 2016 and informed him that the requested advisory opinion would take several months to be issued. Mr. Scafidi was understanding and did not raise concerns about this projected timeframe.

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IV. New Business

There was no new business presented at the meeting.

V. Questions/Comments

Ellen Kaplan, the City's Chief Integrity Officer, expressed her appreciation on behalf of the Kenney Administration for the work of Board staff in answering so many questions related to the Democratic National Convention and financial disclosures. Chair Reed thanked Ms. Kaplan for her comments.

Chair Reed announced that after the public meeting the Board would meet pursuant to Sections 708 and 706 of the Pennsylvania Sunshine Act to address non-public advice and confidential enforcement matters.

The public session of the Board meeting was adjourned at approximately 1:18 p.m.