



# ETHICAL PRACTICES BOARD

**Annual Report 2012**



**R. T. Rybak, Mayor**  
**Barbara Johnson, City Council President**  
**Walter G. Bauch, Chair**  
**Susan L. Trammell, Ethics Officer**

# TABLE OF CONTENTS

<b>Introduction</b>	<b>3</b>
<b>Appointment and Membership</b>	<b>3</b>
<b>Mission</b>	<b>4</b>
<b>Accomplishments</b>	<b>4</b>
<b>Ethics Education</b>	<b>4</b>
<b>Ethics Inquiries</b>	<b>10</b>
<b>Ethics Complaints and Ethics Report Line</b>	<b>12</b>
<b>Code Interpretation Through Policy Development</b>	<b>15</b>
<b>Development Board &amp; Commission Best Practices Study</b>	<b>16</b>
<b>Proposed Ordinance Changes</b>	<b>17</b>
<b>2012 Expenses</b>	<b>17</b>
<b>2012 Revenue</b>	<b>17</b>
<b>2012 Volunteer Hours</b>	<b>17</b>
<b>2013 Ethical Practices Board Work Plan</b>	<b>18</b>
<b>Employee Ethics Education Status By Department</b>	<b>19</b>

# Introduction

The Ethical Practices Board (“EPB”) was created in 2003 with the passage of the City’s Ethics in Government Ethics Code (“Ethics Code”), codified at M.C.O. Ch. 15. Section 15.210 of the Ethics Code establishes the EPB and outlines the powers and duties of the EPB, which include issuing advisory opinions and investigating complaints from City employees and members of the public that the Ethics Code has been violated. The Ethics Code sets forth some specific standards which no City official or employee should violate and, as importantly, sets forth aspirations for ethical conduct that go above and beyond the minimum requirements of the Ethics Code.

Further, Ethics Code §15.210(f) states:

The ethical practices board shall prepare and submit an annual report to the mayor and the city council detailing the ethics activities of the board and the city during the prior year. The format of the report must be designed to maximize public and private understanding of the board and city ethics activities. The report may recommend changes to the text or administration of this Code. The city clerk shall take reasonable steps to ensure wide dissemination and availability of the annual report of the ethical practices board and other ethics information reported by the board.

This annual report is respectfully submitted to the Mayor and to the City Council in response to the requirements of the Ethics Code.

## Appointment and Membership

The 2012 chair of the EPB was Mr. Walter Bauch. Mr. Bauch was originally appointed to the EPB in August 2010 and is currently serving a term to expire January 2, 2015. Mr. Bauch is a partner with the law firm of Collins, Buckley, Sauntry & Haugh, P.L.L.P. in St. Paul. He practices in the areas of family law, probate litigation, real estate, insurance defense and personal injury, business and business litigation, professional responsibility and appellate practice. He is a family law mediator and serves, since 1994, as a Hennepin County Conciliation Court Judge

Ms. Patricia Kovel-Jarboe was first appointed to the EPB in September 2005 and has been reappointed to a term ending January 2, 2015. Ms. Kovel-Jarboe is a former professor at the University of Minnesota and was also an administrator at the University of Minnesota. Ms. Kovel-Jarboe is currently a self-employed consultant on organizational effectiveness.

Ms. JP Hagerty was appointed to the EPB in January 2012 for a term ending January 2, 2014. Ms. Hagerty is a 10 year resident of the Windom Park neighborhood of northeast Minneapolis. Ms. Hagerty has a BA in Biology from UNC Charlotte and she is working on a Masters in Organizational Leadership at the University of Minnesota. Ms Hagerty is a long time employee

of the University of Minnesota where she is currently a project manager. Ms. Hagerty is the 2013 chair of the Ethical Practices Board.

Ethics Code §15.220 provides that the City Attorney shall designate an assistant city attorney as the City's Ethics Officer. Susan Trammell was designated Ethics Officer in February of 2006.

## **Mission**

The Mission of the Board is to promote integrity in City government by providing the services set forth in Ethics Code §15.210(e). These services include providing interpretations of the Ethics Code, responding to allegations of Ethics Code violations, and providing policy advice to the Ethics Officer.

## **2012 Accomplishments**

The primary activities and accomplishments achieved by the Ethical Practices Board and assigned staff in 2012 included:

### **I. Ethics Education**

#### **Requirements of the Ethics Code**

The Ethics Code requires attendance at an ethics education seminar within six months of becoming a local official or employee and every four years thereafter for local officials and every three years thereafter for employees. The Ethics Code states the education seminars are to be designed and implemented by the Human Resources Department to educate local officials and employees of their duties and responsibilities under the Ethics Code. Department heads are responsible for ensuring that all of their employees attend the required ethics education seminars.

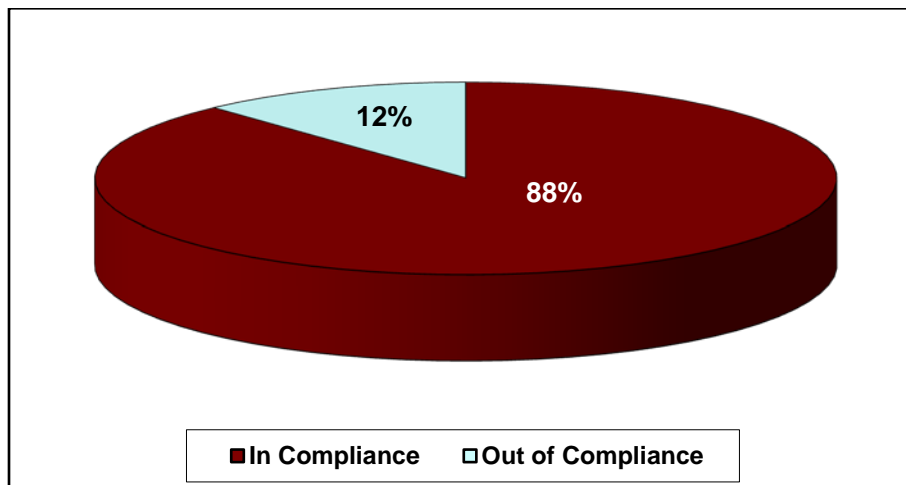
#### **Historical Perspective and Current Statistics**

Upon passage of the Ethics Code in March of 2003, a concerted effort was made to provide Ethics Code education to the entire City workforce, the elected officials and the members of the City's boards and commissions. To this end, a videotaped training featuring "Dr. Bill" was produced and the vast majority of covered persons attended ethics education prior to March 31, 2004. The Dr. Bill videotape was replaced with a video featuring Ethics Officer Burt Osborne in 2005. Beginning in October 2006, Ethics Officer Susan Trammell began conducting "in person" ethics education seminars for city employees, elected officials and the members of the City's boards and commissions. In collaboration with the Human Resources Department Training and Development division ("Training and Development"), a city-wide employee Ethics Code refresher class is offered morning and afternoon each month in conjunction with required Respect in the Workplace education. Ethics Code education is also provided at each new employee orientation session. In addition, the Ethics Officer often has provided Ethics Code education to individual departments or divisions as well as to the individual City boards and commissions.

In 2009, the Ethics Code was amended to require refresher ethics education every three years for employees instead of every four years. The ordinance change resulted in the falling out of compliance for a large number of regular employees. Much effort was spent in 2009-2011 to provide ethics education opportunities to employees and remind Department heads of the Ethics Ordinance education requirement and their duty to ensure their employees attend ethics education. This effort resulted 94% of the City's regular employees and 75% of the City's seasonal and temporary employees being in compliance with the required Ethics Code education as of December, 2011. The 2011 compliance percentages were the highest since training since adoption of the Ethics Code in 2003-2004.

Attendance at ethics education classes dropped significantly in 2012. As of December 31, 2012, only 87% of the City's regular employees and 60% of the City's seasonal and temporary employees had attended the required Ethics Code education. A chart depicting the Ethics Code education status of the employees of each department is included at the end of this report.

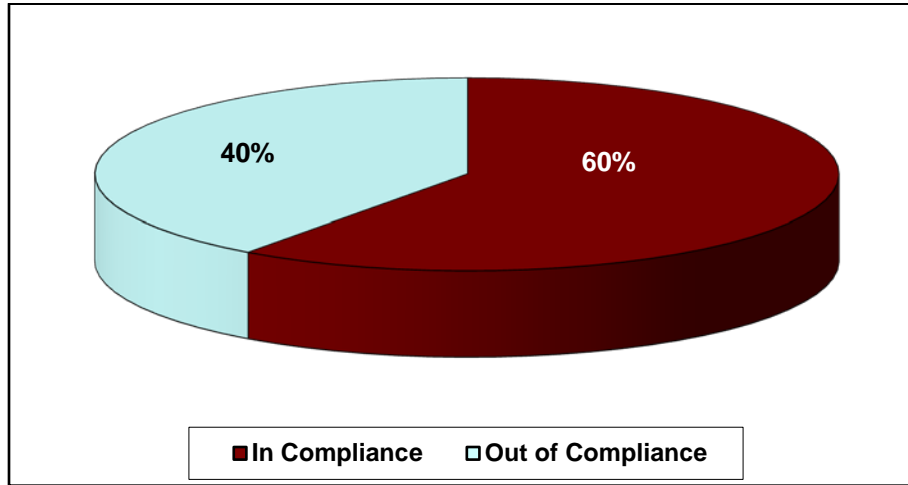
### **Regular Employees and Ethics Education as of December 31, 2012**



Reaching the temporary and seasonal employees (collectively “seasonal”) has proven to be difficult. In 2010, the Ethics Officer collaborated with Training and Development to create a Train the Trainer program for both Respect in the Workplace and Ethics Education classes. Training and Development has created a system to maintain ethics education trainers in departments with large numbers of seasonal employees. Public Works, Minneapolis Police Department, 311/911 and Convention Center all participated in the pilot program and now have in-house trainers who have successfully completed the Train the Trainer program.

With the implementation of the Train the Trainer program within departments with high numbers of temporary and seasonal employees, we have managed to raise compliance with Ethics Education from slightly more than 16% in 2009 to 75% in 2011 for seasonal, temporary, part-time and intermittent employees. In 2012, compliance dropped back to 60%.

## Seasonal/Temporary Employees and Ethics Education as of December 31, 2012



### Employee Responses to Ethics Education

Slightly more than 34% of the ethics education attendees completed general survey questions about the training received. 84% of the respondents strongly agreed or agreed that they were engaged in the session and 89% of the respondents rated the Ethics Officer as an excellent or very good instructor. The Respondents reported that at the end of the session they understood well or very well:

	Very Well	Well	Total
Who to contact for an Ethics Code Question:	76.7%	18.0%	94.7%
The purpose of the Ethics Code	74.9%	19.7%	94.6%

These responses favorably compare to the responses attendees provided for other City offered trainings.

Attendees are also asked to provide additional comments. Some of the comments offered after joint Ethics and Respect in the Workplace Education sessions are as follows:

“Format of examples and discussion very good vs reading rules. Participants felt comfortable asking direct questions and sharing.”

“Both [instructors were] very good, and you get the feeling that they have both dealt with these types of issues many times.”

“Very interesting and informative. Served as a reminder of things we should know/do.”

“I liked that it was an environment that provided the opportunity to be engaged and participate, yet nobody was put into an uncomfortable situation.”

“I loved the Ethics Class!”

“The ethics portion was a good refresher.. I didn’t realize how sensitive some of the ethical questions were.”

“The topics involving ‘appearance of impropriety’ are always interesting. Situations where no harm is intended, and probably none caused, but if you stop and think about the unintended message it could send to the public, you realize it is best to avoid it entirely.”

The survey responses and comments affirm the value of “in person” ethics education. The Ethics Officer believes that the ethics education classes help create a connection between employees and the Ethics Officer leading to a willingness on the part of employees to call the Ethics Officer with ethics questions. The Board views this as an affirmative change in the ethical culture of the City. Even though ethics education will move on-line for 2013, the Ethics Officer will continue to teach all new employee orientation ethics classes, new department head ethics education and will remain available to departments for special ethics education sessions.

Since 2009, the ethics education surveys have included two new questions. Participants are asked: “Which of the ethics rule(s) [Gifts to city employees, Outside employment, Conflict of interest, City property and use of public office, Privileges or special treatment] do you think are most necessary based upon what you see at work?” and “Which of the ethics rule(s) [Gifts to city employees, Outside employment, Conflict of interest, City property and use of public office, Privileges or special treatment] do you think are most necessary based upon what you see at work?” In all four years, the answers and comments to these two questions show that many employees believe that the outside employment rule is the least necessary rule whereas the remaining rules are more necessary.

In the follow up “Why?” questions, employees explained:

“There is a pervasive negative sentiment towards government employees in today’s culture. It believe the rules are necessary to preserve integrity, but I believe most employees would act ethically regardless of the rules.”

“It is important to have transparency to the public.”

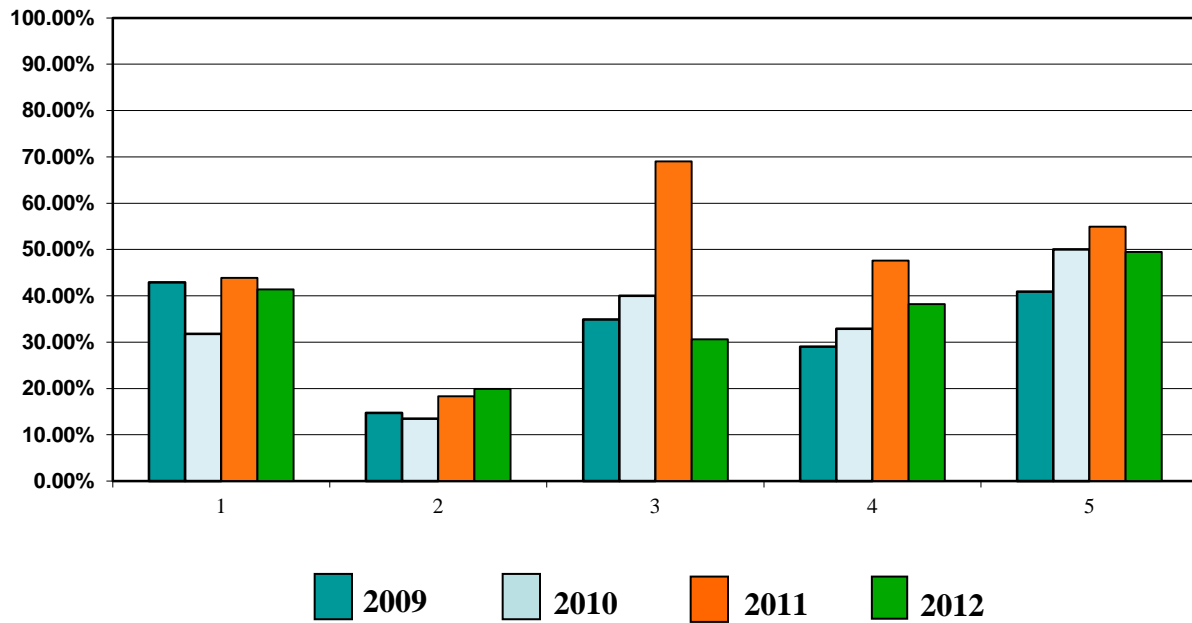
“In my opinion, I believe that individuals have the right to earn income, outside of the City... Being that the City doesn’t know the background information of the employee and the financial needs of that individual.”

“They are all necessary and important. Every City employee needs to be aware and follow these rules at all times.”

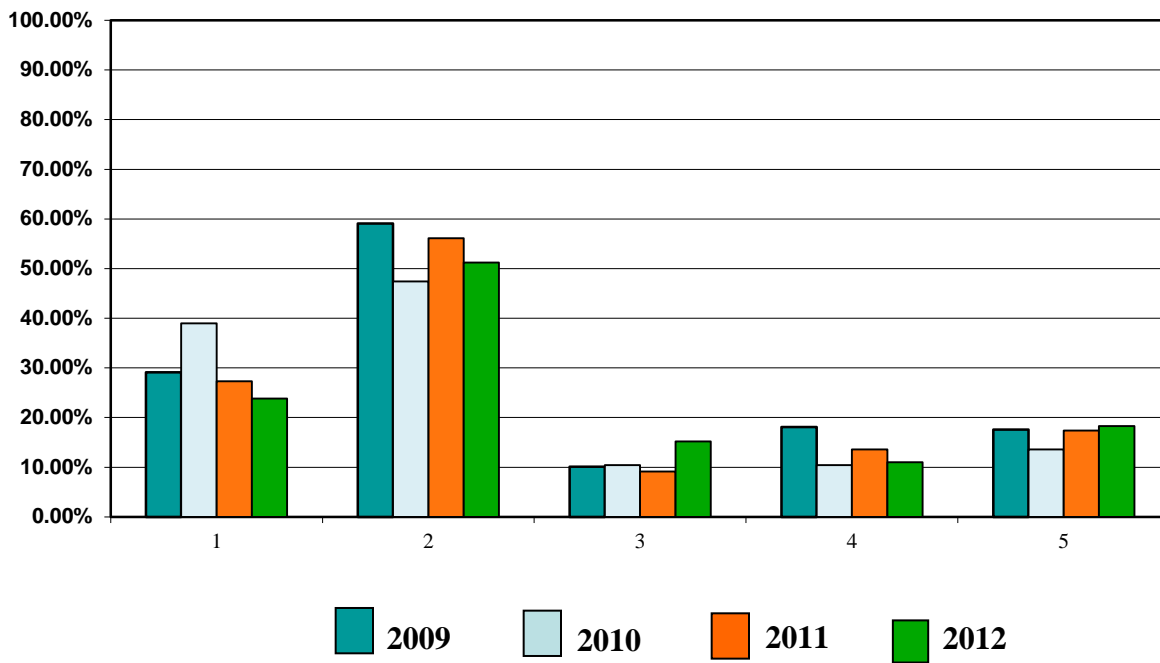
The ethics education survey serves as a valuable extension of the Ethics Report Line. The feedback provided by attendees of ethics education provides important information on the relevance and efficacy of in-person ethics education as well as the need for ethics rules in the workplace.

# Ethics Rules in the Workplace

## Most Necessary Rules



## Least Necessary Rules





## **Board and Commission Ethics Code Education**

The Ethics Code requires the approximately 471 citizen volunteers serving on our more than 50 boards, commissions and advisory committees (collectively “boards”) to attend ethics education upon beginning their service and every four years thereafter. When the Ethics Code was adopted nearly all members of the City’s boards attended ethics education. Since the beginning of 2004, however, membership on the City’s boards has experienced substantial turnover but ethics education was not held when new members began serving their terms. In 2008 the Ethics Officer began presenting ethics education sessions focusing mainly upon conflicts of interest.

Providing in person ethics education to these boards proved to be challenging because the boards often meet in the evening and their agendas are tightly packed. In 2009 the Ethics Officer worked with a donor to create an interactive computerized ethics education course for these boards. The City Council accepted this gift by resolution dated June 12, 2009. The computerized training is web-based and permits the board members to participate in the training at their own convenience. The City Clerk’s office is automatically notified of the board member’s completion of the training when the member reaches the end of the training materials and supplies his/her name and board membership.

In 2010 and 2011 the Ethics Officer collaborated with the City Clerk’s office to communicate more often with liaisons of boards about the obligations of their board members and to incorporate the required ethics education into the appointment process. This collaboration has resulted in 217 members taking the required ethics education.

In 2012, however, only 74 members took the required ethics education. Additionally, with resignations, new appointments and returning members neglecting to take refresher education, the percent of members out of compliance rose to 53%. Reminders with instructions as to how to take the electronic ethics education have been sent out to all board and commission liaisons for forwarding to their members. Going forward, these reminders will be sent on a quarterly basis. As the City Clerk’s office moves forward with plans for both a spring and a fall orientation for new board members, the electronic ethics education will be incorporated into that orientation.

## **Electronic Ethics Code Education for Employees**

Since 2010 the Board’s work plan has included an objective to implement electronic ethics education training for City employees. The Ethics Code charges the Human Resources Department to “design and implement the ethics education seminars”. The Ethics Officer has been collaborating with the Training and Development Division of the Human Resources Department in an attempt to bring electronic ethics education to city employees.

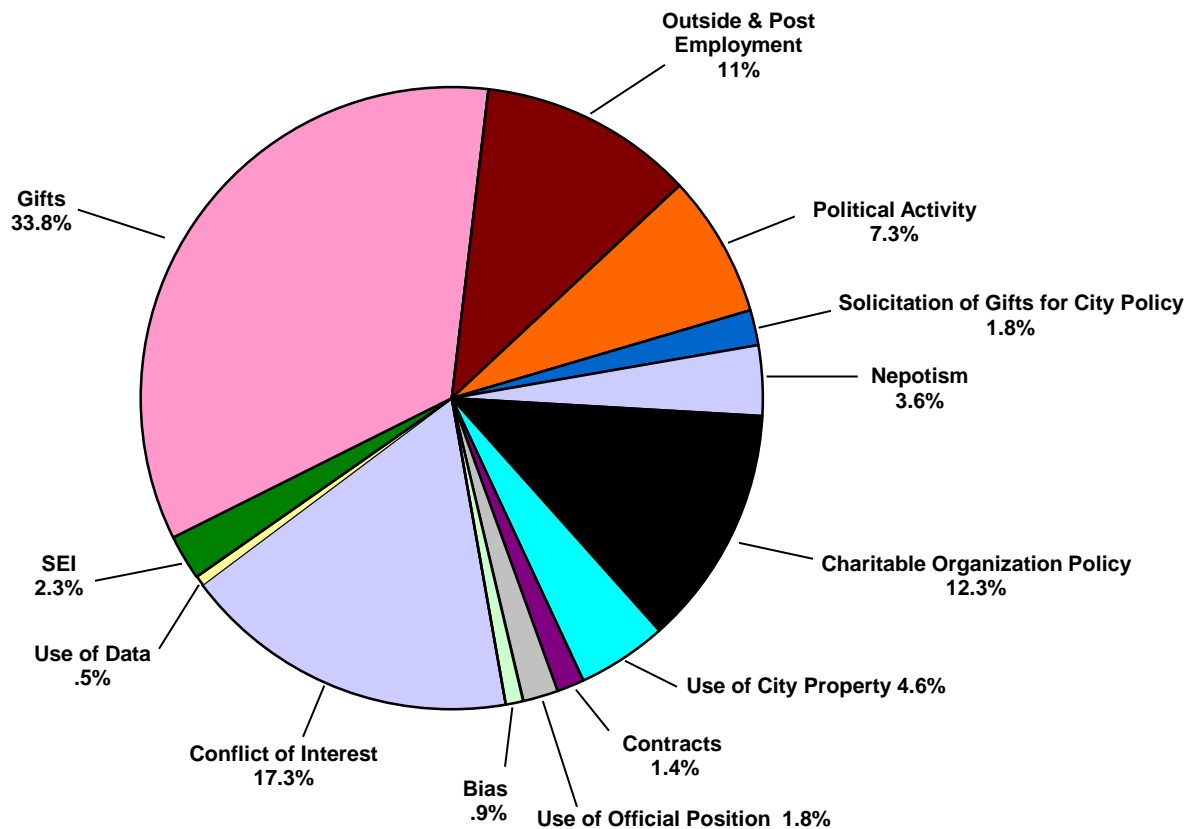
In person training is costly; it involves the commitment of the trainer’s time, the creation of time in the schedules of the trainees, and often times the scheduling of trainings to occur either off-site or during second or third shifts. Offering electronic training that an employee can take at a time convenient to the employee and in a place convenient to the employee can produce real savings by allowing for the more efficient and effective use of the city’s personnel resources and

by eliminating unnecessary travel by employees who are not located in City Hall or the Public Service Center.

In early 2012, the Ethics Officer obtained the necessary funds to pursue electronic ethics education from 2011 rollover dollars. Since the funding has been obtained, the Ethics Officer has been collaborating with the City's Communications and Information Technology Departments to create the electronic ethics education materials. Given the nature of the City's Ethics Code, the electronic ethics education materials needed to be customized to the Ethics Code. By the second quarter of 2013, in person training will continue for all new employee orientations but an electronic ethics education refresher course will be fully integrated into the training curriculum.

## II. Ethics Inquiries

From January 1, 2012 through December 31, 2012, the Ethics Officer answered 215 telephone and email inquiries<sup>1</sup>. The number of inquiries is up from 181 inquiries in 2010. The substantive topics of 2012 inquiries were as follows:



<sup>1</sup> Inquiries raised during education sessions and in-person immediately after ethics education sessions are not included in the numbers.

The top two categories of inquiries did not change from last year: Gifts and Conflict of Interest. The calls related to gifts remained the most frequent category of inquiry for the fourth consecutive year. A substantial portion of the employee ethics education sessions are devoted to gifts and it is encouraging that employees will call the Ethics Officer when faced with uncertain situations. Questions related to gifts are highly fact dependent and not easily answered by FAQ or other informational brochures.

Not included as a substantive inquiry category are the miscellaneous inquiries which range from requests for a copy of the Ethics Code or a complaint form to how to file a complaint to information about serving on the Board. The number of miscellaneous inquiries has remained fairly constant since 2007. Changes in inquiry percentages are depicted in the following chart:

<b>Category</b>	<b>Percent Change from 2010 to 2011</b>	<b>Percent Change from 2011 to 2012</b>
Use of Property	-2.5%	-4.5%
Political Activity	+0.5%	+4.9%
Outside & Post Employment	+4.8%	-1.2%
Nepotism	-0.5%	-3.0%
Use of Data	+1.2%	-1.3%
Contracts	-0.1%	+2%
Use of Position	+3.7%	-4.9%
Statement of Economic Interest	+1.2%	-4.4%
Conflict of Interest	-4.9%	+7.5%
Discrimination/Harassment	-0.6%	+1.4%
Charitable Organizations Policy	-0.9%	+4.4%
Aspirations	+0.5%	-2.4%
Gifts	-3.3%	+1.5%
Lobbyists	+0.6%	-0.6%
Solicitation of Gifts for City Policy	-1.3%	-1.2%

Minneapolis is not the only city to track inquiries related to its Ethics Code. The following chart contains information from other cities and the City of Minneapolis:

	Approximate Number Persons Covered	2012 Inquiries	Top Three Substantive Inquiries
<b>Chicago</b> ❖	32,718	6,186	Gifts/Travel/Solicitation Outside Employment Use of City Property
<b>Atlanta</b>	8,000	148	Conflict of Interest Gratuities/ Gifts Outside Employment
<b>Honolulu</b> ⌘	8,500	440	Financial Conflict of Interest Misuse of City Position or Resources for Another Misuse of City Position or Resources for Oneself or Family
<b>Minneapolis</b>	3,516	215	Gifts Conflict of interest Related Policies – Charitable Organizations

❖ Chicago’s reporting year ran from July 1, 2011 – June 30, 2012

⌘ Honolulu’s reporting year ran from July 1, 2011 – June 30, 2012

### III. Ethics Complaints and Ethics Report Line

#### Ethics Complaints

The Ethics Officer received twenty-four (24) total complaints alleging sixty-four (64) violations of the Ethic Code during 2012. This is a slight decrease from the twenty-six (26) complaints received in 2011. The complaints were reported in the following ways:

Reporting Method	2008	2009	2010	2011	2012
Ethics Officer	9	14	4	3	5
Ethics Report Line - Internet	6	11	4	7	5
Ethics Report Line - Telephone	10	13	9	6	7
Required reporting by department	2	8	6	8	7
311 – Citizen reporting	1	0	1	2	0
<b>Totals</b>	<b>28</b>	<b>46</b>	<b>24</b>	<b>26</b>	<b>24</b>

The use of the Ethics Report Line, both internet and phone, as a reporting mechanism has remained fairly constant as a percentage of reports for the last four years:

Year	Ethics Report Line as a Percent of Total Reports
2008	57%
2009	57%
2010	54%
2011	50%
2012	50%

Ethics Code §15.230(c) requires a supervisor or department head to notify the Ethics Officer of a report of an alleged Ethics Code violation and the subsequent outcome. The Ethics Officer received seven (7) such reports in 2012. Given the breadth of the Ethics Code and the inclusion of the City’s Anti-Discrimination, Harassment, and Retaliation Policy in the Ethics Code through §15.150, Discrimination or Harassment, it is fair to say that the complaint statistics reported above do not cover all of the ethics related issues handled by City Departments throughout 2012.<sup>2</sup>

The subject matter of the sixty-four (64) allegations<sup>3</sup> covered the entire Ethics Code as well as other management concerns:

<b>Subject Matter, Ethics Code Section</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Fiduciary Duty, 15.30	0	0	6	2	3
Conflict of Interest, 15.40	0	3	2	1	5
Gifts, 15.50	2	7	1	0	0
Outside Employment, 15.60	0	5	0	2	3
Use of Official Position, 15.70	1	9	2	1	7
Statements of Economic Interest, 15.80	0	0	0	0	0
Post-employment, 15.90	0	3	0	0	0
Use of City property or time, 15.100	7	22	8	7	18
Political Activity, 15.110	0	1	1	1	0
Loans, 15.120	0	0	0	0	0
Required Reporting of Fraud, 15.140	0	0	0	0	0
Discrimination/Harassment, 15.150	2	3	3	2	2
Nepotism, 15.160	1	0	1	1	0
Use/Disclosure of Information, 15.170	4	1	0	4	4
Bias or Favoritism, 15.190	0	4	2	1	4
Inappropriate Influence, 15.200	1	0	0	2	3
Employee Relations	8	11	9	3	3
Other Policy Violations	0	0	0	2	3
Compliance with other Laws	1	0	0	2	0
Ethical Aspirations	0	2	1	1	4
Other	4	4	0	0	2

Complaints related to the use of city property or time continued to be a substantial portion of total complaints.

<sup>2</sup> Human Resources Investigative unit reported thirty-five (35) allegations in 2012, including the allegations received via Ethics Report Line allegations. Nineteen (19) of the complaints resulted in investigation.

<sup>3</sup> Some complaints contained more than one allegation so these numbers will not equal the number of complaints received.

The outcomes of the closed carryover and 2012 allegations are as follows:<sup>4</sup>

Pending – 26	Discipline imposed – 4
Unsubstantiated – 16	Coaching – 10
Department changes made – 4	No jurisdiction – 5
Other - 5	

The Ethics Officer has taken the opportunity, while assisting departments with the handling of these complaints, to review and suggest changes to the departments’ internal policies. Such reviews and revisions of policies assist departments in avoiding appearances of impropriety and promote a healthy ethical culture in the City.

## Ethics Report Line

The Ethics Report Line has been operational since June 1, 2008. When reports are made through the Ethics Report Line the report is forwarded to the City’s Ethics Officer, Susan L. Trammell. If the report is a non-Anti-Discrimination, Harassment, and Retaliation Policy allegation, it is also forwarded to the Internal Auditor, Mr. Magdy Mossaad, as well as the Ethics Officer. If the report is an Anti-Discrimination, Harassment, and Retaliation Policy report, it is also forwarded to the City’s Human Resources Lead Investigator, Mr. Steve Kennedy, as well as the Ethics Officer. This process is to ensure no complaint is overlooked. Once received, the reports are forwarded as required by the Ethics Code to the appropriate official for investigation, usually the Department Head and Human Resources Generalist for the applicable department. The Ethics Officer contacts the department periodically to check on status of the investigation.

The Network tracks statistics related to the reports made through its clients’ compliance lines:

<b>Original Incident Reports</b>	<b>2010 % City</b>	<b>2010 % The Network</b>	<b>2011 % City</b>	<b>2011 % The Network</b>	<b>2012 % City</b>	<b>2012 % The Network</b>
Anonymous Reports	76.9%	49.7%	61.5%	47.5%	83.3%	49.2%
Non-Anonymous Reports	23.1%	50.3%	38.5%	52.5%	16.7%	50.9%
Escalated Incident Reports	0%	1.2%	0.0%	1.2%	0.0%	1.1%
Previously Reported to Management	25%	30.5%	38.5%	29.5%	33.3%	28.9%
Caller Callbacks	15.2%	9.4%	18.2%	9.3%	17.7%	8.3%

<sup>4</sup> Some outcomes contained more than one action so these numbers will not equal the number of allegations received.

For all years of Ethics Report Line operation, the City’s anonymous reporting is significantly higher than that of The Network’s other clients. Anonymous callers are instructed to re-contact the Network after a designated period of time to answer any questions the assigned investigator may have for the caller. For the last three years more of the City’s anonymous callers followed up as instructed as compared to The Network’s other clients and quadrupled over the City’s call back percentage of 2009 (4.4%). The importance of calling back is stressed when the Ethics Report Line process is discussed during Ethics Education classes. Calling back is essential for the City to properly investigate anonymous complaints.

The Network also tracks the allegations raised in a report made through the Ethics Report Line:

<b>Subject of Original City of Minneapolis Incident Report</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Use of Property/Time	23.8%	28.6%	29.4%	35.3%	8.3%
Nepotism	4.8%	0.0%	5.9%	0.0%	0.0%
Safety Issues	4.8%	0.0%	0.0%	0.0%	0.0%
Use/Disclosure of Information	4.8%	0.0%	0.0%	5.9%	0.0%
Outside Employment	4.8%	7.1%	0.0%	0.0%	0.0%
Post-Employment	0.0%	7.1%	0.0%	0.0%	0.0%
Harassment/Discrimination (Anti-Discrimination, Harassment, and Retaliation Policy)	9.5%	7.1%	5.9%	5.9%	25%
Bias/Favoritism	0.0%	9.5%	0.0%	0.0%	0.0%
Use of Position	0.0%	11.9%	0.0%	5.9%	0.0%
Employee Relations	23.8%	19%	47.0%	17.6%	8.3%
Gifts	9.5%	7.1%	5.9%	0.0%	16.6%
Conflict of Interest	0.0%	2.4%	5.9%	0.0%	8.3%
Legal Compliance	0.0%	0.0%	0.0%	11.8%	0.0%
Other	14.3%	0.0%	5.9%	11.8%	8.3%

## **IV. Code Interpretation through Policy Development**

In 2009 the Ethics Officer collaborated with the City’s Human Resources Department to establish protocol to include ethics compliance as an issue in all employee exit interviews. The following ethics question is now included in all on-line and paper versions of the employee exit survey for employees who voluntarily leave the employ of the City:

**Policy Compliance** - Management adherence to the Ethics in Government Code.

1 - Very Dissatisfied 2 - Somewhat Dissatisfied 3 - Somewhat Satisfied 4 - Very Satisfied

Check if this is a factor in your departure

During 2012 the City experienced a total of 102 voluntary employee separations: 50 retirements and 52 resignations. Twenty-two (22) of the employees voluntarily separating from the City participated in the Employee Exit Survey and twenty (20) of those participants answered the question related to management adherence to the Ethics in Government Code.

### **Exiting Employee Perception of Management Adherence to the Ethics Code**

	<b>Very Dissatisfied</b>	<b>Somewhat Dissatisfied</b>	<b>Somewhat Satisfied</b>	<b>Very Satisfied</b>	<b>Factor in departure</b>
<b># of Responses</b>	2	3	11	4	1
<b>%</b>	8.7%	13.0%	47.8%	17.4%	N/A

Once exit surveys are received, copies are shared with the appropriate Human Resources Generalist. If the identity of the employee is known, the Human Resources Generalist may further investigate the answers of the exit survey. The Ethics Officer has requested that going forward, all exit surveys with negative responses to the Management Adherence to the Ethics Code question also be forwarded to her.

## **V. Development Board and Commissions Best Practices Study**

In Spring 2012, the Ethical Practice Board (“Board”) became aware of various comments from citizens and members at development related board and commission (“Development Boards”) meetings about members’ personal professional involvement in various agenda items. In addition, the Board received an ethics complaint alleging violation of the conflict of interest provisions of the Ethics Code due to a Planning Commissioner’s professional appearance before the MCPC when the Commissioner had a financial interest in the agenda item and had recused himself from official participation. The Board became concerned that the personal appearances of Development Board members before their own board or commission could erode public confidence in the work of these Development Boards.

After a briefing by the Ethics Officer, Mayor R.T. Rybak concurred in the concerns of the Board. The Mayor and the Board jointly directed the Ethics Officer to conduct a survey of best practices in an effort to identify proposed changes to the Ethics Code and/or the Development Boards by-laws and operating procedures to reduce the number of situations in which the actions of members with potential conflicts of interest give rise to appearances of impropriety.

The key findings of the best practices survey are as follows:

- Local officials should not be allowed to address a city board, commission, city council committee or city council when the local official has a financial interest that requires disclosure.
- A “leave the room” requirement for the local official with the financial interest can cause both quorum and open meeting issues.



Term limits will not reduce the number of conflicts of interest on the City’s Development Boards.

## V. Proposed Ordinance Amendments

The Board is currently considering proposing amendments to the Ethics Code. One section under consideration for amendment is the conflict of interest provision. The Board is aware that the Minnesota legislature is also considering potential amendments to Chapter 10A of Minnesota Statutes. Once action is taken on the state statutes, the Board will review those amendments and propose Ethics Code amendments.

### 2012 Expenses

Council on Governmental Ethics Laws membership	\$445.00
Society of Corporate Compliance and Ethics Membership	\$295.00
Ethics Report Line	\$4,250.00
Attorney III at 47% time (\$154,383 FTE per year)	<u>\$72,560.00</u>
	<b>\$77,550.00</b>

The Ethics Officer’s time was trending downward from a high of 48% in 2008 to a low of 23% in 2011. In 2012, the Ethics Officer’s time more than doubled to 47%. The increase was mainly due to the time involved for certain complaints and the Development Boards and Commissions Best Practices Study. The reported 2012 expenses do not take into account the incidental expenses such as an office, computer, telephone, office supplies, copying, postage, parking, mileage for training and other expenses covered by the Office of the Minneapolis City Attorney.

Year	2007	2008	2009	2010	2011	2012
<b>% Ethics Officer Time</b>	37%	48%	47%	33%	23%	47%

### 2012 Revenue

During 2012 the Ethical Practices Board did not receive any income from grants, awards or donations.

### 2012 Volunteer Hours

The three members of the Board collectively spent approximately 80 hours on work related to the Board during the 2012 calendar year. This year’s business before the board only necessitated the Board holding bi-monthly meetings. On average, each member spent four plus hours per meeting on Board related activities which is consistent with prior years.

# 2013 Ethical Practices Board Work Plan

The 2013 work plan is predicated on the availability of city staff to complete the tasks requiring staff involvement.

## **Ethics Education**

- Conduct new employee ethics education seminars.
- Fully implement electronic ethics education refresher training for City employees.
- Consult with departments to determine ethic education needs of contractors.
- Conduct ethics education seminars for departments as requested.
- Continue collaboration with the City Clerk's office to incorporate the required ethics education into the appointment process.
- Continue collaboration with the City's Communication Department to create a communication strategy to promote awareness of both Ethics and the Ethics Report Line.

## **Ethics Code Review**

- Participate in CityEthics.org's Model Ethics Code Project.
- Review City's Ethics Code and propose amendments to improve effectiveness of the Code.

## **Code Interpretation through Policy Recommendations**

- Evaluate the Solicitation and Acceptance of Gifts on Behalf of the City Policy for potential revisions.
- Assist Departments with policy drafting upon request.

## **Ethics Inquiries**

- Answer Ethics Code inquiries from employees, local officials and the public.
- Collaborate with the City's Communication Department to create a question and answer brochure for frequently asked questions.

## **Ethics Complaints and the Ethics Report Line**

- Manage complaints received directly and from the ethics report line.

## **Promote an Ethical Culture in the City of Minneapolis**

- Reach out to departments to engage them in discussions about their ethical cultures and ways to improve the culture.

## Employee Ethics Education Status By Department

As of December 31, 2012

Department	Attended Training in 2012	HRIS Reported Number of Employees	Out of Compliance 2012	Will Change to Out of Compliance in 2013
311	11	23	1	1
911	7	67	13	1
ASSESSOR	9	26	1	1
ATTORNEY	5	103	10	83
INFORMATION SERVICES & TECHNOLOGY	16	50	7	7
CITY CLERK excluding election judges and elected officials	4	49	16	5
CITY COORDINATOR	3	10	2	3
CIVIL RIGHTS	5	20	4	3
COMMUNICATIONS	2	11	0	6
CONVENTION CENTER excluding temporary intermittent stage hands	6	207	28	3
CPED	109	195	10	25
EMERGENCY MANAGEMENT	2	4	0	1
FINANCE	42	206	22	50
FIRE DEPARTMENT	3	394	171	161
HEALTH AND FAMILY SUPPORT	33	85	3	17
HUMAN RESOURCES	12	45	5	3
INTERGOVERNMENTAL RELATIONS	5	8	2	1
INTERNAL AUDIT	0	4	2	0
MAYOR	0	10	6	2
NEIGHBORHOOD & COMMUNITY ENGAGEMENT	4	15	3	5
POLICE DEPARTMENT	13	932	64	771
PUBLIC WORKS	214	916	115	304
REGULATORY SERVICES	71	136	6	23
<b>Totals</b>	<b>576</b>	<b>3516</b>	<b>491</b>	<b>1476</b>