

2022 ANNUAL REPORT



ETHICS DIVISION

Office of the Inspector General

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A MESSAGE FROM THE ETHICS OFFICER



As we head into the twentieth year of the Ethics Division, I am amazed at where we started. Twenty years ago, the first Ethics Officer, Ginny Looney, opened the doors of the Ethics Division with limited resources and staff. Ms. Looney had one goal in mind: establishing and maintaining a strong ethical culture in city government. Ms. Looney passed away in 2014, and we continue to build on that goal with more resources and staffing than in previous years.

For 2022, we focused on launching our new ethics learning course citywide and providing targeted training to various city departments. Our efforts to train every employee can be attributed to legislation that was passed a few years ago mandating annual ethics training for all city employees. To that end, we successfully trained 94% of city employees in 2022, which included our field workers. Our staff worked with the Department of Human Resources to provide support to employees who worked in the field and were required to take ethics training. To do so, we provided in-person training sessions for the employees who were experiencing challenges with using technology. As part of our ongoing efforts to have all city employees complete their ethics training in future years, we will continue to engage and seek the support of senior leadership.

The City Integrity Line received a record number of reports for 2022, more than double the complaints received in 2021. The increase in reports is due to our ongoing efforts to promote the Integrity Line as well as the return of city personnel to in-person operations.

In 2023, the Ethics Division will focus on developing an automated audit process to replace the manual and tedious process that we currently have in place. Our office audits a small percentage of the statements received for completeness and accuracy; however, more rigorous efforts are needed to catch errors and potential conflicts of interest. We also plan to hire an additional staff member to support these efforts.

In summary, 20 years later, the Ethics Division has built a solid reputation through its commitment to a strong ethical culture and promoting integrity and transparency. We have navigated through numerous challenges and setbacks over the years yet maintained our momentum and drive. It is my hope that the City will continue to support the work of this office through additional resources and collaboration, and city officials and employees truly understand that, in the words of the late Ginny Looney, “ethics must be everybody’s business.”

Jabu M. Sengova

Jabu M. Sengova
City Ethics Officer

ABOUT THE ETHICS DIVISION

WHO WE ARE

The Ethics Division is an independent office within the Office of the Inspector General headed by the City Ethics Officer. The City Ethics Officer is appointed by the Governing Board of the Office of the Inspector General for a period of five years, subject to confirmation by the City Council and approval by the Mayor.

WHAT WE DO

The Ethics Division provides general and targeted ethics training to city officials, employees, and contractors on the City's Code of Ethics, provides written and oral ethics advice to city officials and employees, investigates complaints falling under the jurisdiction of the Code of Ethics, prosecutes violations of the Code of Ethics, coordinates the City's ethics and compliance phone line, and manages the City's financial disclosure system.

2022 HIGHLIGHTS BY THE NUMBERS

OPERATIONS

- Organized **four** regular board meetings via zoom platform, **two** in-person, and **one** in-person board retreat
- Filled **four** vacant positions on the Governing Board of the Office of the Inspector General
- Staff attended professional development seminars and conferences, both virtual and live
- Acquired additional space for staff
- Received additional funding for **three** positions
- Created **two** new positions
- Hired **one** new staff member

2022

2022 HIGHLIGHTS BY THE NUMBERS

ADVICE

- Provided timely ethics advice in approximately **202** requests for written and verbal advice and responded to requests for general information on ethics
- Amended **two** advisory opinions
- Issued **three** advisory opinions
- Responded to **98** percent of all requests for advice within seven days

PUBLIC EDUCATION AND OUTREACH

- Created and launched new city-wide online Ethics training course
- Conducted in-person training sessions for various city departments located off-site
- Sent out city-wide email blasts throughout the year to promote ethics awareness
- Published **three** Ethics in Action newsletters, including Holiday Gift Reminders

2022 HIGHLIGHTS BY THE NUMBERS

TRAINING

The Ethics Division provided virtual and live ethics training to city officials, employees, board members, vendors, and contractors.

7,301

**INDIVIDUALS
TRAINED**

7,126

**ETHICS PLEDGES
RECEIVED**

26

**PRE-BID CONFERENCES
ATTENDED**

Hosted by the Department of Procurement and attended by prospective city contractors & vendors



2022 HIGHLIGHTS BY THE NUMBERS

FINANCIAL DISCLOSURE

Recorded 172 financial disclosure cases involving 150 non filers and 22 late filers for which enforcement was pursued. Administrative decisions were written in each case imposing fines according to the schedule located in the rules of the Ethics Division.

\$2,895

**COLLECTED IN PAYMENTS
TO-DATE**

Deposited in City of Atlanta General Fund

89%

TIMELY FILING RATE

93 percent overall to date

3,427

REQUIRED FILERS



2022 HIGHLIGHTS BY THE NUMBERS



AUDITING OF CITY FINANCIAL DISCLOSURE STATEMENTS

2020 City Financial Disclosure
Audit Report released August 2022.
Published at www.atlantaethics.org

2021 and 2022 City Financial
Disclosure Statements are
currently being audited.

Annual Audit Samples

- High-level employees
- Elected Officials
- Specific departments
- Filers flagged during prior audits
- Random selection

302

**OUT OF 3480 REQUIRED
FILERS AUDITED**

High level employees, elected officials,
Department of Finance, filers flagged in
previous audits

2022 HIGHLIGHTS BY THE NUMBERS



AUDITING OF CITY FINANCIAL DISCLOSURE STATEMENTS

11

OUT OF 3480 FILERS
CONTACTED BY THE
ETHICS DIVISION FOR
CLARIFICATION

5

FILERS FILED AMENDED
STATEMENTS

6

FILERS REFERRED TO THE
ETHICS INVESTIGATOR

8.7%

PERCENTAGE AUDITED

of all filers from 2020

2022 HIGHLIGHTS BY THE NUMBERS



INVESTIGATIONS AND ENFORCEMENT

Opened 27 preliminary reviews/investigations of potential ethics matters. Referred 18 additional non-ethics matters to other agencies/departments for further review/investigation and closed 12 matters.

202

**INTEGRITY LINE REPORTS
RECEIVED**

50

**INTEGRITY LINE REPORTS
REFERRED TO OTHER
AGENCIES/DEPARTMENTS**

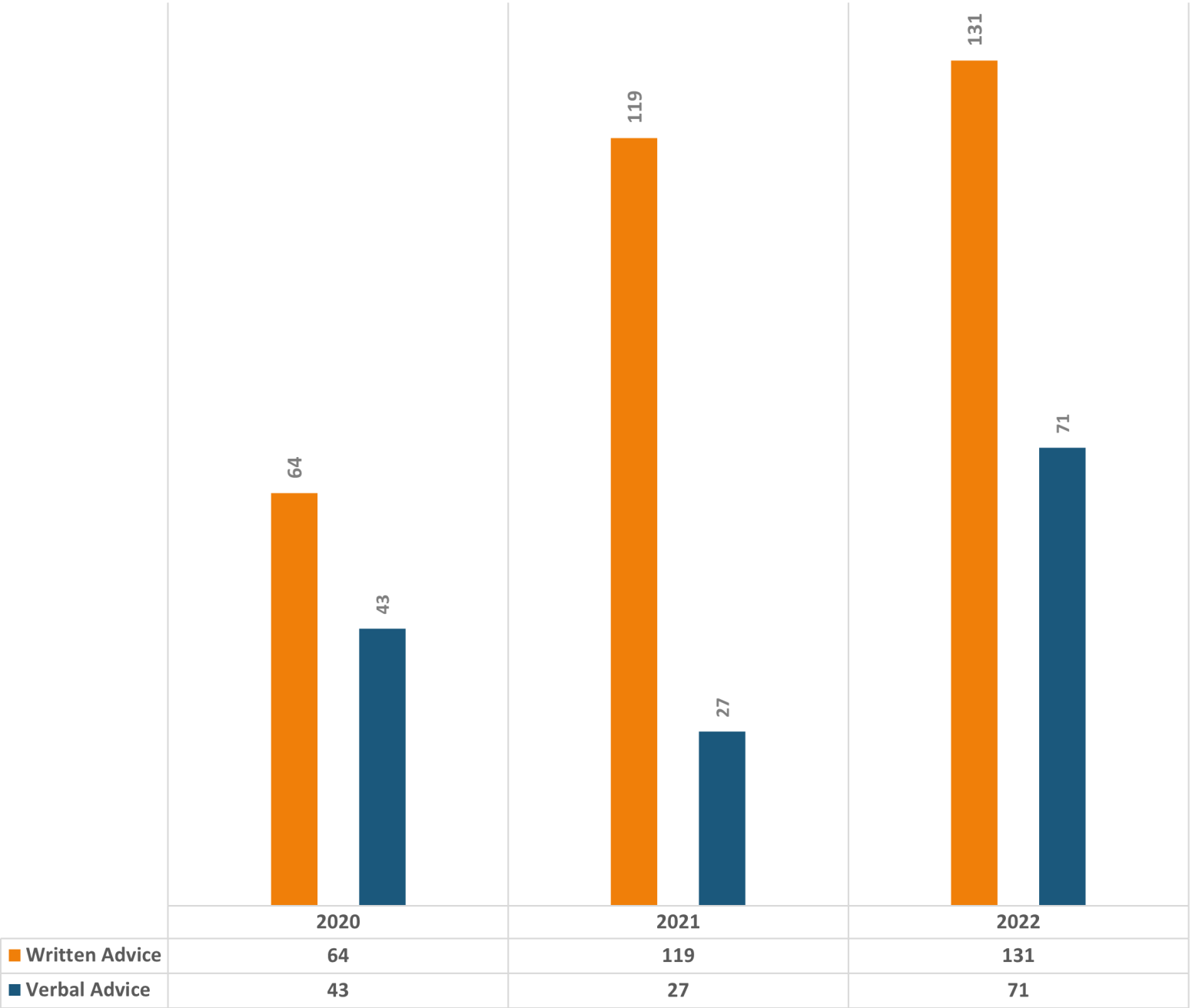
\$2,500

**ASSESSED IN RESTITUTION
TO THE CITY**

Report on Ethics Advice

WRITTEN VS. VERBAL ADVICE 2020 - 2022

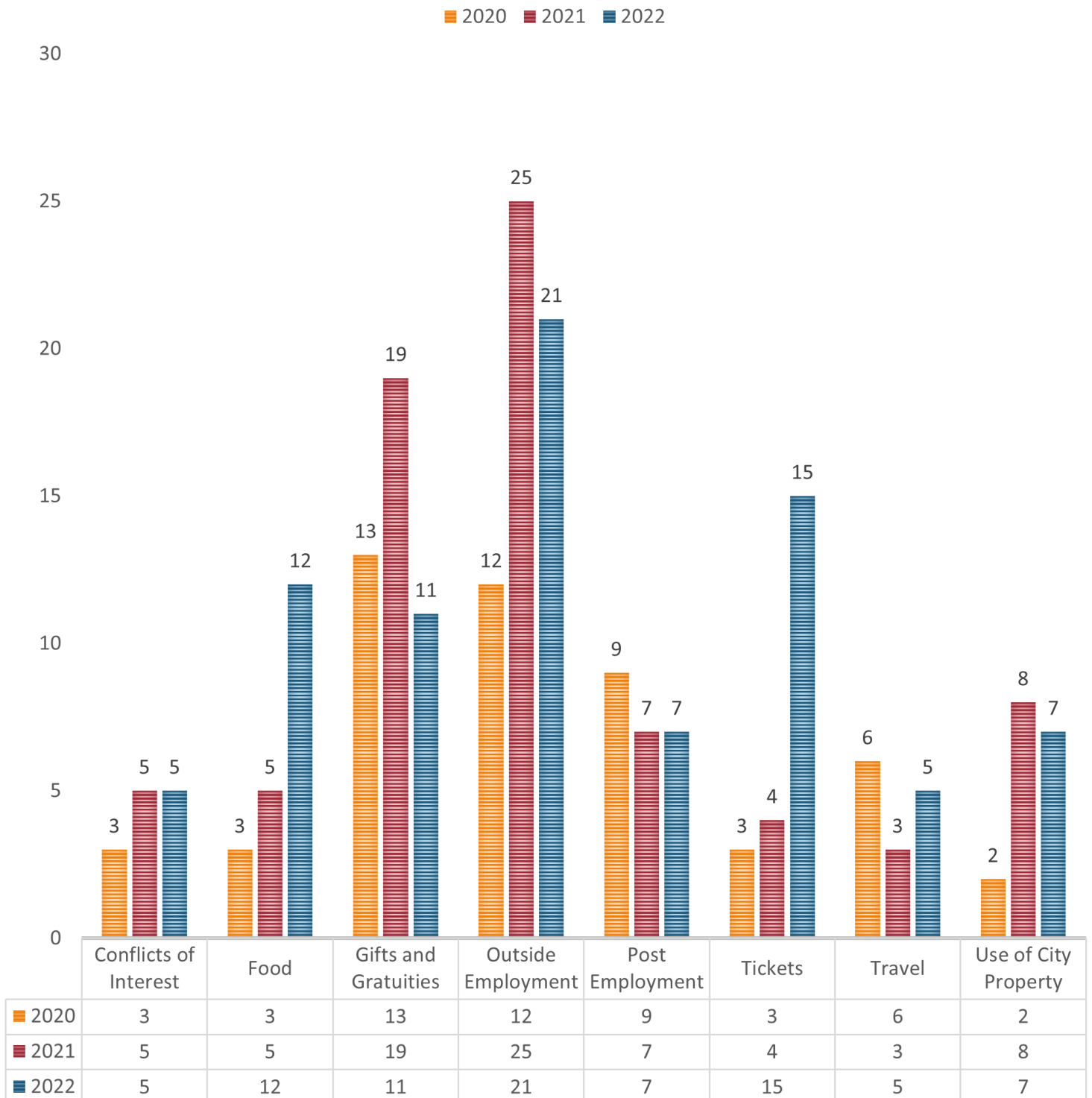
Written Advice Verbal Advice



Note: Written advice numbers do not include advisory opinions.

Report on Ethics Advice

TOP SUBJECTS FOR WRITTEN ADVICE 2020 - 2022



AUDITING OF CITY FINANCIAL DISCLOSURE STATEMENTS

The financial disclosure process protects the City from conflicts which may arise from personal and financial interests of city officials and employees and is governed by Section 2-814 of the Ethics Code. Officials and employees are required to disclose income and financial interests, outside sources of income, immediate family relationships, and property ownership while serving the City of Atlanta and for one year following their service.

The Ethics Division began its auditing process in 2017 with an inaugural audit and continues to develop the program in which a percentage of the financial disclosure statements received are reviewed for completeness and accuracy. During an audit, tests are administered to a selection of submitted statements, including comparing current and prior statements for consistency, and conducting public records searches for potential errors and omissions. While filers are aware of the importance of disclosing their outside sources of income and other business and family relationships, we routinely find that filers fail to disclose outside business entities or family relationships. When that occurs, the Ethics Division requests that the filer submit an amendment.

The 2020 audit report, published in August of 2022, reviewed 8.7% of all financial disclosure statements filed for accuracy and potential omissions. This audit, as in prior audits, examined elected officials' and high-level employees' statements. The 2020 audit also reviewed statements of a random sample of city employees and filers who were flagged for omissions or errors during prior year audits.

AUDITING OF CITY FINANCIAL DISCLOSURE STATEMENTS

During the 2020 audit, 11 filers were contacted by the Ethics Division for clarification, five filers filed an amended statement following the audit, and six filers were referred to the Ethics Investigator for further review.

Due to system generated report errors in the 2020 financial disclosure e-filing system, the data obtained during the filing period included statements which contained blank fields. The Ethics Division does not anticipate these errors in future filings because it has replaced the vendor that developed the 2020 e-filing system. The 2020 Financial Disclosure Audit Report may be located at: www.atlantaethics.org.

The Ethics Division continuously works to ensure that officials and employees avoid potential conflicts of interest. We provide ethics training and send out ethics messaging on the importance of disclosing interests and potential conflicts. Our audit process will continue to ensure that filers comply with the Ethics Code.



Ethics Training

In January 2022, the Ethics Division launched a new online ethics training program for all city employees. Based on the revised Code of Conduct of the Atlanta City Charter, Section 2-825, ethics training is now an annual requirement for all city employees. The focus of the training is to educate and inform employees of the city's ethical culture, the importance of transparency, how to report an ethics violation, and the responsibilities of each employee in supporting a strong ethical environment. The deadline for employees to complete their training was May 2, 2022.

By May 5, 2022, we were pleased to report that the number of employees who completed or were in the process of completing their ethics training was 6,130 out of a total of 8,022. That represented a 76% completion rate for all employees. The remaining 24% consisted mostly of city field workers who had unique training needs that we needed to address.

The primary challenge we saw with the employees working in the field surrounded their use of technology. At some facility locations, there was limited technology for the employees to access the City's Oracle website where the training is hosted. Additionally, due to many of these locations being away from City Hall, employees appeared to be "disconnected" and "out of touch" with what is happening within the walls of City Hall. As a result, the Ethics Division sought to provide the necessary support and assistance to the departments and their field workers to complete the mandatory ethics training. We developed a plan to provide in-person training sessions at the main facility locations for the departments. The impacted departments were able to sign up for ethics training that we made available from July to September 2022. The departments that participated in the sessions included the Atlanta Department of Transportation (ADOT), the Department of Public Works (DPW), and the Department of Watershed Management (DWM).

Ethics Training

A total number of 338 field employees received their annual ethics training through our in-person sessions. A breakdown of the numbers is below:

Atlanta Department of Transportation: 68

Department of Public Works: 199

Department of Watershed Management: 71

With the addition of in-person training, and additional employees completing the training online, the number of employees who completed their mandatory ethics training increased to 7,126 by September 22, 2022. That brought the completion rate for the annual ethics training to 94% for all city employees.

Along with the annual training, we conducted sessions for various city departments bringing the total number of individuals that received ethics training to 7,301.

As part of our ongoing efforts to have all city employees complete their ethics training, we will continue to engage support from senior management within these departments.



ORGANIZATIONAL UPDATES

In 2022, the Ethics Division embarked on an aggressive schedule to develop and enhance its programs. A few of those programs were: new ethics training for city employees, improving the financial disclosure process, automation of the internal auditing function, and updating the existing Ethics website.

To date, the following programs and projects have been completed or are in the process of being completed:

Ethics Training

The Ethics Division developed an interactive web-based module for all city employees. The Department of Human Resources' Learning Management System (LMS) was used as the delivery method to reach the employee base. Employees without access to either an office or applicable technology were able to obtain the training in group sessions at their on-site locations. The training launched in mid-January 2022 and was completed by September 2022.

Financial Disclosure Process

The annual financial disclosure (FDS) process is critical to the success of the Ethics Division and a key component of its mission. Our current vendor EasyVote, developed enhancements to the applications supporting the FDS process. The enhancements allow for increased security by applying multi-factor authentication (commonly referred to as two-factor – using a secondary device to identify a person) and enhance user experience by making it easier for a filer to complete their statement. As part of the new application, there are new administrative features that will generate streamlined reporting by department or sub-department. This should provide greater departmental controls and improve the process of holding employees who are required to file accountable.



In addition, per city law, there is a ‘public search’ function which allows the public to review previous and current disclosure statements of city officials and employees.

Financial Disclosure Audits

To ensure compliance with financial disclosure filings, the Ethics Division conducts an annual audit at various levels. Senior city officials (tier 1), specific city departments (tier 2), and a subset of the remaining population (tier 3). Approximately 300+ statements are audited during this process. As part of our ongoing efficient model, we will develop an automated audit system to replace the manual process in place.

Ethics Division Website

The previous Ethics Division website and the City of Atlanta website pages referencing Ethics did not match and contained outdated information. The Ethics Division is working on updating both websites to ensure that the public receives accurate information and establishing an efficient process to maintain both sites. Additionally, working with the new Office of the Inspector General, an operational calendar will be created and deployed informing the public of future Governing Board meetings and other activities that may be of interest.

These efforts represent some of the programs and projects that have been completed and are underway. As we move forward, a full list of programs and projects will be listed and available on our website.



Report on the Integrity Line

The City's **Integrity Line** (1-800-884-0911) was established in 2006 as a vehicle to report unethical, fraudulent, or illegal activity. Integrity line calls are received 24/7 by an independent third-party telephone and online reporting system and routed to the Integrity Line Steering Committee, which includes representatives from the Office of the Inspector General's Compliance and Ethics Divisions and the City Auditor's Office. The Division began using The Network as the City's Ethics Hotline at the end of 2005. NAVEX Global purchased the Network in 2017 and the Division transitioned to using the NAVEX/EthicsPoint Incident Management System in July of 2017.

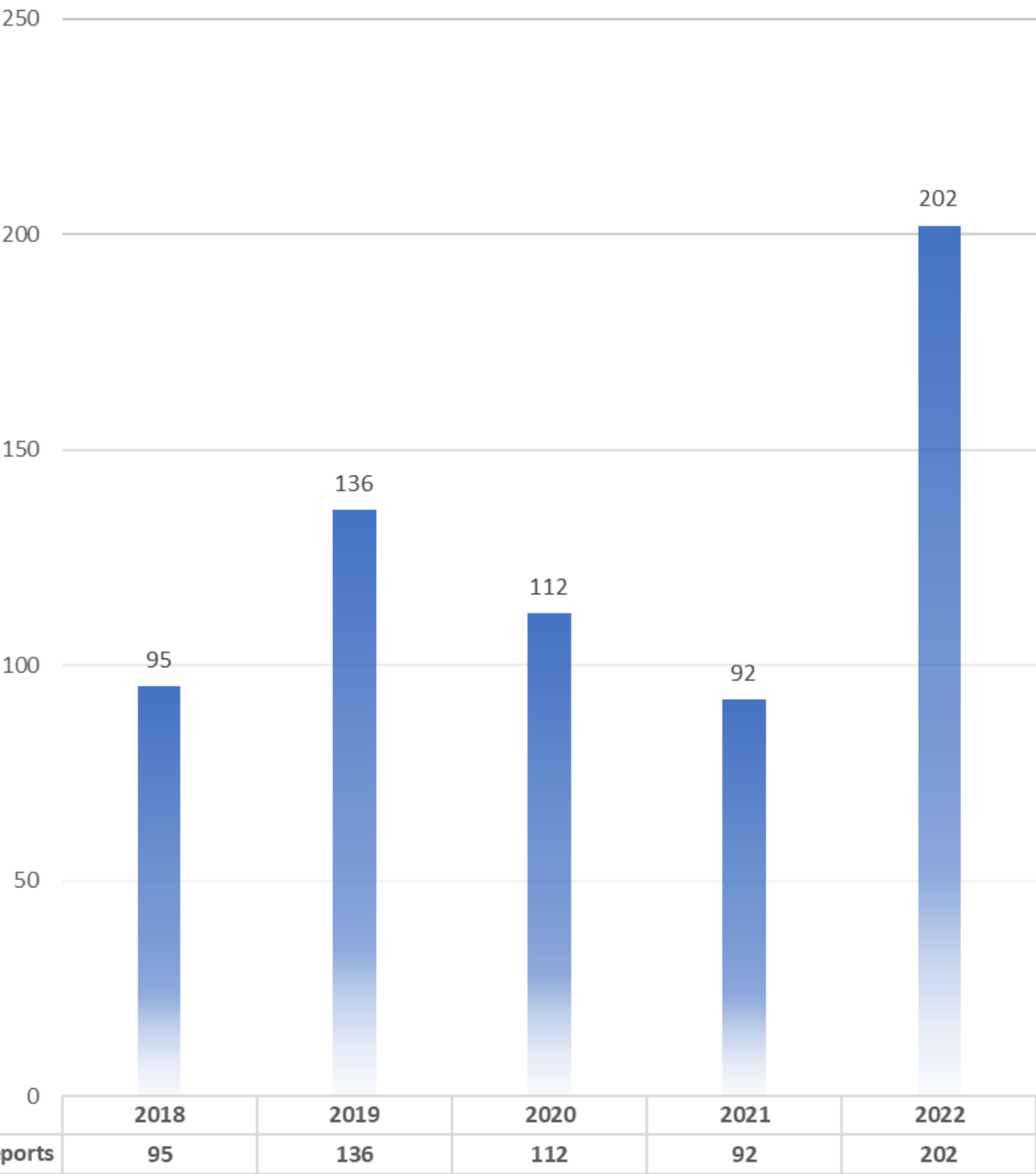
Reports received through the Integrity line are initially reviewed for jurisdiction by the Ethics and Compliance Division and either handled by the Divisions directly or referred accordingly to the appropriate agency or department for further review and investigation, if necessary. City departments provide report backs to the Ethics and Compliance Divisions indicating whether allegations have been substantiated so the Divisions may determine whether further action is required.

With **202** Integrity Line reports received, 2022 saw a marked increase in Integrity Line reporting volume, more than doubling the amount received in 2021. The increase in reporting volume from 2021 is mostly attributed to a return of city personnel to in-person city operations, and the launch of the Ethics Division's ethics training course for city employees which provided information about reporting potential misconduct through the Integrity Line.

As with past years, ongoing efforts by the Integrity Line Steering Committee and city leadership to promote the Integrity Line builds employee confidence and is a critical element of an effective ethics and compliance program. These efforts have played an important role in reporting numbers reaching historically high levels.

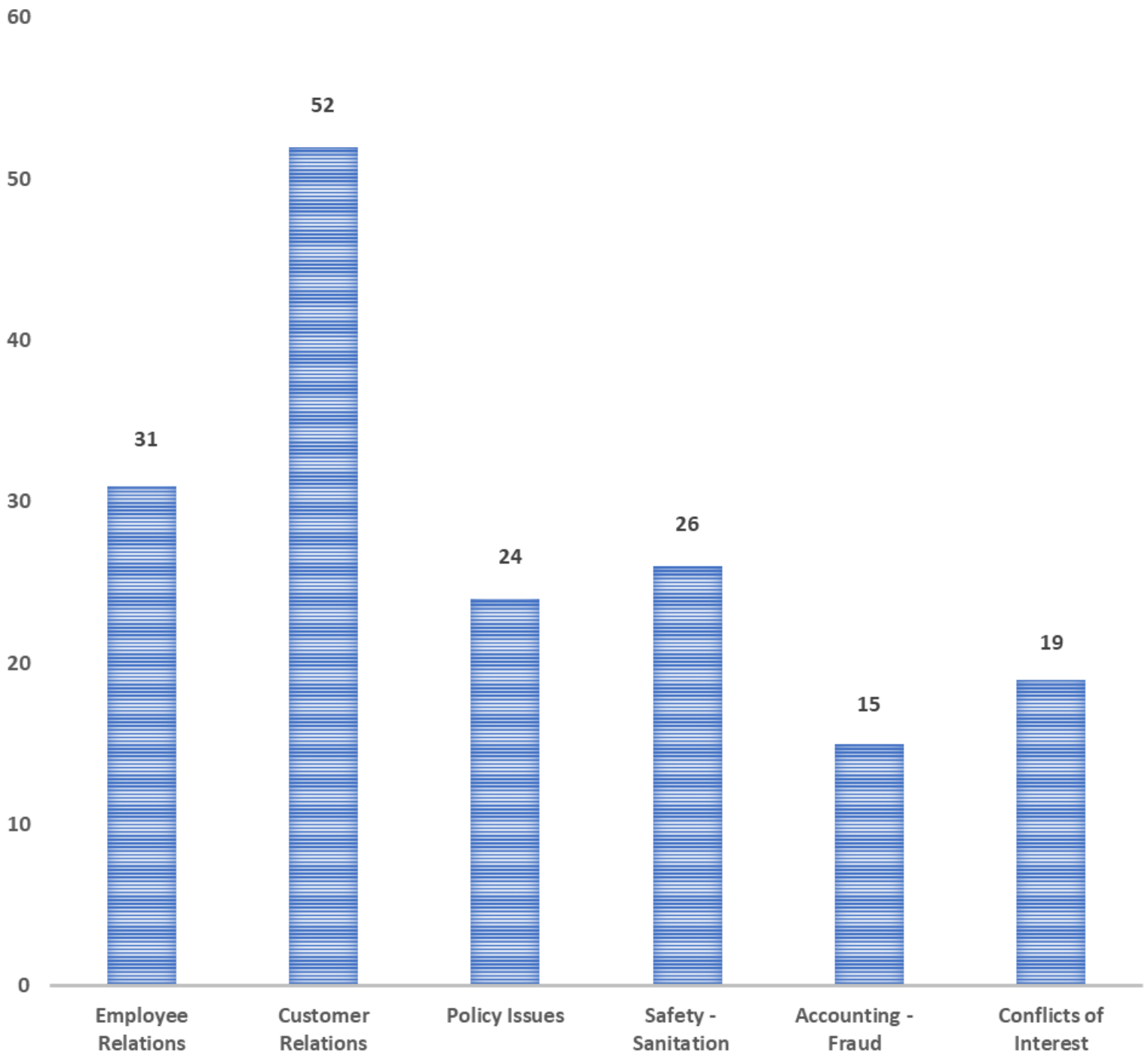
Report on Integrity Line

INTEGRITY LINE REPORTS 2018 - 2022



Report on Integrity Line

TOP REPORTING CATEGORIES 2022



**Note: Only the top seven Integrity Line reporting categories are included in the above chart.*

Ethics In Action



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