

**DENVER BOARD OF ETHICS
2002 ANNUAL REPORT
February 14, 2003**

I. INTRODUCTION

The Denver Board of Ethics hereby submits its second annual report to the Mayor and City Council, as required by Section 2-66 of the Code of Ethics.

During 2002, two Board of Ethics members resigned, Marcelina Rivera and Harry MacLean, and two new members have taken their places, Denise Maes and Leslie M. Lawson, respectively. The Board appreciates the service of Ms. Rivera and Mr. MacLean and welcomes Ms. Maes and Ms. Lawson. In late 2002, the Board elected Charles F. Savage as chair and Carolyn Lievers as vice-chair.

The Board held a total of ten Board meetings during 2002. This report is a summary of the work of the Board during that time.

II. 2002 GOALS

The Board's 2002 goals were concentrated in four areas:

- (1) Expedient fulfillment of its obligation to receive, review and decide requests for advisory opinions, requests for waivers and inquiries regarding alleged misconduct.
- (2) Institutionalization of the Board of Ethics within the framework of city government.
- (3) Publication and dissemination of the Ethics Handbook.
- (4) Development and implementation of ethics training for city officers and employees.

1. ADVISORY OPINIONS, WAIVERS AND INQUIRIES

In 2002, the Board received and decided 35 written requests for advisory opinions and 13 written inquiries (of which 12 were filed by the same person and involved the same fact pattern). In 2001, the Board received and decided 22 written requests for advisory opinions and 7 written inquiries. A digest of the Board's significant 2002 opinions is contained in the website under Digest of Opinions. As in 2001, all of the Board's 2002 opinions have been unanimous.

The Board of Ethics dismissed all of the inquiries or complaints reviewed by the Board in 2001 and 2002 after the initial screening.

In May 2002, the Board, after seeking public comment, amended its Rules of Procedure to establish and clarify procedures for all parties to follow if the Board determines that the allegations in an inquiry warrant a hearing.

In addition to the written inquiries and requests for advisory opinions, the Board's staff director in 2002 received approximately 130 telephone, e-mail or in-person requests for information or unofficial consultation regarding the Code of Ethics, compared with approximately 50 in 2001.

2. INSTITUTIONALIZATION OF THE BOARD OF ETHICS

To carry out its duties effectively, the Board must remain an independent entity with its own budget, office and staff. For 2002, the Board of Ethics initially received a budget of \$89,000, which was reduced to \$87,234 as a result of citywide revenue shortfalls. In 2003, the Board of Ethics' budget is \$96,000.

The Board moved its office in November 2002 to the new Webb Municipal Office Building at 201 West Colfax on the 7th floor. The Board has a private office, which affords privacy to those wishing to visit or telephone the office. Board meetings are held in a shared conference room on the same floor.

Michael Henry continues to be the full-time staff director for the Board of Ethics.

3. ETHICS HANDBOOK

Thirteen thousand copies of the 54-page Ethics Handbook were printed in 2002 and then distributed to city employees. The goal of the Board was to provide a handbook that is easily understandable and yet provides firm guidance to city employees on how to comply with the requirements of the Code of Ethics. Comments from city employees have been very positive about the quality and usefulness of the handbook. The Board does not have the budget to print an updated handbook in 2003, but hopes that the city's financial condition will allow for the printing of an updated handbook in 2004.

4. ETHICS TRAINING

The Board of Ethics continues to believe strongly that excellent, consistent ethics training is critically important for the success of the Code of Ethics. All city employees, officers and officials should be trained to recognize ethical issues and to take appropriate steps to avoid unethical conduct.

In January, 2002, 110 top managers of the City and County of Denver, including all Cabinet members and agency heads, were given 8 hours of ethics training by Twinam and Associates, a consulting group with extensive experience in ethics training. This firm was hired pursuant to a competitive procurement process.

From February through May 2002, 440 mid-level city managers received 4-hour ethics training from Twinam and Associates.

From June through December, 2002, 3200 rank and file employees received 3-hour ethics training from a total of 25 in-house city certified trainers under the general management and coordination of the Training and Organizational Development Division of the Career Service Authority, based upon the Twinam and Associates curriculum.

By December 31, 2002, 3,809 individuals or approximately 36% of all city employees and officers subject to the Code of Ethics had received at least 3 hours of ethics training. Evaluation comments from the participants have been overwhelmingly positive. City departments and

agencies and the Career Service Authority Training Division are all working to attain a 100% completion rate by May 31, 2003.

The Board appreciates the assistance of the members of the Ethics Training Oversight Committee, which has provided oversight and guidance for the ethics training program since mid-2001.

III. 2003 GOALS

The Board has adopted four new goals for 2003, in addition to the 2002 goals:

- (1) Development of a plan for ethics training for new Mayor, City Council, other elected officials, Cabinet members and agency heads who will take office starting in July, 2003, after the municipal elections.
- (2) Improvement of public information about the Code of Ethics.
- (3) Thorough review of Code of Ethics and development of suggestions for improvement to City Council.
- (4) Improvement of Board of Ethics website.

IV. LEGISLATIVE RECOMMENDATIONS

Section 2-66 of the Code of Ethics says that this annual report "shall include any recommendations for modifying the Code of Ethics." The Board appreciates that the City Council enacted three of the Board's recommendations from the 2001 Annual Report, specifically 1) addition of "to solicit or" to the phrase "to accept" in Section 2-60(a) regarding gifts; 2) elimination of the requirement in 2-55 that the City Clerk shall accept inquiries and transmit them to the Board of Ethics, in light of the fact that the Board now has its own office and personnel; and 3) amendment of the Financial Disclosure Ordinance (2-70, et seq.) to make the definitions of officers, officials, immediate family and gifts the same as in the Code of Ethics.

The Board has been considering several additional suggestions to clarify, simplify or strengthen the Code of Ethics; however the Board has not completed its research, drafting and evaluation of such recommendations. When the Board has completed its review, it will submit such recommendations to City Council and the Mayor.

Denver voters may be asked to vote on a proposed charter amendment pertaining to the Code of Ethics at the May 6, 2003, municipal election. If such amendment passes, the Board will recommend amendments to the Code of Ethics to bring it into conformity with the charter amendment.

V. OTHER MATTERS

WEBSITE

With the cooperation of the Denver Office of Television and Internet Services, the Board has updated and will continue to improve its website at www.denvergov.org/ethics. The site contains the Code of Ethics, Rules of Procedure, Digest of Opinions, meeting minutes, Ethics Handbook and will include this annual report.

INVOLVEMENT OF BOARD MEMBERS IN CITY POLITICS

When the Board submitted its 2001 Annual Report to City Council, a number of Council members expressed concerns about the Board's Resolution Regarding Political Activities By Members of the Denver Board of Ethics and Staff Director and the Prohibition of Acceptance of Gifts. In response to those concerns, the Board revised its resolution, making it voluntary instead of mandatory.

TRAVEL EXPENSE GUIDELINES

In early to mid-2002, the Board considered numerous requests for advisory opinions regarding whether the acceptance of travel and lodging expenses by city employees, officers and officials violated the Code of Ethics. The Board condensed its advisory opinions on that subject into Travel Expense Guidelines, which is available on the website under that heading.

FINANCIAL DISCLOSURE

In 2002, the Board voted to recommend that all Board of Ethics members should voluntarily file with the staff director of the Board the financial disclosure form required of Denver elected officials and members of the Mayor's cabinet.

COUNCIL OF GOVERNMENTAL ETHICS LAWS

The Board continues to belong to an international organization of governmental entities involved in ethics, the Council on Governmental Ethics Laws (COGEL). Due to Denver's budgetary issues in 2002, the Board did not send a representative to the annual COGEL conference; however, the Board hopes to be able to send a representative to the conference in September 2003 in Austin, Texas. COGEL is a valuable information-sharing network regarding ethics issues.

VI. CONCLUSION

During its first two years of service, the Board of Ethics believes it has made significant progress toward its goals with the cooperation and assistance of the Mayor, City Council, the City Attorney's office, the Career Service Authority, the ethics trainers in many different agencies, and the great majority of City and County of Denver managers and employees who wish to make ethics a core value of city government. As stated in the Code of Ethics, "it is the intent of the city that its officers, officials and employees adhere to high levels of ethical conduct so that the public will have confidence that persons in positions of public responsibility are acting for the benefit of the public."

Respectfully submitted,

Charles F. Savage
Chair, Denver Board of Ethics