

2004 Annual Report

Board of Ethics
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DENVER BOARD OF ETHICS 2004 ANNUAL REPORT

February 15, 2005

I. INTRODUCTION

The Denver Board of Ethics hereby submits its fourth annual report to the Mayor and City Council, pursuant to Section 2-66 of the Denver Code of Ethics.

Appendix A gives brief biographies of the five volunteer members of the Board of Ethics.

The Board held twelve monthly meetings during 2004. This report is a summary of the work accomplished by the Board during that time.

II. ADVISORY OPINIONS, WAIVERS AND INQUIRIES

In 2004, the Board received a total of 49 formal cases - as compared with 47 cases for 2003, 48 in 2002 and 31 in 2001. Thirty-three of the 2004 formal cases were requests for advisory opinions or waivers, while 16 were inquiries (complaints). (All but two of those cases were decided before the close of 2004, with those two awaiting decision in January 2005.) A digest of the Board's significant 2004 opinions is attached as Appendix B and is also posted on the Board of Ethics website at www.denvergov.org/ethics. The Board dismissed all of the inquiries (complaints) that it decided in 2004 after preliminary screening. All of the Board's opinions have been unanimous.

Between the passage of the new Denver Code of Ethics in January 2001 and December 31, 2004, the Board of Ethics has received 132 written formal requests for advisory opinions or waivers. In addition, the Board has received and decided 43 written inquiries or complaints about possible violations of the Code of Ethics. The subjects of the requests for formal advisory opinions or waivers during this entire 2001-2004 period break down as follows: conflicts of interest – 27; gifts – 43; travel expenses and lodging – 15; outside employment – 26; hiring of relatives – 4; supervision of relatives – 10; subsequent employment – 8; use of public office for private gain – 1; other – 9.

In addition to the written formal inquiries and requests for advisory opinions and waivers, the Board's staff director in 2004 received approximately 249 telephone, e-mail or in-person requests for unofficial, informal consultation about the Code of Ethics or other ethics issues, as compared with 192 in 2003 and 130 in 2002.

III. ETHICS HANDBOOK

The Board of Ethics in 2004 continued to distribute copies of the Ethics Handbook printed in 2002 and 2003 to city employees and has almost exhausted the entire supply of 13,000 handbooks printed. The Board hopes that the city's financial condition will allow for the printing of an updated handbook in early 2005 through a supplemental appropriation.

IV. ETHICS TRAINING

The Board of Ethics continues to believe that excellent, consistent ethics training is critically important to the successful implementation of the Denver 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.

From 2002 through the end of 2004, 99% of all city employees and officers subject to the Code of Ethics had received at least 3 hours of ethics training. A tabulation of such training by agency is attached as Appendix C. The Board's Staff Director also gave ethics briefings in 2004 to several boards and commissions, to members and aides of City Council and to new Mayoral appointees.

The Board expresses its appreciation to the Training and Organizational Development Division of the Career Service Authority, agency heads and the many trainers in individual agencies who have made this training effort successful. The Board also appreciates the continued assistance of the members of the Ethics Training Oversight Committee, which provides guidance for the ethics training program.

The Board intends to work during 2005 to develop an updated curriculum to refresh ethics training for all city employees and officers. The Board believes that ethics training should not be one-time-only training and should be periodically renewed.

V. LEGISLATIVE CHANGES

During many of its meetings in 2003 and 2004, the Board discussed and listened to public comments regarding proposals to the City Council and the Mayor for improving the Code of Ethics, which had its last major revision in January 2001. Board members and the Board's Staff Director had several meetings with City Council members and representatives of the City Attorney's office to refine these recommendations. The Board is pleased that the City Council unanimously passed several of these recommendations in Council Bill 617 of 2004 on September 7, 2004. A summary of the most significant of these changes follows:

- The conflict of interest section of the Code of Ethics (Section 2-61) has been broadened. It now prohibits taking direct official action if the city employees, officers or officials have a substantial conflict of interest which involves their business associates or their employers, as well as continuing to prohibit conflicts that involve the city officers, officials or employees themselves or their immediate family members.
- Another new section provides: "No officer, official or employee shall use his or her public office or position or disclose or use confidential information in order to obtain private gain for himself or herself, for his or her immediate family, for any business entity with which he or she is affiliated or for any person or entity with whom the officer, official or employee is negotiating or has any arrangement concerning prospective employment." This section is similar to codes in many other states and cities.
- The definition of "immediate family" has been broadened with respect to gifts, conflicts of interest and hiring and supervising of family members by adding "step-son, step-daughter, step-mother and step-father" to reflect the increasing numbers of blended families in American society.
- The section regarding outside employment or outside business activity (Section 2-63) has been changed to require that city employees need to report existing or proposed outside

employment or outside business activity to their appointing authorities annually. Many, but not all, city departments and agencies already required annual updates. The amendment also encourages any employee or appointing authority who believes that there may be a potential conflict to consult the Board of Ethics.

The entire revised Code of Ethics is on the Board of Ethics website.

VI. OTHER MATTERS

BUDGET

Along with the rest of the city government, the budget for the Board of Ethics is gradually recovering from the critical shortfalls of recent years. The adopted 2005 budget is \$86,000, compared to \$82,600 for 2004, \$96,000 for 2003 and \$87,300 for 2002.

STAFF

Michael Henry, the Staff Director of the Board of Ethics, is the sole employee of the Board. The Board encourages citizens and city employees, officers and officials to communicate with him at 720-865-8412 or michael.henry@ci.denver.co.us.

CUSTOMER SATISFACTION SURVEY

The Center for Civic Ethics at the University of Denver has assisted the Board to measure customer satisfaction by conducting a confidential survey of those who have filed requests for advisory opinions, requests for waivers or inquiries (complaints) or who have been the subjects of inquiries. A summary report of the survey is attached as Appendix D.

VII. 2005 GOALS FOR THE DENVER BOARD OF ETHICS

In December 2004 the Board adopted the following goals for 2005:

A. Development and Implementation of Ethics Training for all City Officers, Officials and Employees.

The Board of Ethics, in cooperation with Career Service Authority and a training consultant, has overseen the delivery of ethics training between January 1, 2002 through December 31, 2004 to 99% of Denver officers and employees.

The Board should in 2005 and subsequent years continue to pursue this goal by:

a) making sure that all new city employees have 3 hours of basic ethics training, either in person or web-based and

b) developing and overseeing delivery of at least a one-hour refresher course of ethics training, with cooperation from Career Service Authority, city departments and the Ethics Training Oversight Committee.

B. Publication of Updated Ethics Handbook.

Pursuant to Section 2-65 (a) of the Code of Ethics, the Board prepared, published and distributed 13,000 copies of a 54-page Ethics Handbook to all Denver officers, officials and employees in 2002 and 2003. Very few copies remain in stock. In addition, the City Council passed significant changes to the Code of Ethics in September 2004. In 2005 the Board should

request a supplemental appropriation to re-publish and re-distribute an updated Ethics Handbook.

C. Continue with Expedient Fulfillment of the Board's Obligation to Receive, Review and Decide Requests for Advisory Opinions, Requests for Waivers and Inquiries regarding Alleged Misconduct.

Between the passage of the new Denver Code of Ethics in January 2001, and December 31, 2004, the five-member Board of Ethics has received 132 written formal requests for advisory opinions or waivers and 43 written formal inquiries (complaints) about possible violations of the Code of Ethics. The Board conducted one contested hearing on an inquiry in 2003. The Board's staff director has also responded to more than 580 telephone, e-mail or in-person requests for informal advice.

D. Improvement of Public Information about Code of Ethics

a) develop regular articles about the Code/Board of Ethics to submit to City departmental newsletters and the Career Service Authority Spotlight;

b) organize and publicize City-wide and/or departmental informational lunches or after-work discussions of ethical issues;

c) work with Channel 8 to explore possibility of one or more 15-30 minute programs for discussion of the Code/Board of Ethics;

d) once per year have a Board of Ethics meeting that is more accessible to the public, such as at 5:00 pm and/or at a non-downtown location and generate notice to community groups.

e) Explore cooperative joint programs with the University of Denver's Center for Civic Ethics to develop community dialogues about ethics in Denver.

E. Improvement of Board of Ethics Website

Work with City staff to improve website to make it more easily accessible, attractive and easy to read.

F. Develop Policy for Disclosure of Gifts to the City and County of Denver

Work with the Mayor's Office and City Council to develop a process for disclosure and/or regulation of gifts to the City and County of Denver. Gifts to individual city employees, officers or officials are already regulated by Section 2-60 of the Code of Ethics. However, a systematic policy, consistent for all City agencies and departments, should be developed to require, at a minimum, public disclosure of all monetary and non-monetary gifts to the City or to City departments or agencies.

G. Explore with Independent Agencies whether they might wish to adopt the Denver Code of Ethics and Utilize the Denver Board of Ethics for Advisory Opinions, Waivers and Inquiries.

Explore with independent agencies, such as the Denver Public Library, Denver Housing Authority, Denver Water, Denver Urban Renewal Authority, the Denver Museum of Nature and Science, the Denver Art Museum, etc. whether they would voluntarily wish to adopt the Denver Code of Ethics and utilize the Denver Board of Ethics to assist them in dealing with requests for advisory opinions, waivers and inquiries. This would foster ethical consistency among the

independent agencies and the City and County of Denver. The Board believes that Denver citizens do not distinguish between the ethical responsibilities of these public or quasi-public entities.

VIII. CONCLUSION

The Board of Ethics believes that, with help from the Mayor, City Council, the City Attorney's Office, Career Service Authority, the ethics trainers in city agencies and the great majority of managers and employees of the City and County of Denver, it made continued good progress in 2004 to establish ethics as a recognized core value in Denver city government.

Respectfully submitted on behalf of the Board of Ethics,

Carolyn Lievers
Chair