

SUNSHINE MEETING
AGENDA ITEM V
EXECUTIVE DIRECTOR'S REPORT
January 19, 2017

I. Education / Training Report

a. Recently held trainings:

i. Ethics training for state government attorneys

Hawaii State Capitol Auditorium
December 2, 2016
HSBA approved for 1.5 MCLE credits
111 attendees

ii. Ethics “refresher” Courses:

1. Hawaii State Capitol
December 6, 2016
20 Attendees

2. Hawaii State Capitol
January 5, 2017
21 Attendees

iii. Mandatory Ethics Training (two-hour mandatory course for new legislators and other state officials):

Hawaii State Capitol
January 6, 2017
23 Attendees

iv. Lobbyist training

Hawaii State Capitol
January 10, 2017
36 Attendees

b. Upcoming trainings:

i. Ethics training for Judiciary employees

Hawaii Supreme Court
(video conference to neighbor islands)
January 20, 2017
10:00 – 11:30 a.m.

ii. Ethics training for Judiciary and other state employees

Hawaii Supreme Court
(video conference to neighbor islands)
January 31, 2017
1:00 – 2:30 p.m.

II. Guidance and Assignment Statistics – November/December 2016

a. Attorney-of-the-Day Type Inquiries:

i. November: 64

ii. December: 64

b. New Assignment Statistics

	November	December
Complaint	8	5
Gifts/Invitations/Travel	11	9
Guidance	5	8
Other	6	7
Training Request	3	1
Legislation		1
Total New Assignments	33	31

c. Closed Assignment Statistics

	November	December
Charge	2	
Complaint	8	6
Gifts/Invitations/Travel	20	7
Guidance	4	6
Training Request	5	1
Other	7	4
Total Closed Assignments	46	24

III. 2016 Year-End Statistics

Advice: responded to 1,297 requests for advice and an additional 152 requests for clearance on proposed travel paid for by non-state entities.

Training:

1. More than 1,200 individuals trained by Ethics Commission staff at fifteen separate trainings (calendar year 2016):
 - a. More than 1,100 individuals trained in person
 - b. More than 100 individuals trained via webcast
2. Published four issues of *The High Road*

Enforcement:

1. Assessed \$47,424 in fines and \$3,000 in restitution (calendar year 2016):
 - a. Enforcement actions: \$46,039.00
 - b. Late filings of financial disclosures: \$1,385.00
 - i. Employees and Board/Commission members: \$960.00
 - ii. Candidates: \$425.00
2. Received and processed 117 complaints of violations of the Ethics Code/Lobbyists Law

Disclosures:

1. Received 153 gift disclosures.
2. Received 1,930 financial disclosures and an additional 172 financial disclosures from candidates for elected office.

Lobbying:

1. Received registrations from 452 lobbyists representing 392 clients.
2. Received 1,894 lobbyist expenditure reports.

IV. Financial Disclosures - Update

In 2016, the Ethics Commission received 1,930 financial disclosures. At present, three individuals have yet to file their 2016 disclosures:

Board/Commission members: 2 (both existing filers)

State employees: 1 (existing filer)

If the Commission is so inclined, staff can prepare draft charge documents for the Commission's consideration.

V. Electronic Filing System Update

Staff Attorney Chang, Computer Specialist Lui, and Executive Director Gluck continue to work with our contractor, IWMentor, and with the Office of Enterprise Technology Services ("ETS") to complete this project expeditiously. While we are still waiting for ETS to complete its statewide log-in system and to negotiate contract terms with its own prospective vendors, IWMentor is diligently preparing the database architecture and the user interface to ensure our project is ready to launch as soon as possible.

VI. Financial Report – FY 2016-2017 (Quarter ending 12/31/16)

Attachment 1 – Q2 Financial Report

VII. Personnel updates

- a. We recently welcomed Christina Longman as our new Office Manager.
- b. All staff* recently attended a "Disruptive Behavior" training on workplace harassment, led by Sarah Wang (of Marr, Jones, & Wang).
**One staff member was absent due to illness, but will attend a make-up session.*

VIII. Report from COGEL conference – December 11-14, 2016

Attachment 2: 2016 COGEL Conference Agenda

Attended by Commissioner Grauly and Executive Director Gluck

Executive Director's takeaways:

- a. The ALI (American Law Institute) is in the middle of drafting a “model” ethics code; they’re rather far along on certain chapters (gifts, conflicts of interest) but haven’t started on others (post-employment restrictions, enforcement provisions). This may be helpful in the future as we consider addressing substantive provisions of the Ethics Code.
- b. The Commission may wish to consider asking the legislature to enact a statute requiring that lobbyists pay a registration fee and undergo mandatory training (though the training could be offered on-line, to allow neighbor island and mainland lobbyists to participate easily). Other jurisdictions charge lobbyists fees of up to \$500 to register, and have mandatory training requirements. While this cannot be a money-making enterprise for the office or the State, we may consider asking the legislature for this to offset some of the Ethics Commission’s expenses.
- c. The Commission may wish to consider proposed legislation restricting certain individuals/entities from offering (or giving) gifts to state officials. The City of Los Angeles has numerous restrictions on offering/giving gifts, particularly by lobbyists and City contractors.
- d. The Commission may wish to consider “Ethics Awards.” We may want to find ways to reward state employees (or agencies) for strong ethical conduct.
- e. The Commission may wish to establish a “whistleblower hotline.” It is true that anyone can call us up and make an anonymous complaint, but the Commission might want to advertise a special “whistleblowers’ hotline” – even if it’s just our main phone number – to better educate the public of the right to call us and make a complaint. One related (and interesting) note: one presenter at the conference talked about doing focus groups and/or surveys of state officials, and finding that the two main obstacles to individuals complaining about ethics violations are (1) fear of reprisal and (2) fear that the ethics office won’t actually do anything.

IX. Miscellaneous office projects/updates

- a. We are finalizing a records retention policy for the office (in coordination with the State Archives Office).
- b. We are planning to clean up the storage room adjacent to the lobby, move our copier and server to that area, and use the vacant office for our investigator (so that he and our part-time staff attorney both have functional work spaces).
- c. The Commission staff has identified several office goals for 2017, including (but not limited to) the following:
 - i. Develop (and begin process for implementing) administrative rules;
 - ii. Set a regular schedule for in-person trainings, and develop web-based ethics and lobbying training programs;
 - iii. Complete e-filing system and develop training program/instructions;
 - iv. Develop and implement a regular audit schedule for all filings (gift, financial, lobbying) with our office;
 - v. Update/simplify office procedures (where possible) for office expenditures.

HAWAII STATE ETHICS COMMISSION FINANCIAL REPORT
 FY 2016-2017 (QUARTER ENDING: DECEMBER 31, 2016)
 Appropriation Symbol: G-16-393-Y6

	Amount Appropriated FY 2016-2017	Expenditures for Qtr. End 9/30/2016	Expenditures for Qtr. End 12/31/2016	Expenditures for Qtr. End 3/31/2016	Expenditures for Qtr. End 6/30/2016	Year-To-Date Expenditures Totals	% of Budget Expended
A. PERSONAL SERVICES							
Staff Salaries	\$ 876,568.00	\$ 173,478.05	\$ 204,371.00	\$ 0.00	\$ 0.00	\$ 377,849.05	43.1%
Vacation Payout	\$ 16,958.00	\$ 4,737.57	\$ 14,108.31	\$ 0.00	\$ 0.00	\$ 18,845.88	111.1%
Total Personal Services	\$ 893,526.00	\$ 178,215.62	\$ 218,479.31	\$ 0.00	\$ 0.00	\$ 396,694.93	44.4%
B. OTHER CURRENT EXPENSES							
Office Expenses	15,524.00	2,833.53	5,734.84	0.00	0.00	8,568.37	55.2%
Intrastate Transportation and Travel	8,000.00	218.41	796.68	0.00	0.00	1,015.09	12.7%
Out-of-State Travel	21,100.00	1,421.02	2,280.83	0.00	0.00	3,701.85	17.5%
Equipment Rental and Maintenance	10,985.00	1,094.58	3,473.10	0.00	0.00	4,567.68	41.6%
Dues, Subscriptions, Training	16,590.00	1,868.12	8,489.75	0.00	0.00	10,357.87	62.4%
Newspaper Advertisements	1,600.00	994.91	25.00	0.00	0.00	1,019.91	63.7%
Comm'n Mtgs, Investigations, Hrgs	8,100.00	235.68	210.60	0.00	0.00	446.28	5.5%
Consulting Services	10,258.00	0.00	0.00	0.00	0.00	0.00	0.0%
Office Rent	98,000.00	0.00	19,599.70	0.00	0.00	19,599.70	20.0%
Total Other Current Expenses	\$ 190,157.00	\$ 8,666.25	\$ 40,610.50	\$ 0.00	\$ 0.00	\$ 49,276.75	25.9%
C. CAPITAL OUTLAY							
Office Furniture and Equipment	3,000.00	0.00	1,465.96	0.00	0.00	1,465.96	48.9%
Total Capital Outlay	\$ 3,000.00	\$ 0.00	\$ 1,465.96	\$ 0.00	\$ 0.00	\$ 1,465.96	48.9%
GRAND TOTAL (A+B+C)	\$ 1,086,683.00	\$ 186,881.87	\$ 260,555.77	\$ 0.00	\$ 0.00	\$ 447,437.64	41.2%

General Fund Allocation	\$ 1,086,683.00
Total Expenditures as December 31, 2016	\$ 447,437.64
Balance as of December 31, 2016	\$ 639,245.36

[COGEL Home](#)[Conference Home](#)[The Welcome Video](#)

38th Annual COGEL Conference

December 11 - 14, 2016
New Orleans Marriott

Online registration for the 2016 COGEL Conference has closed. Onsite registration will be available at the Conference Registration Desk. We hope you will join us in New Orleans at the Marriott New Orleans Hotel, 555 Canal Street for this year's Conference.

Conference Schedule

SUNDAY, DECEMBER 11, 2016

9:00 am - 5:00 pm	Conference Registration
1:30 pm - 3:00 pm	Concurrent Sessions
	Tech Tips in a Brave New World: What You Should Know About the Latest Technology Advancements
	Local Agency Roundtable: Wisdom from the Trenches
	The Campaign Finance Crystal Ball: Predicting Future Cases
	Voter Registration in the Digital Age: Online? Automatic? Portable?
3:15 pm - 3:45 pm	Kay Williams First Timers Session & Conference Preview
4:00 pm - 5:15 pm	Concurrent Sessions
	The Principal Principles: In Search of the Best Practices in Ethics Laws
	Flash Mentoring: COGEL LEADERSHIP Advice
	How Do I Bribe Thee? Let Me Count the Ways
	Campaign Finance Cases by the Clock: A Short Review of the Major Cases
	Certiably COGEL: Exploring a COGEL Certification Program
5:30 pm - 7:00 pm	Welcome Reception Presentation of the COGEL Outstanding Service Award
7:00 pm	COGEL Dine-Around or Dinner on Your Own

MONDAY, DECEMBER 12, 2016

7:30 am - 8:30 am	Breakfast - Table Topics
8:30 am - 4:45 pm	Conference Registration
8:45 am - 10:15 am	Conference Kick-Off & Plenary Session Plenary Session: "Breaking News: A Reporter's Take on the New Gilded Age of Politics" Matea Gold, National Political Reporter, <i>The Washington Post</i>
10:25 am - 11:55 am	Concurrent Sessions Ethics Update I: Advice, Legislation, Litigation, & Enforcement To Tweet or Not to Tweet? To Friend or Not to Friend? That is the Question! The Voting Machine Crisis: What Can Be Done About It? Two Hats & One Shoestring: Managing with Limited Resources Campaign Finance Update I: Litigation
12:00 pm - 1:30 pm	Plenary Session "Nation on the Take: How Big Money Corrupts Our Democracy & What We Can Do About It" Nick Penniman, Executive Director, Issue One Wendell Potter, Journalist & <i>New York Times</i> Bestselling Author
1:45 pm - 3:15 pm	Plenary Spotlight: Nation on the Take II: The Corrupting Influence of Dialing for Dollars
1:45 pm - 3:15 pm	Concurrent Sessions
1:45 pm - 3:15 pm	Data, Data Everywhere: Dealing with the Vast Info Contained in Voter Election Records Looking for Data in All the Wrong Places: Searching for Traces of Money & Influence Whistles are Not Just for Refs: How Effective Whistleblowing Regimes Strengthen Ethical Behavior Enforcement Update: Election Year Developments in Investigations & Enforcements
3:30 pm - 4:45 pm	Concurrent Sessions Make 'em Laugh & Leave 'em Wanting More: Building Creative, Humorous Trainings Ethics Update II: Organization Updates, Education, IT, & Financial Disclosure Election Update: Significant Developments & Noteworthy Controversies Data & Disclosures: Using Data Mining Tools & Techniques to Promote Campaign Finance Compliance Digging Up the Truth about Grassroots Lobbying: Best Approaches to Regulation & Disclosure
5:00 pm	<u>COGEL Dine-Around</u> or Dinner on Your Own

TUESDAY, DECEMBER 13, 2016

7:30 am - 8:45 am	Breakfast - Table Topics
8:30 am - 4:30 pm	Conference Registration
9:00 am - 10:00 am	Plenary Session & Presentation of the 2016 COGEL Award Plenary Session: "A View to a Kill: A Behind-the-Scenes Look at the Demise of the GAB" Kevin Kennedy, former Executive Director & General Counsel, Wisconsin Government Accountability Board
10:15 am - 11:45 am	Concurrent Sessions Campaign Finance Update II: Exploring Legislative & Regulatory Trends Digging Deeper: New Issues Surrounding Technology & FOI Leadership DNA: How to Cultivate & Lead High Performance Teams Lobbyist Registration & Reporting Update
11:45 am - 1:30 pm	<u>COGEL Dine-Around</u> or Lunch on Your Own
1:00 pm - 3:15 pm	Shiny New Toys: Drop In & See the New Technologies of COGEL Members
1:45 pm - 3:15 pm	Concurrent Sessions America's Next Top Model – of State & Local Oversight Preparing the Case I: The Nuts & Bolts of Thorough Investigations Meet the Press (with Confidence!): The Sequel Freedom of Information Update: Surveying the Legislative & Litigation Landscape Promoting Small Donor Democracy: Making Small Donors Big in Number
3:30 pm - 4:45 pm	Plenary Session – Meet the Donors: Does Money Talk? An EXCLUSIVE Screening of the HBO Original Documentary. Directed by Alexandra Pelosi. Moderators: FEC Commissioners Ellen Weintraub & Ann Ravel
5:00 pm - 6:00 pm	Annual "Mix and Mingle" Reception

WEDNESDAY, DECEMBER 14, 2016

8:00 am - 12:00 pm	Conference Registration
8:00 am - 9:00 am	Breakfast - Annual COGEL Business Meeting
9:15 am - 10:30 am	Concurrent Sessions The Art of Presentation: How to Avoid Death by PowerPoint Preparing the Case II: Witness Testimony It's NOT Your Money: A Case Study in How to Spot Embezzlement & Personal Use of Campaign Funds Show Us Your Data! Collaborating with the Civic Hacker Community to Further Your Mission Geaux Vote!
10:45 am - 12:00 pm	Concurrent Sessions

Advice Jambalaya: Tips to Provide Clear, Consistent, & Useful Guidance

Freedom of Information Roundtable

Dark Money & The Quest for the Perfect Coordination Rule

Political Activity: Walking a Fine Line – Who Can, Who Should, Who Cares?

What Price for 'Convenience Voting'?

12:00 pm [COGEL Dine-Around](#) or Lunch on Your Own