



**CITY OF ATLANTA**  
**BOARD OF ETHICS AND**  
**INDEPENDENT COMPLIANCE**



**2019 ANNUAL ETHICS REPORT**

**[www.atlantaethics.org](http://www.atlantaethics.org)**

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# **CITY OF ATLANTA**

## **BOARD OF ETHICS AND INDEPENDENT COMPLIANCE**

The Board of Ethics and Independent Compliance is an independent city board composed of nine city residents.

They are recommended for appointment by legal, business, civic, and educational groups. Nominees are appointed and confirmed by the Mayor and Atlanta City Council to serve a three-year term of office.

The Ethics Office is an independent city agency that reports to the Board and works to ensure honesty, integrity, accountability, and trust in city government through enforcing the city's ethical standards.

Headed by the Ethics Officer, the Office is responsible for bringing the City into compliance with the Code of Ethics and instilling a culture of ethics within city government. It educates and advises city officials, employees, board members, and citizens about conflicts of interest and gift rules; investigates ethics complaints and brings enforcement actions for violations of the Ethics Code; and administers the financial disclosure program.



# 2019 ANNUAL ETHICS REPORT

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# 2019 ANNUAL ETHICS REPORT

## I. FROM THE ETHICS OFFICER



*Jabu Sengova, City Ethics Officer*

Ethics has become critical in governmental operations at all levels and our office has grown from a staff of three to eight full-time professionals over the past ten years. The Board of Ethics and Independent Compliance has also grown with the addition of two seats from the Georgia Society of Certified Public Accountants and the Association of Certified Fraud Examiners. We are fortunate to have a diverse board of talented and dedicated members who are committed to ethics and integrity.

Our strong staff and Board are vital to our work as the demands on our office continue to grow. As is illustrated in this report, we have experienced rising numbers of inquiries from city officials, employees, vendors and board members. This marks a significant shift from three or four decades ago when COGEL, the Council on Governmental Ethics Laws, was instituted. COGEL has become a preeminent national organization of government ethics administrators and organizes an annual conference for its more than 200 members. Hailing from all parts of the United States and Canada, from fields of governmental ethics, freedom of information, elections, lobbying, and campaign finance, COGEL members meet to deliberate current trends and explore issues as they evolve in this changing environment.

This year, COGEL will hold its annual conference in Atlanta. As a member of its Board, I am excited to assist in making plans for an unforgettable conference in December. Hosting a world-class conference highlighting the importance of ethics, here in Atlanta, will help cement the importance of these issues as our City grows.

We hope you will join us at the conference from December 13-16, 2020, which will showcase a memorable array of speakers and sessions addressing the ethical issues we face each day and will continue to see in the years to come.

Jabu M. Sengova  
*City Ethics Officer*

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## II. 2019 HIGHLIGHTS BY THE NUMBERS

### A. Advice

- Provided timely ethics advice in 188 requests for written and/or verbal advice, including one formal advisory opinion, and responded to requests for general information on ethics.
- Responded to 100 percent of all requests for advice within seven days.

### B. Financial Disclosure

- Recorded 64 financial disclosure cases involving delinquent or late filers for which enforcement was pursued. Of 19 late filers, administrative decisions were written in each case imposing a fine according to the fine schedule located in the rules of the Board. Of 45 non-filers, administrative decisions were written in each case imposing a \$500 fine for their failure to comply with the city financial disclosure laws. Conducted 45 hearings (29 non-filers and 16 late filers).
- Assessed \$23,400 and collected \$1,825 in fines in financial disclosure cases.
- Achieved a timely filing rate of 92 percent of the 3,130 persons required to file and a 98.1 percent overall filing rate of the 2019 City Financial Disclosure Statement.
- Awarded the Transparent Diamond Award to 15 city departments and 33 city boards and commissions with exemplary financial disclosure filing records.
- Audited City Financial Disclosure Statements for accuracy and completeness.

### C. Investigations and Enforcement

- Received 136 Integrity Line Reports.
- Referred 116 Integrity Line Reports to other agencies/departments.
- Dismissed 37 non-ethics complaints for lack of jurisdiction.
- Continued investigation and enforcement of 14 open ethics matters; initiated 23 ethics investigations; and closed 17 ethics matters.
- Assessed \$18,700 in sanctions and \$86,322.60 in restitution in ethics matters.
- Collected \$2,000 in restitution in ethics matters.



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## D. Operations

- Held eight regular board meetings, one board retreat, and one staff retreat.
- Three new board members appointed by the Mayor and City Council.



*City Ethics Officer, Deputy Ethics Officer, and Deputy State Inspector General, presenting at the ACE Roundtable*



*City Ethics Officer and Deputy Ethics Officer during an ethics training session at the Atlanta Municipal Court*

## E. Public Education and Outreach

- Distributed 1,622 wallet cards, brochures, and other materials for the ongoing *Ethics in Action* campaign.
- Published Holiday Reminder newsletter for city officials and employees.
- Published summer edition of the e-newsletter *Ethics in Action*.
- Sent out city-wide email blasts to promote ethics awareness.

## F. Training

- The Ethics Office provided in-person ethics training to 1,231 individuals including city officials, employees, board members, vendors and contractors.
- Received 680 signed ethics pledges.





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## G. Fraud Awareness Week Proclamation

The Atlanta City Council presented the Ethics Office and City Auditor's Office with a proclamation during 2019 International Fraud Awareness Week for their outstanding efforts to raise awareness amongst city employees of the key indicators of potentially fraudulent and unethical behavior in the workplace. Fraud Awareness Week, established by the Association of Certified Fraud Examiners in 2000, is a dedicated time to raise awareness about fraud by encouraging organizational leaders and employees to proactively take steps to minimize the impact of fraud by promoting anti-fraud awareness and education.



*In front from left to right: Amanda Noble, City Auditor; Felicia Moore, Atlanta City Council President; Jabu Sengova, City Ethics Officer.*



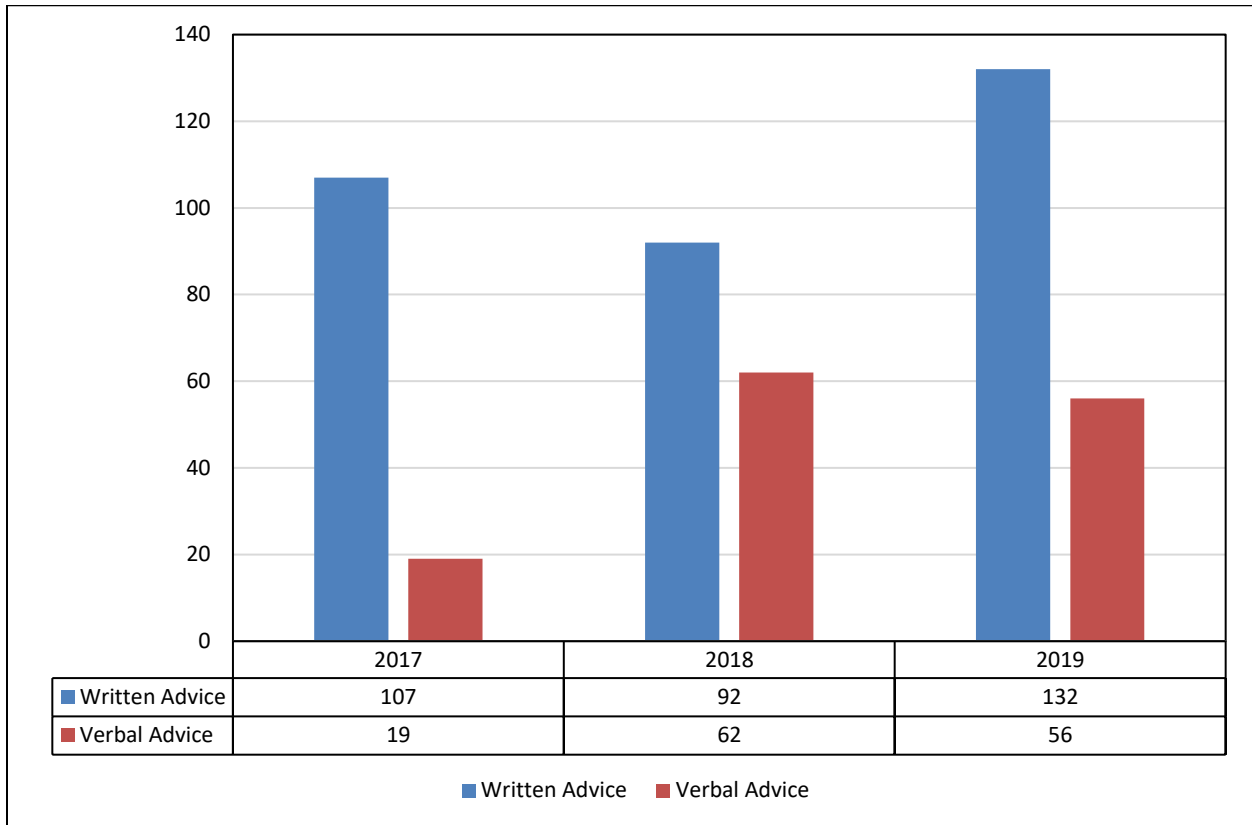
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## III. REPORT ON ETHICS ADVICE

The City Ethics Officer and Ethics Office staff provides advice to city officials and employees on how the city's ethical standards apply to them. Advice may be given in writing, by telephone, or in person.

In 2019, the Ethics Office wrote 132 advisory emails, letters or memos and provided advice over the telephone or in person 56 times in 2019.

### A. Written vs. Verbal Advice: 2017 – 2019

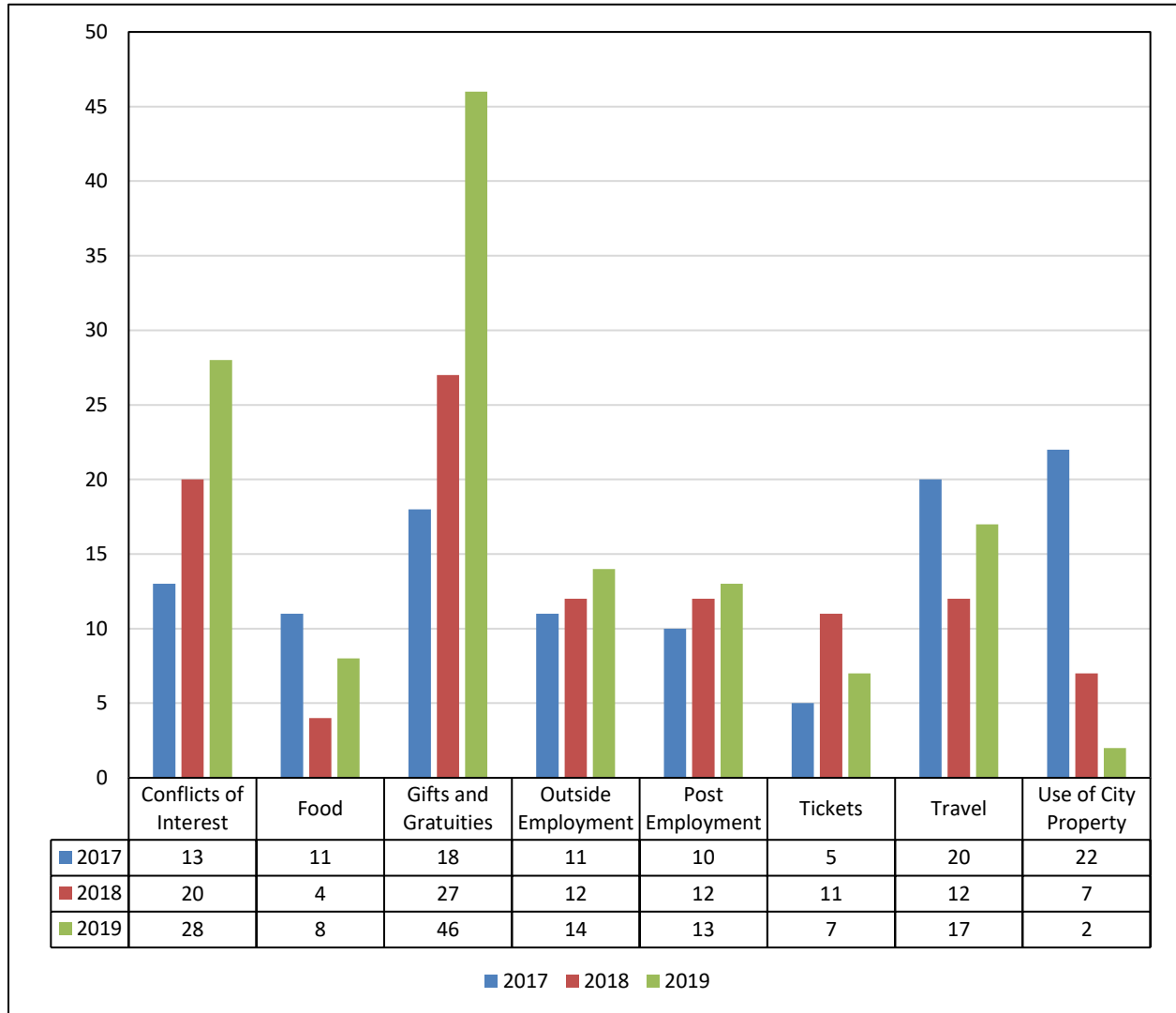


*Note: Written advice includes both formal and informal advisory opinions and letters.*



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## B. Top Subjects for Written Advice: 2017 - 2019





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## C. Type of Advice Provided: 3-year Totals

All Advice	2017	2018	2019	3-Year Total	3-Year Total %
Verbal Advice	19	62	42	123	26.74%
Written Advice	107	92	131	330	71.73%
Informal Advisory Letter	3	2	0	6	1.30%
Formal Advisory Opinion	1	0	1	2	0.43%
<b>Total</b>	<b>130</b>	<b>156</b>	<b>174</b>	<b>460</b>	<b>100%</b>

## D. Top Subjects for Written Advice: 2017 – 2019

Subject	2017	2018	2019	3-Year Total	3-Year Total %
Conflicts of Interest	13	20	28	61	16.94%
Gratuities/Gifts	18	<b>27</b>	<b>46</b>	<b>91</b>	<b>27.28%</b>
Outside Employment	11	12	14	37	10.28%
Use of City Property	<b>22</b>	7	2	31	8.61%
Food	11	4	8	23	6.39%
Travel	20	12	17	49	13.61%
Doing Business with the City/ Post-Employment	10	12	13	35	9.72%
Solicitation	5	1	4	10	2.78%
Tickets	5	11	7	23	6.39%



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## IV. AUDITING OF CITY FINANCIAL DISCLOSURE STATEMENTS

In 2017, the Ethics Office launched an inaugural audit of City Financial Disclosure statements. A small sample of disclosures were tested to determine protocols and strategies to use in a permanent audit program. 2018 marked the first year that a formal audit was performed addressing completeness and accuracy of submitted financial disclosure statements.

Section 2-814 of the Atlanta City Code, *Disclosure of Income and Financial Interests*, specifies the persons required to annually disclose. The financial disclosure audit process seeks to review compliance with Section 2-814. To accomplish the audit, the Ethics Office drew a sample from the population of required filers and administered tests comparing current and prior statements for consistency, reviewed statements for completeness, and conducted public records searches for potential errors and omissions.

After testing approximately eight percent of statements filed in 2018, the Ethics Office noted two common exceptions. The largest exception was the result of filers not disclosing related entities. The audit found that an individual who owned or was a registered agent of a small business or non-profit, did not consider himself or herself to be an “employee” and therefore, did not disclose. As a result, the Board and Office reviewed and modified the language for the question on related entities for use in future financial disclosure statements.

The second most common exception was a result of filers not completing a section required of a select group. The electronic filing system will no longer allow these filers to proceed without responding to this section.

The audit also addressed a recurring problem with former employees who fail to file the financial disclosure statement during their one-year cooling off period. Currently, at the time of hire, employees sign a cooling off pledge outlining a requirement to file the financial disclosure statement for one-year following their last date of service. However, when employees leave the City, often years after signing the pledge, they have no recollection of the signed pledge. Therefore, financial disclosure statements will now include an attestation statement reminding individuals of their requirement to file for one year immediately after they leave city service.

The Ethics Office has begun its audit of the 2019 City Financial Disclosure statements.

**NOTICE OF PENALTIES:**  
THE FAILURE OF ANY OFFICIAL OR EMPLOYEE TO FILE BY Monday, April 1, 2019, WITHOUT REASONABLE CAUSE SHALL RENDER THAT PERSON DELINQUENT AND MAY RESULT IN ADMINISTRATIVE SANCTIONS AFTER THE GRACE PERIOD ENDS ON Monday, April 15, 2019.

 **CITY OF ATLANTA BOARD OF ETHICS**  
**2019 FINANCIAL DISCLOSURE STATEMENT**  
Filing Deadline Monday, April 1, 2019

*To be completed by city officials and employees who are currently serving or served in 2018*  
Covering reporting period since January 1, 2018  
File online at <https://AtlantaEthics.org>

### PART ONE: IDENTIFYING INFORMATION

Read all instructions carefully and complete each part. All filers must answer questions marked with \*.

(1) Name\* \_\_\_\_\_  
First Middle Last

The answers to questions 2-5 are for administrative purposes only and will not be made available online.

(2) Home Address\* \_\_\_\_\_  
Street Apt.

City State Zip Code

(3) Mailing Address (if different) \_\_\_\_\_

(4) Telephone Number\* \_\_\_\_\_  
Day-time Other

(5) E-mail Address\* \_\_\_\_\_

### PART TWO: REASONS FOR FILING

(5) Filing Categories. Select the position that applies to you.

Note: You may need to select more than one category.

- Are you a city elected official or were you one in 2018?
- Are you a city employee or were you one in 2018?
- Are you a member of a city board, advisory commission or task force appointed by the Mayor or City Council to another public board, or a city hearing officer, or were you one in 2018?
- Are you a neighborhood planning unit chair or vice chair, or were you one in 2018?
- Are you the executive director, president, or chief executive officer of a city board, commission, authority, or similar body, or were you one in 2018?



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## V. LEGISLATIVE AND ORGANIZATIONAL UPDATES

### Expansion of the jurisdiction and makeup of the Board of Ethics

The City passed legislation on March 12, 2019 amending the City's Standards of Conduct by renaming the Board of Ethics to the Board of Ethics and Independent Compliance and creating the position of Independent Compliance Officer. With these city code changes, the Board was expanded to include nine members. The two new board positions are nominees recommended to the City Council and Mayor by the Association of Certified Fraud Examiners and the Georgia Society of Public Accountants. Additionally, the jurisdiction of the Board was expanded to include potential fraud, waste, and abuse; the performance and financial operations of all city departments, boards and agencies; matters under Independent Procurement Review as referred by the City Auditor; as well as allegations of the City's personnel code, procurement and real estate code, and matters involving the City's purchasing card policy.

### Additional Amendments

In addition to the expansion of the Board's jurisdiction and makeup, several additional amendments to the city code were passed by the City based upon recommendations presented to the Administration and Council by the Ethics Office. Amendments in 19-O-1447 included broadening the pool of potential candidates for the position of Ethics Officer and Independent Compliance Officer, creating consistency in the city code between these two positions, and enhancing the efficiency and effectiveness of the administration the activities of the Board, the Ethics Office and the Independent Compliance Office by allowing the Board to attain counsel outside of the City's Law Department upon the determination by a majority of the Board of a conflict of interest involving the City Attorney in a particular matter.



*The Board of Ethics and Independent Compliance and staff at a recent retreat at the State Bar of Georgia*



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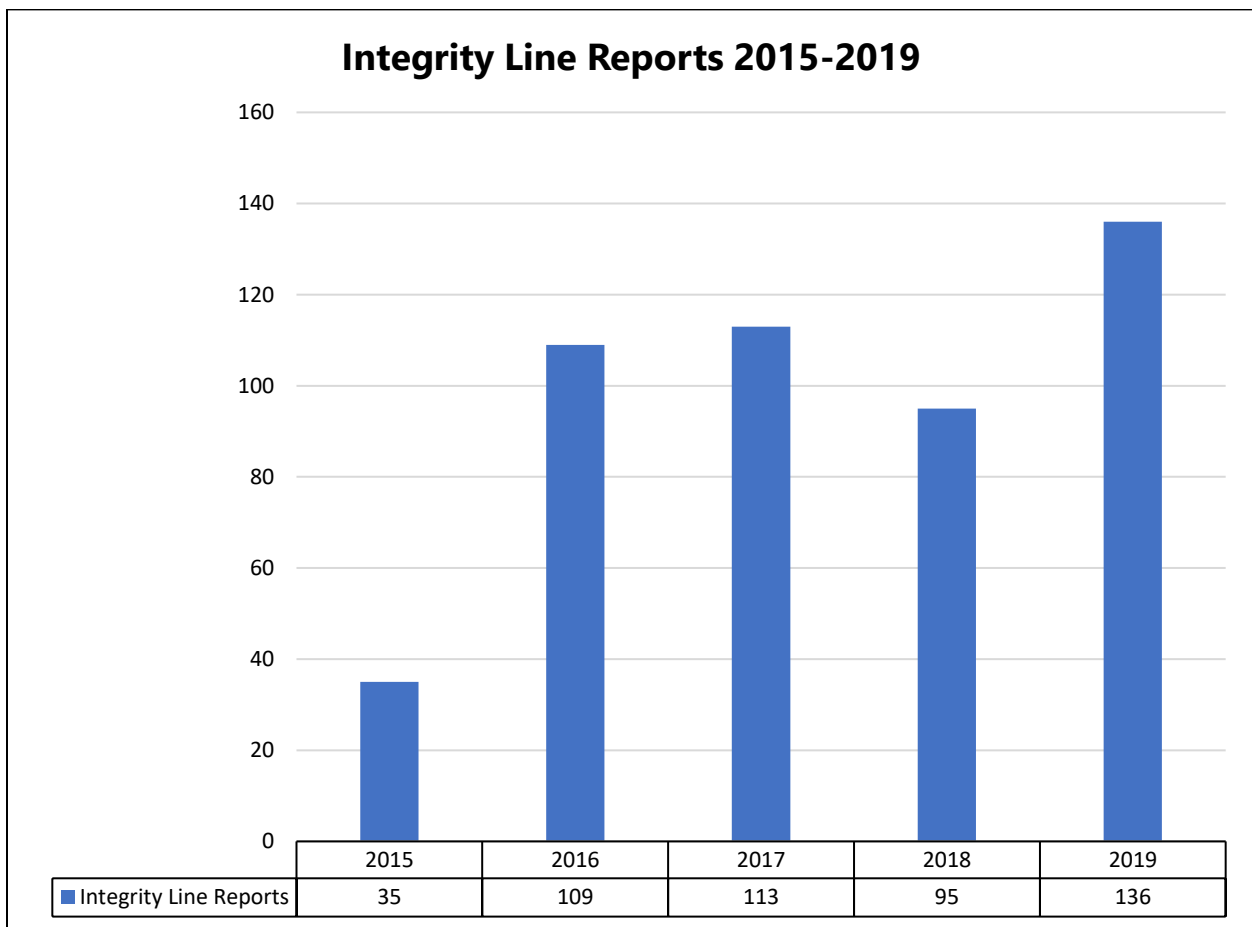
## VI. REPORT ON INTEGRITY LINE

The City’s Integrity Hotline was established in 2006 as a vehicle to report unethical, fraudulent or illegal activity. The hotline’s steering committee includes representatives from the Ethics Office, City Auditor’s Office and the Department of Law’s Compliance Unit.

2019 saw record reporting volume for the Integrity Line. The continued efforts of the Integrity Line Committee and other city departments to promote hotline awareness through new employee orientation, classroom training, and online training opportunities, likely contributed to the reporting volume remaining reaching a historic high.

There were 136 Integrity Line Reports received by the Integrity Line Committee in 2019; a **42% increase** from the 95 Reports received in 2018.

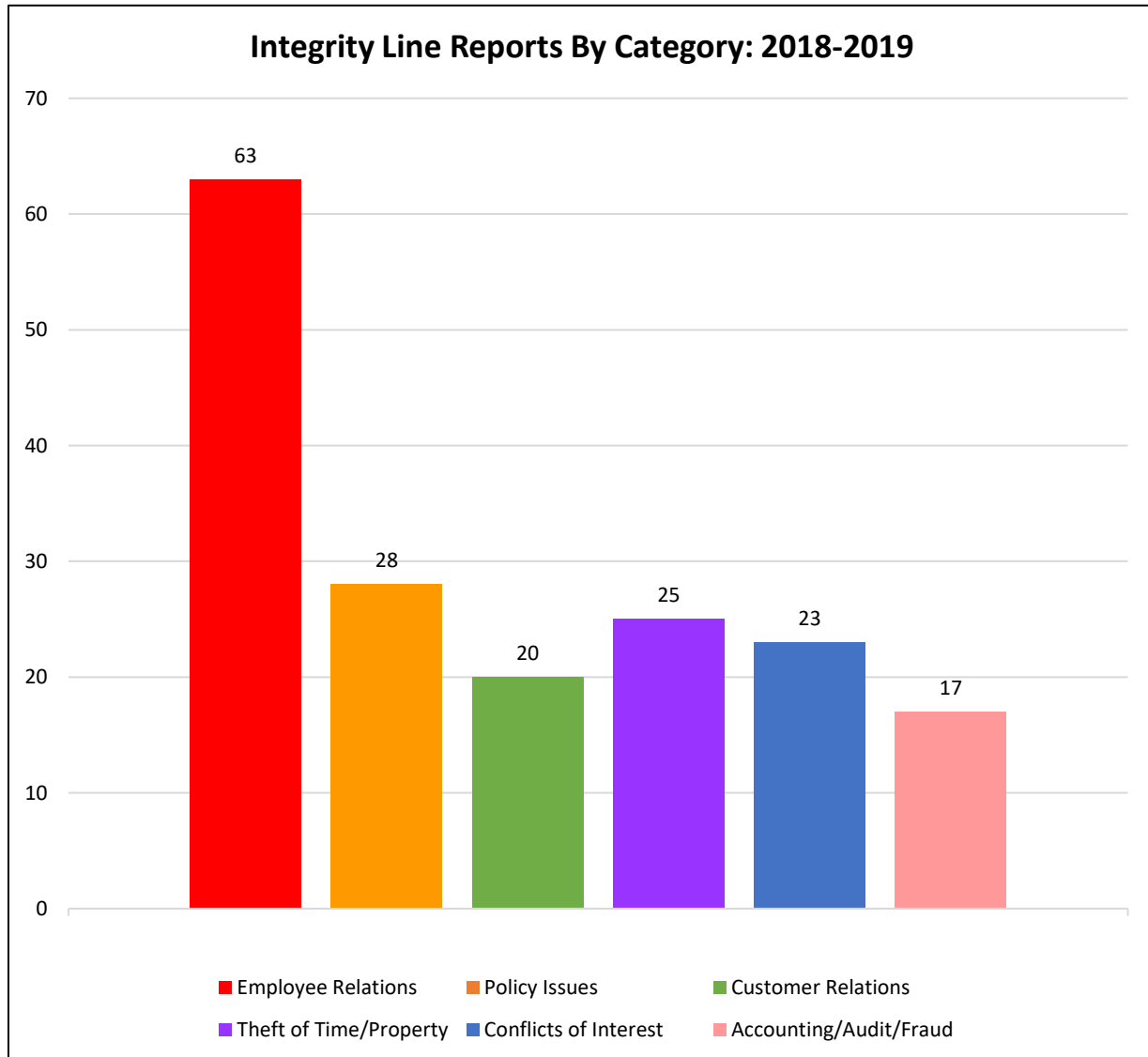
The chart below reflects the overall change in reporting volume for the past five years:





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The chart below reflects the number of Integrity Line Reports received by report category.



*Note: only the top six overall Integrity Line reporting categories are included in the above chart*





# COGEL 2020

## **The Annual Conference of the Council on Governmental Ethics Laws (COGEL) comes to Atlanta in 2020!**

COGEL is the preeminent organization of government ethics professionals. Members work in the fields of governmental ethics, freedom of information, elections, lobbying, and campaign finance include governmental entities; educational institutions; organizations, such as law firms, and corporations; and honorary members.

The organization traces its origins to a December 1974 conference at the Watergate Hotel in Washington, DC., organized by an ad hoc group of executives of newly-formed federal and state "ethics" agencies.

Keeping in that tradition, the **42nd Annual COGEL Conference** will be held **December 13th—16th, 2020 at the Atlanta Marriott Marquis.**

Visit [cogel.site-ym.com](http://cogel.site-ym.com) for more information as it becomes available and to register for the 2020 Conference.

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