



April 13, 2023

MEMORANDUM

TO: Edward P. Burroughs, III, Chair
Government, Operations, & Fiscal Policy Committee (GAFP)

THRU: Josh Hamlin
Director of Budget and Policy Analysis

FROM: Alex Hirtle
Legislative Budget & Policy Analyst

RE: Office of Ethics and Accountability
Fiscal Year 2024 Budget Review

Budget Overview

The FY 2024 Proposed Budget for the Office of Ethics and Accountability is \$1,149,600. This is an increase of \$74,800, or 7.0%, above the FY 2023 Approved Budget. The increase is largely due to an annualization of salary adjustments, operating expenses for contractual services of the mandated quality assurance review and increase in fringe benefits costs.

Budget Comparison - General Fund

Approved Fiscal Year 2023 to Proposed Fiscal Year 2024

Category	FY 2022 Actual	FY 2023 Budget Approved	FY 2023 Estimated	% Change - Est vs App	FY 2024 Proposed	\$ Change	% Change
Compensation	\$ 664,705	\$ 703,800	\$ 659,500	-6.3%	\$ 740,400	\$ 36,600	5.2%
Fringe Benefits	195,165	235,800	217,200	-7.9%	248,000	12,200	5.2%
Operating Expenses	99,530	135,200	135,200	0.0%	161,200	26,000	19.2%
Total	\$ 959,400	\$ 1,074,800	\$ 1,011,900	-5.9%	\$ 1,149,600	\$ 74,800	7.0%

Authorized Staffing Count - General Fund

	FY 2023 Approved	FY 2024 Proposed	Change Amount	Percentage Change
Full-Time	6	6	0	0.0%
Total	6	6	0	0.0%

Staffing Changes and Compensation

- General Funds are provided for six (6) full-time positions – an Executive Director, Attorney, Investigator, Administrative Aide, Administrative Specialist, and a Compliance Specialist. FY 2024 proposed staffing remains unchanged compared to FY 2023.
- As of March 17, 2023, the Office reported that there were two (2) vacancies in the office: an Investigator II position (offer pending), and a Compliance Specialist III position (posting pending). Both vacancies are expected to be filled before the end of FY 2023.
- The Office reported an attrition rate (to date) for FY 2023 of 33%. This was due to two resignations from an Investigator II and a Compliance Specialist III. Key factors contributing to the current attrition levels include new job opportunities and office transitions.

Fringe Benefits

- FY 2024 fringe benefit expenditures are proposed to increase by \$12,200, or 5.2%, as a result of alignment with the projected increased compensation costs.
- A five-year trend analysis of fringe benefit expenditures is included below.

	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Proposed
Fringe Benefit Expenditures	\$ 173,684	\$ 198,284	\$ 195,165	\$ 217,200	\$ 248,000
As a % of Compensation	28.9%	30.7%	29.4%	32.9%	33.5%

Operating Expenses

- FY 2024 operating expenses are proposed at \$161,200 and are comprised of the following major items:
 - Operating Contracts \$74,900
 - Office Automation \$65,700
 - General Office Supplies 8,000
 - Telephone 7,500

- Overall, operating expenses will increase \$26,000 from the approved FY 2023 level. The accompanying table compares the FY 2024 Proposed Budget operating expenditures with the FY 2023 Approved Budget operating expenditures. In three (3) categories, the FY 2024 Proposed Budget increases planned spending over the FY 2023 level. In five (5) of the categories, the FY 2024 Proposed Budget reduces planned spending from the FY 2023 budget. In three (3) of the categories, the FY 2024 Proposed Budget level remains unchanged compared to the FY 2023 approved level.

Operating Objects	FY 2023 Budget	FY 2024 Proposed	FY 2023 - FY 2024	
			\$ Change	% Change
Office Automation	\$ 57,300	\$ 65,700	\$ 8,400	14.7%
Postage	200	100	(100)	-50.0%
Advertising	200	100	(100)	-50.0%
Printing	400	300	(100)	-25.0%
Telephone	3,500	7,500	4000	114.3%
Operating Contracts	59,900	74,900	15,000	25.0%
General Office Supplies	8,000	8,000	-	0.0%
Membership Fees	1,000	500	500	-50.0%
Training	3,900	3,900	-	0.0%
Mileage Reimbursement	800	200	(600)	-75.0%
TOTAL	\$ 135,200	\$ 161,200	\$26,000	19.2%

- Notable increases between the FY 2024 Proposed Budget and the FY 2023 Approved Budget are Operating Contracts, which include a mandated quality assurance review contract (\$15,000 increase); Office Automation (\$8,400 increase) due to an increase in technology cost allocation charges; and Telephone (\$4,000) which was determined by OMB.
- Notable decreases (percentage wise) for FY 2024 include Mileage Reimbursement, which decreases \$600 (75%) due to less staff travel.
- Operating contracts include the aforementioned quality assurance review, case-management and e-filing systems/software, operation of the 24-hour ethics hotline, copier, and Lexis/Nexis legislative/investigation research tool.

Highlights

- The Office of Ethics and Accountability provides enforcement of the Prince George's County Code of Ethics, to ensure the ethical conduct of individuals who serve in County Government.
- Core services of the Office include administering public ethics laws, providing ethics training and advice to County employees, reviewing financial disclosure and lobbying records, investigating alleged ethical violations, providing administrative support to the County's Board of Ethics, and providing analysis and recommendations to the Executive and Legislative Branches.
- In FY 2023, the Office updated the Salesforce portal to mirror the language/instructional changes based on the State Ethics Law changes in FY 2022.
- The Board of Ethics is a five-member board established to administer the County's Code of Ethics. Members of the Board are appointed by the County Executive and confirmed by the Council. The current Board members are as follows:
 - Cassandra Burckhalter, Chair 2nd Term (Holdover)
 - Charlene Gallion, Member 1st Term Expires 12/1/2024
 - Melanie Barr-Brooks, Esq., Member 1st Term Expires 12/23/2023
 - Mickei M. Milton, Member 1st Term Expires 12/1/2024
 - Sharon Theodore-Lewis, Esq., Member 2nd Term (Holdover)
- The Office reported the following key accomplishments for FY 2023:
 - Processed approximately 1,000 Financial Disclosure Statements filed for the 2022 calendar year.
 - Processed 502 requests for all OEA case types, including investigations, legal reviews, advisory opinions, ethics advice, information provision and waiver/exemptions. The Office has seen more than a 588% increase in cases since its establishment in 2014.
 - In FY 2023 the Office of Ethics and Accountability issued 43 recommendations to executive leadership to promote a culture of integrity, efficiency, and public trust. This is a 43% increase in recommendations over FY 2022.
- The Office reports its top priority for FY 2024 is to continue to maintain the County's electronic filing/case management system that allows County residents, County government employees, and elected/appointed officials 24/7/365 access to online filing of

complaints and required financial disclosure statements, and lobbyist registrations and annual reports. Additionally, to efficiently investigate all complaints in accordance with applicable laws to ensure timely responses, analysis, reporting and recommendations to management.

- Other service goals for FY 2024, as reported by the Office, include:
 - Completion of the five-year Quality Assurance Audit required by the County Ethics Code;
 - Conduct additional outreach events to inform residents about the mission of the Office and the Board of Ethics;
 - To provide comprehensive intake, processing, investigation, management, adjudication, analysis, and reporting of allegations of waste, fraud, abuse and illegal acts in County government, and make necessary recommendations to executive and legislative officials to promote efficiency and accountability; and
 - To promote disclosure of the outside business and monetary interests of County government employees/officials and real-time notice of lobbying activity directed toward County government.