



Executive Directive 20-02

Compliance with Gift Regulations and Increasing Transparency in City Department Relationships with Non-City Organizations

September 24, 2020

It is imperative that City business is conducted in accordance with all applicable laws and regulations and with the utmost integrity. Nothing is more important than the trust the public has in its government. One of the foundations of this trust is the principal that government business is conducted for the public benefit and that government workers serve that public interest.

Earlier this year, when I learned the Director of Public Works had been indicted on federal charges, I asked the City Attorney and the Controller to design and conduct a thorough and independent review of any implicated City contracts or other decisions, investigate any suspected violations of the law or City guidelines, and develop recommendations on how to protect the integrity of City processes and decisions. I also issued Executive Directive No. 20-01 directing all City employees and departments to cooperate with any requests made by the City Attorney and the Controller and proactively share information that they believe could be helpful to this investigation.

The Controller has released a report detailing findings and recommendations regarding gifts to City departments through non-city organizations. Many of your departments have relationships with non-city organizations, including "Friends of Organizations." These partnerships can help provide philanthropic support for City efforts, and community priorities. However, the opportunities these relationships create cannot be at the expense of our primary role as public employees, which is to conduct government business for the public benefit.

The Controller's report makes clear that uniform and stricter standards must be applied to City departments' relationships with these organizations in order to increase transparency and accountability, and prevent a perceived or actual risk of a "pay-to-play" relationship.

Directives:

Through this Executive Directive, I hereby direct:

1. All Departments Heads shall comply with the City's behested payment reporting requirements, which currently apply only to City elected officials and members of boards and commissions, contained in Article III, Chapter 6 of the Campaign and Governmental Conduct Code. This includes the filing of behested payment forms (Form SFEC-3610(b)). Departments should track and retain this information and begin filing behested payment forms as soon as the Ethics Commission makes that form available for electronic filing by Department Heads.

2. All City departments shall formalize through a memorandum of understanding any relationship the department has with a non-City organization that receives donations on behalf of the department, where such agreements are not already in place. These memoranda of understanding shall be prepared in consultation with the Office of the City Attorney and the Controller. In preparing these memoranda of understanding departments shall work with the City Attorney and Controller to include terms and requirements which ensure transparency, accountability, and adherence to City laws. These memoranda of understanding shall be approved by the City Attorney, Controller, and if applicable the department's board or commission, and posted on the department's website.
3. All departments shall ensure compliance with Administrative Code, Section 10.100-305 or other applicable sections of Administrative Code Chapter 10, Article XIII, which sets forth the requirements for accepting and reporting certain gifts to departments. In all required disclosures under the Administrative Code, departments shall state whether the gift is used for employee recognition or appreciation, and where required, seek advance acceptance from the Board of Supervisors.
4. In each department's annual reports submitted every July under Administrative Code section 10.100-305(c), the department shall certify that all gifts received by the department in the previous fiscal year were approved by the Board of Supervisors, if required under the Administrative Code, and timely reported.

This Executive Directive will take effect immediately, and will remain in place until rescinded by future written communication.



London N. Breed
Mayor, City and County of San Francisco