

Collateral Employment Performance Audit

Procedures and documentation should be strengthened to ensure that approval decisions are based on sufficient due diligence and comprehensive information.



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Executive Summary

In conducting performance audits as well as fraud, waste and abuse investigations over the years, the City Auditor's Office has come across and reviewed various instances of both real and potential conflicts of interest involving City employees. More recent instances compelled our Office to review the adequacy of internal controls surrounding the City's review and approval process for collateral employment. In 2018, the City received and reviewed requests from 221 employees seeking approval for collateral employment activities. While it is essential for the City to adhere to State laws protecting the rights of employees to work secondary jobs, it is also important to ensure that the City's ethical standards are met and the City's resources and interests are safeguarded.

California Labor Code Section 96 protects employees who engage in collateral employment if the secondary job is worked during non-work hours and does not conflict with the primary employer's interests and operations. Addressing this potential for conflict among public employees, **California Government Code Section 1126** states that "a local agency officer or employee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to his or her duties as a local agency officer or employee or with the duties, functions, or responsibilities of his or her appointing power or the agency by which he or she is employed." Aligning with the State law, the **City of Long Beach Personnel Policy 1.7** (Policy) states "an employee may engage in collateral employment or business activity with the approval of the employee's department head" as long as the employee is not engaging in "an employment, activity, or enterprise for money or other personal gain which is inconsistent, incompatible, inimical, or in conflict with the employee's duties and responsibilities of employment with the City."

Collateral employment, in and of itself is not unethical; however, without careful oversight it can lead to conflicts of interest, misuse of resources, and employee performance risks. A single employee who abuses their proximity to assets and decision-making processes can have devastating effects on City resources and public trust. It is the City's responsibility to protect against conflict of interest in fact and appearance. Recognizing and managing such risks reduces misconduct, supports ethical behavior, and maintains public trust.

The City's Policy requires permanent full-time and part-time employees disclose and seek management approval to work for an employer other than the City. The Human Resource Department (City HR), Water Department (Water) Administration Division, and Harbor Department's (Harbor) Human Resources Division (Harbor HR) require the annual submission of a department-head-approved "Collateral Employment/Business Activity Authorization Request" form (Request Form). The employee's department head, or their designee, is responsible for reviewing the form and determining whether the outside employment is appropriate. A secondary review is performed by City HR, Water Administrators, or Harbor HR, who then gives final approval or denial.

Due to the potential for conflicts of interest that may result from employees engaged in outside employment activities and to safeguard the City's resources and interests, our office set out to determine if collateral employment is appropriately managed Citywide. We compared current policies and procedures to other local jurisdictions and tested a sample of employee-submitted collateral employment forms for appropriate review.

Policies and collateral employment request forms should be improved to ensure conflicts of interest and other risks are properly vetted.

The audit found that while general processes for managing collateral employment were similar to benchmarked jurisdictions, policy documents and authorization forms should be strengthened and expanded to ensure employees fully understand prohibited activities and that comprehensive information is used in deciding whether requests should be approved or denied. Specifically, the audit found the following:

- The City, Water, and Harbor Request Forms do not require the employee to provide relevant information, such as the title of the collateral employment position or if the employee owns the company or is self-employed. The Request Forms also do not require the employee to disclose the collateral job's required work schedules, work conditions and hazards, and types of equipment used. In addition, the City Request Form does not have an option for City HR or operating departments to deny requests.
- The Request Forms do not currently encourage or provide clear instruction to department management or HR on the importance of documenting due diligence review and follow-up inquiries during the approval process. While department approvers stated they conduct follow-up with employees when they have questions regarding collateral employment requests, the frequency and method for documenting these communications vary. A review of City Request Forms revealed sporadic comments from the approving parties relating to the condition of approval and the employee's collateral duties. On the other hand, Harbor Request Forms demonstrated a more consistent method of documenting due diligence. Approving parties for Harbor documented follow-up inquiries by attaching email correspondence or memoranda from employees further explaining their duties. However, both City and Harbor Request Forms lack space dedicated to capturing vetting procedures conducted, particularly when a perceived conflict arises or when an employee is requesting approval to work for a City vendor.
- Most Departments do not have department-specific collateral employment policies, conflict of interest codes or statements of incompatible activities to better define what conflicts of interest may look like for their specific operations. The audit's benchmark analysis found that other local governments recognized that conflict of interest may differ among departments and were using department-level policies or statements of incompatible activities to provide better guidance on identifying and mitigating conflict of interest risks.

We want to thank City, Water, and Harbor staff for their assistance and cooperation during this audit.

I. Issues & Recommendations

Finding #1

Collateral employment authorization form requirements are not sufficient to effectively promote compliance with City policies.

The purpose of the collateral employment policy is to protect the City's real and financial assets against potential conflicts of interest. Request Forms provide the City a method to identify and resolve potential conflicts of interest. The City's Personnel Policy 1.7 requires that permanent full-time and part-time employees obtain approval annually, via a "Collateral Employment/Business Activity Authorization Request" form, prior to engaging in outside employment. While City employees can engage in collateral employment, prohibited activities include those that are incompatible, inimical, or in conflict with the employee's job duties and responsibilities with the City. In addition, according to the City policy, employees cannot work more than 20 hours per week for outside employers or a business activity.

An employee is required to submit the Request Form to his/her department head for approval annually before the April 1st deadline, upon being hired during on-boarding, or when changes to his/her City or collateral employment occur. The Request Form requires the employee to provide general information about their collateral employment such the name of the outside employer and hours expected to work per week. The Request Form also asks the employee to indicate whether or not the job is related to his/her City duties (by circling "Yes" or "No").

All City departments, except for Water and Harbor, use the City Request Form included in Appendix A in this report. Harbor uses the Harbor Request Form in Appendix B. Likewise, Water uses the Water Request Form also included in Appendix B. Department heads or their designee are required to review all Request Forms for appropriateness and ensure that any agreed-upon limitations pertaining to the outside employment activities are documented and communicated to the employee. Once the Request Form has been approved by the employee's department head or designee, it is then forwarded to either the City's Human Resources Department, Water's Administration Division, or Harbor's Human Resources Division for final approval.

The Police Department is the only department that reported supplementing the City Request Form with a department-specific form, which included in Appendix C.

Approval process relies on self-reporting, making it difficult to ensure compliance with City policy

Employees are not required to attest to the fact that they are aware of the collateral employment policy.

Only employees who plan to engage in collateral employment are required to self-report outside activities. The City, Harbor, and Water Department do not require employees sign a waiver or other document attesting to the fact that

they are aware of the policy and do not plan to engage in outside activities. It is generally assumed that employees who do not submit a Request Form are not engaged in collateral employment activities. The only exception to this practice is the Fire Department whose Administration Bureau requires personnel to electronically acknowledge the collateral employment policy and state whether they are engaging in outside employment activities.

To ensure better compliance and to protect the City's interests, City HR, Water Administration, and Harbor HR should require all employees submit an annual form either affirming they will not be engaging in collateral employment or requesting authorization of outside activities.

The City Request Form is designed for approval only

The collateral employment authorization form does not have a way to capture follow-up inquiries or denials.

In 2018, no collateral employment requests were denied by Harbor, Water, or City Manager Departments, and we were informed that denials rarely occur. The City Request Form does not provide departments or City HR with an opportunity to document rejections, concerns, stipulations or exceptions. There is also no policy surrounding maintaining such records if a request were to be denied. While Harbor follows the same personnel policy and has similar processes, the department has developed its own Harbor Request Form that provides Harbor HR the option to approve the request, require additional information from the employee, or reject the request altogether citing the specific reasons it was rejected.

The City, Water, and Harbor Request Forms lack space dedicated to capturing vetting procedures conducted

The Request Forms do not currently encourage or provide instruction to department management or HR on the importance of capturing and documenting due diligence review and follow-up inquiries during the approval process. While department approvers stated they conduct follow-up with employees when they have questions regarding collateral employment requests, the frequency and method for documenting these communications vary. This correspondence is typically done via email or in-person with the employee as questions arise. In addition, City HR stated it would reach out to the employee's division or other unit for more information about the employee or the collateral position prior to approval if it had questions.

Several employees were approved to work for vendors of the City; however, documentation of limitations or risk was not present.

A review of City Request Forms revealed sporadic comments from the approving parties relating to the condition of approval and the employee's duties under secondary employment. On the other hand, a review of Harbor Request Forms demonstrated approving parties used more consistent methods for documenting due diligence. Approving parties for Harbor captured follow-up inquiries by regularly attaching email correspondence or memoranda from employees further explaining their duties.

However, the City, Water, and Harbor Request Forms lack space dedicated to capturing vetting procedures conducted, particularly when a perceived conflict

arises in an employee requesting to work for a City vendor or to assume outside duties that are related to the employee's current City duties. A City employee is not prohibited from working for a City vendor; a risk might not exist if the employee is not involved in purchasing decisions, is not reviewing the vendor's work in his/her capacity with the City, or does not have a direct financial interest in the vendor. Out of a sample of 106 City and Harbor Request forms, 38 involved outside employment activities with a City vendor or partner. While most of the sampled requests involving a City vendor or partner were found to be low-risk, the form itself does not contain fields capturing vetting procedures that would attest to the low-risk level. Similarly, an employee is not prohibited from performing secondary employment duties that are related to his/her City duties as long as the employee and his/her supervisor can attest to the fact that it will not conflict with the City's interests. However, in reviewing an employee's collateral employment request, the reviewer or approver should document if a potential or an appearance of a conflict of interest exists as a result of these relationships.

Among the sample of 106 City and Harbor Request Forms, we found seven (7) occurrences where an employee's collateral employer was a City vendor and there was a possibility for a conflict of interest based on the employees' positions. All seven Request Forms contained neither notes nor additional documentation that would indicate the potential conflict was identified, and/or thoroughly vetted and mitigated. These employees' departments were not able to provide any additional documentation – outside of the Request Forms and other non-supporting documents initially attached to them – confirming that their supervisors and managers had considered and reviewed any possible conflict of interest. While these types of incidents were infrequent amongst the sampled Request Forms, management should revise the current Request Form to provide documentation that an adequate review and assessment was conducted.

The Long Beach Police Department's approval form and policy call for the documentation of due diligence and contain stipulations for specific outside employment activities.

In contrast, the Long Beach Police Department's Collateral Employment Instruction Sheet (Instruction Sheet) supports the documentation of due diligence by providing specific instructions in the event that a request presents a potential conflict of interest. The Instruction Sheet, included in Appendix C, prompts employees accepting collateral employment in which duties are associated with or resemble a police function to detail the total nature of their employment in a memorandum to the Chief of Police. The instruction sheet also lays out stipulations for personnel accepting collateral employment as a security officer. In this case, the requesting employee must attach a copy of his/her application for a "Guard Card" to the collateral employment request. These are the kinds of instructions that, if integrated into the Citywide form, could prompt supervisors to document due diligence.

Approval forms from other public agencies provide for the documentation of due diligence conducted during the review process. For example, the approval documents used by the County of Los Angeles' Department of Mental Health contain fields that capture the vetting procedures conducted when a potential

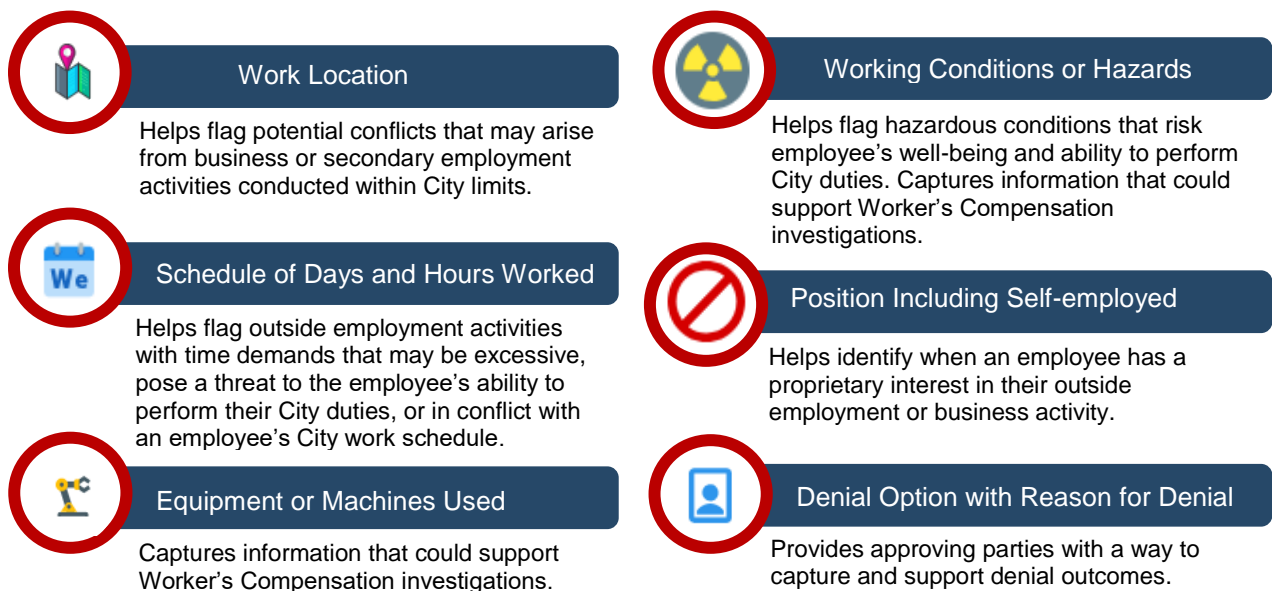
conflict of interest is identified. The Department's Employee Report on Outside Employment and Conflict of Interest Disclosure Form, provided in Appendix E, require employees to state whether they are engaged in a conflict of interest situation and to provide a full description of the nature of the conflict. The form then prompts the employee's immediate supervisor and Deputy Director to attest to the fact that they have discussed the potential conflict with the employee and list the agreed-upon safeguards put in place to resolve the situation to best protect the interest of the County. Adding a similar field to the Citywide approval materials could help ensure that proper vetting of potential conflicts has occurred and documented in a consistent manner across all City departments and operations.

City, Water, and Harbor forms request limited information about outside work duties and conditions

The collateral employment authorization form has limited space to describe the collateral employment duties of the requesting employee.

The City, Water, and Harbor Request Forms have limited space dedicated to describing the collateral employment duties that would be performed. As shown in Figure 1, approval forms from other local jurisdictions requested more information from employees that can be useful to approving parties to conduct better evaluations of potential conflicts of interest and other risks and, therefore, to make more informed decisions on approvals.

Figure 1.
Examples of Other Agencies Authorization Form Requirements



It is difficult for a reviewer to determine if a potential conflict applies without having a full picture of the duties the employee will be performing in his/her secondary job. Also, having additional information about an employee's secondary working conditions or schedule can help the City with workers' compensation or time abuse investigations to determine if injuries or illnesses occurred on City time, or if hours paid were actually worked.

In contrast, the Long Beach Police Department reinforces the authorization process by requiring every City Request Form be accompanied by a memorandum to the Chief of Police and the department's Collateral Employment Authorization Tracking Form and Questionnaire (Tracking Form). The Department's Tracking Form, included in Appendix C, requires that every member of the employee's Command Staff review and approve the request. The Tracking Form also prompts supervisors to review the requesting employee's sick time usage and work performance evaluations prior to approval. Additionally, sworn and unsworn staff are required to report the outside business type, names of clients, whether their position requires them to be armed, and any applicable business or license numbers.

Recommendations:

City Human Resources, Water Department Management, & Harbor Department Management:

- 1.1 Require all City employees to complete and sign a "Collateral Employment/Business Activity Form" attesting to whether or not they have outside or collateral employment.**
- 1.2 Revise the "Collateral Employment/Business Activity Request Form" to require additional information about the collateral employment's job duties, work location and potential workplace hazards. At a minimum, the form should ask for the position title, schedule (days/times), primary work site locations, working conditions, and equipment used.**
- 1.3 Revise the "Collateral Employment/Business Activity Request Form" to include fields capturing vetting procedures conducted by supervisors, department heads or their designee, and Human Resources to reach an approval/rejection decision.**

City Human Resources Management and Water Department Management:

- 1.4 Revise the "Collateral Employment/Business Activity Request Form" to allow supervisors, department heads or their designee, and Human Resources to document denials and approval stipulations. Also allow space for the approver to print his/her name.**

Finding #2

Information provided to employees regarding what constitutes a conflict of interest should be improved.

Departments do not define what conflict of interest or prohibited activities look like for their employees.

In February of each year, or upon hire, it is each department's responsibility to provide employees with the Collateral Employment Policy and Request Form. The department must also remind its employees that a renewal or new collateral employment request must be submitted to the department for approval every year by the April 1st deadline. Below are examples of prohibited activities as listed in the policy and attested to when an employee signs the Request Form.

- Use of City time, facilities, equipment, supplies, badge, uniform, prestige or influence for gain.
- An act outside the employee's capacity as a City employee that may later be subject to the control, inspection, review, audit, or enforcement of any other employee of the City.
- An act for money or other consideration for anyone other than the City that the employee is required to perform as a City employee.
- Time and physical demands that would impair the quality or quantity of the employee's work with the City or tend to increase sick leave or Worker's Compensation benefits.
- Act that would reflect discredit on the City.
- Any other activities prohibited by the Department head or Director of Human Resources that has a potential conflict of interest with the employee's duties, or the objectives of the department, or the City.

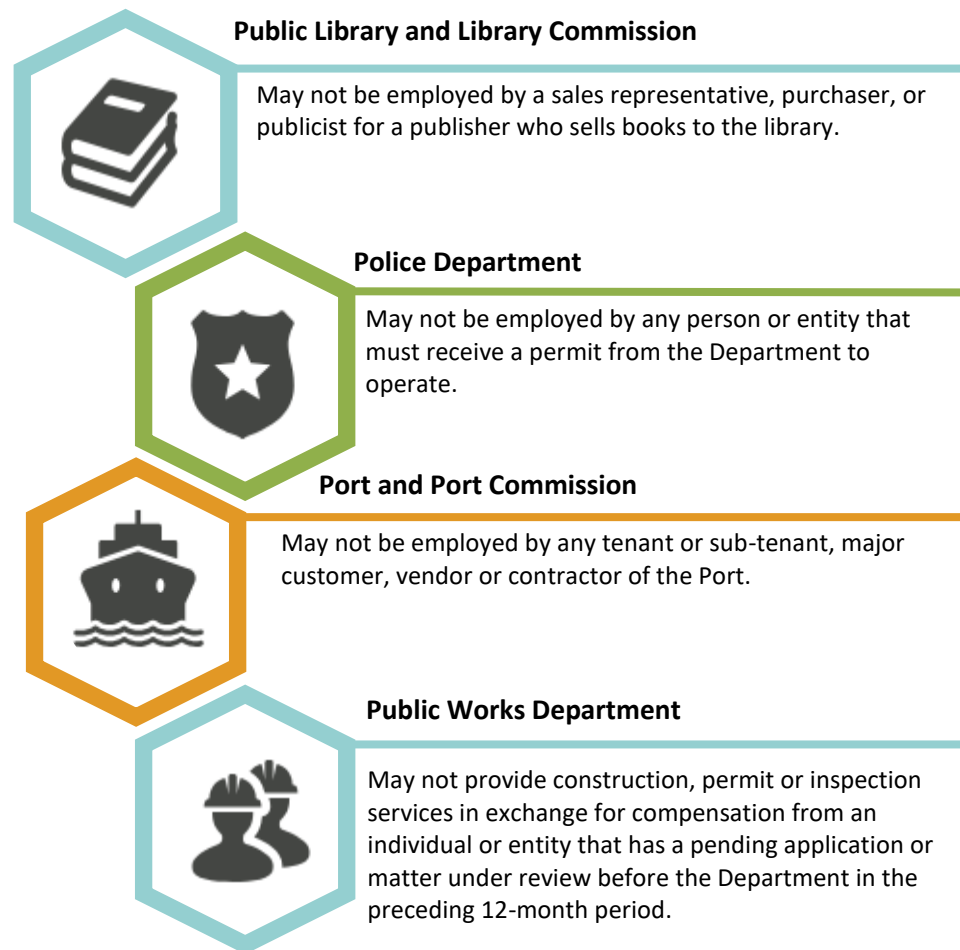
The prohibited activities listed in the policy and form provide high level definitions of what constitutes a conflict of interest but may be difficult for an employee to apply to his/her specific role within the City. Conflicts are as diverse as the work setting in which they occur, and the people involved. Only the Police Department has policy language specific to its operations, or a written definition of prohibited collateral employment activities, that would help employees understand when a conflict may occur, and provide support to approving parties in making a final determination.

The City and Harbor could benefit from developing a Statement of Incompatible Activities for each department outlining the types of prohibited outside employment activities.

Rather than applying a general definition of "conflict of interest" or of prohibited activities to all departments, some benchmarked jurisdictions rely on expanded regulation and oversight requiring each department to further define these prohibited activities as they relate to departmental operations and functions. For example, as a result of a voter-approved proposition to reform and consolidate ethics laws, in 2004, the City and County of San Francisco required each department, board and commission to begin drafting a "Statement of Incompatible Activities" (SIA) to provide guidance to its officers and employees on the kinds of activities that are incompatible with their public duties and are,

therefore, prohibited. In 2008, after a long, four-year process that involved various stakeholders – including departments heads, City staff, members of the public, and the unions that represent City officers and employees – all SIAs were adopted by the Ethics Commission. Figure 2 provides examples of prohibited activities outlined in the City and County of San Francisco’s SIAs. An example SIA document is included in Appendix D.

Figure 2.
Statement of Incompatible Activities Examples



Every year, to refresh awareness about incompatible and prohibited activities, each San Francisco City department, board, commission or agency is required to provide either a hard copy or electronic copy/link of its SIA to all officers and employees. In addition, the annual SIAs are required to be posted on all department websites and in the same departmental location where other legal notices are posted. The SIAs are also posted on the Ethics Commission’s website.

Other local jurisdictions that require SIAs of their departments include the Counties of San Diego and Sonoma. Developing the SIA documentation and procedures could be a long process, as the summary of San Francisco’s experience above suggests. However, the City could benefit from creating

similar SIA process and procedures to ensure employees understand what activities are prohibited as they relate to their department's operations.

Other benchmarked jurisdictions supplement their agency's global policy with both department-specific policies and approval forms. Like the Long Beach Police Department, the Santa Ana Police Department, for example, requires department staff comply with both the citywide policy and approval form, and the internal department policy. The language contained in the Santa Ana Police Department's internal policy lists specific activities and employment types that should not be approved as they increase the risk for a conflict of interest. Examples of these include employment at establishments whose primary purpose is the sale, distribution or service of alcoholic beverages; employment requiring the service of civil subpoenas or process; or employment at locations that will tend to bring the department into disrepute.

The County of Los Angeles has a similar policy structure for their departments, giving them the latitude to address conflict of interest for specific position types and classifications. The Department of Mental Health has an internal policy with stipulations specific to their operations and personnel. For example, in the Outside Employment Policy provided in Appendix E, the department's policy language expressly prohibits department clinicians from using confidential records and information of clients in connection to outside employment activities or engaging in reciprocal or individual referrals for private services.

Recommendations:

City Human Resources, Water Department Management, & Harbor Human Resources and Department Management:

- 2.1 Require departments to develop additional language, such as a Statement of Incompatible Activities or specific department policies, that provide further guidance on the types of activities that would create a conflict of interest with their City departmental duties.**
- 2.2 Provide all employees with a copy of the Statement of Incompatible Activities or department policies on an annual basis or upon hire. Document that the employee has received the statement or policy, reviewed it, and is aware that the activities are not allowed. Keep the signed statement in the employees' personnel file.**

Finding #3

Information in the Human Resources Department's collateral employment database is not maintained or used in a way that supports compliance.

The City's Human Resources Management System (HRMS) is the system used by the City to manage benefits, payroll, time and attendance, and other personnel information. While each department is responsible for entering collateral employment information for each employee into the HRMS, this system has limitation and does not allow for reporting or tracking. Also, City HR inputs the information contained in all collateral employment requests into a Microsoft Access database for recordkeeping only.

We reviewed the Access database entries for 2018 and noted that 25 Request Forms for renewal of collateral employment were missing a corresponding prior entry in the database for the year(s) immediately preceding the request. Request Forms were either never provided by the department or employees or never entered into the Access database.

In addition, information entered into the Access database was entered inconsistently or incorrectly. For example, out of a sample of 75 entries, there were 50 instances where the request and/or approval dates were incorrectly transcribed from the authorization request forms into the Access database. While the Access database is not actively used to report on or to monitor collateral employment, if information is going to be kept it should be complete and correct.

The City is in the process of replacing its antiquated management systems with Munis, an advanced Enterprise Resource Planning system that will streamline, integrate and automate financial, HR and payroll processes. It would be prudent to incorporate the request form and approval process electronically into Munis to allow for online submittal and approvals, improved recordkeeping, and better oversight and tracking of collateral employment.

Recommendations:

City Human Resources Management:

- 3.1 Train staff entering information into the Access collateral employment database to enter information consistently and correctly.**
- 3.2 Ensure all forms are entered into the Access collateral employment database each year so that information is complete.**

The City should provide capability in the new Munis system to streamline the collateral employment process.

City Human Resources, Water Department Management, & Harbor Human Resources Management:

- 3.3 Enable the new Munis system to provide online submittal and approval of collateral employment forms, and to track and manage collateral employment.**

II. Background

Consistent with California Labor Code Section 96, City employees can engage in employment outside of their City positions, as long as the secondary job is worked during non-work hours and complies with the City's collateral employment policy that prohibits conflicts of interest. In accordance with HR's Personnel Policy 1.7, prior to engaging in secondary employment, all City employees work must submit an Authorization Request Form (request) for approval from their Department Director and Human Resources Department. In 2018, HR and Administration Bureau personnel received and reviewed collateral employment requests from 221 employees across all City departments.

The authorizing parties are responsible for reviewing requests to ensure the proposed collateral employment activities are not in violation of California Government Code Section 1126 as it applies to local agency officers and employees. Government Code Section 1126 prohibits a local agency officer or employee from engaging in any employment or activity for compensation that is deemed "inconsistent, incompatible, in conflict with, or inimical" to their duties.

The management of collateral employment is divided between the City's Human Resources Department, the Water Department's Administration Division, and the Harbor Department's Human Resources Division. The approval process begins in early February when the HR Department Director distributes a memorandum to all department heads, including the Harbor Department's Chief Executive Officer and the Water Department's General Manager, containing general authorization guidelines, Personnel Policy 1.7, and the City's Collateral Employment Activity Request form. Employees must report general information about their City position and collateral employment activities including, but not limited to, the name of their employer, their general duties, whether their City duties and collateral activities are related, and the number of weekly hours they will be engaging in said activities.

III. Objective, Scope, and Methodology

The objective of this audit was to determine whether collateral employment is appropriately managed Citywide. The audit scope included collateral employment requests submitted to the City HR, Water Administration Division, and Harbor HR during the 2018 calendar year. Collateral employment authorization requests from City Manager departments in 2018 were sampled based on department usage and pre-determined risk factors. Entries were selected from departments with a large number of collateral employment requests or on an individual basis if they were deemed “high risk.” In contrast, all 30 entries submitted to Harbor HR and the single request submitted to the Water Department’s Administration Division in 2018 were tested. To achieve the audit objectives, we:

- Interviewed Administrative Officers in City Manager departments with high volume of collateral employment requests, and the Harbor Department’s Human Resources Division Manager;
- Reviewed the City’s collateral employment policy;
- Analyzed a sample of Access Database entries against copies of their corresponding Authorization Request Forms;
- Interviewed Administrative Officers from comparable agencies regarding their collateral employment policies and procedures; and
- Benchmarked the City’s policy language and authorization forms against those of comparable agencies.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

IV. Appendix A

City of Long Beach Human Resources Department Collateral Employment Business Activity Authorization Request Form

 CITY OF LONG BEACH		
COLLATERAL EMPLOYMENT/BUSINESS ACTIVITY AUTHORIZATION REQUEST		
EMPLOYEE REQUEST		
<p>An employee must complete this form and obtain approval prior to engaging or when reviewing a request in any collateral employment or business activity. A separate form must be submitted for each collateral employment or business activity. The total hours to be worked per week for all requests by an employee must be provided in the "Hours/Week" section on each separate form. Signature required for conditions and limitations on back of this form.</p>		
Check Appropriate Box(es): <input type="checkbox"/> New Request <input type="checkbox"/> Additional Request <input type="checkbox"/> Renewal		
Print Employee Name	Position Title (Class/Grade)	Last 4 of SS#
Department/Bureau/Division	Effective Date	
Employer/Business Name	DUTIES TO BE PERFORMED: _____	
Employer/Business Address	_____	
City, State, Zip	_____	
()	_____	
Phone number	RELATED TO CURRENT DUTIES? <input type="checkbox"/> NO <input type="checkbox"/> YES	
	IF YES, EXPLAIN: _____	
Total Hours/Week This request: _____	_____	
Total Hours/Week—All Requests: _____	_____	
DEPARTMENT APPROVAL		
<p>My signature on this form certifies that all statements on this form are true and complete and acknowledges that I have read, understood, and will comply with procedures as printed above and all conditions and limitations imposed by the City (see reverse of this form). I understand that any false or incorrect statements or failure to comply with the procedures and all conditions and limitations may result in disciplinary action up to and including dismissal from my employment with the City of Long Beach.</p>		
Employee's Signature	Date	
Department Head or Designee	Date	
HUMAN RESOURCES APPROVAL		
Director of Human Resources or Designee	Date	

ORIGINAL: DEPARTMENT FILE

COPY: DEPARTMENT OF HUMAN RESOURCES

Revised 2/2018

CONDITIONS AND LIMITATIONS

Prohibited Activities - An employee shall not engage in any employment, activity, or enterprise for money or other personal gain which is inconsistent, incompatible, inimical, or in conflict with the employee's duties and responsibilities of employment with the City.

An employee is prohibited from engaging in the following activities:

- The use of City time, facilities, equipment, supplies, badge, uniform, prestige or influence for private gain; or
- The performance of an act for money or other consideration from anyone other than the City from which the employee would be required to perform as a City employee; or
- The performance of an act in other than the employee's capacity as a City employee that may later be subject to the control, inspection, review, audit, or enforcement of any other employee or the City; or
- Such time or physical demands which would substantially impair the quality or quantity of the employee's work with the City or tend to increase the City's costs for sick leave or Workers' Compensation benefits; or
- The performance of an act that would reflect discredit on the City; or
- Any other activities prohibited by a department head or the Director of Human Resources that has a potential conflict of interest with the employee's duties, or the objectives of the department, or the City.

Work-Hour Limit - A permanent full-time employee shall not work more than a total of twenty (20) hours per week in collateral employment or business activity. Limitations for a permanent part-time employee will be considered on a case-by-case basis.

Absence Due to On-the-Job Injury - An employee, who is absent because of an on-the-job injury or illness, must obtain written permission from the department head or designee to engage or continue in collateral employment or business activity during such absence. The City may require additional conditions and limitations for approval as specified in the Personnel Policies and Procedures Manual or in accordance with Workers Compensation requirements.


Annual Renewal - An employee engaged in any previously approved collateral employment or business activity must submit for renewal a new "Collateral Employment/Business Activity Request" form no later than April 1st of each year.

I have read, understood and agree to comply with the conditions and limitations printed above.

Employee Signature

V. Appendix B

City of Long Beach Harbor Department and Water Department Collateral Employment Business Activity Authorization Request Forms

		COLLATERAL EMPLOYMENT/BUSINESS ACTIVITY AUTHORIZATION REQUEST	
EMPLOYEE REQUEST			
Employee Name:		Date Completed:	
Bureau/Division:		Manager/Director:	
Position Title:			
<i>Instructions: An employee must complete this form and obtain approval prior to engaging in any collateral employment or business activity. A separate form must be submitted for each collateral employment or business activity. The total hours to be worked per week for all requests by an employee must be provided in the "Total Hours Per Week" section on each separate form.</i>			
Check appropriate box:		<input type="checkbox"/> New Request <input type="checkbox"/> Additional Request <input type="checkbox"/> Renewal	
Employer/Business Name:		Effective Date:	
Employer/		Phone Number:	
Business Address:		Type of Position:	
		Related to current duties? Yes No	
Total Hours Per Week (this request):		Total Hours Per Week (all requests):	
"My signature on this form certifies that all statements on this form are true and complete and acknowledges that I have read, understood, and will comply with procedures as printed above and all conditions and limitations imposed by the Port (see reverse of this form). I understand that any false or incorrect statements or failure to comply with the procedures and all conditions and limitations may result in disciplinary action up to and including dismissal from my employment with the Port of Long Beach."			
Employee Signature:		Date:	
DIVISION APPROVAL			
Director/Designee Signature:		Date:	
HUMAN RESOURCES			
APPROVED - No further action required			
ADDITIONAL INFORMATION REQUIRED PRIOR TO APPROVAL - Contact Human Resources Immediately Potential Conflict of Interest - work appears to relate too closely to primary duties/responsibilities or other issue			
REJECTED - Cease Collateral Employment Immediately Conflict of Interest - work relates too closely to primary duties/responsibilities Work performed does not reflect favorably on the image for the Port of Long Beach Other: _____			
Director of HR/Designee:		Date:	
RETURN FORM TO HUMAN RESOURCES, PORT OF LONG BEACH			

HD-HR-34 (11/15)

COLLATERAL EMPLOYMENT/BUSINESS ACTIVITY CONDITIONS AND LIMITATIONS

Prohibited Activities - An employee shall not engage in any employment, activity, or enterprise for money or other personal gain which is inconsistent, incompatible, inimical, or in conflict with the employee's duties and responsibilities of employment with the Port.

An employee is prohibited from engaging in the following activities:

- The use of Port time, facilities, equipment, supplies, badge, uniform, prestige or influence for private gain; or
- The performance of an act for money or other consideration from anyone other than the Port, which the employee would be required to perform as a Port employee; or
- The performance of an act in other than the employee's capacity as a Port employee that may later be subject to the control, inspection, review, audit, or enforcement of any other employee or the Port; or
- Such time or physical demands which would substantially impair the quality or quantity of the employee's work with the Port or tend to increase the Port's costs for sick leave or Workers' Compensation benefits; or
- The performance of an act that would reflect discredit on the Port; or
- Any other activities prohibited by a department head or the Director of Human Resources that has a potential conflict of interest with the employee's duties, or the objectives of the department or the Port.

Work-Hour Limit - A permanent full-time employee shall not work more than a total of twenty (20) hours per week in collateral employment or business activity. Limitations for a permanent part-time employee will be considered on a case-by-case basis.

Absence Due to On-the-Job Injury - An employee who is absent because of an on-the-job injury or illness must obtain written permission from the department head or designee to engage or continue in collateral employment or business activity during such absence. The Port may require additional conditions and limitations for approval as specified in the Personnel Policies and Procedures Manual.

Annual Renewal - An employee engaged in any previously approved collateral employment or business activity must submit for renewal a new "Collateral Employment/Business Activity Request" form no later than April 1st of each year.

City of Long Beach
WATER DEPARTMENT

**COLLATERAL EMPLOYMENT/BUSINESS ACTIVITY
AUTHORIZATION REQUEST**

EMPLOYEE REQUEST

An employee must complete this form and obtain approval prior to engaging or when reviewing a request in any collateral employment or business activity. A separate form must be submitted for each collateral employment or business activity. The total hours to be worked per week for all requests by an employee must be provided in the "Hours/Week" section on each separate form.

Check Appropriate Box(es): ☐ New Request ☐ Additional Request ☐ Renewal

I acknowledge that I have read, understood and will comply with procedures as printed above and all conditions and limitations imposed by the City (see reverse of this form). I understand that any false or incorrect statements or failure to comply with the procedures and all conditions and limitations may result in disciplinary action up to and including dismissal from my employment with the City of Long Beach.

Effective Date: _____

Employee Name _____

Social Security # _____

Department/Bureau/Division _____

Position Title (class/Grade) _____

Employer/Business Name (30 characters Maximum) _____

Type PF Position _____

Employer/Business Address _____

City, State, Zip _____

(_____)

Phone number _____

R* _____

Total Hours Request _____

Total-All Request _____

My signature on this form certifies that all statements on this form are true and complete and acknowledges that I have read, understood, and will comply with procedures as printed above and all conditions and limitations imposed by the City (see reverse of this form). I understand that any false or incorrect statements or failure to comply with the procedures and all conditions and limitations may result in disciplinary action up to and including dismissal from my employment with the City of Long Beach.

Employee's Signature _____

Date _____

DEPARTMENT APPROVAL

Division Manager _____

Date _____

General Manager or Designee _____

Date _____

NOTE: FIELDS TO BE COMPLETED BY THE RESPECTIVE DEPARTMENT. FIELD "R" - RELATED TO CURRENT DUTIES: ENTER Y-YES OR N-NO
ORIGINAL: DEPARTMENT FILE & EMPLOYEE FILE

CONDITIONS AND LIMITATIONS

Prohibited Activities - An employee shall not engage in any employment, activity, or enterprise for money or other personal gain which is inconsistent, incompatible, inimical, or in conflict with the employee's duties and responsibilities of employment with the City.

An employee is prohibited from engaging in the following activities:

- The use of City time, facilities, equipment, supplies, badge, uniform, prestige or influence for private gain; or
- The performance of an act for money or other consideration from anyone other than the City from which the employee would be required to perform as a City employee; or
- The performance of an act in other than the employee's capacity as a City employee that may later be subject to the control, inspection, review, audit, or enforcement of any other employee or the City or
- Such time or physical demands which would substantially impair the quality or quantity of the employee's work with the City or tend to increase the City's costs for sick leave or Workers' Compensation benefits; or
- The performance of an act that would reflect discredit on the City; or
- Any other activities prohibited by a department head or the Director of Human Resources and Affirmative Action that has a potential conflict of interest with the employee's duties, or the objectives of the department, or the City.

Work-Hour Limit - A permanent full-time employee shall not work more than a total of twenty (20) hours per week in collateral employment or business activity. Limitations for a permanent part-time employee will be considered on a case-by-case basis.

Absence Due to On-the-Job Injury - An employee, who is absent because of an on-the-job injury or illness, must obtain written permission from the department head or designee to engage or continue in collateral employment or business activity during such absence. The City may require additional conditions and limitations for approval as specified in the Personnel Policies and Procedures Manual.

Annual Renewal - An employee engaged in any previously approved collateral employment or business activity must submit for renewal a new "Collateral Employment/Business Activity Request" form no later than April 1st of each year.

VI. Appendix C

City of Long Beach Police Department Collateral Employment Policy, Authorization Tracking Form, Questionnaire, and Instruction Sheet

3.43 EMPLOYMENT - COLLATERAL

An employee may engage in collateral employment or business activity with the approval of the employee's department head and the appointing authority.

Procedure

- Permanent full time or part time employees must request approval to engage in collateral employment or business activity
- An approved "Collateral Employment/Business Activity Authorization Request" form is required prior to engaging in any collateral employment or business activity. A memorandum describing the nature of the collateral employment or business activity, and the duties, acts, and functions to be performed shall be attached to the request
- Each collateral employment or business activity requires a separate form. The total hours to be worked for all requests by an employee must be provided in the "Hours/Week" section on each separate form
- Previously approved collateral employment or business activity requests must be renewed on later than April 1 each year

Conditions and Limitations

- An employee shall not engage in any employment, activity, or enterprise for money or other personal gain which is inconsistent, incompatible, inimical, or in conflict with the employee's duties and responsibilities of employment with the City
- An employee will not be permitted to accept off duty employment in any capacity when such employment is by an establishment where the primary purpose is the selling or serving of alcoholic beverages, unless specifically authorized by the Chief of Police
- The employment shall not exceed 20 hours per week
- The employment shall not in any way conflict with the objectives of the Department, impair the reputation of the Department, or abuse the City's police power
- The police uniform shall not be worn, nor shall police equipment be used, unless so authorized by the Chief of Police
- An employee, who is absent because of an on the job injury or illness, must obtain written permission from the department head or designee to engage or to continue in collateral employment or business activity during such an absence

Issuance of Permit

The decision of the Chief of Police and City Manager to issue or deny a permit to work outside of the Department is final.



LONG BEACH POLICE DEPARTMENT
COLLATERAL EMPLOYMENT AUTHORIZATION TRACKING FORM

Name:		DID:		Bureau/Division:	
Collateral Employment/Business Activity (Check all that apply)					
Business Type					
<input type="checkbox"/> Business Owner	<input type="checkbox"/> Customer Service	<input type="checkbox"/> Private Investigator	<input type="checkbox"/> Security		
<input type="checkbox"/> Consulting	<input type="checkbox"/> Education/Teaching	<input type="checkbox"/> Retail	<input type="checkbox"/> Training		
Other: _____					
Business Name			City/County/State		
Collateral Employment Authorization:					
Sergeant/Supervisor Signature: _____ Date: _____					
Notes/Concerns: _____					
Lieutenant Signature: _____ Date: _____					
Notes/Concerns: _____					
Commander/Administrator Signature: _____ Date: _____					
Notes/Concerns: _____					
Deputy Chief Signature: _____ Date: _____					
Notes/Concerns: _____					
Personnel Administrator Signature: _____ Date: _____					
Notes/Concerns: _____					
<input type="checkbox"/> APPROVED <input type="checkbox"/> DENIED					

LBPD COLLATERAL EMPLOYMENT QUESTIONNAIRE

Employee Last Name		First Name		DID	
Business Name			Business License #		
Business Address			Business Phone #		
Type of Business		Business Owner			
Position(s) Held		Armed Unarmed		Other Weapons Carried	
Number of Employees		Names of Employees: (list all, attach additional sheets or roster if necessary)			
Names of Clients (list all, attach additional sheets if necessary)					
Liability Insurance Carrier (attach copy of insurance certificate)				Policy #	
Security and Investigative Services License # (list all numbers issued and attach copies of all licenses)					
Business Licensing City				Business License # (attach copy of license)	
Supervisor/Sergeant Use					
Sick Time Usage Reviewed Yes Date: _____		Comments			
Work Performance Evaluations Reviewed Yes Date: _____		Comments			
Supervisor/Sergeant Signature				DID	
				Date	

CITY OF LONG BEACH POLICE DEPARTMENT
REQUEST FOR APPROVAL FOR COLLATERAL EMPLOYMENT

INSTRUCTION SHEET

All permanent full-time or part-time employees of the City of Long Beach may seek collateral employment subject to the approval of his/her Department Head and the Appointing Authority as outlined in the City of Long Beach Human Resources Personnel Policies and Procedures Manual, Section 1.7.

The following instructions are intended to assist the employee in completing the necessary information to obtain authorization for collateral employment.

1. All personnel requesting collateral employment shall file, sign and date a memorandum directed to the Chief of Police containing a description of the job title, duties, acts and functions performed at any time or under any special circumstances while acting as an employee of the collateral employer.
2. Personnel accepting collateral employment where duties are associated with or resemble a police function by enforcing ordinances, laws or providing security or protection for property or persons, must be specific and complete in their description of job duties, acts and functions of their collateral employment in the memorandum. Insufficient information will delay any decision and permission regarding employment.
3. Anyone applying for approval to work any type of Security Officer work **MUST** apply and attach a copy of the application for a Guard Card to his/her request for collateral employment.
4. Complete all requested information on the collateral employment request form. Incomplete forms will be returned to the employee for completion.
5. **READ AND SIGN THE CONDITION AND LIMITATIONS FORM. THIS WILL INDICATE THAT YOU HAVE READ AND UNDERSTOOD THE RESTRICTIONS CONTAINED THEREIN.**
6. **Submit the required memorandum addressed to the Chief of Police and collateral employment forms through your Chain of Command for review and signature.** All Department requests will be presented to the Chief of Police for authorization and will be forwarded to the Personnel Division for processing.
7. Acting outside the scope of the job duties, acts and functions, as described and signed by requesting personnel and submitting to the Chief of Police for approval, shall be grounds for disciplinary action.
8. **Sign and date the required forms in the appropriate box.**

Should you have any questions, please contact the Payroll Office at extension 87337.

VII. Appendix D

Excerpt from the City and County of San Francisco Department of Public Works Statement of Incompatible Activities



Mohammed Nuru
Director

San Francisco Public Works
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San Francisco, CA 94102
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facebook.com/sfpublicworks
twitter.com/sfpublicworks

SAN FRANCISCO PUBLIC WORKS

STATEMENT OF INCOMPATIBLE ACTIVITIES

I. INTRODUCTION

This Statement of Incompatible Activities is intended to guide officers and employees of San Francisco Public Works ("the department") about the kinds of activities that are incompatible with their public duties and therefore prohibited. For the purposes of this statement; and except where otherwise provided, "officer" shall mean the executive director ("director"); and "employee" shall mean all employees of the department.

This statement is adopted under the provisions of San Francisco Campaign & Governmental Conduct Code ("C&GC Code") section 3.218. Engaging in the activities that are prohibited by this statement may subject an officer or employee to discipline, up to and including possible termination of employment or removal from office, as well as to monetary fines and penalties. (C&GC Code § 3.242; Charter § 15.105.) Before an officer or employee is subjected to discipline or penalties for violation of this statement, the officer or employee will have an opportunity to explain why the activity should not be deemed to be incompatible with his or her City duties. (C&GC Code § 3.218.) Nothing in this document shall modify or reduce any due process rights provided pursuant to the officer's or employee's collective bargaining agreement.

In addition to this statement, officers and employees are subject to department policies, state and local laws, and rules governing the conduct of public officers and employees, including but not limited to:

- Political Reform Act, California Government Code § 87100 *et seq.*;
- California Government Code § 1090;
- San Francisco Charter;
- San Francisco Campaign and Governmental Conduct Code;
- San Francisco Sunshine Ordinance;
- Applicable civil service rules; and
- Department policies and procedures.

Nothing in this statement shall exempt any officer or employee from applicable provisions of law, or limit his or her liability for violations of law. Examples provided in this statement are for illustration purposes only and are not intended to limit application of this statement. Nothing in this statement shall interfere with the rights of employees under a collective bargaining agreement or memorandum of understanding applicable to that employee.

Nothing in this statement shall be construed to prohibit or discourage any City officer or employee from bringing to the City's and/or public's attention matters of actual or perceived malfeasance or misappropriation in the conduct of City

business, or from filing a complaint alleging that a City officer or employee has engaged in improper governmental activity by violating local campaign finance, lobbying, conflicts of interest or governmental ethics laws, regulations or rules; violating the California Penal Code by misusing City resources; creating a specified and substantial danger to public health or safety by failing to perform duties required by the officer's or employee's City position; or abusing his or her City position to advance a private interest.

No amendment to any Statement of Incompatible Activities shall become operative until the City and County has satisfied the meet and confer requirements of state law and the collective bargaining agreement.

If an employee has questions about this statement, the questions should be directed to the employee's supervisor or to the director. Similarly, questions about other applicable laws governing the conduct of public employees should be directed to the employee's supervisor or the director, although the supervisor or director may determine that the question must be addressed to the Ethics Commission or city attorney. Employees may also contact their unions for advice or information about their rights and responsibilities under these and other laws.

If a City officer has questions about this statement, the questions should be directed to the officer's appointing authority, the Ethics Commission or the city attorney.

II. MISSION OF SAN FRANCISCO PUBLIC WORKS

The mission of San Francisco Public Works is to care for and build the City's assets for the people of San Francisco.

III. RESTRICTIONS ON INCOMPATIBLE ACTIVITIES

This section prohibits outside activities, including self-employment, that are incompatible with the mission of the department. Under subsection C, an officer or employee may seek an advance written determination whether a proposed outside activity is incompatible and therefore prohibited by this statement. Outside activities other than those expressly identified here may be determined to be incompatible and therefore prohibited. For an advance written determination request from an employee, if the director delegates the decision-making to a designee and if the designee determines that the proposed activity is incompatible under this statement, the employee may appeal that determination to the director. Nothing in this statement shall be construed to restrict an officer's or employee's ability to perform volunteer functions with non-profit charitable organizations as long as those volunteer functions do not conflict with official duties, require excessive time demands or are subject to the review of the department, as defined in this section.

A. RESTRICTIONS THAT APPLY TO ALL OFFICERS AND EMPLOYEES

1. ACTIVITIES THAT CONFLICT WITH OFFICIAL DUTIES

No officer or employee may engage in an outside activity (regardless of whether the

activity is compensated) that conflicts with his or her City duties. An outside activity conflicts with City duties when the ability of the officer or employee to perform the duties of his or her City position is materially impaired. Outside activities that materially impair the ability of an officer or employee to perform his or her City duties include, but are not limited to, activities that disqualify the officer or employee from City assignments or responsibilities on a regular basis. Unless (a) otherwise noted in this section or (b) an advance written determination under subsection C concludes that such activities are not incompatible, the following activities are expressly prohibited by this section:

[RESERVED.]

2. ACTIVITIES WITH EXCESSIVE TIME DEMANDS

Neither the director nor any employee may engage in outside activity (regardless of whether the activity is compensated) that would cause the director or employee to be absent from his or her assignments on a regular basis, or otherwise require a time commitment that is demonstrated to interfere with the director's or employee's performance of his or her City duties.

Example. An employee who works at the department's front desk answering questions from the public wants to take time off every Tuesday and Thursday from 2:00 to 5:00 to coach soccer. Because the employee's duties require the employee to be at the department's front desk during regular business hours, and because this outside activity would require the employee to be absent from the office during regular business hours on a regular basis, the director or his/her designee may, pursuant to subsection C, determine that the employee may not engage in this activity.

3. ACTIVITIES THAT ARE SUBJECT TO REVIEW BY THE DEPARTMENT

Unless (a) otherwise noted in this section or (b) an advance written determination under subsection C concludes that such activities are not incompatible, no officer or employee may engage in an outside activity (regardless of whether the activity is compensated) that is subject to the control, inspection, review, audit or enforcement of the department. In addition to any activity permitted pursuant to subsection C, nothing in this subsection prohibits the following activities: appearing before one's own department on behalf of oneself; filing or otherwise pursuing claims against the City on one's own behalf; running for City elective office; or making a public records disclosure request pursuant to the Sunshine Ordinance or Public Records Act. Unless (a) otherwise noted in this section or (b) an advance written determination under subsection C concludes that such activities are not incompatible, the following activities are expressly prohibited by this section:

- a. Assistance in responding to City bids, RFQs and RFPs. No officer or employee may knowingly provide selective assistance (i.e., assistance that is not generally available to all competitors) to individuals or entities, including non-profit entities for whom an officer or employee volunteers, in a manner that confers a competitive advantage on a bidder or proposer who is competing for a City

contract. Nothing in this statement prohibits an officer or employee from providing general information about a bid for a City contract, a department request for qualifications or request for proposals, or corresponding application process that is available to any member of the public. Nothing in this statement prohibits an officer or employee from speaking to or meeting with individual applicants regarding the individual's application, such as providing linguistic or other culturally competent services, provided that such assistance is provided on an impartial basis to all applicants who request it.

- b. No officer or employee may be employed by, or receive compensation from, an individual or entity that has a contract with the department or that has had a contract with the department during the past twelve months. This prohibition does not apply to employment of or compensation received by an officer's or employee's spouse or registered domestic partner.
- c. No officer or employee may serve as a member of the board of directors of an organization that applies for contracts, loans or grants administered by the department.

B. RESTRICTIONS THAT APPLY TO EMPLOYEES IN SPECIFIED POSITIONS

In addition to the restrictions that apply to all officers and employees of the department, unless (a) otherwise noted in this section or (b) an advance written determination under subsection C concludes that such activities are not incompatible, the following activities are expressly prohibited by this section for individual employees holding specific positions:

- a. No officer or employee who is required to file a Statement of Economic Interests (Form 700) may provide services in exchange for compensation or anything of value worth more than \$100 per occasion or more than \$500 in a calendar year from any individual or entity that has an application or matter under review before Public Works or has had an application or matter under review before Public Works in the preceding 12 month period. In addition, no officer or employee may provide construction, permit or inspection-related services in exchange for any compensation or anything of value from any individual or entity that has a pending application or matter under review before the department or has had an application or matter under review before the department in the preceding 12-month period. For the purpose of this section, an individual or entity includes a property owner, architect, designer, developer, engineer, contractor, permit expediter, and associations of such individuals or entities. For the purpose of this section, compensation or anything of value includes construction materials (new and salvage), a loan or below-market rental of construction tools or equipment, and free or below-market-rate services from an architect, designer, developer, engineer, contractor, permit expediter, real estate agent or other individual or entity that is regulated by Public Works.

Example. A department employee is a musician who often plays for compensation on weekends. An individual who has a permit pending at the department wishes to hire her to play music at an event. The employee may accept the engagement as long as she is not paid more than \$100 at the event.

Example. A department employee is a puppeteer who entertains at birthday parties. An entity that does not have a permit pending at the department and did not have a permit pending during the past 12 months wishes to hire him to entertain at a weekend event. The employee may accept the engagement.

Example. A department employee who is an engineer has been asked to provide engineering services to an entity that has a permit pending at the department. Without an advance written determination pursuant to subsection C that such an activity is not incompatible, the employee may not provide such services.

- b. No officer or employee may provide services or information related to the operations or duties of the department to any individual or entity if the services or information is not available to other members of the public on the same terms (regardless of whether the services or information is provided in exchange for compensation/any material benefit).
- c. No officer or employee may utilize non-public information, obtained through the course of his or her public duties, to purchase or invest in real property located within the City and County of San Francisco.

C. ADVANCE WRITTEN DETERMINATION

As set forth below, an employee of the department or the director may seek an advance written determination whether a proposed outside activity conflicts with the mission of the department, imposes excessive time demands, is subject to review by the department, or is otherwise incompatible and therefore prohibited by section III of this statement. For the purposes of this section, an employee or other person seeking an advance written determination shall be called “the requestor”; the individual or entity that provides an advance written determination shall be called “the decision-maker.”

1. PURPOSE

This subsection permits an officer or employee to seek an advance written determination regarding his or her obligations under subsections A or B of this section. A written determination by the decision-maker that an activity is not incompatible under subsection A or B provides the requestor immunity from any subsequent enforcement action for a violation of this statement if the material facts are as presented in the requestor’s written submission. A written determination cannot exempt the requestor from any applicable law.

If an individual has not requested an advance written determination under subsection C as to whether an activity is incompatible with this statement, and the individual engages

in that activity, the individual will not be immune from any subsequent enforcement action brought pursuant to this statement.

Similarly, if an individual has requested an advance written determination under subsection C as to whether an activity is incompatible with this statement, and the individual engages in that activity, the individual will not be immune from any subsequent enforcement action brought pursuant to this statement if:

- a. the requestor is an *employee* who has not received a determination under subsection C from the decision-maker, and 20 working days have not yet elapsed since the request was made; or
- b. the requestor is an *officer* who has not received a determination under subsection C from the decision-maker; or
- c. the requestor has received a determination under subsection C that an activity is incompatible.

In addition to the advance written determination process set forth below, the San Francisco Charter also permits any person to seek a written opinion from the Ethics Commission with respect to that person's duties under provisions of the Charter or any City ordinance relating to conflicts of interest and governmental ethics. Any person who acts in good faith on an opinion issued by the commission and concurred in by the city attorney and district attorney is immune from criminal or civil penalties for so acting, provided that the material facts are as stated in the opinion request. Nothing in this subsection precludes a person from requesting a written opinion from the Ethics Commission regarding that person's duties under this statement.

2. THE DECISION-MAKER

Decision-maker for request by an employee: An employee of the department may seek an advance written determination from the director or his or her designee. The director or his or her designee will be deemed the decision-maker for the employee's request.

Decision-maker for request by the director: The director may seek an advance written determination from his or her appointing authority. The appointing authority will be deemed the decision-maker for the director's request.

3. THE PROCESS

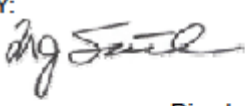
The requestor must provide, in writing, a description of the proposed activity and an explanation of why the activity is not incompatible under this statement. The written material must describe the proposed activity in sufficient detail for the decision-maker to make a fully informed determination whether it is incompatible under this statement.

VIII. Appendix E

Los Angeles County Department of Mental Health Outside Employment Policy, Employee Report of Outside Employment Activity Form, and Conflict of Interest Disclosure Form



DEPARTMENT OF MENTAL HEALTH POLICY/PROCEDURE

SUBJECT	POLICY NO.	EFFECTIVE DATE	PAGE
OUTSIDE EMPLOYMENT	608.01	11/01/2005	1 of 6
APPROVED BY:  Director	SUPERSEDES 608.1 11/01/2005	ORIGINAL ISSUE DATE 04/02/1979	DISTRIBUTION LEVEL(S) 1

PURPOSE

- 1.1 To establish guidelines and policy regarding outside employment for all Department of Mental Health (DMH) employees.

POLICY

- 2.1 A permanent, full-time employee of DMH may work in non-conflicting outside employment to a limit of 24 hours in any week, provided the employee's effectiveness in his/her County assignment is not impaired.
Exclusion: Postgraduate physician classifications are limited to 96 hours of non-conflicting outside employment in any one calendar month.

DEFINITION

- 3.1 Outside employment or business activity is defined as the performance of any compensated or uncompensated (i.e., volunteer, intern, etc.) professional trade, business, occupation, or other related functions for oneself or for any individual, private firm, corporation, or other governmental entity.

PROCEDURE

- 4.1 On an annual basis, employees shall complete and submit an Employee Report on Outside Employment/Activity form (Attachment I).
- 4.2 The Personnel Officer shall establish procedures to assure employees are aware of this policy.
- 4.3 While working in the capacity of their outside employment, employees shall not solicit nor authenticate any outside work in the name of DMH or any other County agency. Employees engaged in outside work or private endeavors shall make it clear in dealing with those parties connected to their outside employment that



DEPARTMENT OF MENTAL HEALTH POLICY/PROCEDURE

SUBJECT	POLICY NO.	EFFECTIVE DATE	PAGE
OUTSIDE EMPLOYMENT	608.01	11/01/2005	2 of 6

they are engaged in such practice as a private individual and not as a DMH employee. (For further clarification see DMH Policies #608.03 "Solicitation" and #608.04 "Soliciting Business for Attorneys (Capping)".)

- 4.4 No employee shall use DMH facilities, County property or vehicles, tools, equipment, telephones, computers, office stationary or supplies for other than DMH purposes.
- 4.5 Use of confidential and other non-public information gathered in contact with patients, clients, employees, or from DMH records is prohibited in any outside work environment. Such information may be used only for official DMH business. (Refer to Section 4.10 of this policy)
- 4.6 No DMH employee shall collect additional compensation from a non-County source for the performance of his/her DMH duties (i.e., dual compensation).
- 4.7 While on a DMH shift, no employee may engage in any outside employment, volunteer work, or activity for compensation.
 - 4.7.1 Many activities with non-County agencies are considered to be a regular part of the employee's County employment. If there is any doubt as to the nature of the activity, approval of the employee's Executive Manager shall be obtained.
- 4.8 Employees shall not make use of confidential records and information relative to DMH clients in connection with outside work or business interests. In those cases where DMH employees have part-time jobs as professional clinicians and may be treating DMH clients, the following provisions apply:
 - 4.8.1 Confidential information possessed by DMH and required by professional clinicians in carrying out private services to the client shall be obtained only through application to DMH for such information and only with the approval of the client concerned; and
 - 4.8.2 DMH clinicians shall not provide services to clients who are a part of the professional clinician's professional caseload. The clinician shall not engage in any type of reciprocal or individual referral system for such



DEPARTMENT OF MENTAL HEALTH POLICY/PROCEDURE

SUBJECT	POLICY NO.	EFFECTIVE DATE	PAGE
OUTSIDE EMPLOYMENT	608.01	11/01/2005	3 of 6

private services.

- 4.9 No employee shall utilize contact with DMH clients or access to information about clients in connection with outside employment.
- 4.10 Employees intending to engage in outside employment or activities shall complete an "Employee Report on Outside Employment/Activity" form. These forms shall be reviewed by the employee's Executive Manager to determine whether or not the employment/activity is in conflict with the employee's DMH position.
- 4.11 The following conditions are grounds for denial of outside employment/activity:
 - 4.11.1 The employee has a less than competent performance evaluation for the last rating period.
 - 4.11.2 The outside employment/activity, by nature, schedule, or extent, might impair the employee's efficiency in DMH service (e.g., cause tardiness, leaving work early, etc.).
 - 4.11.3 The non-conflicting outside employment/activity requires and/or involves more than 24 hours per week for a full-time employee, except as provided in 4.11.4 below.
 - 4.11.4 The non-conflicting outside employment/activity requires and/or involves more than 96 hours in any calendar month for an employee in a postgraduate physician classification.
 - 4.11.5 The non-County employer is known to serve as an agent to recruit other County employees (i.e., the outside employment would constitute recruitment of DMH employees away from DMH).
- 4.12 Employees shall be responsible for:
 - 4.12.1 Obtaining prior written approval from their Executive Manager for outside employment.



DEPARTMENT OF MENTAL HEALTH POLICY/PROCEDURE

SUBJECT	POLICY NO.	EFFECTIVE DATE	PAGE
OUTSIDE EMPLOYMENT	608.01	11/01/2005	4 of 6

4.12.2 Providing accurate and complete information stating the terms, conditions, and duties of outside employment to the satisfaction of his/her Executive Manager. This includes providing the duties and working hours for the non-County position. The employee's signature on the "Employee Report on Outside Employment/Activity" form shall attest to the accuracy and completeness of the information contained therein.

4.12.3 Immediately notifying his/her Executive Manager if, at any time, the terms, conditions, and/or working hours of the non-County position change.

4.12.4 Disclosing any potential or actual conflict of interest in the outside employment situation to his/her Executive Manager as soon as identified by the employee.

4.13 Executive Managers shall be responsible for:

4.13.1 Review of the "Employee Report on Outside Employment/Activity" forms.

4.13.2 Granting or denying the request for outside employment/activity.

4.13.3 Reviewing an employee's submissions of "Conflict of Interest Disclosure" form (Attachment II) and the immediate supervisor's recommended action.

4.13.4 Deciding to stop or allow the employee's outside employment/activity to continue.

4.14 Supervisors/Managers shall be responsible for:

4.14.1 Ensuring employees are informed of this policy.

4.14.2 Reviewing and making recommendations for approval or disapproval of "Employee Report on Outside Employment/Activity" forms.

4.14.3 Reviewing and making recommendations on employee's submissions of



DEPARTMENT OF MENTAL HEALTH POLICY/PROCEDURE

SUBJECT	POLICY NO.	EFFECTIVE DATE	PAGE
OUTSIDE EMPLOYMENT	608.01	11/01/2005	5 of 6

"Conflict of Interest Disclosure" forms.

- 4.14.4 Forwarding, via the chain-of-command, all "Conflict of Interest Disclosure" and "Employee Report on Outside Employment/Activity" forms.
- 4.14.5 Reviewing this policy with their employees on an annual basis, receiving written acknowledgement, and sending acknowledgement to the Human Resources Bureau to be filed in the employee's personnel file.
- 4.14.6 Initiating corrective or disciplinary action for non-compliance with this policy.
- 4.15 The Personnel Officer shall be responsible for:
 - 4.15.1 Providing notification and written acknowledgement of this policy to incoming employees and to all employees on an annual basis.
 - 4.15.2 Maintaining annually-signed copies of "Employee Report on Outside Employment/Activity" forms in personnel files.
 - 4.15.3 Notifying all employees that failure to comply with the Outside Employment policy may result in disciplinary action up to and including discharge.
 - 4.15.4 Evaluating requests for disciplinary action, conducting investigations, providing consultation, and initiating appropriate disciplinary actions when requested by management.

AUTHORITY

Los Angeles County Code

ATTACHMENTS

- Attachment I Employee Report of Outside Employment/Activity form
- Attachment II Conflict of Interest Disclosure form



**DEPARTMENT OF MENTAL HEALTH
POLICY/PROCEDURE**

SUBJECT	POLICY NO.	EFFECTIVE DATE	PAGE
OUTSIDE EMPLOYMENT	608.01	11/01/2005	6 of 6

REVIEW DATE

This policy shall be reviewed following the issuance of new Memoranda of Understanding and annually thereafter.

COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH

READ THE FOLLOWING STATEMENT ON OUTSIDE EMPLOYMENT/ACTIVITY AND OTHER COUNTY EMPLOYMENT and WHERE APPLICABLE COMPLETE THE EMPLOYEE'S REPORT ON OUTSIDE EMPLOYMENT/ACTIVITY BELOW

OUTSIDE EMPLOYMENT/ACTIVITY AND OTHER COUNTY EMPLOYMENT

1. Full-time employees of DMH, exclusive of postgraduate physician classes, may also work in non-conflicting outside employment or in a temporary position with the County to a limit of 24 hours in a week, provided the effectiveness of their primary DMH assignment is not impaired. For postgraduate physician classes, the limitation on employment is 96 hours per month.

NOTE: Outside employment includes any gainful profession, trade, business or occupation for any person, firm, corporation or governmental entity and includes self-employment.

2. While on DMH time, no employee may engage in any outside employment or activity for compensation or on a volunteer basis, unless it is a circumstance in which an employee receives supplementary compensation as provided for in Los Angeles County Code Section 5.44.030. Many activities with non-DMH agencies are considered to be a regular part of the employee's DMH employment. If there is any doubt as to the nature of the activity, approval of the Executive Manager must be obtained.
3. Employees shall not use DMH facilities, tools, equipment, or supplies for other than DMH purposes.
4. Use by employees, in connection with outside employment, of confidential and other non-public information gathered in contact with DMH clients, employees, or from DMH records is prohibited. Such information may be used only for official DMH business.
5. A DMH employee who has any doubt as to the compatibility of outside employment with DMH employment is required to disclose the circumstances and consult with their supervisor for determination.
6. Any violation of DMH Policy 608.1 (Outside Employment) or 608.2 (Conflict of Interest) in whole or part, may be cause for disciplinary actions up to and including discharge.

EMPLOYEES INTENDING TO ENGAGE IN OUTSIDE EMPLOYMENT/ACTIVITY AND/OR OTHER COUNTY EMPLOYMENT SHALL NOTIFY THE DEPARTMENT IN WRITING (via this form) AND OBTAIN PRIOR APPROVAL FOR SUCH ACTIVITY.

EMPLOYEE'S REPORT ON OUTSIDE EMPLOYMENT/ACTIVITY

EMPLOYEE NAME (Print)		EMPLOYEE NUMBER	
PAYROLL TITLE		DIVISION	
ARE YOU PRESENTLY ENGAGED IN OUTSIDE AND/OR OTHER COUNTY EMPLOYMENT/ACTIVITY	<input type="checkbox"/> YES <input type="checkbox"/> NO	DO YOU INTEND TO ENGAGE IN OUTSIDE AND/OR OTHER COUNTY EMPLOYMENT/ACTIVITY?	<input type="checkbox"/> YES <input type="checkbox"/> NO
PRIMARY WORK LOCATION		TELEPHONE NUMBER ()	
Address City		Zip Code	
OUTSIDE EMPLOYMENT/ACTIVITY		TELEPHONE NUMBER ()	
Address City		Zip Code	

(CONTINUED ON BACK)

POSITION		DUTIES PERFORMED						
	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY	Total Hrs
WORKING HOURS								

OUTSIDE EMPLOYMENT/ACTIVITY		TELEPHONE NUMBER
Address		City
		Zip Code

POSITION		DUTIES PERFORMED						
	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY	Total Hrs
WORKING HOURS								

EMPLOYEE'S CERTIFICATION – ALL EMPLOYEES MUST READ AND SIGN

I HAVE READ AND UNDERSTAND THE DEPARTMENT'S POLICY REGARDING OUTSIDE EMPLOYMENT/ACTIVITY AND CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF THE ABOVE INFORMATION IS TRUE AND COMPLETE WITH REGARD TO ANY AND ALL EMPLOYMENT/ACTIVITY OUTSIDE MY REGULAR COUNTY POSITION AND THAT I AM IN COMPLIANCE WITH THE ABOVE POLICY.	
EMPLOYEE'S SIGNATURE	DATE

FOR DEPARTMENT USE ONLY

<input type="checkbox"/> APPROVED	IF DENIED, REASON(S):
<input type="checkbox"/> DENIED	
EXECUTIVE MANAGER'S SIGNATURE	DATE

DISTRIBUTION:
Original: Personnel File
Employee
Office Personnel File

REH

I have reviewed the information above and discussed it with the employee. We have agreed to resolve the situation in the following way in order to best protect the interest of the County:

Immediate Supervisor's Signature: _____ Date: _____

Deputy Director' Approval: _____ Date: _____

Distribution:

Original: Personnel File
Employee
Office Personnel File

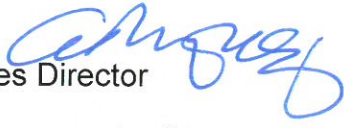
REH

Management Response



City of Long Beach
Working Together to Serve

Memorandum

Date: July 8, 2019
To: Laura L. Doud, City Auditor
From: Alex Basquez, Human Resources Director 
Subject: Collateral Employment Performance Audit

This memorandum is in response to the City Auditor's Collateral Employment Performance Audit. The Human Resources Department has reviewed the draft report and attached the responses with due dates for your review. We will work jointly with the Harbor and Water Departments regarding the proposed recommendations to the Collateral Employment/Business Activity Policy (1.7), process and forms. The initial meeting between Human Resources, Harbor and the Water Departments is scheduled for September 12, 2019.

If you have any questions, please contact Fred Verdugo at (562) 570- 5045.

cc: Stacey Lewis, Harbor Human Resources Director
Ken Bott, Water Director of Administration

Attachment: Management Response and Action Plan

MANAGEMENT RESPONSE AND ACTION PLAN

Human Resources Department

Collateral Employment Audit

No.	Recommendation	Priority	Page #	Agree or Disagree	Responsible Party	Action Plan / Explanation for Disagreement	Target Date for Implementation
1.1	Require all City employees to complete and sign a "Collateral Employment/Business Activity Form" attesting to whether or not they have outside or collateral employment.	H	7	Agree	HR	The Human Resources Department will coordinate with the Harbor and Water Departments in October 2019 to revise the Collateral Employment Policy/Business Activity Form and develop an implementation strategy. The launch of the annual Collateral Employment review will start in January 2020. Please note that the revised process may require meet and confer process with unions/associations.	12/11/2019
1.2	Revise the "Collateral Employment/Business Activity Request Form" to require additional information about the collateral employment's job duties, work location and potential workplace hazards. At a minimum, the form should ask for the position title, schedule (days/times), primary work site locations, working conditions, and equipment used.	H	7	Agree	HR, Harbor & Water	See response to 1.1	12/11/2019
1.3	Revise the "Collateral Employment/Business Activity Request Form" to include fields capturing vetting procedures conducted by supervisors, department heads or their designee, and Human Resources to reach an approval/rejection decision.	H	7	Agree	HR, Harbor & Water	See response to 1.1	12/11/2019
1.4	Revise the "Collateral Employment/Business Activity Request Form" to allow supervisors, department heads or their designee, and Human Resources to document denials and approval stipulations. Also allow space for the approver to print his/her name.	H	7	Agree	HR, Harbor & Water	See response to 1.1	12/11/2019
2.1	Require departments to develop additional language, such as a Statement of Incompatible Activities or specific department policies, that provide further guidance on the types of activities that would create a conflict of interest with their City departmental duties.	M	10	Agree	HR, Harbor & Water	HR will develop Statement of Incompatible activities by job occupation categories and distribute the information with the annual collateral employment review process in 2020. Statement of Incompatible activities for each job classification or department may not be feasible.	February 1, 2020
2.2	Provide all employees with a copy of the Statement of Incompatible Activities or department policies on an annual basis or upon hire. Document that the employee has received the statement or policy, reviewed it, and is aware that the activities are not allowed. Keep the signed statement in the employees' personnel file.	M	10	Agree	PPA's/HR Representative; Department AOs	HR will develop Statement of Incompatible activities by job occupation categories and distribute the information with the annual collateral employment review process in 2020. The CM Department currently provide copies of the policies and forms at the time of hire for new employees.	February 1, 2020 and Ongoing for New Employees
3.1	Train staff entering information into the Access collateral employment database to enter information consistently and correctly.	L	11	Agree	HR, Harbor & Water	The Human Resources Officer overseeing the Personnel Analysts will review existing protocol with staff and institute a review process.	December 1, 2019

MANAGEMENT RESPONSE AND ACTION PLAN

Human Resources Department

Collateral Employment Audit

No.	Recommendation	Priority	Page #	Agree or Disagree	Responsible Party	Action Plan / Explanation for Disagreement	Target Date for Implementation
3.2	Ensure all forms are entered into the Access collateral employment database each year so that information is complete.	L	11	Agree	HR	The Human Resources Officer overseeing the Personnel Analysts will review existing protocol and train staff on entering collateral employment data in the current database. The next collateral employment application process will start in January 2020. HR will verify database entries are completed after the forms are submitted and dispositions are completed (April 2020).	April 1, 2020
3.3	Enable the new Munis system to provide online submittal and approval of collateral employment forms, and to track and manage collateral employment.	M	11	Agree	LB COAST	HR will work with LB COAST to determine the feasibility of creating an electronic workflow for the collateral employment form review process.	Ongoing

Priority

H – High Priority - The recommendation pertains to a serious or materially significant audit finding or control weakness. Due to the seriousness or significance of the matter, immediate management attention and appropriate corrective action is warranted.

M – Medium Priority - The recommendation pertains to a moderately significant or potentially serious audit finding or control weakness. Reasonably prompt corrective action should be taken by management to address the matter. Recommendation should be implemented no later than six months.

L – Low Priority - The recommendation pertains to an audit finding or control weakness of relatively minor significance or concern. The timing of any corrective action is left to management's discretion.

Yellow areas - to be completed by the department

MANAGEMENT RESPONSE AND ACTION PLAN

Water Department - Administration Division

Collateral Employment Audit

No.	Recommendation	Priority	Page #	Agree or Disagree	Responsible Party	Action Plan / Explanation for Disagreement	Target Date for Implementation
1.1	Require all City employees to complete and sign a "Collateral Employment/Business Activity Form" attesting to whether or not they have outside or collateral employment.	H	7	Agree	Water to Collaborate with City HR	The Water Department plans to collaborate with the City's Human Resources Department to amend the Collateral Employment / Business Activity Request Form to allow employees the opportunity to state whether or not they have collateral employment.	12/11/2019
1.2	Revise the "Collateral Employment/Business Activity Request Form" to require additional information about the collateral employment's job duties, work location and potential workplace hazards. At a minimum, the form should ask for the position title, schedule (days/times), primary work site locations, working conditions, and equipment used.	H	7	Agree	Water to Collaborate with City HR	The Water Department plans to collaborate with the City's Human Resources Department to amend the Collateral Employment / Business Activity Request Form to include additional information as outlined in Recommendation 1.2.	12/11/2019
1.3	Revise the "Collateral Employment/Business Activity Request Form" to include fields capturing vetting procedures conducted by supervisors, department heads or their designee, and Human Resources to reach an approval/rejection decision.	H	7	Agree	Water to Collaborate with City HR	The Water Department plans to collaborate with the City's Human Resources Department to amend the Collateral Employment / Business Activity Request Form to create an approval process that thoroughly reviews the request and allows for an approval / rejection decision.	12/11/2019
1.4	Revise the "Collateral Employment/Business Activity Request Form" to allow supervisors, department heads or their designee, and Human Resources to document denials and approval stipulations. Also allow space for the approver to print his/her name.	H	7	Agree	Water to Collaborate with City HR	The Water Department plans to collaborate with the City's Human Resources Department to amend the Collateral Employment / Business Activity Request Form to provide space for greater documentation by the reviewer(s) and to state the approver's name.	12/11/2019
2.1	Require departments to develop additional language, such as a Statement of Incompatible Activities or specific department policies, that provide further guidance on the types of activities that would create a conflict of interest with their City departmental duties.	M	10	Agree	Water Admin	Administration staff will work with Subject Matter Experts to identify activity types that employees may engage in which could create a conflict of interest specific to their Departmental duties. Staff will then begin to prepare Statements of Incompatible Activities.	April 2020
2.2	Provide all employees with a copy of the Statement of Incompatible Activities or department policies on an annual basis or upon hire. Document that the employee has received the statement or policy, reviewed it, and is aware that the activities are not allowed. Keep the signed statement in the employees' personnel file.	M	10	Agree	Water Admin	Currently, the Administration Division disseminates the annual reminder in regards to collateral employment. Staff will integrate any Statement of Incompatible Activities or additional policies as part of that annual communication and ensure that a process is developed to document employees' receipt and review, along with proper filing in their personnel file. Staff will make a determination if the requirement for employee signatures can be completed through Munis as outlined in 3.3.	April 2020
3.3	Enable the new Munis system to provide online submittal and approval of collateral employment forms, and to track and manage collateral employment.	M	11	Agree	Water to Collaborate with City HR	The Water Department plans to collaborate with the City's Human Resources Department to integrate the submittal, approval, and tracking process through Munis if applicable.	April 2020

Priority

H – High Priority - The recommendation pertains to a serious or materially significant audit finding or control weakness. Due to the seriousness or significance of the matter, immediate management attention and appropriate corrective action is warranted.

M – Medium Priority - The recommendation pertains to a moderately significant or potentially serious audit finding or control weakness. Reasonably prompt corrective action should be taken by management to address the matter. Recommendation should be implemented no later than six months.

L – Low Priority - The recommendation pertains to an audit finding or control weakness of relatively minor significance or concern. The timing of any corrective action is left to management's discretion.

Yellow areas - to be completed by the department

MANAGEMENT RESPONSE AND ACTION PLAN
Harbor Department - Human Resources Division
Collateral Employment Audit

No.	Recommendation	Priority	Page #	Agree or Disagree	Responsible Party	Action Plan / Explanation for Disagreement	Target Date for Implementation
1.1	Require all City employees to complete and sign a "Collateral Employment/Business Activity Form" attesting to whether or not they have outside or collateral employment.	H	7	A	Harbor HR	Harbor Department will distribute forms to all teammates for completion. Forms will be provided to new contributors during NEO. We will also have all contributors update their forms by April 1st each calendar year.	12/11/2019
1.2	Revise the "Collateral Employment/Business Activity Request Form" to require additional information about the collateral employment's job duties, work location and potential workplace hazards. At a minimum, the form should ask for the position title, schedule (days/times), primary work site locations, working conditions, and equipment used.	H	7	A	Harbor HR	Harbor Department will update our forms to include the requested information. The Department will then work with City HR Department to develop a citywide form when that process gets underway. The new form will be effective October 1, 2019.	10/1/2019
1.3	Revise the "Collateral Employment/Business Activity Request Form" to include fields capturing vetting procedures conducted by supervisors, department heads or their designee, and Human Resources to reach an approval/rejection decision.	H	7	A	Harbor HR	Harbor Department will update our forms to include the requested information. The Department will then work with City HR Department to develop a citywide form when that process gets underway. The new form will be effective October 1, 2019.	10/1/2019
2.1	Require departments to develop additional language, such as a Statement of Incompatible Activities or specific department policies, that provide further guidance on the types of activities that would create a conflict of interest with their City departmental duties.	M	10	A	Harbor HR	Administration staff will work with Harbor Divisions to identify activity types that employees may engage in which could create a conflict of interest specific to their Divisional duties. Staff will then begin to prepare Statements of Incompatible Activities.	February 1, 2020
2.2	Provide all employees with a copy of the Statement of Incompatible Activities or department policies on an annual basis or upon hire. Document that the employee has received the statement or policy, reviewed it, and is aware that the activities are not allowed. Keep the signed statement in the employees' personnel file.	M	10	A	Harbor HR	Staff will integrate any Statement of Incompatible Activities or additional policies as part of that annual communication and ensure that a process is developed to document employees' receipt and review, along with proper filing in their personnel file.	February 1, 2020
3.3	Enable the new Munis system to provide online submittal and approval of collateral employment forms, and to track and manage collateral employment.	M	11	A	Harbor HR	This recommendation will be added once the Munis system has been implemented.	Ongoing

Priority

H – High Priority - The recommendation pertains to a serious or materially significant audit finding or control weakness. Due to the seriousness or significance of the matter, immediate management attention and appropriate corrective action is warranted.

M – Medium Priority - The recommendation pertains to a moderately significant or potentially serious audit finding or control weakness. Reasonably prompt corrective action should be taken by management to address the matter. Recommendation should be implemented no later than six months.

L – Low Priority - The recommendation pertains to an audit finding or control weakness of relatively minor significance or concern. The timing of any corrective action is left to management's discretion.

Yellow areas - to be completed by the department



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