

## • Ethics Officer's August Monthly Report

### Summary

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This report provides a general update on the progress and activities for the Ethics Office for August 2005.

### Attachments

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None

### Detailed Report

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#### Activities

1. Administrative Code changes that reflect new language regarding relationships with contractors and grantees were approved at the August Board of Directors meeting.
2. The HR Ethics Policy for Employees (H-03) has been revised for consistency with the Administrative Code and will be presented, for a second time, to the Group Managers for review at their October meeting.
3. The Ethics Office is developing an Employee Ethics Advisory Committee to assist in communication between the Ethics Office and employees.
4. A conflict of interest form has been approved for use with potential grantees and potential recipients of sponsored programs.
5. The Ethics Office Web site had 716 visitors from July 16 – August 15, 2005.

#### Ethics Education

1. The second of three Ethics Manuals, *Partnering: Ethics and Contracts, Grants and Sponsored Programs at The Metropolitan Water District* is in process.
2. A workshop for Directors and other interested parties on Contracting, Consulting and Ethics is planned for October 11. The workshop will include a panel discussion with contractors, staff, and Directors.
3. New employee orientation modules have been developed in concert with Human Resources and the first of two has been presented.
4. Informational packets from The Network, the new Ethics Office brochure and Ethics Concern reminder magnets are available for distribution to employees.
5. The Ethics Office is assisting in the development of the ethics component for the new on-line version of the Contract Training Academy.

#### Ethics Questions and Concern

1. The Ethics Officer and Ethics Educator responded to questions regarding
  - definition of hostile work environment
  - job description of an ex-employee rehired as contractor
  - disclosure of possible conflict of interest by potential contractor
  - two personnel matters

## Board Report (Ethics Officer's August Monthly Report)

### Matters of Concern

1. **June 23, 2005 – Issue: Product Quality Concerns**

A contractor expressed via The Network concerns that pressure testing on pipes is not being properly performed. The matter is being reviewed by the appropriate department.

Disposition: Pending

2. **July 27, 2005 – Issue: Director Relations**

Director Randy Record raised concerns that some members of the Board are claiming that his wife has an ownership interest that would place him in a conflict of interest situation. Director Record has asked the Ethics Office and General Counsel to investigate the claim. An investigation was begun and an Intake Committee for Director Concerns took place on August 16. The General Counsel and Ethics Officer investigated the matter which included review of an earlier opinion from external counsel Stephen Churchwell, the Director's Form 700 filings and a telephone interview reviewing the conflict of interest questions asked of those who serve on evaluation committees regarding potential contractors. General Counsel and Ethics Officer wrote an opinion letter dated August 16, 2005 with the following findings: Director Record does not have a property interest in the McSweeney property and Director Record has no conflict of interest regarding Metropolitan's actions on the North Property. Director Record's property interests and farming operations in the region near DVL do not constitute a conflict of interest. Director Record does not appear to have any other potential conflict of interest with regards to the recreation development issues at DVL. We commend the Director for his proactive approach to dealing with rumors that could potentially affect the credibility of Metropolitan's decision-making process.

Disposition: Closed (122)

3. **July 28, 2005 - Issue: Grants**

A concern regarding alleged inappropriate use of grant funds, previously thought to be closed, has been reopened. The member of the public expressing the concern has been notified that the use of funding is being audited.

Disposition: Pending (39)

4. **August 22, 2005 – Issue: Falsification of Company Records**

Two employees separately expressed concern via The Network regarding the recording of the purchase of a new trailer. The matter is being reviewed by the appropriate department.

Disposition: Pending