



*Monthly Report to Board of Directors
Metropolitan Water District of Southern California
Office of Ethics
October 2014*

ETHICS IN THE PIPELINE

SAVE THE DATE: GOVERNMENT ETHICS TRAINING (AB 1234)

On **November 18, 2014**, Metropolitan will host a government ethics training program for directors and other officials. The session is designed to meet the requirements of AB 1234, the law requiring designated public officials to complete an ethics training program every two years.

The training will begin at 12:45 p.m., immediately after completion of the Board of Directors' regular business of its meeting that day. Scheduled presenters are:

- **Robert Stern**, the first general counsel of the Fair Political Practices Commission and co-author of the original Political Reform Act with then-Secretary of State Jerry Brown. Mr. Stern is a frequent media commentator on government

ethics.

- **Max Huntsman**, Inspector General for the Los Angeles County Sheriff's Department and former Los Angeles Deputy District Attorney where he was assigned to its Public Integrity Division and served as the lead prosecutor for a number of high profile cases including the recent cases against City of Bell officials.
- **Gary Schons**, head of the Ethics and Compliance Practice Group at Best, Best & Krieger. Mr. Schons has a long history of government ethics practice including serving as senior advisor to the San Diego County District Attorney on government integrity issues.
- **Javan Rad**, Chief Assistant City Attorney for the City of Pasadena. Mr. Rad has extensive experience counseling government officials on matters including the Public Records Act and Brown Act compliance.



FPPC PROBES GIFTS TO PUBLIC OFFICIALS



The agenda for the Fair Political Practices Commission's October 16, 2014 meeting contained a noteworthy set of enforcement matters. The Commission considered whether to approve settlements with 70 local public officials alleged to have

received but not reported gifts from a bond underwriting firm in Southern California.

FPPC's Enforcement Division began investigating gift reporting compliance over a year ago. The initiative resulted from an investigative report by the *San Diego Union-Tribune* into gifts to school board members in the Poway and Sweetwater school districts. The disclosures led to felony "pay to play" charges and criminal convictions against several school board members.

FPPC started a "proactive investigation" into gifts to public officials from three companies. In the recent matter, FPPC obtained records covering four years of the company's gifts. FPPC then cross-checked the lists against public officials' Statements of Economic Interests (Form 700). Of the 282 public officials in question, only 22 had reported their gifts. Most of the gifts were of two or more meals valued in total between \$125 and \$200. Gifts also included rounds of golf and baseball tickets.

Each of the public officials listed on the agenda was fined between \$200 and \$800 and had to acknowledge violating the Political Reform Act as a condition of the settlement.



MONTHLY ACTIVITIES

In October 2014, the Ethics Office:

- Briefed the Audit & Ethics Committee about time requirements for a recent major investigation matter.
- Sent informational material to all district facilities.
- Conducted ethics orientations for six new employees.
- Received 897 hits on its website.

ADVICE

The Ethics Office (Office) provides advice to any director, officer, employee, or contractor regarding compliance with any of Metropolitan's ethics rules or policies. Absent unusual

circumstances, the Office gives its advice in writing. The Office can provide advice only about events that might happen in the future. If a request for advice concerns past conduct, the Office may treat the matter as a complaint.

In October 2014, the Ethics Office provided advice involving the following topics:

- Travel payments and gifts of travel.
- Whistleblower protection.
- Transparency of reports.
- Decisions affecting family members.
- Conflicts in competitive bidding.



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Specific Matters Submitted FY 2014/15

	FY 13/14	Jul 2014	Aug 2014	Sept 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	June 2015	FY 14/15
Ethics Complaints														
Conflict of Interest	1			1										1
Customer Relations	4		1											1
Discrimination	2	1												1
Employee Relations	12	1	1		1									3
Falsification of Records														
Favoritism	2													
Misuse of Resources	5	1												1
Misuse of Position	3	1			2(P)									3
Nepotism	2													
Policy Issues	3			2										2
Product Quality														
Retaliation	4			1 1(P)	1(P)									3
Safety														
Sexual Harassment	2													
Theft of Time	2													
Theft of Goods	1													
Wage/Hour														
Total Complaints	43	4	2	5	4									15
Ethics Advice														
Conflicts of Interest	22	2	1(P)		1(P)									4
Contractor Relations														
Customer Relations	3				2									2
Discounts				1										1
Employee Relations	1													
Gifts	18		2	1 1(P)	1									5
Honorarium														
Misuse of Funds														
Misuse of Resources	1			1(P)										1
Nepotism	1													
Outside Employment	1		1(P)	1										2
Policy Issues	10				1(P)									1
Theft of Time														
Wage/Hour	1													
Total Questions	58	2	4	5	5									16
Combined Total	101	6	6	10	9									31