



ETHICS OFFICE MONTHLY REPORT

TO BOARD OF DIRECTORS

Metropolitan Water District of Southern California

FEBRUARY 2017

2017 AMENDMENT TO CONFLICT OF INTEREST CODE



Metropolitan is nearing the conclusion of a project led by the Office of Ethics to amend the district's conflict of interest code. The code is mandated by state law to identify all employees by position who must file periodic financial disclosure statements (i.e., Form 700).

The Political Reform Act requires financial disclosure statements from all public officials that *make or participate in making* decisions that have significant potential effects on outside business interests. The act defines participation broadly. It includes not only making final decisions but also providing professional advice directly to final decision-makers.

After identifying designated employees, the law requires a code to establish the types of business interests that various employees must disclose. For each position's job duties, the disclosure category must be reasonably tailored and narrow enough to avoid infringing upon his or her privacy rights.

As a result of this review, the Office of Ethics identified positions that should be added to the list of designated employees. Most of the added positions are represented by one of the four employees associations. For that reason, the Office of Ethics along with the Human Resources Department has been engaged in discussions with the employees associations about details in the draft amendments.

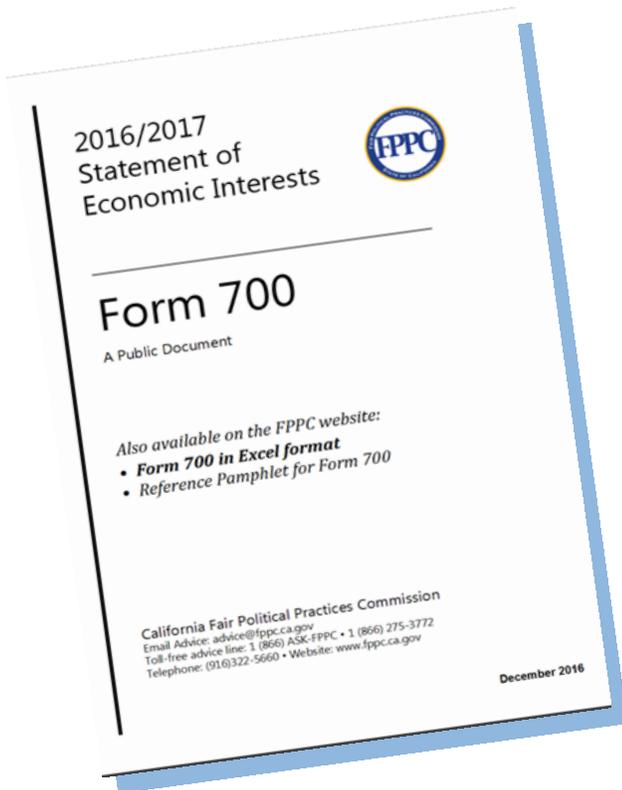
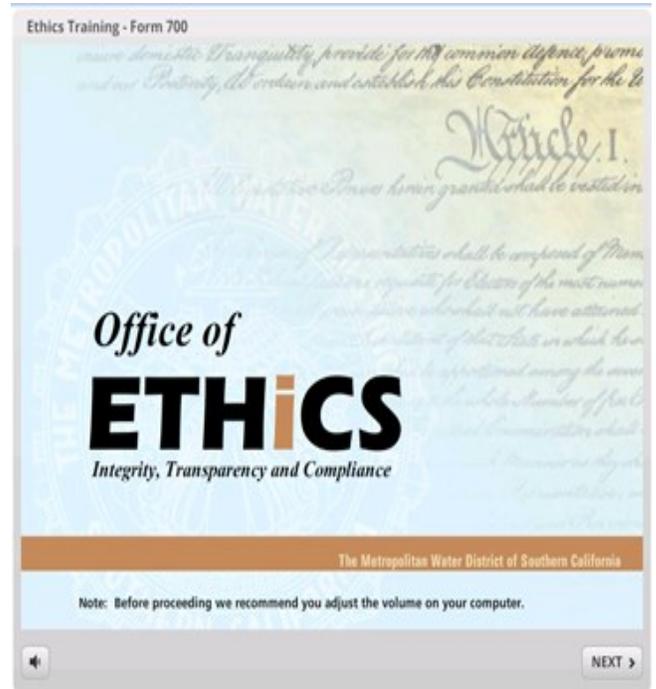
Staff at the state Fair Political Practices Commission (FPPC) has reviewed and provisionally approved the draft amendments. After a 30 day public review, the Office of Ethics will seek the Board's approval to amend the administrative code accordingly. After final approval by the FPPC, the revised code has the full force and effect of law.

As discussed in the following article, the Office of Ethics has been preparing new training materials to assist newly designated employees in understanding and complying with disclosure requirements. The training also seeks to educate all employees about identification and avoidance of potential conflicts of interest.

ONLINE FORM 700 e-COURSE

A Statements of Economic Disclosure (Form 700) online e-course has been developed and is accessible to filers through Metropolitan's My Learning application. The purpose of the training course is to give new and current filers a comprehensive resource to complete the Form 700, identify potential conflicts of interest, and to better understand Metropolitan's Conflict of Interest Code and disclosure categories. The course meets these objectives through educational content, scenario examples, and several knowledge checks with multiple choice or true/false questions, with an examination at course completion.

The link to the My Learning course is now located on the Board of Director website. It will remain there the month of March for all directors to review.



COMPLETED ELECTRONIC FILINGS
TO DATE - 147 OR 74 %

PROJECTS & INITIATIVES

The Ethics Officer and staff remain engaged in several projects and initiatives for review, analysis, and evaluation of various aspects of Metropolitan's activities.

Completed this month:

- ⇒ 2017 Amendment to Conflict of Interest Code for Metropolitan employees
- ⇒ Employee Temporary Promotions Memo Applicable to Form 700 Filers

Emerging this month:

- ⇒ New Comprehensive Reports
- ⇒ Development of a online Sexual Harassment Training Workshop for directors.
- ⇒ Draft of Ethics Policy
- ⇒ Draft of Investigation Guidelines

ADVICE & ASSISTANCE

The Ethics Office provides advice, counseling, or other assistance to any director, officer, employee, or contractor regarding application or interpretation of Metropolitan's ethics rules or policies. Absent unusual circumstances, the Office provides its advice in writing.

The Ethics Office can provide advice only prospectively, i.e., about future activities. If it becomes apparent that a request for advice or other assistance concerns events that have already occurred, it might be necessary to review the matter as a potential violation.

In February 2017, the office provided analysis and advice in the following areas:

- ◆ Whistleblower Protection
- ◆ Conflicts of Interest
- ◆ Statements of Economic Interest

Matters Addressed FY 2016-17	FY 15/16	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	FY 15/16
Ethics Complaints														
Abuse of Authority	13	1	1	2		1		1						6
Campaign Contributions	3													0
Conflict of Interest	2	1			2		2							5
Discrimination	1													0
Economic Disclosure							1							1
Gifts														0
Misleading Associations	1													0
Nepotism	1													0
Outside Employment	2		1		2	1								4
Outside Scope of Ethics Office		1					1	1						3
Revolving Door														0
Whistleblower Protection		1	1						1					3
Total Complaints	23	4	3	2	4	2	4	2	1	0	0	0	0	22
Ethics Advice Questions														
Abuse of Authority	4													0
Campaign Contributions	9							1						1
Conflicts of Interest	51	3	3	1	4	1	2	8	5					27
Economic Disclosure	33		1	5	2	3	1	5	6					23
Gifts	19		2	2	1	1	3	2						11
Misleading Associations														0
Nepotism	2			2	1	1								4
Outside Employment	4			1										1
Outside Scope of Ethics Office	3		1	1	1									3
Public Inquiries	1													0
Revolving Door	3													0
Whistleblower Protection														0
Total Questions	129	3	7	12	9	6	6	16	11	0	0	0	0	70
Combined Total	152	7	10	14	13	8	10	18	12	0	0	0	0	92