



## Ethics Office Monthly Report

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

**May 2019**

### COMPLIANCE

#### **Biennial Conflict of Interest Code Review -**

Collaborated with Human Resources staff on the state-mandated biennial Conflict of Interest Code review. HR staff advised on the status of Metropolitan job classifications.

Specifically, we discussed whether certain new positions need to be added to the Code and whether any positions are obsolete and therefore need to be removed. To date, we anticipate that approximately 50 positions will be added to, and 7 will be eliminated from, the COI Code. We will continue meeting throughout the Code review and amendment process.

**Form 700** – Continued efforts to achieve full compliance for 2018 annual filing. To date, nearly 100% of directors and 95% of employees have filed.

Assisted Board members and employees filing Assuming, Leaving Office, and Annual Form 700s.

Monitored the status of Assuming Office and Leaving Office Form 700 filings and sent notifications to filers to increase compliance.

### ADVISORY SERVICES

Responded to requests for advice involving financial disclosure, conflicts of interest, recusals, inspection trips, gifts from vendors, and outside employment.

Created monthly conflicts bulletin for directors in collaboration with the General Counsel.

Participated in meetings and document preparation with the General Counsel and outside counsel on proposed changes to Metropolitan's ethics policies and procedures, including Administrative Code and Operating Policy amendments.

### FPPC - UPDATE

Monitored monthly meetings of the Fair Political Practices Commission (FPPC) for agenda items applicable to Metropolitan officials and noted the following:

- **Conflicts of Interest regulations** - Began the process of amending state conflict of interest regulations for public officials' personal financial interests. The amendments address an official's interests in business entities and sources of income. The goal of the amendments is to improve clarity and guidance for officials determining whether they must recuse themselves from governmental actions based on a conflict of interest. The proposed amendments are scheduled for the Commission's adoption in July, but may be further amended at the June FPPC meeting.
- **Agency Ticket Distribution policies** - Moved to adopt amendments to a state law governing public agencies' distribution of event tickets received from outside entities. Changes are intended to reduce the potential for misuse of such tickets and avoid the disproportionate use of tickets by the governing body or senior management. These changes are being

incorporated into Metropolitan's ticket distribution policy as part of the ongoing Administrative Code amendment project with outside counsel.

- **FPPC Advice process** - Discussed changes to the process for seeking advice from their agency.

We will continue to monitor the FPPC's monthly meetings and provide status updates on proposed amendments.

## **EDUCATION AND TRAINING**

Presented an Ethics Office overview at a new employee orientation session.

## **SPECIAL PROJECTS**

Worked with Human Resources and WSO to address a potential nepotism issue resulting from a recruitment process.

## **INVESTIGATIONS**

The Ethics Office receives complaints from both internal and external sources. Staff conducts an initial review of each complaint to determine if the implicated policies fall within the area of responsibility of the Ethics Office, Employee Relations, or both.

During its regularly scheduled bi-weekly meetings with Employee Relations staff, Ethics staff discussed inter-office referrals and other ongoing complaints implicating policies that potentially overlap with Employee Relations. The Assistant General Counsel for employee relations participated this month and provided insight on a particular investigative matter. For overlapping matters, staff discussed historic information on investigation subjects and best practice approaches for resolving pending matters.

In May, Ethics staff processed two complaints as follows:

1. Whistleblower complaint alleging an employee has continued occupying a District housing unit after retirement. This matter was referred to the Human Resources Department.
2. Whistleblower complaint alleging a supervisor manipulated a recruitment process to allow a friend to be hired. This matter was referred to the Human Resources Department.

After preliminary reviews, staff also commenced two investigations based on complaints received in April as follows:

1. Whistleblower complaint alleging a supervisor took actions to prevent employees from reporting potential workplace violations.
2. Whistleblower complaint alleging a supervisor retaliated against an employee for reporting potential workplace violations.