
ETHICS OFFICE

The Ethics Office develops and administers Metropolitan's internal ethics policies and rules. Its objective is to endure the highest standards of integrity, transparency, and objective decision-making in all aspects of Metropolitan business.

PROGRAMS

Metropolitan's Ethics Office was established by special legislation enacted in 2000. As an independent department head, the Ethics Officer maintains a small staff and reports directly to the Board of Directors. The operations of the Ethics Office run the gamut of standard ethics and compliance functions: from training employees and board members on ethics rules and standards to policy-making to compliance. An important objective has been to balance these various responsibilities and to execute them in an integrated fashion to maximize their effectiveness.

Metropolitan's evolving approach to ethics is grounded in objective, measurable elements. Establishing clear and consistently applied rules is an essential condition of fair and predictable enforcement as well as practical and unambiguous advice and education. As a free-standing department, the Ethics Office continues to review and periodically recommend revisions to Metropolitan's internal ethics rules and standards to promote compliance through advice, education, and investigation of alleged violations.

The Ethics Office accomplishes its mission through the following programs or services:

Ethics Compliance: Serving as filing officer for state-mandated financial interest disclosures for directors and hundreds of employees who make or participate in making decisions affecting outside financial interests. Maintaining and updating Metropolitan's code for designating positions and disclosure categories narrowly tailored to the unique responsibilities of each designated position.

Advice: Providing advice, counseling, or other assistance to any director, officer, employee, or contractor regarding application or interpretation of Metropolitan's ethics rules or policies. Typically, this advice focuses on options for avoiding conflicts of interest or other violations of standards of conduct for public officials.

Policy Analysis and Program Development: Performing risk assessment, drafting of proposed rules and procedures, preparing board and committee presentations, drafting strategic planning documents, analyzing procedural justice issues, and preparing case memoranda and correspondences.

Investigation: Performing comprehensive investigations, including investigation planning, gathering of evidence, document review, witness interviews, comparative analysis of facts, drafting of reports, and organization and indexing of evidence.

Education: Developing training programs, drafting publications, and preparing website content. The Office also facilitates sexual harassment prevention training for directors, and provides orientations for new directors and employees about Metropolitan's internal ethics provisions.

Outreach: Holding events at headquarters and field facilities to communicate availability, purpose, and process of Ethics Office.

Management: Providing oversight, planning, and administration of all Ethics Office programs. Proactively engaging, coordinating with, and receiving feedback from the board, senior management, and other interested persons.

Administration: Providing case docketing and information management, intake administration, matter tracking, budget preparation, contract administration, and preparation of quarterly, semi-annual, and annual reports.

GOALS AND OBJECTIVES

In FY 2016/17 and FY 2017/18, the Ethics Office will focus on the following key issues and initiatives:

Policy Development

In 2013 and 2014, the Ethics Office proposed and the board approved amendments to the foundational ethics rules within Metropolitan's Administrative Code. Some issues were deferred for later consideration. The Ethics Office plans to initiate further analysis and review of alternatives for promoting transparency and maintaining the integrity of procurements and other official decisions that can affect outside financial interests. The Office also plans to consider alternatives for identifying the relative seriousness of various potential violations, in order to provide guidelines for the board and department heads to apply when considering responsive actions related to investigation findings.

Investigation Process

Besides reviewing and updating procedures and guidelines, develop human resources capacity to plan, implement, and document investigations of alleged violations in accordance with best practices for quality, integrity, objectivity, and professionalism. Clarify responsibilities and duties of employees and others to cooperate fully in any investigation, along with consequences of non-cooperation, false statements, or obstruction.

Program Development

Provide annual assessments of overall program effectiveness in annual business plans.

Develop and track metrics for accurately gauging the health of Metropolitan's ethics culture at any given time, in accordance with emerging findings and research in the ethics and compliance industry.

Maintain open lines of communication with the Audit and Ethics Committee and the Board, along with the other departments about program needs, trends, and directions.

Education and Outreach

Develop Ethics Office materials to increasingly and effectively communicate the Ethics Office's role at Metropolitan and how it can advance Metropolitan's core missions. Increase awareness among directors, employees, and other interested persons of how they can interact directly with the Ethics Office to address individual concerns. Update public website to enable easy access to program materials and public information.

Modernization of Business Processes

Implement an electronic system for compiling, and analyzing information and records for cases, investigations, advice responses, education, and administration. Develop automated reporting tools to promote clear reporting for auditing, board review, or other oversight purposes.

	O&M	0	0	0	0	0	0
	Capital	0	0	0	0	0	0
Total	Total	4	4	5	1	5	—
Personnel	O&M	4	4	5	1	5	0
	Capital	0	0	0	0	0	0

Note - Totals may not foot due to rounding.

SIGNIFICANT BUDGET ISSUES

The Ethics Office's biennial budget is \$0.9 million in FY 2016/17 and \$0.9 million in FY 2017/18 or an increase of 22.9% and 0.0% respectively from the prior budget years. The increase is due primarily to two factors:

The Ethics Officer has proposed a re-organization, modifications of positions, and addition of one full-time employee, as described above.

Salaries and Benefits costs were also impacted by merit increases for qualified employees and an increase in retirement-related benefits costs.

The following are the significant changes by budget year.

FY 2016/17

Personnel-related issues

The Ethics Officer has proposed a reorganization and reorientation of its personnel resources in order to:

- Provide capacity for the Ethics Office to perform its core responsibilities with its own personnel.
- Enable the Ethics Office to function at the highest levels of professionalism, expertise, and integrity in the field of governmental ethics and compliance, and to meet the best practices standards in this emerging field.
- Enable the Ethics Officer to dedicate more time to addressing high-level issues with directors and senior management staff; and to
- Ensure continuation of operations in the event the Ethics Officer is absent or otherwise unable to act in person.

One existing position (Ethics Policy Analyst) would be altered to an Assistant Ethics Officer position, reporting directly to the Ethics Officer. This position would ensure consistency and coordination with the Ethics Officer's priorities and assist the Ethics Officer in considering actions or policies recommended by other professional staff. Also, consistent with the other three departments, this designation would enable continuation of operations in the event the Ethics Officer is absent or otherwise unable to act in person.

A new job classification Deputy Ethics Officer would be added. This classification would involve essential functions and qualifications consistent with mid- or advanced-level professionals in the field of government ethics and compliance. One Deputy Ethics Officer position would focus on investigations, fact-finding, and analysis. The other Deputy Ethics Officer position would focus on advanced research, writing, analysis, and drafting of policies, rules, and procedures, provide focused advice, and develop educational programs and materials.

One Deputy Ethics Officer position would be modified from a Principal Administrative Analyst classification. The other Deputy Ethics Officer position would be added as a new position within the Ethics Office.

As a result of these changes, the Ethics Office staff (including the Ethics Officer) would increase from four to five employees.



Professional Services

The Ethics Office does not anticipate major changes to its professional services requirements in the next two-year budget cycle.

Other

Subsidies and Incentives budget increased to reflect contracted benefits.

FY 2017/18

Personnel-related issues

No additional anticipated changes.

Professional Services

No additional anticipated changes.

Other

No additional anticipated changes.