

REPORT OF GENERAL MANAGER

**APPROVED**  
AUG 09 2006

NO. 06-233

DATE August 9, 2006

C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: DESIGNATION OF THE DEPARTMENT'S ETHICS LIAISON

J. Combs	_____	*H. Fujita	<u>HF</u>
S. Huntley	_____	B. Jensen	_____
J. Kolb	_____	F. Mok	_____
K. Regan	_____	M. Shull	_____

Robert H. Jensen (In)  
General Manager

Approved       

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board act to designate Harold Fujita, Director of Human Resources, as Departmental Liaison to the City Ethics Commission.

SUMMARY:

On July 12, 2006, Mayor Villaraigosa issued Executive Directive No. 7 wherein he directed each Department Head to designate an individual to act as liaison to the City Ethics Commission. The duties of the Ethics Liaison include:

- Reviewing the Department's Conflict of Interest Code biennially so that it remains current;
- Ensuring full compliance of Departmental personnel with requirements to file financial disclosure statements, statements of City-related business, and any other similar public filing required by law;
- Ensuring that staff and Commissioners have completed required ethics training;
- Ensuring full compliance with both Executive Directive No. 7 and Executive Directive No. 1, including posting of the City Ethics Code and filing of recusal notices;
- Disseminating ethics-related materials to staff;

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- Remaining up to date on emerging ethics issues, concerns and relevant enforcement matters while working with the General Manager and the Board of Recreation and Park Commissioners to devise approaches to broadening compliance with ethics laws and principles; and
- Working with the City Ethics Commission and the Office of the Mayor when necessary to fulfill these duties.

A complete copy of Executive Directive No. 7 has been attached to this Board Report for the Board's review.

The General Manager recommends that the Board designate Director of Human Resources, Harold Fujita, to be the Department's Ethics Liaison.

Prepared by Harold Fujita, Director, Human Resources Division.



ANTONIO R. VILLARAIGOSA  
MAYOR

## EXECUTIVE DIRECTIVE NO. 7

Issue Date: July 12, 2006

**Subject: Governmental Ethics: Departmental Liaison, Training, and Compliance**

A year ago, one of my first acts as Mayor was to issue an Executive Directive (ED No. 1) implementing several steps to broaden compliance with ethics rules. The directive and its timing made clear that ethics must be a hallmark of all city government activity.

One year later, ethics must remain a primary concern of Los Angeles government. In 1990, the people of the City of Los Angeles voted to enact a comprehensive ethics law that has since served as a model for governmental reform throughout the country. This law in and of itself, however, cannot be wholly effective unless the full force of the City government is behind it. When we take affirmative steps to ensure an open and accountable City government, one that is respected for its integrity, we both attract dedicated, talented people to public service and also inspire the confidence of those we serve. I therefore direct that each city department, including the proprietary departments, take the following actions so that we may continue to realize an effective, workable, and sustainable ethics program for the City of Los Angeles.

### ***Appoint a Departmental Liaison to the City Ethics Commission***

The City Ethics Commission is charged with administering the City of Los Angeles Governmental Ethics Ordinance through training, advice and technical assistance to City departments and officials, as well as through enforcement of the law, when necessary. To assist in the Commission's critical mandate, I direct each Department Head to designate from among his or her departmental management an individual to act as liaison to the City Ethics Commission. That individual must have the authority and responsibility to effectively coordinate the department's programmatic work with the Ethics Commission, and to monitor departmental compliance with all ethics laws and requirements. The duties of the Ethics Liaison will include:

- Reviewing the agency Conflict of Interest Code biennially so that it remains current;
- Ensuring full compliance of departmental personnel with requirements to file financial disclosure statements, statements of City related business, and any other similar public filing required by law;

- Ensuring that staff and department-related commissioners have completed required ethics training;
- Ensuring full compliance with this Executive Directive and Executive Directive Number 1, including posting of the City Ethics Code and filing of recusal notices;
- Disseminating ethics-related materials to staff;
- Remaining up to date on emerging ethics issues, concerns and relevant enforcement matters while working with the Department Head to devise approaches to broadening compliance with ethics laws and principles; and
- Working with the City Ethics Commission and the Office of the Mayor when necessary to fulfill these duties.

Each Department Head shall provide the City Ethics Commission and the Counsel to the Mayor with the name, position title and contact information for the departmental Ethics Liaison by no later than July 31, 2006. A new Ethics Liaison shall be designated within 30 days of the current liaison leaving the department.

#### ***Assess and Update the Departmental Conflict of Interest Code***

The Conflict of Interest Code is the foundation of the City's ethics law and serves as a key tool in ensuring that City officials identify and avoid potential conflicts between their private financial interests and their public duties. Given the dynamic nature of department structures and officials' responsibilities, it is imperative that each agency review its Code regularly and update it when necessary. You recently received a notice from the City Ethics Commission regarding the need to ascertain whether amendment of your department's Conflict of Interest Code is necessary. This notice followed our discovery that, while some department codes have been reviewed relatively recently, many more are years overdue for amendment.

I therefore direct every Department Head to submit to the Counsel to the Mayor, in writing by July 31, 2006, an assessment of the status of the department's Conflict of Interest Code, whether an update is necessary, and the date by which the revised Code will be submitted to the City Ethics Commission should amendment be warranted. This revision date should be no later than September 30, 2006. A copy of the report to the Counsel to the Mayor shall also be forwarded to the Executive Director of the City Ethics Commission, the lead agency for providing technical assistance in the Code adoption process. The Commission Executive Director will provide the departmental Ethics Liaison with the specific guidelines and instructions for reviewing and amending the agency's Code. In the future, each departmental Code shall be reviewed by July 31 of every even-numbered year.

#### ***Achieve Full Compliance with SEI Filing Requirements***

Once an up-to-date Code is in place, the filing and availability for public inspection of key personnel's Statements of Economic Interests (SEI) become a central element of our ethics

rules. Complete disclosure raises public confidence that conflicts of interest are being successfully avoided. In the recent past, records show that City departments have had compliance rates as low as forty percent for the filing of personal financial disclosure statements or SEIs. With the appointment of the Ethics Liaison, my expectation is that every department will have full and timely compliance with these required filings. The Office of the Counsel to the Mayor will work with the City Ethics Commission to monitor and evaluate each department's achievement of this mandate of one hundred percent compliance.

***Implement Mandatory Online, Interactive Ethics Training for All City Officials***

Annual in-person ethics training was a key element of Executive Directive Number 1. New tools to supplement that training requirement have recently become available. The City Ethics Commission and the Information Technology Agency, in consultation with the City Attorney, have developed an online ethics training module to satisfy a new state law regarding ethics education requirements. State law requires certain "local agency officials" to participate in this training. However, I believe that those in decision-making positions at all levels of our City's government would benefit from this instruction.

Therefore, I direct all Department Heads to require the Ethics Liaison to work with the City Ethics Commission to schedule mandatory online ethics training for every official holding a position covered under the department's Conflict of Interest Code. Training for elected officials, board and commission members, and neighborhood council members must occur no later than January 1, 2007, as state law mandates. Initial training for all other covered officials within a department should be scheduled with the City Ethics Commission following the review of the agency's Conflict of Interest Code. In the future, all covered officials and employees will complete online refresher training every two years, following the department's biennial review of its Conflict of Interest Code. After consultation with the City Ethics Commission, each Ethics Liaison shall submit a schedule for the initial training to the Counsel to the Mayor by no later than August 31, 2006.

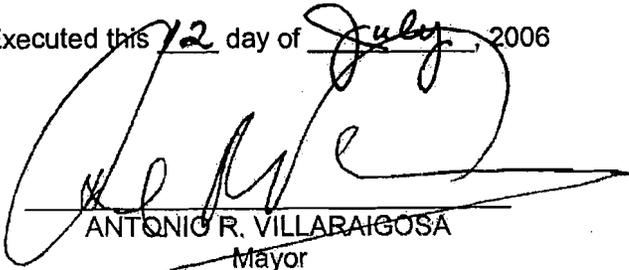
***Reaffirm Full Cooperation with Ethics Commission Investigations and Enforcement***

I believe that the City of Los Angeles workforce possesses a strong and enduring commitment to principles of good government. I also believe that with a sound education and compliance program that is fully supported by the Office of the Mayor, we can avoid even the perception of misconduct or incidents of inadvertent ethics violations. On the occasion that preventive measures fail, however, enforcement of the law must be swift, firm and fair. I direct all Department Heads, board and commission appointees, and departmental employees to fully cooperate with the Ethics Commission's oversight role by responding promptly, completely, and candidly to any inquiry they may receive from the Ethics Commission for documents, information and testimony, subject only to legitimate constitutional or statutory privileges or restrictions. In addition, all Department Heads, board and commission appointees and departmental employees are directed to report in a timely manner potential wrongdoing within the Ethics Commission's jurisdiction to the Ethics Commission for appropriate action. The City Ethics Commission may report instances where an individual does not fully cooperate to the Office of Counsel to the Mayor.

**Summary of Required Action**

1. Each Department Head must designate an Ethics Liaison from the department's management staff to perform the duties noted. Designation must be made in writing to the Counsel to the Mayor and the City Ethics Commission by no later than July 31, 2006. A new Ethics Liaison must be appointed, and notification to the Counsel to the Mayor and the Ethics Commission made, within 30 days of current Liaison leaving the department.
2. Each Department Head will submit to the Counsel to the Mayor and the City Ethics Commission by July 31, 2006, an assessment of the status of the department's Conflict of Interest Code indicating whether an update is necessary. Should updating be required, the report must include the date by which the Code will be amended. The amendment date shall be no later than September 30, 2006. Each department Code is to be reviewed to ensure accuracy by July 31 of every even numbered year.
3. All City officials and employees covered under the Conflict of Interest Code are required to take the online ethics training administered by the City Ethics Commission. The time period for training, with the exception of those whose training is mandated by state law, will be scheduled by the departmental Ethics Liaison with the City Ethics Commission. The departmental training schedule must be submitted in writing to the Counsel to the Mayor by August 31, 2006. Following the initial training, the department Ethics Liaison will schedule online ethics training for covered officials and employees every two years, following the review of the department Conflict of Interest Code.
4. All Department Heads, board and commission appointees, and departmental employees must cooperate with investigations conducted by the City Ethics Commission by responding promptly, completely and candidly to any inquiry they may receive for documents, information, and testimony. Further, officials and employees are directed to report in a timely manner potential wrongdoing within the Ethics Commission's jurisdiction.

Executed this 12 day of July, 2006

  
ANTONIO R. VILLARAIGOSA  
Mayor