



OPERATING POLICIES

O.P. NUMBER	TITLE	ISSUE DATE	REVISION DATE
H-03	Ethics Policy	3/25/98	4/27/09

SUMMARY

This operating policy establishes ethical policies that arise from the employment relationship and apply solely to officers and employees. Additional ethics policies of the Metropolitan Water District of Southern California applicable to Board members, officers and employees are set forth in Division VI, Chapter 3, and Division VII, Chapter 1, of Metropolitan’s Administrative Code. In addition, Metropolitan’s ethical policies are supplemental to State requirements with which Board members, officers, and employees must comply.

SUPERSESION

This Operating Policy supersedes Operating Policy H-03, dated March 25, 1998, and revised August 17, 2004; April 25, 2006; and May 8, 2008.

AUTHORITY

The Ethics Officer is authorized to define Metropolitan’s ethics policies for employees pursuant to guidance from the General Manager, General Counsel, and the Office of the Auditor.

POLICIES

**Conflict of Interest-
Employment
Opportunities**

1. Unless prior approval is obtained from the applicable Department Head or his or her designee, no Metropolitan employee shall apply for or accept employment with any person, firm, vendor, contractor, consultant or organization while that person, firm, vendor, contractor, consultant or organization is engaged in negotiations with Metropolitan concerning a matter within the employee’s areas of responsibility or upon which the employee must act or make a recommendation. Employees are also prohibited from recommending the employment of a relative to any person, firm, vendor, contractor, consultant or organization known by the employee to be dealing with Metropolitan concerning matters within the employee’s areas of responsibility or upon which the employee must act or make a recommendation.

2. Metropolitan may contract with, or award a grant to, an immediate relative of an officer or employee, or an organization in which the officer, employee, or immediate relative has a financial interest as defined by the Political Reform Act, only if all of the following conditions are satisfied:
 - a. The Metropolitan officer or employee has not participated in the making or in any way attempted to use his or her position to influence the making of the contract or the award.



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**Conflict of Interest-
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- b. The contract or grant is awarded pursuant to established procedures.
- c. The Metropolitan officer or employee will not participate in the administration of the contract or grant.

**Outside Work and
Educational
Activities**

- 3. A Metropolitan employee must disclose outside activities, including professional or consulting services, to his or her immediate supervisor if the performance of such work activities interferes with the employee's ability to perform his or her normal Metropolitan duties or if the outside work activities create a conflict of interest. Under no circumstances will a Metropolitan employee enter into an employment or consulting agreement, or perform services for any vendor, landowner, or consulting firm that is under contract with Metropolitan, that has done business with Metropolitan within the preceding twelve months, or that is reasonably expected to do so in the foreseeable future. In addition, under no circumstances will a Metropolitan employee enter into an employment or paid consulting agreement that involves advising Metropolitan's member agencies, or any other governmental agency, special district, or other entity on matters with which the employee would consult in the course of his or her regular duties while employed by Metropolitan.
- 4. Employees participating in outside work activities must comply with the following guidelines:
 - a. The outside work activities for which the employee will be compensated must be performed on the employee's own time.
 - b. The performance of the outside work activities shall not give rise to a real or apparent conflict with Metropolitan's interests.
 - c. The performance of outside work activities shall not affect the employee's efficiency and job performance for Metropolitan.



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Outside Work and Educational Activities (cont.)

d. The performance of outside work activities may not bring discredit to or reasonably cause unfavorable criticism of Metropolitan or impair public confidence in Metropolitan’s integrity.

5. Employees who are simultaneously engaged in learning activities, including but not limited to undergraduate or graduate level courses for credit, professional development workshops (aside from those offered through Metropolitan), or other professional or personal seminars or classes, shall complete those learning activities, including research or homework, outside of Metropolitan work time.

6. Employees shall not use their relationship with Metropolitan to provide special access to Metropolitan facilities, resources or materials. All research for external learning activities involving questions or surveys for directors, officers, or staff must be approved by the Ethics Office and General Manager’s Office. This does not apply to requests for information in the ordinary course of business. Material submitted for approval must contain the name and contact information for the teacher or facilitator, intended outcome, audience for intended outcome, and due date. All copies of any written questionnaire must carry a stamp indicating approval. Any resulting paper, project, or presentation must be put on file in the Ethics Office no later than one month after its completion.

Nepotism

7. No person shall be appointed, assigned or promoted to a position in Metropolitan whenever such person’s relative already holds a Metropolitan position (either as an employee or Board member) and whenever such appointment, assignment, or promotion would result in any of the following:
 - a. Direct supervision of an employee by a related employee.
 - b. Related employees having the same immediate supervisor.
 - c. Related employees working in the same department, group or facility, where such placement has the potential for creating an adverse impact on supervision, safety, or



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Nepotism (cont.)

morale, or where such placement creates potential conflicts of interests or hazards greater for relatives than for other persons.

8. A performance evaluation or an audit shall not be performed, prepared, or approved by any individual who is related to the employee whose job performance is being evaluated or audited. A recommendation for employment or promotion to a position in Metropolitan, or in a member agency, shall not be provided by any Metropolitan employee who is related to the applicant or promotional candidate unless authorized by the Group Manager and the Assistant General Manager/Chief Operating Officer.

9. In compliance with 7.a above, the affected Department Head will change job assignments as necessary if the placement of related employees creates a potential adverse impact on supervision, safety, or morale.

10. For purposes of this Operating Policy, “relative(s)” or “related employee” shall mean a spouse, domestic partner, child, parent, parent-in-law, child-in-law, brother, sister, stepparent, stepchild, grandparent or grandchild of a Metropolitan employee. “Direct supervision” means directing, monitoring, or evaluating an employee by another employee having authority to hire, assign, transfer, promote, demote, suspend, discharge, reward, audit, or discipline such employee, or having responsibility to direct him or her or adjust his or her grievances, or effectively recommend such action, when the exercise of such authority is not of a merely routine or clerical nature but requires the use of independent judgment. However, “direct supervision” shall not extend to persons who are more than two supervisory levels higher in Metropolitan’s organization than the employee being supervised.

Personal Relationships

11. Romantic or sexual relationships between staff members where one individual has control over the other’s conditions of employment may be problematic for the parties to the relationship as well as for others who are supervised by one of the parties to the relationship. Therefore:



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Personal Relationships (cont.)

- The supervisor or staff member who has control over the other's conditions of employment is required to disclose his/her relationship to his/her direct supervisor.
- The other staff member involved in the relationship is encouraged to disclose the relationship to either the next level of management or to Employee Relations.

12. Actions taken by the Department Head may include, but are not limited to, transfer or a change in reporting structure. If staff, whether or not involved in the relationship, believe they have been, or are being adversely affected, they are encouraged to contact Employee Relations or the Equal Employment Opportunity (EEO) Office.

Involvement in Community or Political Activities

13. Metropolitan's policy in general is noninterference with employee involvement in community or political activities outside of work. However, such activities may not: (a) create any conflict of interest with the employee's Metropolitan employment; or (b) impair or interfere with the employee's ability to perform his or her job duties, or (c) disrupt the functioning of his or her work team, unit, section, or group.

14. Employees may not use Metropolitan assets, property, equipment, or other resources to engage in community or political activity, unless required as part of Metropolitan job duties or unless the use is incidental and minimal. Such Metropolitan resources include, but are not limited to, computers, e-mail systems, Internet services, telephones, photocopying and fax machines, office supplies, postage, vehicles, office spaces, open spaces, facilities, and field sites owned, leased, or controlled by Metropolitan. Sending e-mails or otherwise using Metropolitan resources to support or oppose a candidate or ballot item, or to solicit campaign contributions for a candidate or ballot item, is not considered an incidental or minimal use and is prohibited.

15. Generally, employees may not engage in community or political activities during their work hours with Metropolitan, unless required as part of Metropolitan job duties. Employees engaging in such activities outside of work must meet the attendance and performance standards for their respective positions with Metropolitan. Metropolitan holds all employees to the same standards of



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**Involvement in
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Political Activities
(cont.)**

performance and scheduling demands, and it does not make an exception for those employees whose outside activities interfere with the performance of their job duties.

16. If an employee wishes to participate in a community or political activity that poses a scheduling conflict or otherwise interferes with his or her employment with Metropolitan, the employee must obtain the written approval of his or her supervisor prior to commencing the outside activity. Where an employee has an existing position or activity outside of Metropolitan that poses a scheduling conflict or otherwise interferes with his or her Metropolitan employment, the employee must promptly advise his or her supervisor of that position or activity and the corresponding scheduling requirements and request approval for time off.

17. Supervisors are encouraged to work with their employees in accommodating occasional requests for time off due to an employee's involvement in outside community or political activities. Such requests should be treated like other employee requests for time off, and the employees involved should be allowed to adjust work schedules, or take annual leave, personal holidays, compensatory time off, or unpaid leave, as long as the requested time off does not impair or interfere with the performance of job duties or otherwise disrupt the functioning of a particular employee's work team, unit, section, or group. However, the supervisor, in his or her discretion, may deny an employee's request for time off to participate in an activity, including, but not limited to, because the employee is needed at work during the requested time or because the employee's requested time off for this purpose is excessive.

18. If the outside activity has been approved, but is later determined to impair or interfere, in any way, with the employee's ability to perform any of his or her duties for Metropolitan, the employee may be required to discontinue the outside position as a condition of continued employment. Employees who are allowed to take time off to participate in community or political activity do so with the understanding that personal involvement in such activities is not a legitimate explanation for poor work attendance or substandard job performance.



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**Distribution of
Ethics Policy for
Employees**

19. Metropolitan’s accommodation of an employee’s community or political activities is not an endorsement of those activities.

20. All Metropolitan employees shall receive a copy of this policy and shall acknowledge receipt of this policy in writing as part of new employee orientation and annually thereafter.

RESPONSIBILITIES

The **Ethics Officer** is responsible for developing, implementing and maintaining Metropolitan’s ethics policies for employees in accordance with the duties specified in Division VI, Chapter 4, Article 5, of Metropolitan’s Administrative Code.

The **General Manager, General Auditor, and the General Counsel** are responsible for providing guidance to the Ethics Officer on formulating ethics policies, or revisions thereof, as well as implementation and compliance monitoring issues.

Employees are responsible for complying with Metropolitan’s ethics policies in Metropolitan’s Administrative Code and in this Operating Policy. Employees will not retaliate in any way against employees who express concern or bring allegations of non-compliance to the attention of the Ethics Office. Employees will not make malicious or fabricated allegations to the Ethics Office. Any employee who makes a malicious or fabricated allegation or who retaliates against an employee who has brought a concern to the attention of the Ethics Office may be subject to disciplinary action pursuant to Metropolitan policy, including any applicable memorandum of understanding.

REFERENCE

- Administrative Code Division VI, Chapter 3, Section 6330, Lobbying
- Administrative Code Division VI, Chapter 4, Article 5, Ethics Officer
- Administrative Code Division VII, Chapter 1, Section 7100 et seq.
 - § 7101 Policy
 - § 7102 Responsibilities of Public Office
 - § 7103 Fair and Equal Treatment



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- Administrative Code Division VII, Chapter 1, Section 7100 et seq.
 - § 7104 Proper Use and Safeguarding of Metropolitan Property and Resources
 - § 7105 Contracts and Grants With Metropolitan
 - § 7108 Soliciting Political Contributions
 - § 7109 Improper Activities and the Reporting of Such Activities
 - § 7110 Protection of “Whistleblowers”
 - § 7111 Nondiscrimination and Affirmative Action
 - § 7120 Conflict of Interest; Method of Recusal
 - § 7130 Gifts; Additional Requirements
 - § 7140 Violation of Ethics Policy
- Memoranda of Understanding (MOUs)
- MWD Ethics Office Web site
http://www.mwdh2o.com/mwdh2o/pages/ethics/ethics_01.html

APPROVAL

Original signed Jeffrey Kightlinger 4/27/09

Jeffrey Kightlinger, General Manager Date

CONCURRENCE

Original signed Deni Elliott 4/27/09

Deni Elliott, Ethics Officer Date