

The Ethics Review Board
City of New Orleans

Rooms 131-132
Professional Studies & Science Building
Dillard University
2601 Gentilly Boulevard
New Orleans, LA 70122

Tuesday, November 1, 2011
2:30P.M.

MINUTES

Present: Elizabeth S. Nalty, Vice Chair; Okyeame Haley, Secretary; Dr. Laura Rouzan; Rev. Dr. Don Frampton; Dr. Michael Cowan

Absent: Rev. Cornelius Tilton, Chair

Staff: Felicia Brown, Executive Director
Steven Scheckman, General Counsel
Victoria Smith, Office Assistant, Trainee

Guest(s): Edouard R. Quatrevaux, Inspector General

Ms. Nalty, acting as chair, called the meeting to order at 2:30P.M.

Dr. Cowan moved for approval of the October 4, 2011, meeting minutes; Dr. Frampton seconded; the motion passed unanimously.

Ms. Nalty recognized Inspector General Edouard Quatrevaux.

Inspector General Report:

Mr. Quatrevaux reported the following:

OIG has issued three reports:

- Follow-up Report to the 2009 Review of the Aviation Board
 - Found only 2 of the 7 OIG recommendations have been implemented
- Performance Audit of Payroll Internal Controls
 - Disclosed many deficiencies
- Today issued Consulting Report to the New Orleans Metropolitan Yacht Harbor Management Corporation regarding its accounting policies and procedures
 - The review was completed at the request of the entity

OIG reports in progress:

- Draft evaluation report issued to Municipal and Traffic Courts
 - Reply due by November 15, 2011
- Audit of the Orleans Parish Prison charges to the city

- Draft audit report to the Aviation Board
 - Credit Card Expenses
 - Board will be subject to the OIG’s continuous auditing program for 2-4 years
 - Based on risk assessment and other information
 - OIG will review significant procurement actions, current contracts, and attend all board meetings

The Inspector General appeared before the Aviation Board during its October 20th meeting and explained the current landscape with respect to public accountability; expressed concern about the position for Aaron B. Hack; articulated specific actions that might include: referral for prosecution, advice to the Aviation Board’s appointing authority as regards the organization’s functioning should it be found an obstacle to good government and the operation of a first class airport, and public admonishment.

Mr. Quatrevaux indicated that he and Janet Werkman, first assistant inspector general, were recently elected to the board of the Association of Inspectors General during its fall conference. Ms. Werkman has been instrumental in promoting the expansion of the association’s certifications to include an evaluation component. He also mentioned Ms. Werkman’s impending departure in the ensuing months.

Dr. Frampton inquired about the Aviation Board’s response. The inspector general indicated that the chairman expressed a spirit of cooperation.

When asked by Mr. Haley which of the recommendations hadn’t been implemented, Mr. Quatrevaux indicated the necessity for follow-up reporting generally within 18-24 months and also noted that implementation of recommendations may occur over a longer period of time, depending on the nature of specific recommendations.

A discussion ensued about the meeting schedule for the 2012 calendar year. The executive director explained the three meeting options presented to the board (i.e., maintaining the current monthly meeting schedule; alternating monthly meetings; and quarterly meetings). The latter two options would permit meetings subject to call as needed. Steve Scheckman, General Counsel, provided comments with regard to the meeting schedule based on the board’s previous work and his perceptions of the ERB’s operations going forward, including the focus on education/training and public outreach. Ms. Nalty cautioned against meeting quarterly and observed that in doing so the ERB might lose touch with the IG. Dr. Cowan supported meeting in alternate months, noting the use of working groups by the ERB for other matters.

Dr. Frampton moved that the ERB alternate its monthly meetings schedule for calendar year 2012, as reflected by option 2 in the board packet (**Option 2:** Alternate monthly meetings beginning in February (maintain first Tuesday of the month), with meetings subject to call when necessary. Proposed meeting dates:

Tuesday, February 7, 2012	Tuesday, April 3, 2012	Tuesday, June 5, 2012
Tuesday, August 7, 2012	Tuesday, October 2, 2012	Tuesday, December 4, 2012

The motion was seconded by Dr. Rouzan. All were in favor and the motion passed unanimously.

Executive Director Report:

Ms. Brown introduced and announced the hiring of Victoria Smith, who will provide administrative support to the Ethics Review Board.

ERB Awareness & Outreach: A listing of potential neighborhood groups was presented to the board. Ms. Brown indicated that the listing is not complete and that additional groups can be added. The preliminary listing was compiled from information from the Neighborhoods Partnership Network. Members expressed a desire to ensure clarity about the purpose for outreach and that the board's messaging is carefully managed with respect to the ERB's direction and its purpose. Ms. Nalty encouraged board members to share with Ms. Brown their thoughts with respect to outreach and community engagement for future discussion.

Dr. Cowan recommended the executive director meet with Lucas Diaz, director of the city's Office of Neighborhood Engagement.

Ethics training: On November 10th the executive director will observe a training sponsored by the State Ethics Board for its agency liaisons. Ms. Brown reported that she's initiated contact with ethics officers from other jurisdictions and has arranged to meet with professionals during the COGEL conference. She and Dr. Cowan have scheduled a meeting with Judy Nadler, who is affiliated with the Markkula Center for Applied Ethics at Santa Clara University. Referencing the Lager article (provided by Dr. Cowan) that was included in the board packet, she noted a trend in ethics training away from compliance to a focus on development of ethical values and ethical culture.

Dr. Cowan proposed those attending the COGEL conference meet at its conclusion to discuss how information will be presented to the full board. Mr. Haley expressed support for a focus on ethical values as a means of changing culture within city government. Dr. Rouzan articulated the importance of developing appropriate training scenarios that reflect ethical conduct and that relate to culture but acknowledged the expectation for compliance. Dr. Cowan commented that the city of Santa Clara developed a values statement and that the Lager article is an informative piece.

General Counsel Report:

Mr. Scheckman provided the board with a presentation on what constitutes ethics within a legal framework. The General Counsel began his remarks by explaining that ethics can be defined in a number of ways and pointed out there is often ambiguity when attempting to define ethics.

The following examples were presented:

1. Ethics is a branch of philosophy dealing with values relating to human conduct (right v. wrong; good v. bad)
 - Not enforceable
2. Ethics also reflects the moral principles of an individual.
 - Personal to the individual
 - Example: his ethics forbade a betrayal of a confidence
 - Someone else might feel differently
 - Not enforceable

3. Ethical principles are also embodied in the teachings of various religions

- Again views may differ
- Not enforceable

4. Ethics finally can also be defined as a set of “rules of conduct for a particular class of human actions or for a particular group.”

Examples: lawyers: Rules of Professional Conduct
Judges: Code of Judicial Conduct

With regard to the Ethics Review Board, we are strictly concerned with government/public employees, particularly the employees of the City of New Orleans and its boards and commissions. The particular rules governing the conduct of these classes of individuals are contained in the LA Code of Governmental Ethics and the City of New Orleans Code of Ethics. Thus, for enforcement, the particular conduct must be reflected in the code.

Some examples of prohibited conduct (not exhaustive) are presented below:

- Certain contractual arrangements
- Participating in a transaction as a government employee in which the employee has a financial interest
- Certain prohibited gifts from those doing or attempting to do business with government entities
- Nepotism
- Failing to recuse from voting on a matter where the employee has an economic interest

The board engaged in an exchange with Mr. Scheckman highlighting the disconnect between the city’s ethics code and the hurdles presented by the State Constitution; impediments and complications posed should municipalities move forward with adoption of mirror state provisions; and the significance of referrals to the State Ethics Board.

While recognizing the limits of the current city code of ethics in terms of compliance and enforcement, members Frampton, Cowan, and Nalty acknowledged the opportunity presented to the Ethics Review Board to move forward with education and training as well as position the board in a unique manner with regard to raising ethics awareness within the city.

Mr. Haley inquired if the focus on education and training were consistent with the initial mission of the ERB. Mr. Scheckman clarified that the board updated its mission to reflect these efforts and that the Board will continue to serve as a conduit for enforcement by referring to the state board. He further explained that while enforcement is narrowly focused in this context, it is not sacrificed.

There being no further business to discuss, Mr. Haley moved to adjourn; Dr. Rouzan seconded and all were in favor; the motion passed unanimously.

Meeting adjourned at 3:33P.M.