

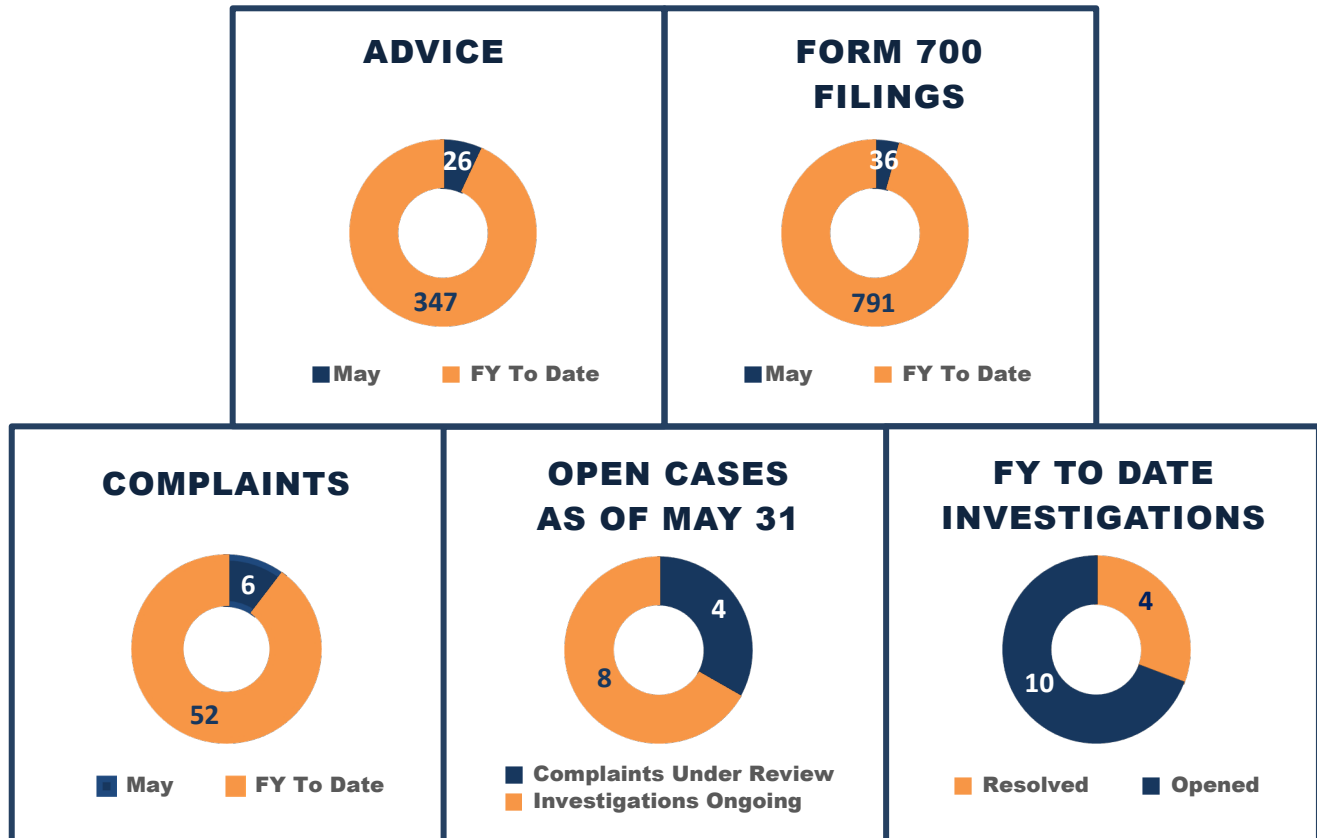


THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

OFFICE OF ETHICS

Report for May 2026



EDUCATION Program

Staff presented Ethics Office overviews at two new employee orientation sessions hosted by Human Resources and two in-person *Government Ethics 101* training sessions for 107 employees at Union Station.

Ethics staff participated in continuing ethics education: *Staying Steady in Trying Times*, presented by the Council on Governmental Ethics Laws.

COMPLIANCE Program

Form 700/Filing Officer Duties – Pursuant to state law and the Administrative Code, Compliance staff assisted directors and employees with their Annual, Assuming Office, and

Leaving Office Form 700 filings. Assistance included troubleshooting the electronic filing system and issuing notices of deadlines. Staff addressed 27 compliance-related matters for directors and employees related to Form 700.

Annual Form 700 Compliance – 791 Annual Form 700s have been filed since January 1, 2026. All directors timely filed their Annual Form 700. 43 employees have not yet filed. Staff continues efforts to obtain compliance from these employees to help Metropolitan meet the state’s Annual Form 700 filing requirement.

AB 1234 Ethics Training Compliance – Staff assisted employees with AB 1234 ethics training requirements. Assistance included notifications, troubleshooting the online training program, and obtaining training certification. A total of 157 employees completed their training this month. Two directors have not submitted their ethics training certificate to the Ethics Office. Staff will continue efforts to confirm 100% compliance. Staff addressed 259 AB 1234 compliance-related matters for employees.

ADVICE Program

Staff addressed 26 time-sensitive advice matters for directors and employees related to conflicts of interest, financial disclosure, outside employment, gifts, and other ethics-related topics.

Advice questions included:

- May employees accept lunch from a vendor offering to provide a “lunch and learn” session?
- May employees accept a free training session from a vendor where the vendor will not provide anything other than educational information?
- May an employee serve as a Metropolitan Board member?
- May an employee accept a gift as a thank you for attending a sales-related meeting?
- Is a gift of travel subject to the state’s gift limit and disclosure requirements?

Staff reviewed Committee and Board letters and directors’ financial interests listed in Form 700s to help screen for potential conflicts of interest in Metropolitan matters and prepared recusal and disclosure scripts where applicable. Staff also reviewed conflict of interest disclosure forms from contractors and subcontractors to help screen for and address potential conflicts prior to finalizing Metropolitan contracts.

INVESTIGATION Program

Complaints Received – The Ethics Office received six new complaints in May. Four complaints involved ethics allegations, and two involved non-ethics allegations. The four ethics complaints alleged two separate incidents of improperly received gifts; two separate incidents of prohibited outside employment; and an alleged conflict of interest. Three of the four ethics complaints were resolved after preliminary reviews found insufficient basis to

investigate. The fourth complaint is currently under preliminary review by the Ethics Office. The two non-ethics complaints alleged discrimination and bullying, and were referred to the EEO Office and Human Resources, respectively.

Complaints Resolved – Eight preliminary reviews were completed in May to assess pending complaints alleging ethics violations. Seven complaints were closed with no further action because the evidence reviewed did not support the allegations or there was insufficient information provided by the complainants. An investigation was initiated into one complaint, which is discussed further below. It took an average of 25 calendar days to complete the preliminary reviews.

Ethics Officer Findings – The Ethics Officer found that a Metropolitan employee did not violate the ethics rule on the improper release of confidential information during a personnel process. The facts of the occurrence raised some concerns of potential ethics risks which were shared with management.

Open Complaints and Investigations – As of May 31, 2026, the Investigation Program was managing a total of four open ethics complaints under preliminary review and eight ongoing ethics investigations. The first ongoing investigation, alleging a conflict of interest, was opened in September and is expected to be completed within the next 30 days. The remaining seven investigations are expected to be completed within the standard six-month timeframe. Details of the seven investigations are as follows: two alleging conflicts of interest were opened in November; four alleging a misuse of authority for personal gain related to improper expenditures of District funds – three opened in March, and one in April; and one alleging misuse of authority for personal gain related to improper expenditures of District funds was opened in May.

Alternative Complaint Hotline – No complaints were filed via the Alternative Complaint Hotline in May.

MISSION

The Ethics Office promotes the highest standards of government integrity to support Metropolitan's mission through an independent and comprehensive program that enhances trust, transparency, and accountability for the benefit of the workforce and the public it serves.

VISION

Our vision is to be a leader in governmental ethics with an unparalleled commitment to supporting an ethical organizational culture.