



**INTEROFFICE CORRESPONDENCE**

**INFORMATIVE**

**To:** Members, Board of Education

**Date:** December 8, 2005

**From:** Yea-Lan Chiang, Ethics Officer

**Subject:** Ethics & Investigations

This informative seeks to address concerns about how the Ethics Office handles allegations of ethics violations and to clarify any other lingering questions about the placement of the Ethics Office. Core to the mission of the Ethics Office is our effort to play a proactive role in providing advice before an action has been taken or a problem has occurred. Our goal is to serve in an advisory role to safeguard potential ethics concerns in order to prevent any actual violations.

**Processing Investigations**

The Ethics Office does on occasion receive information about allegations of after-the-fact ethics violations. However contrary to what may be believed, we do not receive many of these types of allegations at this time, given that we not *yet* widely known in LAUSD.

When we do get those rare calls on after-the-fact allegations which require investigations, we refer them to the Office of the Inspector General (OIG) under guidelines which were established in August 4, 2003 between then Deputy Inspector General of Investigations Jerry Thornton and former Ethics Officer Pete Bowen.

To ensure that continue to do our work in the manner that supports LAUSD most effectively, the Ethics Office and the OIG maintain ongoing dialogue. Recently, we met to update our guidelines for improving communications and processing investigations (see Attachment A).

We remain committed to communicating and coordinating with the OIG as necessary to resolve any issues as they arise.

**Best Practices Model: A Separate Ethics Office and Office of Inspector General**

At Board Member Tokofsky's request, we have requested that Karen Gorman, Chief Ethics Officer at Metropolitan Transportation Authority, clarify a letter that she sent on November 28, 2005 to the Board. Mr. Tokofsky expressed a concern that her meaning was not clear in her original letter about the relationship between an Ethics Office and an Inspector General's Office. Ms. Gorman does not support combining any of the functions between an Ethics Office and an Inspector General. Her clarification letter is also included in this informative (see Attachment B).

We thank the Board for your continued support and engagement for our ethics initiative and look forward to updating you on our progress in future Board Meetings and committee meetings.



## Los Angeles City Board of Education Office of the Inspector General

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Marlene Canter, President  
Julie Korenstein  
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Mike Lansing  
Jon Lauritzen  
David N. Tokofsky  
*Members of the Board*

Roy Romer  
*Superintendent of Schools*

Jerry D. Thornton  
*Inspector General*

December 7, 2005

Yea-Lan Chiang, Ethics Officer  
Ethics Office  
Los Angeles Unified School District  
333 S. Beaudry Avenue, 20<sup>th</sup> Floor  
Los Angeles, CA 90017

RE: Office of the Inspector General and Ethics Office

Dear Ms. Chiang:

The Office of the Inspector General and the Ethics Office are committed to work together and have developed a common understanding of each other's responsibilities. We have met several times and have developed the following guidelines that clarify our commitments.

### ***Office of the Inspector General (OIG) Commitments:***

To facilitate communications, prevent duplication of effort and avoid the possibility of compromising ongoing investigations, the OIG will share information concerning investigations in the following manner with the Ethics Office:

- OIG will continue to provide the Ethics Office with copies of each of the Inspector General's completed investigations on matters of waste, fraud and abuse and ethics violations.
- OIG will continue to provide the Ethics Office with a copy of each case initiation letter submitted to the Superintendent or his/her staff member(s). These letters will provide a basic understanding of existing investigations.

### ***Ethics Office Commitments:***

To continue our efforts as an advisory resource for safeguarding potential ethics concerns and preventing violations, the Ethics Office will continue to distinguish between advice inquiries and allegations of violations that need to be investigated by the OIG in the following manner:

- The Ethics Office will continue to direct after-the-fact allegations of waste, fraud, abuse and ethics violations that require investigation to the OIG. To ensure that information does not fall through the cracks, we will also advise the Deputy Inspector General, Investigations, by email or memo of any allegations of violations which are received by the Ethics Office.
- The Ethics Office will continue to advise on safeguarding measures to avoid any violations when we are called upon to provide advice before an action has taken place or a problem has occurred. In matters that are referred to the OIG, where it appears a violation has occurred, we will coordinate with the OIG as we advise on how best to resolve an issue. We will resolve issues based on the course of action that is prescribed in our ethics policies or based on best practices within the field of public ethics when our policies are unclear.
- The Ethics Office will use OIG reports and notifications to identify and understand trends at LAUSD in order to develop relevant training materials that proactively address reported areas of concern. The Ethics Office will maintain the confidentiality of OIG notices and reports.
- The Ethics Office will share aggregated statistics on our Ask Ethics inquiries with the OIG when our call tracking system is implemented in 2006.

***Joint Commitment:***

Both Offices will continue to communicate as often as necessary, but at least on a quarterly basis, to resolve issues as they arise.

If you have any questions, please contact me at (213) 241-7700.

Sincerely,



Bob Williams  
Deputy Inspector General, Investigations

c: Inspector General



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December 7, 2005

 Los Angeles Unified School District  
 BOARD OF EDUCATION  
 333 South Beaudry Avenue, 24th Floor  
 Los Angeles, CA 90017

 Attention: Board Member David Tokofsky  
 Attention: Board Member Jon Lauritzen

Dear Board Members Tokofsky and Lauritzen:

I'm writing to clarify an earlier letter that I sent on November 28, 2005 to your Board to ensure that there is no misunderstanding.

Based on my knowledge of public sector and private sector ethics as well as best practices as identified by the Ethics Officer Association, Ethics Offices typically (and ideally in this order) report directly to the Board of Directors through the audit committee, or the Legal Department, or the CEO. I understand that at LAUSD the Ethics Office reports to the Board's Audit Committee and also to the legal department particularly with regards to legal matters. This reporting structure is administratively reasonable, legally prudent and consistent with the ethics industry best practices.

My original letter was intended to make clear that at MTA, the Ethics Office and the Inspector General are completely *separate* entities. The Ethics Office does not report to the Inspector General. No Ethics Office in the United States, to the best of my knowledge, reports to an Inspector General. In fact, it would be contrary to ethics industry best practices for an ethics department to report to an Inspector General. It could also be detrimental and compromise the missions of an Ethics Office and Inspector General's Office to combine them or make one a subset of the other because:

- An Ethics Office *serves* actors with advice
- An Inspector General's Office *investigates* actors and reports facts, but does not give advice
- Ethics Offices are *proactive* while Inspector General's Offices are reactive
- Interaction with an Ethics Office would be chilled if it reported to an Inspector General

I recognize that LAUSD is structured in a different way than MTA, and it was not my intent to weigh in on a decision that I probably lack all the facts on. I simply wanted to clarify the misstatement I thought I heard on television of our Ethics Office reporting to the Inspector General. This is absolutely not the case and not my recommendation. I hope this puts the record straight.

Thank you for your good work at LAUSD. If I may add, I have been very impressed by the website your Ethics Office has developed and I enjoy interaction with that office.

Sincerely,

Karen Gorman