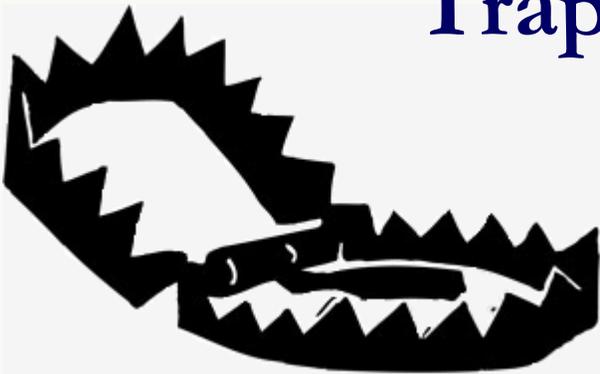


# ETHICS TRAINING



## Traps for the Unwary

April 10, 2007



# ETHICS

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*“The citizens of San José expect and must receive the highest standard of ethics from all those in the public service. City officers and employees must be independent, impartial and responsible in the performance of their duties and accountable to the members of the public.”*

Section 204 San José City Charter

# ETHICS

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- A. Keeping Closed Session Discussions Confidential
- B. Conflicts and Bias
  - 1. Government Code 1090
  - 2. Gifts
- C. Statewide Case Studies of Ethics Investigations and Prosecutions
- D. Overview of Santa Clara County Governmental Integrity Unit
- E. Best Practices

# CLOSED SESSION

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## Confidentiality

No person may disclose confidential information that has been acquired by being present in a closed session unless authorized by the body holding closed session.

# CLOSED SESSION

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## Remedies

- Injunctive relief
- Disciplinary action
- Grand Jury referral

# CLOSED SESSION

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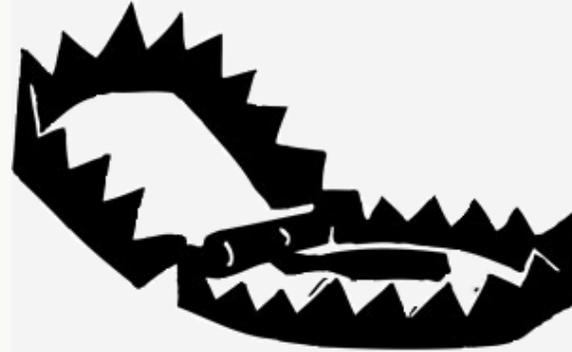
## Exceptions

- Confidential inquiry or complaint to the district attorney or grand jury
- Expressing an opinion about the propriety or legality of actions taken
- Disclosing non-confidential information

# CLOSED SESSION

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## Trap for the Unwary



- Distinguishing between public information and confidential information learned only through closed session

# CONFLICTS AND BIAS

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## Government Code § 1090

You cannot participate in any contract in which you have a financial interest

# CONFLICTS AND BIAS

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## Trap for the Unwary



- Interest of Spouse/Partner/Child
  - Exception

# CONFLICTS AND BIAS

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## Gift defined

Any payment that confers a personal benefit on the recipient for which consideration of equal or greater value is not received.

# CONFLICTS AND BIAS

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## Trap for the Unwary



- Aggregation of gifts from a single source

# CONFLICTS AND BIAS

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## Admission to Events

- Ceremonial, political, civil or cultural
  - Non-sponsor
  - Sponsor
- Valuation of tickets

## LOCAL NEWS

# Councilman charged with public corruption

LUM ALLEGEDLY TOOK GIFTS, DID FAVORS

By Todd R. Brown .  
*MediaNews*

Federal investigators appeared to widen their probe of Colma's Lucky Chances cardroom this week with the indictment of city council member Philip Lum on charges of public corruption.

A San Francisco grand jury indicted Lum Tuesday for allegedly accepting first-class and coach airline tickets to the Philippines in 1999, 2000 and 2001 as a gift from the casino's owner, according to a Department of Justice statement. The indictment alleges Lum later voted on council matters in favor of Lucky Chances.

### COLMA

"Elected representatives owe a duty of honest services to the people they serve," U.S. Attorney Kevin V. Ryan said in a statement. "According to this indictment, an elected member of city council breached this duty by failing to disclose gifts from an entity who was benefiting from his votes."

The statement says Lum failed to report the tickets on the required California Form 700 and later concealed the reportable income.

Lum did not return calls for comment by deadline.

Lum has been a Colma council member since 1986;

his current term expires next month, when he is up for re-election. He will appear in federal court Tuesday in San Francisco before Judge Elizabeth Laporte, according to the U.S. Attorney's Office.

If convicted, Lum faces a maximum penalty for each count of conspiracy and theft of honest services mail fraud of 20 years and a fine of \$250,000.

In March, the Justice Department indicted Lucky Chances owner Renato Medina for allegedly deducting more than \$2.6 million in phony business expenses on his tax returns. Medina, of Atherton, recently moved to shift ownership of the casino to relatives.

# INVESTIGATIONS AND PROSECUTIONS

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## City of Compton

- Misuse of public funds

# INVESTIGATIONS AND PROSECUTIONS

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## California Senate

- Payments from campaign contributions to family members and friends
- Payments back to the Senator

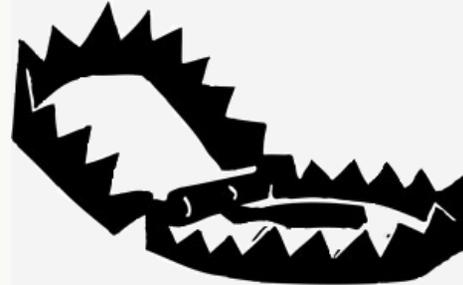
# GOVERNMENTAL INTEGRITY UNIT

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- Overview of office
- Types of cases
- Misuse of funds protocol
- Elections Commission

# BEST PRACTICES TO AVOID TRAPS

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- Keep information learned in closed session confidential
- Ask yourself – for every decision – whether it involves some financial interest to you
- Accept gifts only from family and close friends with whom you customarily exchange gifts

# Questions?

