

CREATING A CULTURE OF ETHICS IN PALM BEACH COUNTY

Like everyone else, the alumni of Leadership Palm Beach County were embarrassed and angered by the arrests and convictions of elected officials both in West Palm Beach and the County Commission. When we began to be referred to as having a “culture of corruption” and then “corruption county,” it was clearly time to act.

Through its newly formed Ethics Committee, Leadership Palm Beach County undertook a comprehensive community-wide ethics initiative. The initiative has two major components -- furthering a culture of ethics in both the private and public sectors of Palm Beach County, and supporting appropriate ordinance and charter reform. A wise consultant once said, “culture trumps strategy.” That unless the culture changes and inappropriate behavior is no longer glossed over, the best laws will not work.

So, we decided to look at how we could possibly change the culture. An interesting challenge to say the least. We determined culture is created in organizations by an agreement on a vision, mission, a set of values and senior management’s support and reinforcement of those values. At a minimum we could develop a document with a set of values that everyone could agree upon, invite private and public leadership support and promotion of that set of values. The result has been the Palm Beach County Ethics Pledge which has been signed by most of the elected officials in the county, numerous citizens and many government employees. We are distributing it through the private sector. Our goal is for every citizen and student in the county to sign the Pledge and let it be the baseline of our mutual respect for each other.

Our second track has been government reform. We focused on some core principles – checks and balances, transparency and an enforceable county code of ethics.

Our democratic system is predicated on a system of checks and balances. Our forefathers chose this approach to limit the power of any one individual or group and that a balance of power was the best way to sustain democracy. Our federal and state governments have met this standard by having three co-equal branches of government -- executive, legislative, and judiciary. Although far from perfect, it has stood the test of time. At the county level, we have a merger of the executive and legislative. We have commissioners elected from discrete districts with very small and limited staffs, and a County Administrator with approximately 6,000 staff members reporting to him.

As a result, the Ethics Committee has been reviewing possible changes to see if there are ways to add checks and balances to our existing situation.

We support the following ideas:

- strengthening county ordinances, charter and state statutes, if necessary, to address conflict of interest, gratuity, theft, waste, fraud, and abuse;
- to enforce new requirements using a combination of civil and criminal tools utilized by other jurisdictions;
- to fund fully and institutionalize an effective independent "watchdog" entity to monitor the activities of tax levying organizations and other entities receiving public funds;
- to increase the transparency, accountability, and oversight of land acquisition or disposal of surplus properties, and to extend those protections to services and goods that use public funds;
- to establish independent oversight and strengthen the policies and processes by which public debt is incurred, and to adhere to the best practices

- recommended by nationally recognized groups like the Government Finance Officers Association; and
- to eliminate discretionary decision-making for funding projects or programs by individual officials, elected or appointed.

These proposals are intended to become the foundation for a new and robust culture of ethics applicable to multiple offices and to restore public trust. It is appropriate to extend these public protections to other jurisdictions besides county government. Such entities include: city governments; health care district; children's service council; school district; constitutional offices; and special improvement districts.

Specifically, our Ethics Committee proposed that a new and independent countywide **Commission on Ethics and Public Trust** comprised of five Commissioners be established. The independence of these individuals is critical and we have specific proposals to assure that those appointed remain free of undue influence from the entities being overseen. The appointment process and a sufficient budget are key issues. A primary duty would be to accept applications, hire, supervise, and oversee a new countywide **Inspector General**. Among the other duties of the new **Commission on Ethics and Public Trust** would be to:

- establish an Official Code of Ethics governing conduct of the governing board members, officers, employees, vendors, contractors and beneficiaries of any entity covered by the new ordinance/law (conflicts of interest, disclosure of financial interests, nepotism, revolving door prohibitions, and other conduct which could potentially undermine public trust) including sanctions;
- establish and maintain an ethics hotline or other tools designed to promote ethical conduct; and
- establish and conduct regular ethics education and training including the rendering of advisory opinions.

The **Inspector General** would provide independent and objective professional audit and investigative services to all public boards, committees, departments, officials, constitutional officers, and employees for all covered units of local government and taxing authorities operating within Palm Beach County. The Inspector General would be totally independent and professionally qualified (i.e. a state-certified Inspector General with at least 10 years experience as an inspector general, CPA, prosecutor, auditor general or law enforcement officer investigating economic crimes, or a combination thereof).

The Inspector General would be engaged, retained, and terminated only by a super-majority vote of the Commission on Ethics and Public Trust. The Inspector General would be employed for a set term and to the extent possible, the independence, authority, and funding of this office should be insulated from political influence. The Inspector General would be empowered with all the resources necessary to carry out his or her duties to protect and defend the general public, taxpayers, and citizens of the County.

The duties and powers of the Inspector General would include the following:

- To conduct and supervise audits, reviews, investigation, and analyses related to the financial soundness, reasonableness, necessity, operational efficiency, waste, fraud, or abuse of existing operations of all entities subject to this ordinance/law;
- To adopt an internal program of work, but also have the right to conduct random audits of entities subject to this ordinance/law;

- To issue subpoenas for the appearance of witnesses or the production of documents from covered entities or to require reports from any member of the governing board, management, or instrumentality of any entity covered by this ordinance/law;
- To receive and investigate complaints from any source concerning alleged waste, fraud, or abuse of government functions or funds, and to detect, deter, and prevent fraud, waste, and abuse in an affected entity's programs, operations, accounts, records, transactions, and contracts;
- To provide to the Commission on Ethics and Public Trust a Report of Findings and Recommendations at the conclusion of every investigation;
- To present competent and substantial evidence of probable cause of violations of the Code of Ethics to the Commission on Ethics and Public Trust for a Probable Cause Determination;
- To present evidence of violations of the Code of Ethics in hearings before the Commission on Ethics and to recommend penalties for the same; and
- To refer criminal matters to the appropriate authorities.

Lack of funding or limited appropriations has been used historically to kill reform. There is no price on public trust. Without public trust, government will fail. Other jurisdictions have found that this function has paid for itself through the savings, efficiencies, and recoveries emanating from the performance of its duties. Potential sources of revenue to fund the initial start-up and sustain the operations of the Commission and Inspector General could come from a combination of potential sources (Annual lobbyist registration fee; Residual funds of Commissioner discretionary funds; ¼ of 1% or appropriate surcharge on all or certain purchases or contracts for goods or services entered into by any covered entity; An amount certain or assessment from general operating funds paid by each covered agency; Amounts recovered as a result of investigations and recoveries; Charges for advisory opinions and ethics training services; etc.)

The County Commission has these recommendations and those of the Grand Jury under consideration. We hope they create the necessary checks & balances, transparency and enforceable code of ethics. Just in case they do not, we are moving forward with our own county charter amendments to be placed on the November, 2010 ballot.

This approach has been endorsed by the Palm Beach County Economic Council, the Palm Beach County Business Forum and the Voters Coalition. We welcome the participation by the League of Women Voters.