



Ethics In The Public Eye

(Compiled from Linked Sources)

Government Ethics

Sacramento – New Gift Rules. The California Fair Political Practices Commission ("FPPC") recently adopted wholesale changes to the regulations governing the acceptance of gifts by state and local public officials. The goals of the overhaul were to clarify the regulations, ensure consistency between regulations, close certain loopholes, and codify some exceptions which had already been created by FPPC opinions or advice letters. [Full Story](#)
Everyday examples and common questions regarding gift rules, including the new changes, are published online by the FPPC. [FAQ](#)

Illinois – Corruption. On Wednesday December 7, 2011, a federal judge sentenced former Illinois Gov. Rod Blagojevich to 14 years in prison for corruption. Blagojevich, who turns 55 Saturday, must start serving his prison term within 90 days, the judge ordered. He must also pay a \$20,000 fine. "People have the right to expect that their elected leaders will honor the oath they swear to, and this sentence shows that the justice system will stand up to protect their expectations." -- U.S. Attorney Patrick Fitzgerald [Full Story](#)

New York – Corruption. State Senator Carl Kruger, who pleaded guilty to federal corruption charges December 20, goes beyond that story line, encompassing tales of romance and perhaps even sacrifice, and laying bare one of the more bizarre domestic tableaux — even by New York standards — ever uncovered by F.B.I. wiretaps. The charges included two counts of conspiracy to commit mail and wire fraud, for which he could face up to 20 years in prison, and two counts of bribery conspiracy. [Full Story](#)

Government Contractors

Washington – False Claims. Kaman Precision Products, an Orlando-based defense contractor, will pay the United States \$4.75 million to resolve a complaint that it submitted false claims for nonconforming fuses sold to the U.S. Army for use in "bunker buster" bombs. [Full Story](#)

Corporate News

December 14, 2011 – Sexual Harassment. Blockbuster Inc. has agreed to pay more than \$2 million to settle a lawsuit in which the Equal Employment Opportunity Commission accused the retailer of subjecting female employees to sexual harassment, the agency's Baltimore office said Wednesday. The EEOC had charged the Dallas-based entertainment retailer with subjecting the temporary workers to harassment, retaliating against them for resisting sexual advances and discriminating against Hispanic temporary workers. The events occurred in 2004 and 2005 in a Gaithersburg distribution center, the lawsuit said. [Full Story](#)

December 26, 2011 - Privacy
The security industry expects the number of cyber-espionage attacks to increase in 2012 and the malware used for this purpose to become increasingly sophisticated. [Full Story](#)

December 28, 2011 – Whistleblowing
Confidential whistleblower documents that helped spark a massive state and federal investigation into how Bank of New York Mellon Corp charged pension funds for currency exchange, provide a rare window into how a bank insider aided a lawsuit against the bank. [Full Story](#)

A summary of the categories of matters received by our office follows.

Ethics Matters

Matters brought to the MWD Ethics Office
October - December 2011

Gifts	■ ■ ■ ■ ■	31%
Nepotism	■ ■	15%
Customer Relations	■	8%
Employee Relations	■	8%
Favoritism	■	8%
Misuse of Resources	■	8%
Outside Employment	■	8%
Theft of Goods and Services	■	8%
Wage/Hour Issues	■	8%