Code of Ethics Follow-up Audit

Why this audit is important

Ethics consists of theory and principles that govern how someone should act. Ethical issues can arise when people's behavior is at odds with the standards of conduct governing an individual or group. Unethical conduct can be harmful to society and have severe impacts on organizations.

A December 2019 audit **Metro's Code of Ethics: Clarify expectation to support an ethical culture** found that stronger connections between organizational values, legal requirements, and policies and procedures would help build a better foundation to manage ethics. Without it, Metro was at increased risk of employees interpreting and taking actions based on their own set of values. This could reduce consistency and affect employee and public trust.

Transparency about who was seeking to influence decisions through lobbying was also identified during the 2019 audit. An August 2019 letter to management summarized a pattern of out-of-date information, which appeared to violate Metro Code requirements. The letter recommended that stronger processes were needed to ensure complete and accurate information was available online.

What we found

Metro made progress on all the recommendations in the 2019 audit. Four were implemented and four were in process. However, little progress was made on the recommendations in the management letter. The two related to lobbyist registrations were not implemented.

2019 Audit Recommendations	Status
To strengthen Metro's foundation for ethics, senior management should:	
1. Integrate the Code of Ethics with related policies, laws, and organizational values to make relevant guidance easier to find	In process
To reduce barriers to understanding ethical expectations, senior management should:	
2. Update Metro's ethics-related policies to ensure they cover all employees and provide consistent definitions and instructions	In process
3. Establish guidance for using safe harbor	In process
4. Provide ethics training that: a. includes Metro's ethics-related policies and how to apply them; b. uses a variety of media types to accommodate different learning styles; and c. is required annually of all employees	Implemented
5. Remind employees of ethical expectations periodically through agency-wide communications and events	In process
To consistently address potential ethical issues, the Chief Operating Officer should:	
6. Assign responsibility for analyzing ethics-related trends and risks at Metro	Implemented
7. Use the analysis to determine if additional preventative or corrective measures are needed	Implemented
8. Clarify department roles and responsibilities for investigating potential ethical issues	Implemented
2019 Management Letter Recommendations	**Status**
In order to ensure that lobbyist registrations are kept up to date, Metro should:	
A. Strengthen controls to ensure lobbyist registrations are kept up-to-date; and	Not implemented
B. Clearly assign responsibilities to: a. ensure lobbyist requirements are being followed; and b. maintain updated lobbyist information online	Not implemented