

Philadelphia Board of Ethics
Meeting Minutes
Public Session
May 23, 2005
Municipal Services Building
Room 16 B
4:30 pm – 6:45 pm

Present:

Board

Charisse Lillie, Esq., Chair
Dan McElhatton, Esq., Vice Chair
Romulo Diaz, Jr., Esq.
Rev. James Allen

Staff

Milton Velez, Esq.
Evan Meyer, Esq.
Shane Creamer, Esq.

Guests

Pedro Ramos, Esq., Managing Director
John McFarlane
Joe Grace, Esq.

Agenda:

- **Introduction of Interim Executive Director**

The Chair welcomed Shane Creamer as the new Interim Executive Director to the Ethics Board.

- **Statement by John McFarlane, Former Plumbing Inspector for the Department of Licenses & Inspections**

Mr. McFarlane described what he called the routine practice of L & I inspectors taking bribes in 1998. He refused to participate and reported the practice to his supervisor, who told him to “join the fraternity.” His supervisor was also unaware of the process for reporting prohibited gifts. There was also an extensive practice of overstating mileage and expenses, which are then reimbursed to the inspectors by the City. All but one of the corrupt inspectors pleaded guilty. Since cooperating with the FBI, Mr. McFarlane has received death threats in person and by phone. In addition, his car has been vandalized on a regular basis.

Mr. Diaz asked how Mr. McFarlane’s experience could be turned into an operational strategy. Ms. Lillie said that training to ensure that supervisors know what the rules are would address some of the problem. She also said that commissioners and supervisors should support people like him who report violations of the rules. Mr. McFarlane suggested that random field audits of inspectors might act as a deterrent. He added that a new computer system requires inspectors to account for their time more thoroughly than in the past. Mr. McElhatton noted that we can’t completely prevent corruption like this from happening, but we can minimize it through training and other measures.

- **Training & Education: Pedro Ramos, Esq., Managing Director**

Mr. Ramos addressed the Board on the need to “cascade” ethics training down through the ranks of City workers. Cabinet members and all commissioners and department heads have received recent training, so the next step is to reach the deputy commissioners and directors. Mr. Ramos said that the MDO would work with the Board and Personnel to schedule and conduct the training.

Once the deputies are trained, the Board must determine how to build the capacity for training greater numbers of City workers. Mr. Diaz suggested that ethics training modules could be developed to facilitate training down the ranks of City employees. Mr. McElhatton noted that the 21st Century Review Forum’s Ethics Committee had already looked into the training issue. He also suggested that the Board consider computerized training in addition to handing out booklets. Computer training offers many advantages, including the ability for distance learning and for monitoring progress. Mr.

McElhatton also said that CCP had facilities that might be used for training, if the City does not have adequate facilities.

Mr. McElhatton also noted that the Board has money in its budget that can be used for consultants who know how to set-up training programs. He said that it is important to lay a good foundation not only for the current workforce, but also for the next generation of workers. Specifically, the training needs to help people recognize the questions they need to be asking in the course of their work.

Ms. Lillie asked Mr. Creamer to reach out to Janet Perry, Esq., who researched ethics training for the 21st Century Review Forum Ethics Committee.

- **Legislative Update: Joe Grace, Esq.**

Mr. Grace reported that 3 ethics bills were introduced in City Council on May 19th.

The first bill would create a board of ethics and reflects conversations between the Administration and Councilman Nutter. It would give the new board a \$600k budget; clear appointment lines with the Mayor making appointments with Council confirming them (the chair would be selected by the board); and legal council in the law department, except for exceptional cases where independent legal advice is needed.

The second bill is a companion to the first, and would make the new board a ballot question for the November election.

The third bill is a lobbyist registration bill that would require lobbyists and “principals” to file quarterly reports with the Board of Ethics. It would also ban contingent fees for lobbyists.

Councilman Cohen introduced all three bills, but none were scheduled for a hearing yet.

Mr. Grace also reported on bill 772A, which is a contract reform bill introduced and amended by Councilman Nutter. That bill faces a possible second reading and final passage as early as May 26th. It contains contract

reform and “pay-to-play” components. Councilman Nutter amended the bill to exempt nonprofits from the competitive bidding requirements.

Mr. Grace also explained that the Committee of 70 had weighed-in on the ethics reform debate by calling for comprehensive ethics reform, including contract reform, lobbying restrictions, a code of ethics (with anti-nepotism and outside employment bans), and a board of ethics with enforcement powers.

- **New Business:**

- Mr. McElhatton suggested that the Board of Ethics be listed on the City’s web page. Mr. Creamer will make the necessary arrangements with MOIS.
- Meeting Schedule: The Board agreed to the following meeting schedule for the year:
 - June 16th, at 4:30 pm
 - July 11th, at 4:30 pm
 - August 9th, at 8:00 am
 - September 12th, at 4:30 pm
 - October 11th, at 8:00 am
 - November 14th, at 4:30 pm
 - December 12th, at 8:00 am