



**PORT OF OAKLAND**

# **Commitment to Accountability & Transparency:**

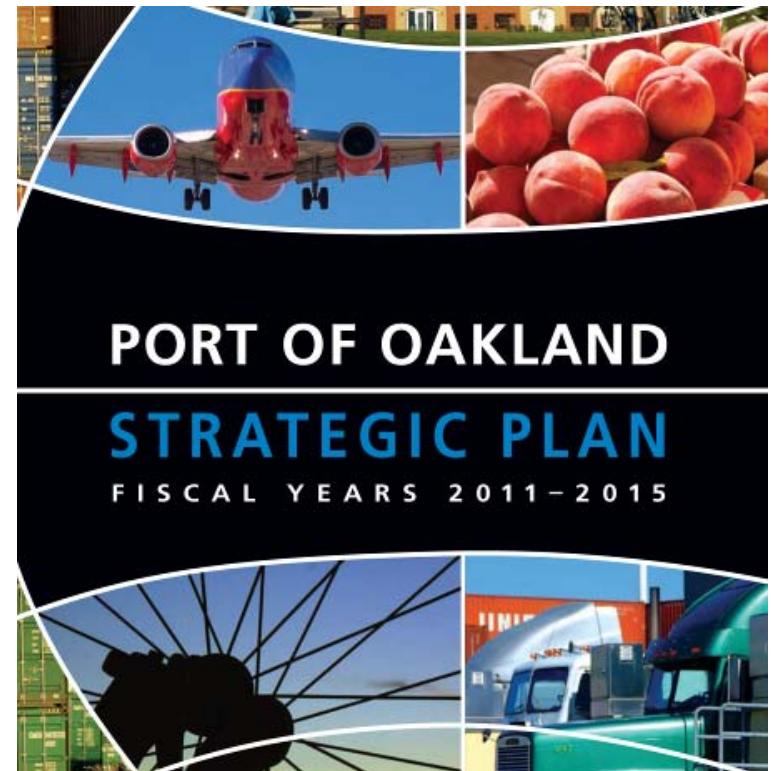
*Update on Port Policy  
Improvement Efforts*

March 28, 2013

# Our Commitment

**The Port of Oakland is a public agency and steward of public assets, and therefore must adhere to the highest standards of ethics, accountability, and transparency.**

- The conclusion of the Port's strategic plan states that the plan...*“ensures an ethical organizational culture deeply rooted in the values of honesty and integrity, and committed to accountability, collaboration and innovation in all its activities.”*
- How is the Port doing in fulfilling this commitment?



# Self-Assessment

- For 13 years the Port had no formal P-Card policy
- 2009: New leadership and new strategic planning process begins making change.
  - ✓ Whistleblower hotline in 2010
  - ✓ P-Card Audit in 2012 (on 2011)
- 2012 P-Card audit cites multiple issues that management begins to address
- 2012 CA Public Records Request and media inquiry lead to revelations of past issues; investigation of improper expenditures
- **Management and leadership had not demonstrated and communicated the necessary tone from the top**

## OFFICE OF AUDIT SERVICES

### Internal Audit Report

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Performance Audit

Procurement Card Program

Calendar Year 2011

# What We're Doing Now

- **Accelerating culture change:** We must have ONE Port culture that lives up to our commitment as public servants and stewards of public assets.
  - Recent events were catalysts for accelerating this change.
  - The policies are only the beginning – really about culture.
  - This takes time, commitment, and diligence - staff must believe that management and Commissioners are committed to the highest standards of integrity, compliance, and responsibility.
- **Setting a new “tone at the top”:** Leadership (management and Commissioners) must set the new tone by communicating, as well as demonstrating and modeling beyond reproach – critical to success.
- **Rebuilding public trust:** By making these changes, we will slowly rebuild the public trust that is essential to our work – and why many of us are in public service.

# A New Era of Transparency & Accountability

- **Dec. 10, 2012 – Comprehensive Action:**

- Release of 2012 P-Card Audit (on 2011)
- Release of Investigative Report about improper expenses
- Release of “Matrix of Responsible Expense Practices”

- **New leadership:**

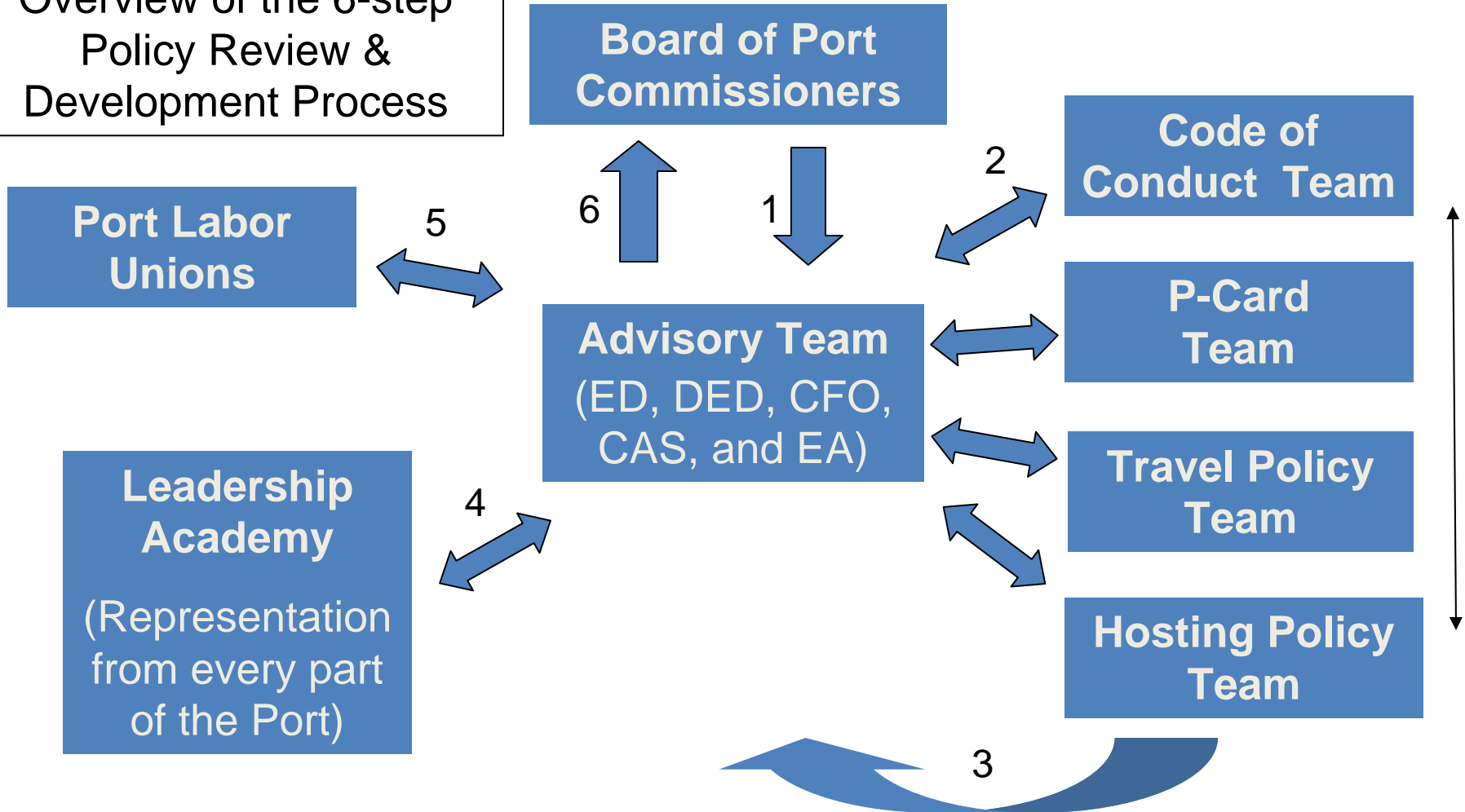
- Crisis-induced transition in leadership for both the Executive Director and Maritime Division
- Concluded 8-month recruitment process to select a new Port Attorney

- **Commitment to change:**

- Updating key policies and completing thorough training of employees who incur expenses and their approvers to ensure compliance
- Implementing mandatory ethics training
- Increasing disclosure of all expenses
- Strengthening internal controls part of FY14 strategic initiatives

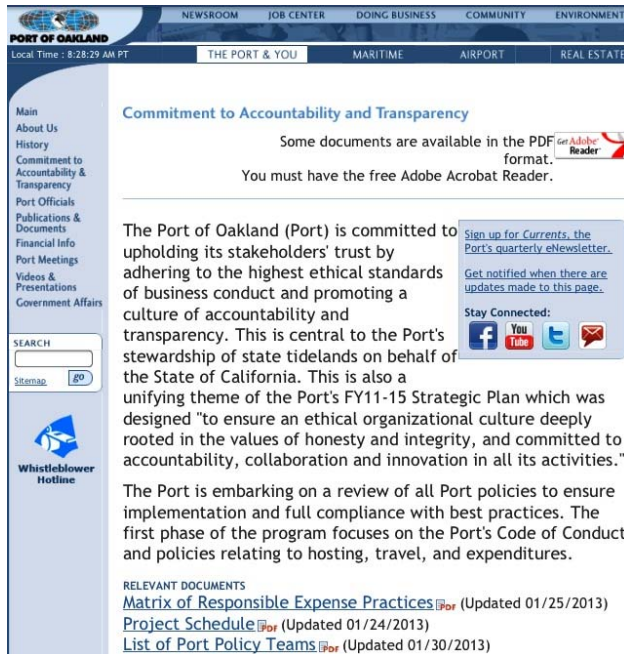
# Inclusive & Collaborative Approach

Overview of the 6-step  
Policy Review &  
Development Process



# Comprehensive & Communicative Approach

- Set up a public website, sent internal and external bulletins, bringing to Board for review and affirmation
- Including in all policy planning and communications (Currents, Executive Director recruitment, FY14 strategic initiatives)



PORT OF OAKLAND

Local Time : 8:28:29 AM PT

NEWSROOM JOB CENTER DOING BUSINESS COMMUNITY ENVIRONMENT

THE PORT & YOU MARITIME AIRPORT REAL ESTATE

### Commitment to Accountability and Transparency

Some documents are available in the PDF format. You must have the free Adobe Acrobat Reader.

The Port of Oakland (Port) is committed to upholding its stakeholders' trust by adhering to the highest ethical standards of business conduct and promoting a culture of accountability and transparency. This is central to the Port's stewardship of state tidelands on behalf of the State of California. This is also a unifying theme of the Port's FY11-15 Strategic Plan which was designed "to ensure an ethical organizational culture deeply rooted in the values of honesty and integrity, and committed to accountability, collaboration and innovation in all its activities."

The Port is embarking on a review of all Port policies to ensure implementation and full compliance with best practices. The first phase of the program focuses on the Port's Code of Conduct and policies relating to hosting, travel, and expenditures.

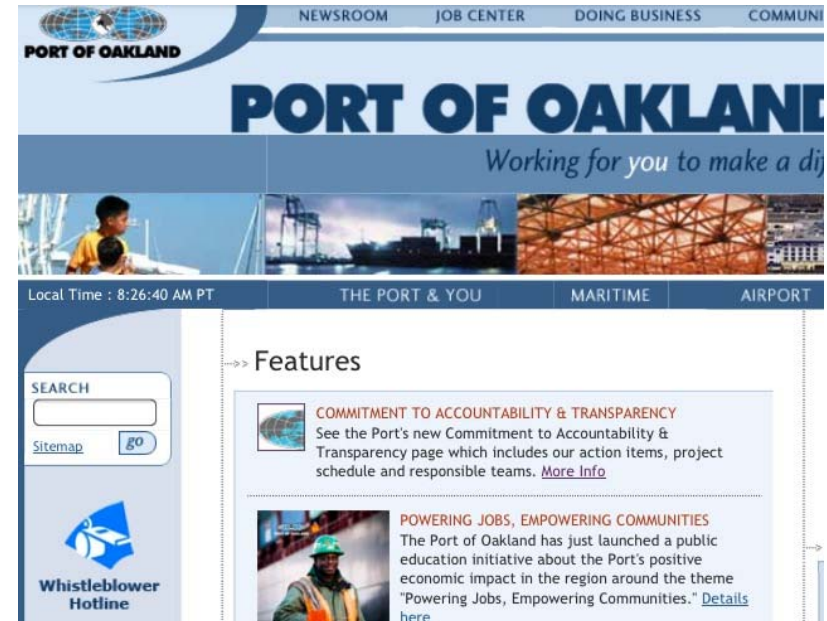
RELEVANT DOCUMENTS

- [Matrix of Responsible Expense Practices](#) (Updated 01/25/2013)
- [Project Schedule](#) (Updated 01/24/2013)
- [List of Port Policy Teams](#) (Updated 01/30/2013)

Whistleblower Hotline



## Commitment to Accountability & Transparency



PORT OF OAKLAND

Local Time : 8:26:40 AM PT

NEWSROOM JOB CENTER DOING BUSINESS COMMUNITY

THE PORT & YOU MARITIME AIRPORT

# PORT OF OAKLAND

Working for you to make a difference

### Features

- COMMITMENT TO ACCOUNTABILITY & TRANSPARENCY**  
See the Port's new Commitment to Accountability & Transparency page which includes our action items, project schedule and responsible teams. [More Info](#)
- POWERING JOBS, EMPOWERING COMMUNITIES**  
The Port of Oakland has just launched a public education initiative about the Port's positive economic impact in the region around the theme "Powering Jobs, Empowering Communities." [Details here](#)

Whistleblower Hotline

# Results to Date

## P-Card:

- Revised policy incorporates P-Card audit recommendations
- Moratorium on cards until new policy, and attrition have reduced card holders by 30% since P-card audit
- Moving to electronic reporting
- New card features Port logo prominently
- Reauthorization, training, and knowledge assessment review will be required for ALL cardholders





# Results to Date

- **Code of Conduct:**

- Declaration of five foundational principles:

1. **Integrity**
2. **Respect**
3. **Fairness**
4. **Stewardship**
5. **Collaboration**

- Unifying, guiding message for all of the policies
- High visibility messaging planned – for employees and public
- New companion policy will include a detailed listing of unacceptable behaviors that could lead to corrective action

# Results to Date

- **Travel Policy**

- Revised policy with clearer guidance and guidelines for airlines, hotels, and meals

- **Hosting Policy**

- Developed new policy for the Port

- **Additional work:**

- Conducted SB 1234 ethics training for all managers and supervisors
- Reporting Commissioner expenses

# Additional, On-Going Work

- Finalization, training, implementation, and regular reporting on compliance with these policies
- Collaborate with Labor to implement successfully
- Develop new policies identified as necessary (e.g. employee expenditures outside of travel and hosting policies, among others)
- Continue constant communications at all levels and across all platforms
- Continue methodically addressing internal controls across the entire Port
- Leadership must continue to demonstrate and model these changes consistently through actions, enforcement, and decisive management

# THANK YOU.



[www.portofoakland.com](http://www.portofoakland.com)



Port of Oakland



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