
Item 8

Action

Proposed Settlement

Executive Summary: This item presents a proposed settlement in Case No. 2024-006, *In the Matter of Leslie Moonves*.

Recommended Action: Resolve the case by approving the stipulated order.

Authors: David Tristan, Executive Director
Heather Holt, Deputy Executive Director
Kenneth Hardy, Director of Enforcement

Presenters: Kenneth Hardy, Director of Enforcement
Marisol Aguayo, Special Investigator

Proposed Settlement

In the Matter of Leslie Moonves (Case No. 2024-006)

A. Introduction

This item is a proposed settlement in an enforcement matter. The stipulated order in Attachment A was executed by Leslie Moonves (Moonves), the former Chief Executive Officer of CBS Broadcasting, Inc. (CBS), and Kenneth Hardy, Director of Enforcement. Moonves, who is represented in this matter by Andrew J. Levander and Hartley M.K. West of Dechert LLP, admits that he violated City law by aiding and abetting the disclosure and misuse of confidential information and by inducing a City official to misuse his position to attempt to create a private advantage for Moonves. Staff recommends settling this case by approving the stipulated order.

B. Law

To promote public trust in government, the City adopted the Governmental Ethics Ordinance (GEO), a law that governs the conduct of City officials and other persons. Los Angeles Municipal Code (LAMC) §§ 49.5.1 *et seq.*

The GEO prohibits City officials and employees from misusing or disclosing confidential information acquired as a result of their City service. LAMC § 49.5.3.

The GEO also provides that “City officials, agency employees, appointees awaiting confirmation by the City Council, and candidates for elected City office shall not misuse or attempt to misuse their positions or prospective positions to create or attempt to create a private advantage or disadvantage, financial or otherwise, for any person.” LAMC section 49.5.5(A). Furthermore “[a] person shall not induce or coerce or attempt to induce or coerce another person to engage in activity prohibited by Subsections A or B [of Section 49.5.5].” LAMC § 49.5.5(C).

A person is subject to investigation and administrative enforcement proceedings if the person violates a provision of the Los Angeles City Charter (Charter) or of a City ordinance relating to campaign financing, lobbying, conflicts of interests, or governmental ethics; causes another person to violate a provision; or aids and abets another person in a violation. Charter § 706; LAMC § 49.5.16(D).

The Director of Enforcement and a respondent may stipulate to an enforcement order that specifies the pertinent facts and violations of law. Los Angeles Administrative Code (LAAC) § 24.27(i)(2). If it is approved by the commissioners, a stipulated order may resolve all aspects of an enforcement matter. *Id.*

C. Facts

On November 10, 2017, Cory Palka (Palka), Captain of the Los Angeles Police Department (LAPD) Hollywood Division, called Ian Metrose (Metrose), the former CBS Senior Vice President of Talent Relations and Special Events, and left a voicemail indicating that an individual had made confidential allegations against Metrose's boss regarding sexual assault. Moonves was the "boss" that Palka referred to in his voicemail. Palka knew Metrose and Moonves because Metrose had hired Palka, and CBS had paid him to serve as Moonves's security aide at the Grammy Awards from 2008 through 2014.

According to the police report, Phyllis Gottlieb (Gottlieb) walked into the LAPD Hollywood Division station on November 10, 2017, and told a police officer that Moonves had sexually assaulted her in 1986. Affixed to the police report was a document entitled "Request for Confidentiality of Information," which was signed by Gottlieb. The police report, itself, was marked as confidential. The "Request for Confidentiality of Information" included Gottlieb's name, her personal address, her personal phone number, and her California driver's license number, all of which were marked as confidential.

On November 11, 2017, Metrose discussed Palka's voicemail with Moonves and then called Palka to request a copy of the police report. The same day, Palka sent an unredacted copy of the police report to Metrose via text message. Metrose then circulated the police report via text message to Moonves, the CBS Chief Communications Officer, and the CBS Chief Security Officer. The Chief Security Officer forwarded the police report to the CBS Chief Human Resources Officer. Moonves texted Metrose, "He'd [Palka] be very helpful to talk to the attorney [Moonves's personal attorney]."

Over the next several days, Metrose and Palka texted each other, and Metrose and Moonves texted each other, about various aspects of the matter. Metrose copied Palka's text messages to Moonves.

On November 25, 2017, Moonves texted Metrose seeking an in-person meeting with Palka. Palka agreed and met with Moonves and Metrose that day at a restaurant in Westlake Village, California. They met for about an hour and discussed the LAPD investigation. The meeting was not part of the official investigation by the LAPD. Later in the evening, Palka texted Metrose that Gottlieb had a follow-up interview with LAPD. Metrose copied Palka's text message and texted it to Moonves.

On November 30, 2017, Palka texted Metrose that Gottlieb's complaint was a "definite reject"; Metrose copied Palka's text message and texted it to Moonves. On December 29, Moonves again texted Palka. They discussed details about the District Attorney's timeline and process, and Palka provided Moonves with his view of the credibility of Gottlieb's complaint.

In September 2018, Moonves resigned from CBS. After hearing the news, Palka reached out to Moonves and stated, "I'm deeply sorry this happened. I will always stand with, by and pledge my allegiance to you." On November 2, 2022, the Office of the New York State Attorney General publicly released a report in the matter.

D. Penalty

In administrative enforcement matters, the commissioners may impose a penalty up to the greater of \$5,000 per violation or three times the amount that was improperly reported, spent, or received. Los Angeles City Charter § 706(c)(3). In this case, the maximum charged penalty is \$15,000 (\$5,000 x three counts).

The Ethics Commission is required to consider all relevant circumstances before assessing penalties. LAAC § 24.27(h)(2). In considering the penalty in this case, the enforcement staff noted that Moonves did not consult with Ethics Commission staff about how to comply with the law. *See* LAAC § 24.27(h)(2)(C). The enforcement staff also noted the following mitigating circumstances: (1) Moonves cooperated with staff and saved Ethics Commission resources by entering into a stipulated settlement before the preparation of a probable cause report; and (2) Moonves has no prior enforcement history with the Ethics Commission. *See* LAAC §§ 24.27(h)(2)(D), (E).

However, enforcement staff noted the following aggravating circumstance: (1) the violations in this case are extremely serious; and (2) the violations were deliberate. *See* LAAC §§ 24.27(h)(2)(A), (B), (F).

Based on the facts and circumstances in this case, staff recommends resolving this case by approving the stipulated order and imposing a \$11,250 penalty. The recommended penalty is intended to promote the equitable treatment of similar respondents, encourage the early resolution of cases, and reflect the serious nature of the violations.

Attachment:

A Stipulated order in proposed settlement of Case No. 2024-006 (Leslie Moonves)

KENNETH HARDY, SBN 162181
Director of Enforcement
Los Angeles City Ethics Commission
200 North Spring Street
City Hall, 24th Floor
Los Angeles CA 90012
(213) 978-1960

Complainant

BEFORE THE LOS ANGELES CITY ETHICS COMMISSION

In the Matter of:

LESLIE MOONVES,

Respondent.

Case No. 2024-006

STIPULATION AND ORDER

Kenneth Hardy, Director of Enforcement of the Los Angeles City Ethics Commission (Ethics Commission), and Leslie Moonves (respondent) agree to the following:

1. This stipulation will be submitted to the Ethics Commission members for consideration at their next meeting.
2. If approved by the Ethics Commission members, this stipulation and the accompanying order will be the final disposition of this matter with respect to the respondent.
3. The respondent understands and knowingly and voluntarily waives all procedural rights under Los Angeles City Charter (Charter) §§ 706 and 709 and Los Angeles Administrative Code §§ 24.26 and 24.27. These rights include but are not limited to receiving an accusation, having the Ethics Commission members or an impartial administrative law judge hear the matter, personally appearing at an administrative hearing, confronting and cross-examining witnesses testifying at a hearing, and subpoenaing witnesses to testify at a hearing.
4. The respondent understands and knowingly and voluntarily waives all rights to seek judicial review of any action by the Ethics Commission on this matter.
5. The exhibit that is attached and incorporated by reference is a true and accurate summary of the facts in this matter. The respondent violated City law as described in the Exhibit.

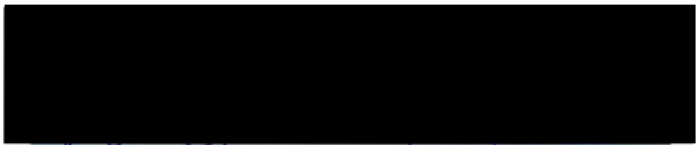
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6. The respondent will pay a total penalty in the amount of **\$11,250** on or before February 14, 2024, which will be held by the Ethics Commission staff until the Ethics Commission members issue the order in this matter. The payment will be made in the form of a cashier's check made payable to the "General fund of the City of Los Angeles."

7. If the Ethics Commission members refuse to accept this stipulation, it will become null and void. Within ten business days after the Ethics Commission meeting at which the stipulation is rejected, the Ethics Commission staff will return all payments tendered by the Respondent in connection with this stipulation.

8. If the Ethics Commission members reject the stipulation and a full evidentiary hearing becomes necessary, the stipulation and all references to it are inadmissible, and the Ethics Commission members, executive director, and staff will not be disqualified because of prior consideration of this stipulation.

DATED: 2/7/2024



KENNETH HARDY
Director of Enforcement
Los Angeles City Ethics Commission
Complainant

DATED: February 5, 2024



LESLIE MOONVES
Respondent

DATED: February 6, 2024



ANDREW J. LEVANDER
HARTLEY M.K. WEST
Dechert LLP
Counsel for Respondent

ORDER

The Los Angeles City Ethics Commission considered the stipulation in Case No. 2024-006 at its meeting on February 21, 2024. The members of the Ethics Commission approved the stipulation and order Leslie Moonves to pay a fine of **\$11,250** to the City of Los Angeles in accordance with the terms of the stipulation.

DATED: _____

Jeffery Daar, President
Los Angeles City Ethics Commission

EXHIBIT

I. INTRODUCTION

Leslie Moonves (Moonves), the former Chief Executive Officer of CBS Broadcasting, Inc. (CBS), who is represented in this matter by Andrew J. Levander and Hartley M.K. West of Dechert LLP, admits that he violated City law by aiding and abetting the disclosure and misuse of confidential information and by inducing a City official to misuse his position to attempt to create a private advantage for Moonves.

II. APPLICABLE LAW

To promote public trust in government, the City adopted the Governmental Ethics Ordinance (GEO), a law that governs the conduct of City officials and other persons. Los Angeles Municipal Code (LAMC) §§ 49.5.1 *et seq.*

The GEO prohibits City officials and employees from misusing or disclosing confidential information acquired as a result of their City service. LAMC § 49.5.3.

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III. FACTS

On November 10, 2017, Cory Palka (Palka), Captain of the Los Angeles Police Department (LAPD) Hollywood Division, called Ian Metrose (Metrose), the former CBS Senior Vice President of Talent Relations and Special Events and left a voicemail indicating that an individual had walked into the LAPD Hollywood Division and made allegations against Metrose’s boss regarding sexual assault and that it was confidential. Moonves was the “boss” that Palka referred to in his voicemail. Palka knew Metrose and Moonves because Metrose had hired Palka, and CBS had paid him to serve as Moonves’s security aide at the Grammy Awards from 2008 through 2014.

According to the police report, Phyllis Gottlieb (Gottlieb) walked into the LAPD Hollywood Division station on November 10, 2017, and told a police officer that Moonves had sexually assaulted her in 1986. Affixed to the police report was a document entitled “Request for Confidentiality of Information,” which was signed by Gottlieb. The police report, itself, was marked as confidential. The “Request for Confidentiality of Information” included Gottlieb’s name, her personal address, her personal phone number, and her California driver’s license number, all of which were marked as confidential.

On November 11, 2017, Metrose discussed Palka’s voicemail with his direct supervisor, CBS Chief Communications Officer, and Moonves, and then called Palka to request a copy of the police report. The same day, Palka sent an unredacted copy of the police report to Metrose via text message. Metrose then circulated the police report via text message to Moonves, the CBS Chief Communications Officer, and the CBS Chief Security Officer. The Chief Security Officer forwarded the police report to the CBS Chief Human Resources Officer. Moonves texted Metrose, “He’d [Palka] be very helpful to talk to the attorney [Moonves’s personal attorney].”

On November 12, 2017, Metrose asked Palka via text message about Gottlieb’s motivations and her next course of action. Moonves texted Metrose, stating “hopefully we can kill media from PD. Then figure what she wants.”

On November 15, 2017, Palka texted Metrose and Moonves’s personal attorney, informing them that he had spoken to his Robbery and Homicide Division (RHD) contact and that he had given the RHD contact the contact information for Moonves’s personal attorney. Metrose copied Palka’s text message and texted it to Moonves.

On November 17, 2017, Palka texted Metrose and explained to him the District Attorney’s process for reviewing the complaint, stating that the “key is that NO other accusers come forward.” Metrose copied Palka’s text message and texted it to Moonves.

On November 25, 2017, Moonves texted Metrose seeking an in-person meeting with Palka. Palka agreed and met with Moonves and Metrose that day at a restaurant in Westlake Village, California. They met for about an hour and discussed the LAPD investigation. The meeting was not part of the official investigation by the LAPD. Later in the evening, Palka texted Metrose that Gottlieb had a follow-up interview with LAPD. Metrose copied Palka’s text message and texted it to Moonves.

On November 30, 2017, Palka texted Metrose that his RHD contact had indicated that Gottlieb’s complaint was a “definite reject.” Metrose copied Palka’s text message and texted it to Moonves.

On December 29, 2017, Moonves texted Palka, asking about the status of the District Attorney’s processing of the complaint. Palka responded that he was following up with his RHD contact every day. Palka and Moonves then discussed more details about the District Attorney’s

timeline and process, and Palka provided Moonves with his view of the credibility of Gottlieb’s complaint.

In September 2018, Moonves resigned from CBS. After hearing the news, Palka reached out to Moonves and stated, “I’m deeply sorry this happened. I will always stand with, by and pledge my allegiance to you.”

On November 2, 2022, the Office of the New York State Attorney General publicly released a report in the matter.

IV. VIOLATIONS

Moonves admits that he violated the GEO as follows:

COUNTS 1-2: AIDING AND ABETTING THE DISCLOSURE OF CONFIDENTIAL INFORMATION

COUNT 1: Moonves violated LAMC section 49.5.3 on or about November 12, 2017, by asking Palka, via Metrose, to provide information about LAPD’s investigation of the Gottlieb complaint, thereby aiding and abetting Palka in the disclosure of confidential information acquired as a result of Palka’s City service.

COUNT 2: Moonves violated LAMC section 49.5.3 on or about November 25, 2017, by asking Palka, via Metrose, to meet in person to discuss the investigation of Gottlieb’s complaint, thereby aiding and abetting Palka in the disclosure of confidential information acquired as a result of Palka’s City service.

COUNT 3: INDUCING OR ATTEMPTING TO INDUCE ANOTHER PERSON TO MISUSE A CITY POSITION

COUNT 3: Moonves violated LAMC section 49.5.5(c) in November and December of 2017, by inducing or attempting to induce Palka to create for Moonves the private advantages of access to confidential information from an LAPD investigation.

V. PENALTY

Los Angeles City Charter § 706(c)(3) establishes the penalty formula for administrative actions taken by the Ethics Commission. The commissioners may impose a penalty up to the greater of \$5,000 per violation or three times the amount that was improperly reported, contributed, expended, given, or received. In this case, the maximum penalty is \$15,000 (3 x \$5,000).

The Ethics Commission is required to consider all relevant circumstances before assessing penalties. Los Angeles Administrative Code § 24.27(h)(2). In considering the penalty in this case, the enforcement staff noted that Moonves did not consult with Ethics Commission staff about how to comply with the law. *See* LAAC § 24.27(h)(2)(C). The enforcement staff also noted the following mitigating circumstances: (1) Moonves cooperated with staff and saved Ethics Commission resources by entering into a stipulated settlement before the preparation of a probable cause report; and (2) Moonves has no prior enforcement history with the Ethics Commission. *See* LAAC §§ 24.27(h)(2)(D), (E).

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Based on the facts and circumstances in this case, staff recommends resolving this case by imposing a \$11,250 penalty. The recommended penalty is intended to promote the equitable treatment of similar respondents, encourage the early resolution of cases, and reflect the serious nature of the violations.