

Conflict of Interest and Disclosure Code

Section 100

Purpose of this Code is to set forth the circumstances required by California law in which Board members, Personnel Commission members, and designated employees shall disclose financial interest, the manner of filing and content of statement of economic interests, and the methods of disqualification of individuals from making or participating in decisions that may foreseeably have a material financial effect on their financial interests.

Nothing contained in this Code is intended to modify, expand or abridge the provisions of the Political Reform Act of 1974 (Government Code 81000 et seq.), or any other provision of state law related to conflicts of interest including, but not limited to, Government Code 1090 et seq. and Education Code 35230 et seq. This Code is to be interpreted and applied consistently with Title 9 of the California Government Code, its accompanying regulations, and subsequent amendments.

Section 200

Governing Board members, Personnel Commission members, and designated employees shall adhere to this Conflict of Interest and Disclosure Code and the terms of the California Code of Regulation, Title 2, 18730, and its amendments.

The Governing Board shall review its Conflict of Interest policies no later than July 1 of each even-numbered year. The Board shall send the code reviewing body its amended Conflict of Interest policies, or a statement that no amendment was necessary, no later than October 1 of the same year. (Government Code 87306.5)

Section 300

Conflict of Interest - Contracts. Board members, Personnel Commission members, and employees shall not be financially interested in any contract made by them in their official capacity or by any board of which they are members. (Government Code 1090)

Board members, Personnel Commission members, and employees shall not accept an honorarium from any source if the Board members, Personnel Commission member, or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interest. (Government Code 89502.)

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Section 400 Remote Interest

- A. A person shall not be deemed to be financially interested in a contract if the member has only a remote interest in the contract. A remote interest shall be any of those defined in Government Code 1091, including the interest of a parent in the earnings of a minor child.
- B. A person who has a remote interest in any contract considered by the board shall disclose that interest during a Board meeting and have that disclosure noted in the official Board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other Board member to enter into the contract. (Government Code 1091)

Section 500

- A. A person shall not be deemed to be financially interested in a contract if any of the exceptions set forth in Government Code 1091.5 apply.

Section 600

- A. Board members, Personnel Commission members, and employees shall not engage in any employment or activity which is inconsistent with, incompatible with, in conflict with, or inimical to the Board member's, Personnel Commission member's or employee's duties. (Government Code 1126)
- B. Board members, Personnel Commission members, and employees shall not simultaneously hold two public offices that are incompatible. Offices are incompatible when either of the offices may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other office or body; there is a possibility of a significant clash of duties or loyalties between the offices; or public policy considerations make it improper for one person to hold both offices. (Government Code 1099)

Section 700

Designated Positions. Persons holding designated positions, as set forth in Exhibit "B," are deemed to be persons who make or participate in making decisions which may foreseeably have a material effect on financial interests.

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Section 800

- A. Disclosure Categories. Exhibit "B" sets forth the disclosure category or categories assigned to each designated position. Exhibit "A" sets forth the disclosure obligations for each disclosure category.
- B. Statements of Economic Interests. A person holding a designated position shall file a statement of economic interests disclosing interests in investments, business positions, real property, income, and gifts aggregating \$50 or more in value, according to the disclosure obligations for the corresponding disclosure categories set forth in Exhibit "A." (Government Code 87500)

Section 900 Contents, Place, and Time of Filing

- A. Assuming Office Statements. Each person appointed, promoted, or transferred to a designated position shall file an assuming office statement of economic interests with the District within 30 days after assuming the position. Such statements shall disclose any reportable investments, interests in real property, business positions held, and income received during the previous 12 months. [Regulation 18730 (b)(6)(B)]
- B. Annual Statements. Each Person holding a designated position shall file an annual statement of economic interest with the District by April 1. Such statements shall disclose any reportable investments, interests in real property, income, and business positions held or received during the previous calendar year or date of last statement. [Regulation 18730 (b) (6) (C)]
- C. Leaving Office Statements. Each person leaving a designated position shall file a leaving office statement with the District within 30 days of leaving a designated position. Such statements shall disclose any reportable investments, interest in real property, income, and business positions held or received from the closing date of the last statement filed to the date of leaving the position. [Regulation 18730 (b) (6) (D)]
- D. Statements for Persons Who Resign Prior to Assuming Office. Any person who resigns from a designated position within 12 months of initial appointment is not deemed to have assumed or left office, provided that the individual did not make, participate in making, or use the position to influence any decision of the District or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position. Such persons shall not file either an assuming or leaving office statement.

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- E. A person who resigns a position within 30 days of receiving a notice to file an assuming office statement shall comply with Regulation 18730 (b) (5.5).
- F. Within five days of receipt of the statements of economic interests for the District head/director/board member/commissioner, the District shall make and retain copies and forward the originals of these statements to the Los Angeles County Board of Supervisors. Statements of economic interests for all other designated positions will be retained by the District.

Section 1000

Manner of Reporting. Statements shall be made on forms supplied by the District, and shall contain the following information.

- A. When a person is required to disclose an investment or an interest in real property, the disclosure statement shall comply with Government Code 87206, which requires, among other items, a statement of the nature of the investment or interest, the name and address of the business entity involved, and the fair market value.
- B. When a person is required to disclose personal income, the disclosure statement shall comply with Government Code 87207 (a), which requires, among other items, a statement of the name and address of the source of income, including gifts and loans, and the aggregate value from each source.
  - 1. Travel payments, including advances and reimbursements, may be reported on a separate travel reimbursement schedule with the statement of economic interest. Otherwise, travel payments must be disclosed as a gift unless it is clear from all surrounding circumstances that the services provided were equal to or greater in value than the payments for the travel, in which case the travel may be reported as income.
- C. When a person is required to disclose business entity income, including income from a sole proprietorship and/or a pro rata share, the disclosure statement shall comply with Regulation 18730 (b) (7) (C), which requires, among other items, a statement of the name, address, and general description of the business activity of the entity.

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- D. When a person is required to disclose business positions, the disclosure statement shall comply with Regulation 18730 (b) (7) (D), which requires, among other items, a statement of the name and address of each business entity in which the person holds an officer or management position and the name of the position held.

Section 1100

Disqualification. Persons holding designated positions shall disqualify themselves from making or participating in the making or in any way attempting to use their official position to influence a governmental decision when it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the individual's financial interests as defined in Government Code 87103 and Regulation 18730 (b) (9), which include investments, interest in real property, income (more than \$500 within the previous 12 months), and business positions.

Section 1200

Manner of Disqualification.

- A. If a Board member or Personnel Commission member determines he or she has a financial interest in a decision, he or she shall, following the announcement of the agenda items to be discussed or voted upon but before either the discussion or vote commences, publicly identify the interest during an open session of the meeting so that the disclosure is made part of the official public record. The Board member or Personnel Commission member must recuse himself or herself and leave the room after the identification is made. He or she shall not be counted toward achieving a quorum while the item is discussed. (2 C.C.R. 18702.5(b).)
- B. When an employee holding a designated position determines that he or she should not make a governmental decision because of a disqualifying interest, that person shall communicate that disqualification in writing as required by Regulation 18730 (b) (10).

Section 1300

Adopted by Incorporation. This Code incorporates by reference the standard conflict of interest code adopted by the Los Angeles County Board of Supervisors for the District and the terms of the California Code of Regulations, Title 2, 18730 and its amendments, together with the designation of employees and the disclosure categories in Exhibits A and B. This Code is adopted pursuant to Government Code 87300-87302 and 87306.

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**EXHIBIT "A"**

Disclosure Categories

Category 1.

Persons in this category shall disclose all interests in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Persons are not required to disclose property used primarily as their residence or for personal recreational purposes.

Category 2.

Persons in this category shall disclose all investments and business positions.

Category 3.

Persons in this category shall disclose all income (including gifts, loans, and travel payments) and business positions.

Category 4.

Persons in this category shall disclose all income (including gifts, loans, and travel payments) from investments in and business positions with any district employee or student, any agent or employee association representing any such employee or student, and business positions or income (including gifts, loans, and travel payments) from any entity owned or controlled by such employee or any employee's spouse or other financial dependent.

Category 5.

Persons in this category shall disclose all business positions, investments in, or income (including gifts, loans, and travel payments) received from business entities that manufacture, provide or sell services and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned this disclosure category.

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Category 6.

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information, advice, recommendation or counsel to the agency which could affect financial interests shall be required to file Statements of Economic Interests disclosing reportable interests unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by the Superintendent or his or her designee of the agency. (See footnote for clarification.)

**EXHIBIT "B"**

Designation of Employees

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Member, School Board	1, 2, 3
Superintendent	1, 2, 3
Chief Business and Financial Officer	1, 2, 3
Administrator: Planning, Development & Facilities Department	1, 2, 3
Executive Director: Planning, Development and Facilities Department	1, 2, 3
Assistant Director, Financial Services	1, 2, 3
General Counsel	1, 2, 3
Citizens' Bond Oversight Committee Members	1, 5
Member, Personnel Commission	4
Chief Human Resources and Operations Officer	4, 5
Assistant Director, Nutrition Services	5

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Assistant Superintendent, Educational Services	5
Assistant Superintendent, Special Education	5
Buyer/Senior Buyer	5
Director, Educational Technology and Information Services	5
Director, Facility and Support Operations	5
Director, Financial Services	5
Director, Nutrition Services	5
Director, Procurement and Contract Services	5
Executive Director: Elementary Education	5
Executive Director: Secondary Education	5
Executive Director: Special Education	5
Construction Manager	5
Facilities Project Manager	5
Purchasing Agent	5
Consultant/New Positions*	6

\*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Superintendent may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Superintendent’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008)



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Legal Reference: Government Code, Sections 1090 et seq.; 1125; 1126; 81000 et seq.;  
82028; 82030; 82033; 82034; 87100 et seq.; 87200 et seq.; 87300 et seq.;  
87500 et seq.; 91000 et seq.  
Education Code, Sections 35230 et seq.  
California Code of Regulations, Title 2, Section 18730

Policy Adopted: 12/06/1977

Policy Amended: 03/04/1980; 02/19/1985; 11/05/1985; 01/19/1988; 03/06/1990;  
08/28/1990; 09/15/1992; 08/23/1994; 09/01/1998; 11/02/1999;  
08/15/2000; 11/21/2000; 12/04/2001, 06/24/2003; 05/17/2005;  
07/25/2006; 11/07/2006; 02/06/2007; 05/01/2007; 09/14/2010;  
12/14/2010; 12/13/2011; 05/07/2013; 07/16/2013; 09/02/2014;  
09/06/2016; 02/07/2017; 04/07/2020; 06/16/2020

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