



1 interest in investments, real property, and income, designated as  
2 reportable under the category to which the employee's  
3 position is assigned. Following each designated position  
4 on Exhibit "A" there shall be listed in the second column,  
5 opposite each designated position, the specific disclosure  
6 category or categories to which each designated employee  
7 is assigned.

8 SECTION 400. Place and Time of Filing.

9 (a) All designated employees required  
10 to submit a statement of financial interests shall file  
11 the original with the person acting as the filing officer  
12 for the agency, who is the Commission Secretary.

13 (b) The filing officer shall make and retain  
14 a copy of the statement of financial interest and forward  
15 the original to the County Clerk-Registrar of the County of Lake. Such  
16 statements shall be forwarded to the Board of Supervisors within  
17 five days after the filing deadline or five days after receipt in the case  
18 of statements filed late.

19 (c) Initial Statements. All designated  
20 employees of the District on the effective date of this Code,  
21 as originally adopted, promulgated and approved by the Code  
22 reviewing body, shall file statements within thirty days  
23 after the effective date of this Code. Thereafter, each  
24 person already in a position when it is designated by an  
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1 amendment to this Code shall file an initial statement  
2 within thirty days after the effective date of the amendment.

3 (d) Assuming Office Statements. All employees  
4 appointed, promoted or transferred to designated positions  
5 shall file initial statements not later than thirty  
6 days after assuming office.

7 (e) Annual Statements. All designated  
8 employees shall file annual statements no later than April 1.  
9 Such statements shall cover the period of the preceding  
10 calendar year.

11 (f) Leaving Office Statement. Every designated  
12 employee who leaves office and does not assume another designated  
13 position for the District shall file a statement within  
14 thirty days after leaving office. A designated employee who  
15 leaves his position and immediately assumes another position  
16 designated in Exhibit "A" shall file an amended statement  
17 only if additional reporting is required pursuant to  
18 Exhibit "A".

19 SECTION 500. Contents of and Period Covered  
20 By Statements of Economic Interests.

21 (a) Contents of Initial Statements.

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1 Initial statements shall disclose any reportable investments,  
2 interests in real property and business positions held  
3 on the effective date of this Code.

4 (b) Contents of Assuming Office Statements.

5 Assuming office statements shall disclose any reportable  
6 investments, interests in real property and business positions  
7 held on the date of assuming office, appointment, or the  
8 date of nomination.

9 (c) Contents of Annual Statements.

10 Annual statements shall disclose any reportable investments,  
11 interests in real property, income and business positions held  
12 or received during the previous calendar year provided, however,  
13 that the period covered by an employee's first annual statement  
14 shall begin on the effective date of the Code or the date of  
15 assuming office, whichever is later.

16 (d) Contents of Leaving Office Statements.

17 Leaving office statements shall disclose reportable investments,  
18 interests in real property, income and business positions held  
19 or received during the period between the closing date of the  
20 last statement filed and the date of leaving office.

21 SECTION 600. Manner of Reporting. Statements of

22 economic interests shall be made on forms prescribed by the  
23 Fair Political Practices Commission and supplied by the Clerk  
24 of the Board of Supervisors, and shall contain the following  
25 information:

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1 (a) Investment and Real Property Disclosure.

2 When an investment or an interest in real property 3/ is  
3 required to be reported, 4/ the statement shall contain the  
4 following:

- 5 1. A statement of the nature of the investment  
6 or interest;
- 7 2. The name of the business entity in which each  
8 investment is held, and a general description  
9 of the business activity in which the business  
10 entity is engaged;
- 11 3. The address or other precise location of the  
12 real property;
- 13 4. A statement whether the fair market value  
14 of the investment or interest in real property  
15 equals or exceeds one thousand dollars (\$1,000),  
16 exceeds ten thousand dollars (\$10,000), or exceeds  
17 one hundred thousand dollars (\$100,000).

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19 3/ For the purpose of disclosure only (not disquali-  
20 fication), an interest in real property does not include the  
21 principal residence of the filer or any other property which  
the filer utilizes exclusively as the personal residence of the  
filer.

22 4/ Investments and interests in real property which have  
23 a fair market value of less than \$1,000 are not investments  
24 and interests in real property within the meaning of the  
Political Reform Act. However, investments or interests in  
25 real property of an individual include those held by the in-  
dividual's spouse and dependent children as well as a pro-  
26 rate share of any investment or interest in real property of  
any business entity or trust in which the individual, spouse  
and dependent children own, in the aggregate, a direct, in-  
27 direct or beneficial interest of 10 percent or greater.

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1 (b) Personal Income Disclosure. When personal  
2 income is required to be reported, 5/ the statement shall contain:

- 3 1. The name and address of each source of income  
4 aggregating two hundred fifty dollars, (\$250)  
5 or more in value, or fifty dollars (\$50) or more  
6 in value if the income was a gift, and a general  
7 description of the business activity, if any, of  
8 each source;
- 9 2. A statement whether the aggregate value of income  
10 from each source, or in the case of a loan, the  
11 highest amount owed to each source, was at least  
12 two hundred fifty dollars (\$250) but did not  
13 exceed one thousand dollars (\$1,000), whether it  
14 was in excess of one thousand dollars (\$1,000) but  
15 was not greater than ten thousand dollars  
16 (\$10,000), or whether it was greater than ten  
17 thousand dollars (\$10,000);
- 18 3. A description of the consideration, if any, for  
19 which the income was received;
- 20 4. In the case of a gift, the name, address and  
21 business activity of the donor and any inter-  
22 mediary through which the gift was made; a des-  
23 cription of the gift; the amount of value

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25 5/ A designated employee's income includes his or  
26 her community property interest in the income of his or her  
27 spouse but does not include salary or reimbursement for expenses  
28 received from a state, local or federal government agency.

1 of the gift; and the date on which the gift  
2 was received;

3 5. In the case of a loan, the annual interest  
4 rate and the security, if any, given for the  
5 loan.

6 (c) Business Entity Income Disclosure. When  
7 income of a business entity, including income of a sole  
8 proprietorship, is required to be reported, 6/ the statement  
9 shall contain:

- 10 1. The name, address, and a general description  
11 of the business activity of the business entity;
- 12 2. The name of every person from whom the business  
13 entity received payments if the filer's pro  
14 rata share of gross receipts from such  
15 person was equal to or greater than ten  
16 thousand dollars (\$10,000).

17 (d) Business Position Disclosure. When  
18 business positions are required to be reported, a designated  
19 employee shall list the name and address of each business entity  
20 in which he or she is a director, officer, partner, trustee,  
21 employee, or in which he or she holds any position of management,  
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23 6/ Income of a business entity is reportable if the  
24 direct, indirect or beneficial interest of the filer and  
25 the filer's spouse in the business entity aggregates a 10  
26 percent or greater interest. In addition, the disclosure  
of persons who are clients or customers of a business entity is  
required only if the clients or customers are within one of  
the disclosure categories of the filer.

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1 a description of the business activity in which the business  
2 entity is engaged, and the designated employee's position with  
3 the business entity.

4 (e) Acquisition or Disposal During Reporting  
5 Periods. In the case of an annual or leaving  
6 office statement, if an investment or an interest in real  
7 property was partially or wholly acquired or disposed of during  
8 the period covered by the statement, the statement shall contain  
9 the date of acquisition or disposal.

10 SECTION 700. Disqualification.

11 (a) No designated employee shall make, participate in  
12 making, or use his or her official positions to influence the  
13 making of any governmental decision which will foreseeably  
14 have a material financial effect, distinguishable from its  
15 effect on the public generally, on:

- 16 (1) Any business entity in which the designated  
17 employee has a direct or indirect investment  
18 worth one thousand dollars (\$1,000) or more;
- 19 (2) Any real property in which the designated  
20 employee has a direct or indirect interest  
21 worth one thousand dollars (\$1,000) or more;
- 22 (3) Any source of income, other than gifts and other  
23 than loans by a commercial lending institution  
24 in the regular course of business on terms  
25 available to the public without regard to  
26 official status, aggregating two hundred fifty  
27 dollars (\$250) or more in value provided to,  
28 received by or promised to the designated employee

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within twelve months prior to the time when the decision is made; or

(4) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management.

(5) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the public official within 12 months prior to the time when the decision is made.

(b) No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section. The County Counsel shall advise any official whether or not the "Rule of Necessity" is applicable on a case by case basis.

(c) Nothing contained herein shall abridge the right of any citizen, whether or not a designated employee, to submit information or express views on the same basis as any other citizen, provided such is done in public and provided that the person clearly indicates he or she is acting in a private capacity.

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1 Fair Political Practices Commission pursuant to Government  
2 Code Section 83114 or the County Counsel to issue an  
3 option with respect to his duties under Title 9 of the Govern-  
4 ment Code.

5 SECTION 1000. Violations. This Code has the force  
6 and effect of law. Designated employees violating any provision  
7 of this Code are subject to the administrative, criminal and  
8 civil sanctions provided in the Political Reform Act, Govern-  
9 ment Code Sections 81000-91014. In addition, a decision in  
10 relation to which a violation of the disqualification provisions  
11 of this Code or of Government Code Section 87100 has occurred  
12 may be set aside as void pursuant to Government Code Section  
13 91003.

14 SECTION 1100. Statute of Limitation.

15 (a) No action shall be brought pursuant to  
16 Government Code Section 91003 to restrain the execution of  
17 or to set aside official action of the District unless the  
18 complaint or petition is filed and served upon the District  
19 within sixty (60) days following the official action.

20 SECTION 1200. Effective Date of Code. This Conflict  
21 of Interest Code shall become effective thirty days after approval  
22 by the Lake County Children & Families First Commission.

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**EXHIBIT A**

**POSITIONS DESIGNATED TO FILE FINANCIAL INTEREST  
DISCLOSURE STATEMENTS**

<b>Positions</b>	<b>Disclosure Category</b>
1. All Commissioners	All
2. Executive Director	All
3. Lead Program Evaluator	All

EXHIBIT A

POSITIONS DESIGNATED TO THE FINANCIAL INTEREST  
DISCLOSURE STATEMENTS

Positions	Business Category
1. All Commissioners	All
2. Executive Director	All
3. Lead Program Evaluator	All

## EXHIBIT B

### Category 1

Positions designated to be in this category shall disclose as follows:

- (a) All income, investments, interests, and business positions in any business entity which does now or is likely to do business within the District.

### Category 2

Positions designated to be in this category shall disclose interests in real property or interests (or business positions) in any business, which owns real property, if the property is located within the District or within two miles of its boundaries.

### Category 3

Positions designated in this category shall disclose all income and investment interests, and business positions in any business entity or source of income which are contractors or subcontractors engaged in the performance of work or services of the type utilized by the department or District for which the designated employee is Manager, Director, or Employee.

### Category 4

Positions designated in this category shall disclose all income and investment interests, and business positions in any business entity or source of income which does business with the District or has done business with the District during the two years prior to the time a statement is required to be filed hereunder which manufacture or sell supplies, books, machinery, or equipment of the type utilized by the department or District in which the designated employee is Director, Manager or an Employee.



APPENDIX "A"

DEFINITIONS:

1. "Business entity": Any organization or enterprise operated for profit, including but not limited to a proprietorship, firm, business trust, joint venture, syndicate, corporation or association.

2. "Designated employee": Any officer or employee of the District whose position is designated in Exhibit "A" of this Code. Exhibit "A" sets forth those positions which entail the making or participation in the making of decisions which may foreseeably have a material financial effect on any financial interest, but does not include any unsalaried member of any board or commission which serves a solely advisory function.

3. "Financial Interest": A designated employee has a "financial interest" in a decision if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally or any significant segment thereof, or on the official as a member of a profession, industry or occupation, all members of which will be affected to the same extent on:

a. Any business entity in which the designated employee has a direct or indirect investment worth \$1,000 or more;

b. Any real property in which the designated employee has a direct or indirect interest worth \$1,000 or more;

c. Any source of income other than gifts and other than

1 loans by a commercial lending institution in the regular  
2 course of business on terms available to the public without  
3 regard to official status, aggregating two hundred fifty  
4 dollars (\$250) or more in value provided to, received  
5 by or promised to the public official within 12 months prior  
6 to the time when the decision is made.

7 d. Any business entity in which the public official  
8 is a director, officer, partner, trustee, employee, or  
9 holds any position of management.

10 e. Any donor of, or any intermediary or agent for a  
11 donor of, a gift or gifts aggregating two hundred fifty  
12 dollars (\$250) or more in value provided to, received by,  
13 or promised to the public official within 12 months prior  
14 to the time when the decision is made.

15 For purposes of this section, indirect investment or  
16 interest owned by the spouse or dependent child of an  
17 official, by an agent on behalf of a public official, or  
18 by a business entity or trust in which the official, the  
19 official's agents, spouse, and dependent children own  
20 directly, indirectly, or beneficially a 10 percent interest  
21 or greater.

22 4. Gift. "Gift" means, except as provided in subdivision  
23 (a), any payment to the extent that consideration of equal or  
24 greater value is not received and includes a rebate or discount  
25 in the price of anything of value unless the rebate or discount  
26 is made in the regular course of business to members of the  
27 public without regard to official status. Any person, other than  
28 a defendant in a criminal action, who claims that a payment is

1 not a gift by reason of receipt of consideration has the burden  
2 of proving that the consideration received is of equal or greater  
3 value.

4 a. The term "gift" does not include:

5 1. Informational material such as books, reports,  
6 pamphlets, calendars or periodicals. No payment for travel  
7 or reimbursement for any expense shall be deemed "informa-  
8 tional material";

9 2. Gifts which are not used and which, within 30 days  
10 after receipt, are returned to the donor or delivered to a  
11 charitable organization without being claimed as a chari-  
12 table contribution for tax purposes;

13 3. Gifts from an individual's spouse, child, parent,  
14 grandparent, grandchild, brother, sister, parent-in-law,  
15 nephew, niece, aunt, uncle, or first cousin or the spouse  
16 of any such person; provided that a gift from any such  
17 person shall be considered a gift if the donor is acting as  
18 an agent or intermediary for any person not covered by this  
19 paragraph.

20 4. Campaign contributions required to be reported  
21 under Chapter 4 of this title;

22 5. Any devise or inheritance.

23 5. Immediate Family. "Immediate family" means the spouse  
24 and dependent children.

25 6. Income, (a) "Income" means except as provided in sub-  
26 section (b), a payment received, including but not limited to any  
27 salary, wage, advance, dividend, interest, rent, proceeds from  
28 any sale, gift, including any gift of food or beverage, loan, forgiveness

1 or payment of indebtedness received by the filer,  
2 reimbursement for expenses, per diem, or contribution  
3 to an insurance or pension program paid by any person  
4 other than an employer, and including any community  
5 property interest in income of a spouse. Income  
6 also includes an outstanding loan. Income of an  
7 individual also includes a pro rata share of any income,  
8 of any business or beneficially, a 10 percent interest  
9 or greater. "Income", other than a gift, does not include  
10 income received from any source outside the jurisdiction  
11 and not doing business within the jurisdiction, not  
12 planning to do business within the jurisdiction, or not  
13 having done business within the jurisdiction during the two  
14 years prior to the time any statement or other action  
15 is required under this title.

16 b . "Income" also does not include:

17 (1) Campaign contributions required to be reported  
18 under Chapter 4 of this title.

19 (2) Salary and reimbursement for expenses or  
20 per diem received from a state, local or federal  
21 government agency and reimbursement for travel  
22 expenses and per diem received from a bona fide  
23 educational, academic or charitable organization.

24 (3) Any devise or inheritance.

25 (4) Interest, dividends or premiums on a time

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1 or demand deposit in an financial institution,  
2 shares in a credit union or any insurance policy,  
3 payments received under any insurance policy, or any  
4 bond or other debt instrument issued by any government  
5 or government agency.

6 (6) Redemption of a mutual fund.

7 (7) Alimony or child support payments.

8 (8) Any loan or loans from a commercial lending  
9 institution which are made in the lender's regular  
10 course of business on terms available to members  
11 of the public without regard to official status if:

12 (a) Used to purchase, refinance the purchase of,  
13 or for improvements to, the principal residence  
14 of filer; or

15 (b) The balance owed does not exceed then thousand  
16 dollars (\$10,000).

17 (9) The loan from an individual's spouse, child, parent,  
18 grandparent, grandchild, brother, sister, parent-in-law,  
19 brother-in-law, sister-in-law, nephew, niece, uncle, aunt,  
20 or first cousin, or the spouse of any such person, provided  
21 that a loan from any such person shall be considered income  
22 if the lender is acting as an agent or intermediary for any  
23 person not covered by this paragraph.

24 (10) Any indebtedness created as part of a retail or  
25 credit card transaction of made in the lender's regular  
26 course of business on terms available to members of the public without

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1 ownership interests owned directly, indirectly, or beneficially  
2 by the public official, or other filer, or his or her immediate  
3 family, if the business entity or any parent, subsidiary  
4 or otherwise related business entity has an interest in real  
5 property in the jurisdiction, or does business or plans  
6 to do business in the jurisdiction, or has done business  
7 within the jurisdiction at any time during the two years  
8 prior to the time any statement or other action is required  
9 under this Code. No asset shall be deemed an investment  
10 unless its fair market value equals or exceeds \$1,000.

11 "Investment" does not include a time or demand deposit in  
12 a financial institution, shares in a credit union, any  
13 insurance policy, or any bond or other debt instrument  
14 issued by any government or government agency. Investments  
15 of an individual include a pro rata share of investments  
16 of any business entity or trust in which the individual  
17 or immediate family owns, directly, indirectly, or beneficially,  
18 a 10 percent interest or greater.

19 9. "Jurisdiction": Means the geographical area within  
20 the District's boundaries, except that real property

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1 shall be deemed to be within the "jurisdiction" of the District  
2 if it is located within or not more than two miles outside  
3 the boundaries of the District, or within two miles of any  
4 land owned or used by the District.

5 10. "Making Governmental Decisions": A designated  
6 employee "makes a governmental decision", except as provided  
7 in Definition 13(b)1 herein, when he or she, acting within  
8 the authority of his or her office:

9 a. Votes on a matter;

10 b. Appoints a person;

11 c. Obligates or commits the District to any  
12 course of action;

13 d. Enters into any contractual agreement on  
14 behalf of the District;

15 e. Determines not to act, within the meaning of  
16 subparagraphs a, b, c, and d, unless such determination  
17 is made because of his or her financial interest, then the  
18 designated employee's determination must be accompanied  
19 by disclosure of the financial interest, made part of  
20 the District's official record or made in writing to  
21 the designated employee's supervisor, appointing power or  
22 to any other person specified in this Code.

23 11. "Material Financial Effect":

24 a. The financial effect of a governmental decision  
25 on a financial interest of a designated employee is  
26 material if, at the time the designated employee makes,

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1 or participates in making, the decision, in light of all  
2 the circumstances and facts known at the time of the  
3 decision, the designated employee knows or has reason to  
4 know that the existence of the financial interest might  
5 interfere with his or her performance of duties in an  
6 impartial manner free from bias.

7 Provided that, the making or participation in the  
8 making of a governmental decision by a contract consultant  
9 or by a person retained to provide information, advice,  
10 recommendation or counsel has no material financial  
11 effect on a business entity or source of income in which  
12 such consultant or person retained is an officer, employee,  
13 sole proprietor or partner, if the only financial effects  
14 of the decision are the modification, perpetuation or  
15 renewal of the contractual or retainer agreement and/or  
16 the opportunity to bid competitively upon a project or  
17 contract.

18 In determining the existence of a material effect  
19 upon a financial interest, consideration should be given,  
20 but not be limited to, an analysis of the following  
21 factors:

22 (1) In the case of a business entity in which  
23 the designated employee has a direct or indirect  
24 investment worth more than one thousand dollars  
25 (\$1,000), or in the case of a designated employee

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1 who is a director, officer, partner, trustee, employee  
2 or holds any position of management in a business entity:

3 (A) Whether the effect of the decision will  
4 be to increase or decrease the annualized  
5 gross revenue of the business entity by one  
6 percent or more or the annual net income of  
7 the business entity by .5 percent or more:

8 (B) Whether the effect of the decision will be  
9 to increase or decrease the assets or  
10 liabilities of the business entity by  
11 \$50,000 or more, or by .5 percent of its  
12 current assets or liabilities, which ever  
13 is less.

14 (2) In the case of real property within the  
15 jurisdiction, in which the designated employee has a  
16 direct or indirect interest worth more than one  
17 thousand dollars (\$1,000).

18 (A) Whether the effect of the decision will be  
19 to increase the income-producing potential  
20 of the real property by \$100 or more or by  
21 5 percent, whichever is less.

22 (B) Whether the effect of the decision will be  
23 to increase the fair market value of the  
24 real property by \$1,000 or more or by .5  
25 percent, whichever is greater.

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(C) Whether there is a nexus between the governmental decision and the purpose for which the designated employee receives income.

b. The specific dollar or percentage amounts set forth above do not constitute either absolute maximum or minimum levels, but are merely intended to provide guidance and should be considered along with other relevant factors in determining whether a financial interest may interfere with the designated employee's exercise of his or her duties in rendering a decision.

12. "Public Official": Any officer or employee of the District, who is a designated employee.

13. "Participating in the Making of Governmental Decisions":

a. A designated employee "participates in the making of a governmental decision", except as provided in subsection b(1) of this definition, when he or she, acting within the authority of his or her office:

(1) Negotiates, without significant substantive review, with a governmental entity or private person regarding the decision; or

(2) Advises or makes recommendations to the decision-maker, either directly or without significant intervening substantive review, by;

(A) Conducting research or making any

1 investigation which requires the exercise  
2 of judgment on the part of the designated  
3 employee and the purpose of which is to  
4 influence the decision; or

5 (B) Preparing or presenting any report, analysis,  
6 or opinion, orally or in writing, which  
7 requires the exercise of judgment on the part  
8 of the designated employee and the purpose of  
9 which is to influence the decision.

10 (b) "Making" or "participating in the making" of a  
11 governmental decision shall not include:

12 (1) Actions of designated employees which are  
13 solely ministerial, secretarial, manual or  
14 clerical;

15 (2) Appearances by a designated employee as  
16 member of the general public before the  
17 District in the course of its prescribed  
18 governmental functions to represent  
19 himself on matters related solely to his or  
20 her personal interests; or

21 (3) Actions by designated employees, or employee  
22 representatives relating to their compensation  
23 or the terms or conditions of their  
24 employment or contract.

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