

**CONFLICT OF INTEREST CODE  
of the**

**San Luis Obispo County Auditor-Controller-Treasurer-Tax Collector-Public Administrator**

ARTICLE I

GENERAL

Section

100. Purpose and Effect

- (a) Pursuant to the provisions of Government Code Section 87300, the Auditor-Controller-Treasurer-Tax Collector-Public Administrator hereby adopts the following Conflict of Interest Code. This Code shall be interpreted in a manner consistent with the Political Reform Act of 1974, Government Code Section 81000, et seq. (the "Act") and the Regulations adopted pursuant thereto by the Fair Political Practices Commission. The provisions of this Code are in addition to applicable Government Code sections and other laws pertaining to conflicts of interest.
- (b) This Code has the force and effect of law and any violation of this Code shall be deemed a violation of Chapter 7 of the Act, Government Code Section 87100 et seq., and will be subject to the enforcement and penalty provisions provided for in the Act.

101. Definitions. Except as provided in subsections (a) and (b), the definitions contained in the Act and the regulations adopted pursuant thereto are incorporated into this Code.

- (a) The definition of "investment" contained in the Act (Government Code Section 82034) is incorporated herein except that the term "investment" shall not include ownership of less than one-half (1/2) of one (1) percent of the outstanding securities of a business entity whose securities are registered with the Securities and Exchange Commission of the United States Government.
- (b) The definition of "income" contained in the Act (Government Code Section 82030) is incorporated herein, except that "income" shall not include a designated employee's compensation received from the County.

102. Effective Date of Code. This Code shall become effective October 22, 2013.

103. Severability. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this Code is for any reason held to be invalid, unconstitutional, or unenforceable, such decision shall not affect the validity of the remaining portions of this Code. It is hereby declared that this Code, and each section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, would have been adopted irrespective of the fact that one or more of such portions of this Code be declared invalid, unconstitutional, or unenforceable.

104. Statute of Limitations. No action based on a disqualification provision of this Code shall be brought pursuant to Government Code Section 91003(b) to restrain the execution of, or to set aside, official action of the County unless commenced within 90 days following the official action.

## ARTICLE II

### DESIGNATED POSITIONS AND REPORTABLE FINANCIAL INTERESTS

#### Section

200. Designated Positions and Designated Employees. The positions within the Department identified in Exhibit A, of this Code are hereby established as “designated positions.” Any officer, employee, governing board member (where appropriate), or consultant of the Department whose position with the Department is a “designated position” in Exhibit A, of this Code is a “designated employee.” A person is a designated employee when the person’s position with the Department entails the making or participation in the making of decisions which may foreseeably have a material effect on financial interests.
201. Reportable Financial Interests. In Exhibit A, of this Code, each designated position is assigned specific disclosure category numbers which correspond to specific financial disclosure categories set forth in Exhibit B. Each designated employee shall disclose those financial interests required in the Exhibit B disclosure categories listed next to his or her designated position in Exhibit A.
202. Scope of Reportable Financial Interests. Only “financial interests” can be made reportable by a conflict of interest code. For disclosure purposes, the Act divides financial interests into four groups: investments, business positions, interests in real property, and income. (Government Code Section 87302(b)). Except as modified in Section 101 of this Code, the broad definitions and limitations of the terms investment, interest in real property, and income are found in the Act (Government Code Sections 82034, 82033, and 82030). If a financial interest does not fit within any of these definitions, a designated employee cannot be required by a conflict of interest code to disclose that interest. In addition, the types and scope of investments, interests in real property, and income made reportable by a designated employee’s disclosure categories may, in many situations, be narrower than the basic definitions found in the Act. To prevent over disclosure, each designated employee should therefore consult the definitions of investments, interests in real property, and income, as well as his or her specific disclosure categories, before completing the statement of financial interests.
203. Manner of Reporting Financial Interests. Except as provided in subsections (a) & (b), the manner of reporting reportable investments, interests in real property, and income shall be pursuant to Government Code Sections 87206 and 87207.
- (a) Designated employees are not required to comply with Government Code Section 87206(d).
  - (b) For purposes of Government Code Sections 87207(b)(2), the disclosure of the names of clients or customers who paid fees to the business entity is required only if it is reasonably foreseeable that financial interests of the client(s) or customer(s) may be materially affected by any Department related decisions made or participated in by the designated employee.

## ARTICLE III

### FILING OF STATEMENTS OF FINANCIAL INTERESTS

#### Section

300. Duty to File Statements of Financial Interests. It shall be the duty of each designated employee to file statements of financial interests conforming to all applicable requirements of this Code. Such statements shall be on forms provided by the County Clerk upon request.
301. Designation and Duties of Filing Officer; Place of Filing Statements.
- (a) The Department herewith delegates authority and responsibility to the County Clerk for receipt of all statements of financial interests and for administration of the duties of the filing officer delineated in Government Code Sections 81008, 81010, and 91013.
  - (b) Designated employees shall file any statements required by this Code with the County Clerk who shall retain the original and forward a copy to the Department. Both the County Clerk and the Department shall make statements accessible to the public in a manner consistent with Government Code Section 81008.
  - (c) Upon request, the County Clerk shall supply copies of pertinent sections of the Act, this Code, disclosure forms, and instruction manuals for completing disclosure forms.
302. Times of Filing and Periods Covered by Statements.
- (a) Initial Statements shall be filed by each designated employee within 30 days after the effective date of this Code and shall disclose investments and interests in real property (but not income) held at the time of filing. Persons appointed, promoted, or transferred to designated positions shall file initial statements within 30 days after the date of assuming the position.
  - (b) Annual Statements shall have a filing deadline of April 1, pursuant to California Code of Regulations Section 18723, disclosing reportable investments, interests in real property, and income held or received in the period since the closing date of the designated employee's previously filed statement and December 31.
  - (c) Leaving Office Statements shall be filed by every person who leaves a designated position specified in Exhibit A, within 30 days after leaving the position, disclosing his or her reportable investments, interests in real property, and income during the period since the closing date of the previous statement filed pursuant to this Code. The statement shall include any reportable investments, interests in real property, and income held or received at any time during the period covered by the statement, whether or not still held at the time of filing.

## ARTICLE III

### FILING OF STATEMENTS OF FINANCIAL INTERESTS (CONTINUED)

303. Filing Exemption. Any official or designated employee required to file statements under another section of the Government Code where the statement requirements meet or exceed those stated in this Conflict of Interest Code, by doing so, will be in compliance with this Code.

## ARTICLE IV

### DISQUALIFICATION

#### Section

400. Circumstances Requiring Disqualification.

- (a) A designated employee must disqualify himself or herself from making or participating in the making of any decision, or from using his or her official position to influence a Department decision, if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from the decision's effect on the public generally, on any reportable\* financial interest or upon any business entity in which the designated employee holds a position of management or is a director, officer, partner, trustee, or employee.
- (b) No designated employee shall be prevented from making or participating in the making of any decision:
1. Which relates to his or her compensation from the County, or the terms and conditions of his or her employment or contract with the County; or
  2. To the extent his or her participation is legally required for the decision to be made. The fact that an official's vote is needed to break a tie does not make his or her participation legally required for purposes of this section.

401. Manner of Disqualification. Designated employees required to disqualify pursuant to Section 400 shall do so by notifying his or her supervisor in writing, describing with particularity the nature of the conflicting financial interest. Upon receipt of such statement, the supervisor shall reassign the matter to another employee.

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\* Although not required by this Code, under Government Code Section 87100 and other conflict of interest laws, a public official or employee (whether designated or not) may be required to disqualify himself or herself from making or participating in a decision in situations where a financial interest, although not subject to disclosure by a conflict of interest code, may foreseeably be materially affected by the decision.

DESIGNATED POSITION LIST<sup>1</sup>  
EXHIBIT A

<u>Designated Positions</u> <sup>2</sup>	<u>Disclosure Category Numbers</u> <u>(See Exhibit B)</u>
Assistant Auditor-Controller-Treasurer-Tax Collector-Public Administrator	1, 2, 3a, 3b, 3c, and 4
Assistant Auditor-Controller	1, 2, 3a, 3b, 3c, and 4
Assistant Treasurer-Tax Collector-Public Administrator	1, 2, 3a, 3b, 3c, and 4
Division Manager Auditor-Controller	1, 2, 3a, 3b, 3c and 4
Principal Auditor-Analyst	1, 2, 3a, 3b, 3c, and 4
Principal Financial Analyst	1, 2, 3a, 3b, 3c and 4
Financial Analyst	1, 2, 3a, 3b, 3c and 4
Auditor-Analyst	1, 2, 3a, 3b, 3c, and 4
Consultants <sup>3</sup>	1, 2, 3a, 3b, 3c and 4

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<sup>1</sup> Any employee assigned investment authority must comply with Government Code Section 87200 et seq. Any official or designated employee required to file statements under another section of the Government Code where the statement requirements meet or exceed those stated in this Conflict of Interest Code, by doing so, will be in compliance with this Code.

<sup>2</sup> The Treasurer Tax Collector is a public official as specified in Government Code Section 87200, and is therefore, not designated in this Code. (No additional filing requirements are therefore mandated by virtue of the consolidation of the offices of Auditor-Controller, Treasurer, Tax-Collector, and Public Administrator because the Office of Treasurer-Tax Collector is designated in Government Code section 87200 and is already subject to the broadest disclosure categories as set forth in Title 9, Chapter, Article 2 of the Government Code.)

## DISCLOSURE CATEGORIES

### EXHIBIT B

#### Category #

1. Interests in real property<sup>(1)</sup> located within, or not more than two miles outside, the County boundary.
2. Investments<sup>(2)</sup> in, and income<sup>(3)</sup> from, business entities which, in the past two year period, have contracted with the County to provide materials or services to the Department or because of the type of product or service supplied, may with reasonable foreseeability, contract to provide products or services to the Department in the next one-year period.
3. Investments<sup>(2)</sup> in, and income<sup>(3)</sup> from, any business entity doing business within the County and engaged in:
  - a. Funeral or burial services;
  - b. Providing consulting services of the type which have, in the past two years, or which with reasonable foreseeability, may be utilized in the next one-year period by the department;
  - c. Providing audit services
4. Income<sup>(3)</sup> of any business entity in which the filer or spouse owns a 10% interest or greater which is derived from client(s) or customer(s) who, with reasonable foreseeability, could be materially affected by the decisions made or participated in by the filer. Names of such client(s) or customer(s) must be reported under this category if the filer's pro rata share of fees from such client(s) or customer(s) was greater than \$1,000 in the reporting period in the case of businesses providing legal or brokerage services, or \$10,000 for all other types of businesses.

### ENDNOTES

(Applicable to All Categories. See Referenced Sections of the Government Code for Complete Definitions.)

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(1). Interests in real property of the filer include those of the filer's spouse and dependent children as well as the filer's pro rata share of interests in real property owned by any business entity or trust in which the filer or spouse owns a 10% interest or greater. Excluded are interests in real property with a fair market value of less than \$2,000 or property which is used principally as the place of residence of the filer. (Government Code Sections 82033 and 87206(f).)

(2). Investments of a filer include those of the filer's spouse and dependent children as well as the filer's pro rata share of investments owned by any business entity or trust in which the filer or spouse owns a 10% interest or greater. Excluded are assets with the fair market value of less than \$2,000 or ownership of less than 1/2 of 1% of the outstanding securities of a business entity whose securities are registered with the Securities and Exchange Commission. (Government Code Section 82034 and Section 101 of this Code.)

(3). Income includes a filer's community property interest in income of his or her spouse, as well as the filer's pro rata share of income of any business entity or trust in which the individual or spouse owns a 10% interest or greater. Income also includes non-family gifts from a single source which total more than \$50. (Government Code Section 82030.)