

**CHAPTER 2: Administration and General Institution
BOARD POLICY NO. 2.45 (BP 2710)**

**BOARD POLICY
San Mateo County Community College District**

Subject: ~~BP 2.45~~ Conflict of Interest
Revision Date: 5/12; 1/17; ~~X/22~~
Policy References: Government Code Sections 1090, et seq., 1126, 87200, et seq.; Title 2,
Sections 18730 et seq.

1. In compliance with law, the Board of Trustees shall adopt a Conflict of Interest Code and shall periodically review the list of designated employees required to complete financial disclosure forms. The Chancellor shall designate a filing Officer for conflict of interest matters and that person shall perform related duties as required by law.
2. Each Board member and each designated employee under the District's Conflict of Interest Code shall annually file a statement of economic interest with the filing officer identified by the administrative procedures disclosing those interests in investments, real property, and income that are designated as reportable under the Conflict of Interest Code.
3. A Board member shall not engage in any employment or activity that is inconsistent with, incompatible with, in conflict with or inimical to his/her/their duties as an officer of the District.
4. No Board member nor any employee of the District shall make, participate in making or, in any way, attempt to use his/~~or~~her/their position to influence a governmental decision in which he/~~or~~she/they know(s) or has reason to know that he/~~or~~she/they has/have a financial interest.
5. Board members and employees shall not be financially interested in any contract made by them in their official capacity or in any body or board of which they are members. A Board member shall not be considered to be financially interested in a contract if his/her/their interest is limited to those interests defined as remote under Government Code Section 1091 or is limited to interests defined by Government Code Section 1091.5.
6. A Board member who has a remote interest in any contract considered by the Board shall disclose his/~~or~~her/their interest during a Board meeting and have the disclosure noted in the official board minutes. The Board member shall not vote or debate on the matter or attempt to influence any other Board member to enter into the contract.
7. In compliance with law and regulation, the District Chancellor shall establish administrative procedures to provide for disclosure of assets or income of Board members who may be affected by their official actions and prevent members from making or participating in the making of Board decisions which may foreseeably have a material effect on their financial interest and shall, as necessary, obtain legal advice should a potential conflict of interest occur.
8. Administrative procedures established by the District Chancellor shall also include provisions for mandatory training for those employees required to complete financial disclosure forms as prescribed in Section 1 of this policy.

7.9. Board members are encouraged to seek counsel from the District's legal advisor in every case where any question arises.

Also see BP 2200 Board Duties and Responsibilities, AP 2710 Conflict of Interest, AP 2712 Conflict of Interest Code, BP/AP 2715 Code of Ethics/Standards of Practice, BP/AP 2716 Board Political Activity, and BP 2717 Personal Use of Public Resources – Board, BP/AP 3050 Institutional Code of Ethics, and BP/AP 3300 Public Records.

**CHAPTER 2: Administration and General Institution
ADMINISTRATIVE PROCEDURE NO. 2.45.1 (AP 2710)**

**ADMINISTRATIVE PROCEDURE
San Mateo County Community College District**

Subject: AP 2.45.1-Conflict of Interest
Revision Date: 9/12; X/22
References: Government Code Sections 1090 et seq., 1099, 1126, 87100 et seq., 87103, 87105, 87200-87210, 87300-87302, 87406.3, 89501-89503 and 89506; Title 2 Sections 18700 et seq. and 18730 et seq.; Education Code Section 72103 et seq.; 2 Code of Federal Regulations Part 200.318 subdivision (c)(1); and other citations as listed below

1. Incompatible Activities (Government Code Sections 1126 and 1099)

Board members and employees shall not engage in any employment or activity that is inconsistent with, incompatible with, in conflict with or inimical to their duties as officers or employees of the District. A Board member shall not simultaneously hold two public offices that are incompatible as defined in Government Code Section 1099. When two offices are incompatible, a Board member shall be deemed to have forfeited the first office upon acceding to the second.

2. Financial Interest (Government Code Sections 1090 et seq.)

Board members and employees shall not be financially interested in any contract made by the Board or in any contract they make by them in their official capacity as members of the Board or as employees.

A Board member shall not be considered to be financially interested in a contract if his/her/their interest meets the definitions contained in applicable law (Government Code Section 1091.5).

A Board member shall not be deemed to be financially interested in a contract if he/she/they has/have only a remote interest in the contract and if the remote interest is disclosed during a Board meeting and noted in the official board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other member of the Board to enter into the contract. Remote interests are specified in Government Code Section 1091(b); they include, but are not limited to, the interest of a parent in the earnings of his/her/their minor child.

3. No Employment Allowed (Education Code Section 72103 subdivision (b))

An employee of the District may not be sworn in as an elected or appointed member of the Governing Board unless and until he/she resigns as an employee. If the employee does not resign, the employment will automatically terminate upon being sworn into office. This provision does not apply to an individual who is usually employed in an occupation other than teaching and who also is, at the time of election to the Board, employed part time by the District to teach no more than one course per semester or quarter in the subject matter of that individual's occupation (Education Code Section 72103(b)).

4. Financial Interest in a Decision (Government Code Sections 87100 et seq.)

If a Board member or employee determines that he/she/they has/have a financial interest in a decision, as

described in Government Code Section 87103, this determination shall be disclosed and made part of the Board's official minutes. In the case of an employee, this announcement shall be made in writing and submitted to the Board. A Board member, upon identifying a conflict of interest, or a potential conflict of interest, shall do all of the following prior to consideration of the matter.

- a. Publicly identify the financial interest in detail sufficient to be understood by the public;
 - b. Recuse himself/~~or~~ herself/themselves from discussing and voting on the matter;
 - c. Leave the room until after the discussion, vote, and any other disposition of the matter is concluded unless the matter is placed on the agenda reserved for uncontested matters. A Board member may, however, discuss the issue during the time the general public speaks on the issue.
5. **Gifts** (Government Code Section 89503)

- a. Board members and any employees who manage public investments shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law.
- b. Designated employees shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law if the employee would be required to report the receipt of income or gifts from that source on his/her/their statement of economic interests.
- c. The above limitations on gifts do not apply to wedding gifts and gifts exchanged between individuals on birthdays, holidays and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value.
- d. Gifts of travel and related lodging and subsistence shall be subject to the above limitations except as described in Government Code Section 89506. A gift of travel does not include travel provided by the District for Board members and designated employees.
- e. Board members and any employees who manage public investments shall not accept any honorarium, which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering (Government Code Sections 89501 and 89502).
- f. Designated employees shall not accept any honorarium that is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering, if the employee would be required to report the receipt of income or gifts from that source on his/her/their statement of economic interests. The term "honorarium" does not include (1) earned income for personal services customarily provided in connection with a bona fide business, trade, or profession unless the sole or predominant activity of the business, trade, or profession is making speeches, or (2) any honorarium that is not used and, within 30 days after receipt, is either returned to the donor or delivered to the District for donation into the general fund without being claimed as a deduction from income tax purposes.

6. **Representation** (Government Code Section 87406.3)

Elected officials and the District Chancellor shall not, for a period of one-year after leaving their position, act as an agent or attorney for, or otherwise represent for compensation, any person appearing before that local government agency.

AP 2.45.1 Conflict of Interest (continued)

7. The District will follow all guidelines contained in Title 5, Sections 18730 et seq.

8. **Contracts Supported by Federal Funds** (2 Code of Federal Regulations Part 200.318 subdivision (c)(1))

No employee, Board member, or agent of the District may participate in the selection, award, or administration of a contract supported by a federal award if he/she/they has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, Board member, or agent, any member of his/her/their immediate family, his/her/their partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The Board members, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Disciplinary action will be taken for violations of such standards by Board members, employees, or agents of the District.

Also see BP 2200 Board Duties and Responsibilities, BP 2710 Conflict of Interest, AP 2712 Conflict of Interest Code, BP/AP 2715 Code of Ethics/Standards of Practice, BP/AP 2716 Board Political Activity, and BP 2717 Personal Use of Public Resources – Board, BP/AP 3050 Institutional Code of Ethics, and BP/AP 3300 Public Records.

**CHAPTER 2: Administration and General Institution
ADMINISTRATIVE PROCEDURE NO. 2.45.2 (AP 2712)**

**ADMINISTRATIVE PROCEDURE
San Mateo County Community College District**

Subject: AP 2.45.2 Conflict of Interest Code
Revision Date: 9/12; 8/16; 8/18
References: Government Code Sections 87103(e), 87300-87302, 89501 and 89503; Title 2
Section 18730

Pursuant to Section 18730 of Title 2 of the California Code of Regulations, incorporation by reference of the terms of this regulation, along with the designation of employees and the formulation of disclosure categories in the Appendix attached to this procedure, constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code Sections 81000 et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.

**CONFLICT OF INTEREST CODE OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

The Political Reform Act, Government Code Sections 8100, et. seq., requires state and local government agencies to adopt Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Adm. Code Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice hearings. Therefore, the terms of 2 Cal. Adm. Code Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the San Mateo County Community College District (Hereinafter "Agency").

Pursuant to Section 18730(b)(4)(B) of the Standard Code, all designated employees shall file statements of economic interests with the agency, which shall make and retain a copy and forward the originals to the code reviewing body, which shall be the filing officer.

As directed by Government Code Section 82011, the code reviewing body is the Board of Supervisors for the County of San Mateo. Pursuant to Title 2, Division 6 of the California Administrative Code, Section 18277, the County Clerk for the County of San Mateo shall be the official responsible for receiving and retaining statements of economic interests filed with the Board of Supervisors.

Section 1. Definitions

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regulations Sections 18100 et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

Section 2. Designated Employees

The persons holding positions listed in Section 13 are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

Section 3. Disclosure Categories

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economics interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code Sections 87200 et seq. In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code Section 87200; and

(C) The filing officer is the same for both agencies.¹ Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in Section 13 specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his/her/their statement of economic interests those economic interests he/she/they has which are of the kind described in the disclosure categories to which he/she/they is assigned in Section 13. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he/she/they foreseeably can affect materially through the conduct of his/her/their office.

Section 4. Statements of Economic Interests

Place of Filing. The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.²

Section 5. Statements of Economic Interests

Time of Filing

- (A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.
- (B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.
- (C) Annual Statements. All designated employees shall file statements no later than April 1.
- (D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

Section 5.5. Statements for Persons Who Resign Prior to Assuming Office

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he/she/they did not make or participate in the making of, or use his/her/their position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his/her/their appointment. Such persons shall not file either an assuming or leaving office statement.

- (A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:
1. File a written resignation with the appointing power; and
 2. File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he/she/they did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

¹ Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

² See Government Code Section 81010 and Title 2 Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

Section 6. Contents of and Period Covered by Statements of Economic Interests

- (A) Contents of Initial Statements.** Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.
- (B) Contents of Assuming Office Statements.** Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.
- (C) Contents of Annual Statements.** Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.
- (D) Contents of Leaving Office Statements.** Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

Section 7. Manner of Reporting

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

- (A) Investments and Real Property Disclosure.** When an investment or an interest in real property³ is required to be reported,⁴ the statement shall contain the following:
1. A statement of the nature of the investment or interest;
 2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
 3. The address or other precise location of the real property;
 4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).
- (B) Personal Income Disclosure.** When personal income is required to be reported,⁵ the statement shall contain:
1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
 2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater

³ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

⁴ Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata 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, indirect or beneficial interest of ten percent or greater.

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

than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);

3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

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

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

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he/she/they is a director, officer, partner, trustee, employee, or in which he/she/they holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal during Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

Section 8. Prohibition on Receipt of Honoraria

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his/her/their statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official. Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

(B) This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code Section 89506.

Section 8.1. Prohibition on Receipt of Gifts in Excess of \$470

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$470 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his/her/their statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code Section 89503 shall apply to the prohibitions in this section.

⁶ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 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.

Section 8.2. Loans to Public Officials

- (A) No elected officer of a state or local government agency shall, from the date of his/her/their election to office through the date that he/she/they vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.
- (B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he/she/they holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.
- (C) No elected officer of a state or local government agency shall, from the date of his/her/their election to office through the date that he/she/they vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.
- (D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he/she/they holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.
- (E) This section shall not apply to the following:
1. Loans made to the campaign committee of an elected officer or candidate for elective office.
 2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
 3. Loans from a person which, in the aggregate, do not exceed \$500 at any given time.
 4. Loans made, or offered in writing, before January 1, 1998.

Section 8.3. Loan Terms

- (A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his/her/their election to office through the date he/she/they vacates office, receive a personal loan of \$500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his/her/their spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

Section 8.4. Personal Loans

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

Section 9. Disqualification

No designated employee shall make, participate in making, or in any way attempt to use his/her/their official position to influence the making of any governmental decision which he/she/they knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his/her/their immediate family or on:

- (A) Any business entity in which the designated employee has a direct or indirect investment worth \$2,000 or more;
- (B) Any real property in which the designated employee has a direct or indirect interest worth \$2,000 or more;
- (C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;
- (D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
- (E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$470 or more provided to; received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

Section 9.3. Legally Required Participation

No designated employee shall be prevented from making or participating in the making of any decision to the extent his/her/their 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/her/their participation legally required for purposes of this section.

Section 9.5. Disqualification of State Officers and Employees

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his/her/their official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his/her/their immediate family has, within 12 months prior to the time when the official action is to be taken:

- (A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or
- (B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

Section 10. Disclosure of Disqualifying Interest

When a designated employee determines that he/she/they should not make a governmental decision because he/she/they has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

Section 11. Assistance of the Commission and Counsel

Any designated employee who is unsure of his/her/their duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 or from the attorney for his/her/their agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

Section 12. Violations

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000- 91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

DESIGNATED CATEGORIES

CATEGORY 1. A designated employee assigned to Category 1 is required to disclose investments that may foreseeably be materially affected by any decision made or participated in by the designated employee. All investments and business positions and sources of income from, business entities that do business with the District or own real property within the boundaries of the District, plan to do business or own real property within in the boundaries of the District within the next year, or have done business with or owned real property within the boundaries of the District within the past two years.

CATEGORY 2. A designated employee assigned to Category 2 is required to disclose interests in real property that may be materially affected by any decision made or participated in by the designated employee. All interests in real property which is located in whole or in part within, or not more than two miles outside, the boundaries of the District.

CATEGORY 3. A designated employee assigned to Category 3 is required to disclose any source of income that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his-~~or~~/ her/their position. All investments and business positions in, and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District, plan to engage in such activities within the jurisdiction of the District within the next year, or have engaged in such activities within the jurisdiction of the District within the past two years.

CATEGORY 4. A designated employee assigned to Category 4 is required to disclose any business entity in which the designated employee is a director, officer, partner, trustee, or holds any position of management that may be materially affected by any decision made or participated in by the designated employee. All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.

CATEGORY 5. All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles, or equipment of a type purchased or leased by the District.

CATEGORY 6. All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles, or equipment of a type purchased or leased by the Designated Employee's Department.

TRAINING

1. Each employee designated in Appendix A shall participate in a training on Board Policy 2712 (2.45) and Administrative Procedures 2710 (2.45.1) and 2712 (2.45.2) on an annual basis. Trainings will be coordinated by the District Chancellor's office.
 2. Each employee designated in Appendix A shall participate in a training on the filing of financial disclosure statements (Form 700) on an annual basis. Trainings will be coordinated by the District Chancellor's office.
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APPENDIX A

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
DESIGNATED OFFICIALS AND EMPLOYEES**

Designated Positions, and the Disclosure Categories assigned to them, are as follows:

Designated Positions	Disclosure Category
Board of Trustees	1,2,3,4, <u>5,6</u>
Chancellor	1,2,3,4, <u>5,6</u>
Deputy Chancellor	1,2,3,4
Executive Vice Chancellor	1,2,3,4, <u>5,6</u>
<u>College Presidents</u>	<u>1,2,3,4,5,6</u>
Vice Chancellors	1,2,3,4, <u>5,6</u>
Chief of Staff	1,2,3,4, <u>5,6</u>
College Presidents	1,2,3,4
Consultants*	1,2,3,4
All Other Administrators <u>on Salary Schedule 20</u>	1,3,4, <u>5,6</u>
<u>Controller</u>	<u>1,2,3,4,5,6</u>
<u>District Budget Director</u>	<u>1,2,3,4,5,6</u>
<u>Facilities Manager</u>	<u>1,3,4,6</u>
Bookstore Managers	1,3,4, <u>6</u>
Student Life and Leadership Manager/Director of Student Development	1,3,4, <u>6</u>
Coordinators of Library Services	1,3,4, <u>6</u>
Buyers and Senior Buyers, Purchasing	1,3,4, <u>6</u>
<u>Consultants*</u>	<u>1,2,3,4,5,6</u>

* The Chancellor, or designee, shall review the duties and authority of all consultants retained by the District. Those consultants who, within the meaning 2 CA. Code of Regulations 18700(a)(2) are required to file statements of economic interests, shall do so. During each calendar year, the District shall maintain a list of such consultants for public inspection in the same manner and location as this

AP 2.45.2 Conflict of Interest Code (continued)

Conflict of Interest Code.

Consultants must be included in the list of designated employees and must disclose pursuant to the broadest disclosure category in this Code subject to the following limitation: The District Chancellor or designee may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that are limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based on that description, a statement of the extent of disclosure requirements. The District Chancellor’s or designee’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.

Nothing herein excuses any consultant from any other provision of the Conflict of Interest Code, specifically those dealing with disqualification.

Also see BP 2200 Board Duties and Responsibilities, BP/AP 2710 Conflict of Interest, BP 2715 Code of Ethics/Standards of Practice, BP/AP 2716 Board Political Activity, and BP 2717 Personal Use of Public Resources – Board.

August 2018