



**URBAN CHARTER SCHOOLS COLLECTIVE**  
**MARCH 11, 2019**  
**REGULAR BOARD MEETING AGENDA**  
This meeting is being video recorded.

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**BOARD MEMBERS**

Miles E. Myles, President (Term Expires June 2020)  
Vacant, Vice President (No expiration)  
Yong Lor, Board Secretary (Term Expires June 2021)  
Dennis Mah, Board Treasurer (Term Expires June 2021)  
Guy Ollison, Board Member (Term Expires June 2021)  
Bao Xiong, Board Member (Term Expires June 2021)  
Vacant, SCUSD Representative (No expiration)

6:00 PM Convene  
7:30 PM Closed Session  
8:15 PM Reconvene Open Session  
9:00 PM Adjourn

**LISBON ELEMENTARY SCHOOL, LIBRARY**  
7555 S. Land Park Drive, Sacramento, CA 95831

\* Supporting materials will be distributed at the meeting.

- 1. CALL TO ORDER** 6:00 PM
- 2. BOARD ROLL CALL** 6:01 PM
- 3. ADJUST AND APPROVE AGENDA AS NEEDED** 6:03 PM
- 4. PUBLIC COMMENT**— Limit Two Minutes Per Person and Ten Minutes Per Issue Listed in the Agenda 6:05 PM
- 5. CONSENT AGENDA** 6:07 PM
  - 5.1. Regular Board Meeting Minutes for February 4, 2019
- 6. ACTION ITEM** – 2019-20 Instructional Calendar 6:10 PM
- 7. ACTION ITEM** – 2018-19 Independent Auditor Selection 6:15 PM
- 8. ACTION ITEM** – 2<sup>nd</sup> Interim Financial Report 6:20 PM\*
- 9. DISCUSSION ITEM** – Explore Community Partnership 6:40 PM
- 10. DISCUSSION ITEM** – 2019-20 Board UCSC Board Meeting Calendar 7:00 PM
- 11. DISCUSSION ITEM** – UCSC Board Priorities 7:10 PM
- 12. DISCUSSION ITEM** – Parent Involvement Policy 7:35 PM\*
- 13. INFORMATIONAL ITEM** – Monthly Administrative Reports 7:45 PM
  - 13.1. Principal's Report Instruction & Learning\*
    - 13.1.1. Staff, Scholars, and Parent Survey – Solutions
    - 13.1.2. Enrollment, Attendance & Scholar Achievement Data
    - 13.1.3. Curriculum & Instruction/ Instructional and Delivery Plan
      - 13.1.3.1. HET Update/Progress
      - 13.1.3.2. Identify Long-Term EL Scholars and Support Plan
      - 13.1.3.3. Staff Professional Development Retreat Planning
    - 13.1.4. CA Dashboard Updates
  - 13.2. Superintendent's Report \*
    - 13.2.1. Administrators Succession Plans
    - 13.2.2. 2018-19 Donors and Donation Wall Recognition

### 13.3. Chief Financial Officer's Summary of Finance & Operation

- 13.3.1. Financials through Previous Month
- 13.3.2. ConApp Part 2 Due to CDE on February 28, 2019
- 13.3.3. Statement of Economic Interest Form 700 due April 1, 2019
- 13.3.4. Staff Letter of Intent to Return Update\*
- 13.3.5. Contracts Review\*
- 13.3.6. 2019-20 Budget Update\*

#### **CLOSED SESSION 8:30 PM**

C-1. Personnel (hiring, dismissal, release, reassignment, compensation, evaluation, etc.) (Cal. Gov't. Code § 54957.1 (a)(5))

*Closed session intended for:*

- 1) considering appointment, employment, evaluation of performance, discipline or dismissal of an employee (employee may request hearing of discipline or complaint be done in opens session);
- 2) meeting with law enforcement or security personnel concerning the security of public buildings and services;
- 3) receiving advice from legal counsel concerning existing litigation, initiating litigation, or situations involving significant expose to litigation;
- 4) considering labor negotiations, although final decisions concerning salaries must be made in public;
- 5) considering price and term in connection to purchase, sale, exchange or lease of realproperty.

*Definition: Significant exposure to litigation is created when: 1) existing facts and circumstances are not known to plaintiffs, 2) a claim is received threatening litigation, 3) a person at a public meeting threatens litigation, 4) a person outside a public meeting threatens litigation and an agency official having knowledge of the threat makes a record of the statement prior to the meeting. Brown Act 54956.9(b) (3)*

#### **14. REPORT OUT CLOSED SESSION 8:45 PM**

#### **15. NEW BUSINESS 8:52 PM**

#### **16. BOARD MEMBERS IDENTIFY ITEMS FOR NEXT BOARD MEETING 8:55 PM**

#### **17. ADJOURN 9:00 PM**

## CALENDAR OF REGULAR BOARD MEETINGS

**APPROVED AND ADOPTED ON APRIL 9, 2018**

Regularly Scheduled UCSC Board meetings are held on the second Monday of each month, except as noted below for November and June. All meetings start at 6:00 PM and are conducted in the Lisbon Staff Lounge located at 7555 South Land Park Drive in Sacramento, CA 95831.

Each regular meeting will have the following two agenda items:

- 1) Principal's Report on Instruction & Learning which includes: ELAC update, Academy Council update, enrollment & attendance update, and suspension & referral update.
- 2) Chief Financial Officer's summary of Finance & Operation which includes: profit & loss statement for through the end of the prior month and cash flow update.

AUGUST 13, 2018	SEPTEMBER 10, 2018	OCTOBER 8, 2018	NOVEMBER 19, 2018
<ul style="list-style-type: none"> <li>Review actual enrollment and attendance and compare to projected</li> <li>Review work of board nominating committee</li> <li>Preparing for annual board self-evaluation</li> <li>Appoint nominating committee for vacant board position(s)</li> <li>Update Board priorities</li> </ul>	<ul style="list-style-type: none"> <li>Annual Board organizational meeting</li> <li>Annual Board self-evaluation</li> <li>Review annual program audit before submission to SCUSD by the principal</li> <li>Approve prior year unaudited actuals – due to SCOE 9/15</li> <li>Set goals for next 12 months</li> <li>Discuss Academy Council and Board relationship; See governance section of charter</li> <li>Update Board priorities</li> </ul>	<ul style="list-style-type: none"> <li>Update Board priorities</li> <li>Staff evaluation process</li> </ul>	<ul style="list-style-type: none"> <li>Update Board priorities</li> <li>Receive &amp; review prior year fiscal audit conducted by Gilbert Associates –due to district, county, CDE, and state controller by 12/15</li> </ul>
DECEMBER 10, 2018	JANUARY 14, 2019	FEBRUARY 4, 2019	MARCH 11, 2019
<ul style="list-style-type: none"> <li>Approve 1<sup>st</sup> Interim Financial Report for July 1-Oct. 31' due to SCUSD and SCOE by Dec. 15</li> <li>Introduce mid-year budget revisions to 2018-19 budget for approval at January meeting</li> <li>Update Board priorities</li> </ul>	<ul style="list-style-type: none"> <li>Reviewing the Hmong Language Development Program</li> <li>Review P-1 Attendance report submitted to CDE to compare project &amp; actual attendance. P-1 ended on Dec. 31</li> <li>Approve mid-year budget revisions to 2018-19 budget</li> <li>Review random drawing (lottery procedure) when applicants outnumber available seats</li> <li>Plan for board member and academy council training</li> </ul>	<ul style="list-style-type: none"> <li>Approve Budget Development Calendar for creating next year's budget</li> <li>Review enrollment and staffing projections in preparation for next year's staffing.</li> <li>Review preliminary budget for next fiscal year based on governor's proposal</li> <li>Approve ConApp Part 2. Due to CDE on Feb 24</li> <li>Discuss staff release procedures</li> <li>Update Board priorities</li> </ul>	<ul style="list-style-type: none"> <li>Approve 2<sup>nd</sup> Interim Financial Report for July 1 - Jan. 31<sup>st</sup> and due to SCUSD and SCOE by Mar. 15</li> <li>Review parent involvement policy</li> <li>Approve instructional calendar for the next school year</li> <li>Review admin, teacher, and other staff compensation</li> <li>Update Board priorities</li> <li>Review 2019-2020 UCSC Board Meeting Calendar</li> </ul>
APRIL 8, 2019	MAY 13, 2019	JUNE 10, 2019	JUNE 24, 2019
<ul style="list-style-type: none"> <li>Board reviews and gives feedback to Academy Council on their budget recommendations for next year</li> <li>Approve 2<sup>nd</sup> budget revisions to 2018-19 budget</li> <li>Update one-year study and application process to join new SELPA</li> <li>Salary Schedule Review</li> <li>Update Board priorities</li> <li>Approval of 2019-2020 UCSC Board Meeting Calendar</li> <li>Review and Conference on proposed 19-20 budget draft 4 and LCAP from Academy Council</li> </ul>	<ul style="list-style-type: none"> <li>If released, review governor's May revisions to next year's proposed budget. Might not be released until the 15<sup>th</sup></li> <li>Review P-2 Attendance report submitted to CDE to compare project and actual attendance. P-1 ended on April 15<sup>th</sup></li> <li>Approve new hires</li> <li>Approve list of employees with reasonable assurance of returning next year</li> <li>Update Board priorities</li> </ul>	<ul style="list-style-type: none"> <li>Public hearing on the updated-LCAP and 2019-20 budget.</li> <li>Update Board priorities</li> </ul>	<ul style="list-style-type: none"> <li>Approve next year's budget and submit to SCUSD and SCOE by July 1<sup>st</sup></li> <li>Annual review and affirmation of Title I Parent Involvement Policy</li> <li>ConApp Part 1 due June 30 for Title I, II, &amp; III funding</li> <li>Review all staff evaluations</li> <li>Approve new hires</li> <li>Approve updated-LCAP and 2019-2020 Budget</li> <li>Update Board priorities</li> </ul>



**URBAN CHARTER SCHOOLS COLLECTIVE**  
**FEBRUARY 4, 2019**  
**REGULAR BOARD MEETING MINUTES**  
This meeting is being video recorded.

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**BOARD MEMBERS**

Miles E. Myles, President (Term Expires June 2020)  
Vacant, Vice President (No expiration)  
Yong Lor, Board Secretary (Term Expires June 2021)  
Dennis Mah, Board Treasurer (Term Expires June 2021)  
Guy Ollison, Board Member (Term Expires June 2021)  
Bao Xiong, Board Member (Term Expires June 2021)  
Vacant, SCUSD Representative (No expiration)

6:00 PM Convene  
8:09 PM Closed Session  
8:45 PM Reconvene Open Session  
9:00 PM Adjourn

**LISBON ELEMENTARY SCHOOL, LIBRARY**  
7555 S. Land Park Drive, Sacramento, CA 95831

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**1. CALL TO ORDER 6:00 PM**

*Member Myles called meeting to order at 6:00 P.M.*

**2. BOARD ROLL CALL 6:01 PM**

*Member(s) Present: President Miles E. Myles, Secretary Yong Lor, Treasurer Dennis M. Mah, Member Guy Ollison, and Member Bao Xiong*

*Member(s) Absent: No members were absent*

*Quorum Present? Yes*

*Staff Present: Superintendent Lee Yang, Chief Financial Officer Megan Lao, Principal Vince Xiong, Assistant Principal Yang, Administrative Secretary Khoua Vang, Teacher Alyssa Palermi, Teacher Mai Vang, and Administrative Clerk Sr. Jova Xiong*

*Guest(s) Present: Academy Council Member Lonnie Dewitt and Academy Council Member Misee Lee*

**3. ADJUST AND APPROVE AGENDA AS NEEDED 6:03 PM**

*CFO requested to postpone Action Item #11, ConApp Part 2 Due to CDE on February 28, 2019. This report will be brought back as an informational item at the March 2019 board meeting.*

**4. PUBLIC COMMENT— Limit Two Minutes Per Person and Ten Minutes Per Issue Listed in the Agenda 6:04 PM - None**

**5. CONSENT AGENDA 6:04 PM**

5.1. Regular Board Meeting Minutes for January 14, 2019

5.2. Special Board Meeting Minutes for January 23, 2019

*Member Myles motion to accept the January 14, 2019 and January 23, 2019 consent agenda. Member Lor second the motion. All ayes Myles, Lor, Mah, Ollison, and Xiong. Motion carries.*

**6. DISCUSSION ITEM – Joint Meeting with Yav Pm Suab Academy’s Academy Council to Review Governance Structure of the School and Area of Responsibilities 6:16 PM**

*Board members and Academy Council members discussed the roles and responsibilities of the UCSC Board and Academy Council. Member Mah informed academy council of processes and procedures for certain programs and that Academy Council have the authority to have a direct influence on how certain programs are performed.*

*Member Myles recommends there be more joint meetings in the future to further discuss and work together.*

**7. CONFERENCE TO ACTION ITEM – Approve UCSC Board Strategic Plan 7:04 PM**

*Superintendent provided a background of the timeline and purpose of the Strategic Plan. This plan will be shared at the Staff Sly Park Retreat. There will also be a few meetings afterwards for those who could not attend the retreat. Superintendent will incorporate the feedback and will provide an updated version of the strategic plan.*

*Member Ollison motion to accept the strategic plan as presented without a budget and the UCSC Board will work to develop a budget. Member Mah second the motion. All ayes Myles, Lor, Mah, Ollison, and Xiong. Motion carries.*

**8. CONFERENCE TO ACTION ITEM – Approve Low-Performing Students Block Grant Plan Describing how LPSBG funds of \$39,520 will be used to increase or improve evidence-based services for qualified pupils 7:16 PM**

*CFO provided funding background for the Low-Performing Students Block Grant (LPSBG). This grant is for students who are identified as low-performing on state English language arts or mathematics assessment who are neither identified for special education services nor identified as low-income, English learners or foster youth.. In the 2016-17 fiscal year, 20 students were identified and resulted in a \$39,520 grant. This grant will be used to increase achievement for qualified scholars in mathematics and English language arts in grades 3-6. Superintendent Yang shared that he will work with the principal and academy council to create a detailed plan. This plan will be brought back to the board.*

*Member Mah motion to accept the LPSBG plan as presented with the understanding that Academy Council will take lead to finalize the details of the plan. Member Myles second the motion. All ayes Myles, Lor, Mah, Ollison, and Xiong. Motion carries*

**9. CONFERENCE TO ACTION ITEM – 2018-19 Midyear Budget Update 7:24 PM**

*CFO provided a revised version of the 2018-19 Midyear Budget update and gave a detailed explanation of the midyear budget. She informed that revenue is dependent on scholar attendance and because we are only in February, revenues for March- June 2019 is estimated. CFO pointed out the difference between estimated budget and actual budget for administrators' and teachers' salaries, professional development and training for Hmong National Conference, Staff Sly Park Retreat, and study trips. Member Mah motion to accept the 2018-19 midyear budget. Member Myles second the motion. All ayes Myles, Lor, Mah, Ollison, and Xiong. Motion carries.*

**10. ACTION ITEM – Approve 2019-20 Budget Development Calendar 8:01 PM\***

*CFO presented the 2019-20 Budget Development Calendar. It was recommended that Academy Council review and discuss the 2019-20 budget and additional joint meeting between the UCSC Board and Academy Council be considered to finalize the budget. Member Mah motion to accept the 2019-20 budget development calendar. Member Lor second the motion. All ayes Myles, Lor, Mah, Ollison, and Xiong. Motion carries.*

**11. ACTION ITEM – Approve ConApp Part 2 Due to CDE on February 28, 2019 8:08 PM**

*This action item was postponed to the March 2019 board meeting as an informational item by CFO.*

**12. ACTION ITEM – Acceptance of Donation(s) 6:08 PM**

**12.1 Yuan Ji Dance, \$300.00 (Unrestricted)**

*CFO shared that Yuan Ji Dance has donated in the past years and a thank you card will be sent out to them for their generosity and support to UCSC/YPSA. Member Myles requested a list of 2018-19 donors be shared at the next board meeting. Member Myles motion to accept the donation. Member Ollison second the motion. All ayes Myles, Lor, Mah, Ollison, and Xiong. Motion carries.*

**13. INFORMATIONAL ITEM – Monthly Administrative Reports**

**13.1. Principal's Report Instruction & Learning\* 8:35 PM**

*Principal shared that 4<sup>th</sup> grade teacher, Kelly Thao has been selected as head teacher for the 2018-19 school year. She will fill in when the principal and assistant principal are not present. Ms. Thao will start shadowing the principal and assistant principal and receive a \$300 stipend for the year as head teacher.*

**13.1.1. Staff, Scholars, and Parent Survey – Solutions**

*Principal shared possible solutions such as providing parents and scholars with resources for homework, incentives program for reading that includes signatures for accountability, and start a Parent Teacher Association to encourage more parent engagement.*

13.1.2. Enrollment, Attendance & Scholar Achievement Data

*Principal shared YPSA has a total enrollment of 467 scholars for January 2019 which is one less scholar compared to December 2018.*

13.1.3. Curriculum & Instruction/ Instructional and Delivery Plan

13.1.3.1. HET Update/Progress

*Kinder and 5<sup>th</sup> grade team, content observation,*

13.1.3.2. Identify Long-Term EL Scholars and Support Plan

13.1.3.3. Staff Professional Development Retreat Planning

*Principal informed that 36 out of the 63 staff will be attending the Sly Park Retreat. He provided a draft of the agenda for the retreat which included team building activities.*

13.1.4. CA Dashboard Updates

13.2. Superintendent's Report 6:05 PM

13.2.1. Donation Wall Recognition

*Superintendent informed that Assistant Principal is still in the process of researching the most cost-effective way to recognize our donors.*

*Superintendent shared his experience at the Superintendent's Symposium Conference in Monterey, CA. He will be taking what he has learned and implement these strategies to UCSC/YPSA.*

*Academy Council joins the meeting and we move back to discussion item #6 Joint Meeting with Yav Pem Suab Academy's Academy Council to Review Governance Structure of the School and Area of Responsibilities.*

13.3. Chief Financial Officer's Summary of Finance & Operation

13.3.1. Financials through Previous Month 8:07 PM

13.3.1.1. No discussion is needed.

**14. REPORT OUT CLOSED SESSION 8:33 PM**

*Member Miles announced that during closed session the Board discussed and/or approved of the following:*

*The board accepted the resignations for one (1) part-time ATT Supervisor, (1) full-time Attendance Clerk, and (1) part-time Yard Supervisor.*

**15. ACTION ITEM – Adopt 2018-19 Salary Recommendations for the Principal 8:33 PM\***

*Member Myles motioned to accept principal's salary recommendation as proposed and pay increase is retro from July 1, 2018. Member Lor second the motion. All ayes Myles, Lor, Ollison, and Xiong. Mah absent. Motion carries.*

**16. NEW BUSINESS 8:34 PM - None**

**17. BOARD MEMBERS IDENTIFY ITEMS FOR NEXT BOARD MEETING 8:34 PM – None**

*The board and staff jumped to informational item 13.1 Principal's Report Instruction & Learning.*

**18. ADJOURN 8:49 PM**

*Member Myles motion to adjourn the meeting at 8:49 P.M. Member Lor second the motion. All ayes from Myles, Lor, Ollison, and Xiong. Mah absent. Meeting adjourned.*



## URBAN CHARTER SCHOOLS COLLECTIVE BOARD OF DIRECTORS

AGENDA ITEM: 6

**MEETING DATE:** March 11, 2019

**SUBJECT:** Chief Financial Officer's Monthly Report

- ☐ Informational Item Only
- ☐ Approval on Consent Agenda
- ☐ Conference/Discussion Item Only (Action Anticipated Date: \_\_\_\_\_)
- ☐ Conference to Action Item
- ☒ Action Item

**DIVISION:** Business Office

**RECOMMENDATION:** Approve 2019-20 Instructional Calendar

**BACKGROUND:**  
Curriculum and Instruction, Curriculum Policy#4: School Calendar

The Superintendent or designee shall annually present to the Board, at or prior to the May meeting, the proposed school calendar, and school start and end times for the following school year.

The school calendar shall comply with all requirements of the law, the charter, and needs of the community, students, staff and parents/guardians. The school calendar shall indicate the beginning and end of school dates, regular school days, number of teaching days, legal and local holidays, vacation periods, and other pertinent dates.

The Superintendent may request of the Board time during the regular school year to advise students or conduct staff development programs.

**FINANCIAL CONSIDERATIONS:** None

**LCAP GOALS:**

**DOCUMENTS ATTACHED:** AC Approved 2019-2020 YPSA Instructional Calendar

**PREPARED BY:** Megan Lao

**REVIEWED BY:**

**PREPARED BY:**

**APPROVED BY:** Lee Yang



Academy Council Approved 3.5.19

**YAV PEM SUAB ACADEMY****2019-2020 School Calendar****Instructional Days**

7555 South Land Park Drive, Sacramento, CA 95831

Phone (916) 433-5057 Fax (916) 433-5289

Monday – Thursday (8:00 a.m. – 5:00 p.m.)

1<sup>st</sup> Trimester = 57 Days2<sup>nd</sup> Trimester = 63 Days3<sup>rd</sup> Trimester = 55 Days**Instructional Days = 175 Days****Dates to Remember**

7/29	1 <sup>st</sup> Day of School
8/8	Back to School Night
9/2	Labor Day
10/28-11/1	PT Conference (2:00 p.m. Dismissal)
11/1	Friday Instructional Day
11/4	2 <sup>nd</sup> Trimester Begins
11/11	Veteran's Day
11/25 – 11/29	Thanksgiving Break
12/23 – 1/3	Winter Break
1/20	Martin Luther King Day
2/10	Lincoln's Birthday
2/17	President's Day
3/9-3/13	PT Conference (2:00 p.m. Dismissal)
3/13	Friday Instructional Day
3/16	3 <sup>rd</sup> Trimester Begins
4/6-4/10	Spring Break
4/27-5/14	CAASPP Testing
5/25	Memorial Day
5/28	Open House
6/22-6/25	PT Conference (2:00 p.m. Dismissal)
6/25	Last Day of School

**July 2019**

S	M	T	W	T	F	S
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28	29	30	31			

3/3

**August 2019**

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18	19	20	21	22	23	24
25	26	27	28	29	30	31

17/20

**September 2019**

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

17/37

**October 2019**

S	M	T	W	T	F	S
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

19/56

**November 2019**

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24	25	26	27	28	29	30

13/69

**December 2019**

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22	23	24	25	26	27	28
29	30	31				

12/81

**January 2020**

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16/97

**February 2020**

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23	24	25	26	27	28	29

14/111

**March 2020**

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22	23	24	25	26	27	28
29	30	31				

19/130

**April 2020**

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

14/144

**May 2020**









S	M	T	W	T	F	S
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15/159

**June 2020**

S	M	T	W	T	F	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

16/175

	Non-Instructional Days		Parent-Teacher Conference		CAASPP Testing		Holidays
	Required staff workday		Start of the Trimester		End of Trimester		ELPAC Annual

**5 Friday Instructional Days: 9/6/19, 11/1/19, 11/15/19, 1/24/20, and 3/13/20**





## URBAN CHARTER SCHOOLS COLLECTIVE BOARD OF DIRECTORS

AGENDA ITEM: 7

**MEETING DATE:** March 11, 2019

**SUBJECT:** Chief Financial Officer's Monthly Report

- ☐ Informational Item Only
- ☐ Approval on Consent Agenda
- ☐ Conference/Discussion Item Only (Action Anticipated Date: \_\_\_\_\_)
- ☐ Conference to Action Item
- ☒ Action Item

**DIVISION:** Business Office

**RECOMMENDATION:** Approve Gilbert Associates, Inc. for the 2018-19 Independent Auditor Selection

**BACKGROUND:**

In accordance with Education Code section 41020, school districts must notify the County Superintendent of Schools of their selection for an independent audit firm. In the event the Governing Board of a school district has not selected an audit firm by April 1, the county office will arrange for a firm to provide audit services.

Board approved Auditor Selection and Submission to SCOE is due to SCUSD by March 15, 2019 .

**FINANCIAL CONSIDERATIONS:** \$18,500

**LCAP GOALS:**

**DOCUMENTS ATTACHED:** Independent Auditor Selection Form & Gilbert Associates, Inc. 2018-19 Contract.

**PREPARED BY:** Megan Lao

**REVIEWED BY:**

**PREPARED BY:**

**APPROVED BY:** Lee Yang

## INDEPENDENT AUDITOR SELECTION FORM

Urban Charter Schools Collective  
Yav Pem Suab Academy  
7555 S Land Park Drive  
Sacramento, CA 95831

In accordance with Education Code section 41020, school districts must notify the County Superintendent of Schools of their selection for an independent audit firm. In the event the Governing Board of a school district has not selected an audit firm by April 1, the county office will arrange for a firm to provide audit services. Please complete the following:

Gilbert Associates, Inc.  
2880 Gateway Oaks Dr., Ste. 100  
Sacramento, CA 95833

Contract Start Date: March 11, 2018  
Cost: \$18,500.00

*Authorized District Representative*

\_\_\_\_\_  
*Name*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

*Submit the Independent Auditor Selection Form by March 15, 2019 to:*

**Sacramento County Office of Education  
Debra Wilkins, Coordinator, Fiscal Support & Advisory Services  
P.O. Box 269003  
Sacramento, CA 95826-9003**

March 1, 2019

Board of Directors and Management of  
Urban Charter Schools Collective  
Lee Yang, Superintendent  
7555 South Land Park Drive  
Sacramento, CA 95831

We are pleased to confirm our understanding of the services we are to provide for Urban Charter Schools Collective (the Organization) for the year ended June 30, 2019.

We will audit the financial statements of the Organization, which comprise the statements of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year ended June 30, 2019 and the related notes to the financial statements (the financial statements).

Also, the additional supplementary information accompanying the financial statements, as required by the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the Education Audit Appeals Panel, will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

#### **Audit Objectives**

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of the Organization's financial statements. Our report will be addressed to the Board of Directors of the Organization. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue reports, or we may withdraw from this engagement.

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We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Organization is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with generally accepted auditing standards established by the Auditing Standards Board (United States) and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

#### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

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### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Organization's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

We will prepare the Organization's federal and state information returns for the year ended June 30, 2019 ended based on information provided by you. A separate engagement letter will be provided for our tax services. We will also assist in preparing the financial statements and related notes of the Organization in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.

### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including monitoring ongoing activities and for helping to ensure that appropriate goals and objectives are met; (2) following laws and regulations; and (3) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also



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responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the organization from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Organization complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. The Organization is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

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You agree to assume all management responsibilities relating to the tax services, financial statements, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter the tax services provided and our assistance with the preparation of the financial statements and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, the financial statements, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to assume all management responsibilities for the tax services, financial statement preparation services, and any other nonattest services we provide; you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

### **Hiring of Employees**

We have a significant investment in the training and development of our staff, and they are valued employees of Gilbert Associates, Inc. If you should hire one of our shareholders, managers, or professional employees either during the audit or within one year after the completion of this engagement, you agree to pay a personnel placement fee of 30% of their annual salary to compensate Gilbert Associates, Inc.

Management also has the responsibility to ensure that they have not caused Gilbert Associates, Inc. independence to be impaired by hiring a former or current Gilbert Associates, Inc. shareholder, manager, or professional employee in a key position, as defined in the Code of Professional Conduct of the American Institute of Certified Public Accountants (AICPA), that would cause a violation of the AICPA Code of Professional Conduct or other applicable independence rules. Any offer of employment to members of the audit team prior to issuance of our report may impair our independence, and may result in our inability to complete the engagement and issue a report.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Organization; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Gilbert Associates, Inc. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to California Department of Education, the State Controller's Office, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gilbert Associates, Inc. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.



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The audit documentation for this engagement will be retained for a minimum of seven years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Sarah Ellis is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit to begin in April 2019 and to complete your information returns and issue our report no later than December 15, 2019.

We estimate that our fees for the audit and other services (other than the preparation of the information returns) will be \$18,500. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. The fee estimate is based on the following assumptions:

- 1) Management will complete the year-end accounting and financial statements in accordance with U.S. generally accepted accounting principles prior to the start date for year-end audit fieldwork.
- 2) All requested items on the preparation list will be ready at the start of audit fieldwork.
- 3) No significant financial statement errors identified during the audit that requires us to increase our scope of work.
- 4) No compliance issues are identified during the audit that requires us to increase our scope of work.
- 5) There are no unexpected delays and, once scheduled, the audit fieldwork will not have to be rescheduled. If fieldwork has to be rescheduled, we require 10 business days notice prior to the scheduled fieldwork date or you will be charged a 10% (of the total audit fee) as a rescheduling fee. If the audit has to be rescheduled, there is no guarantee that the December 15 deadline will be met.
- 6) There are no material changes to the charter school law (the Education Code) and/or audit requirements that impact the scope of the audit after the date of this engagement letter.

The fees do not include any accounting services such as closing year-end accounts or account reconciliations. If additional fees are necessary for any reason, including those listed above, we will discuss the increases with you and provide examples of the cause for the additional fee.

Our fees and costs will be billed monthly, and are payable upon receipt. Invoices unpaid 30 days past the billing date may be deemed delinquent, and are subject to an interest charge of .83% per month. We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed delinquent. In the event that any collection action is required to collect unpaid balances due us, you agree to reimburse us for our costs of collection, including attorneys' fees.

If we elect to terminate our services for nonpayment, or for any other reason provided for in this letter, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended, and to reimburse us for all of our out-of-pocket costs, through the date of termination.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the

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addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our hourly rates, as set forth above, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

In the event that we are or may be obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, then to the extent that such obligation is or may be a direct or indirect result of your intentional or knowing misrepresentation or provision to us of inaccurate or incomplete information in connection with this engagement, and not any failure on our part to comply with professional standards, you agree to indemnify us, defend us, and hold us harmless as against such obligations.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that in the event of a dispute over fees charged by the accountant, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement, notwithstanding any statutory provision to the contrary.

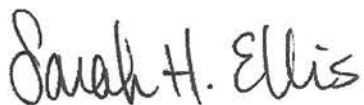
This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

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We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

GILBERT ASSOCIATES, INC  
CPAS AND ADVISORS



Sarah H. Ellis, CPA  
Shareholder

RESPONSE:

This letter correctly sets forth the understanding of Urban Charter Schools Collective.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## URBAN CHARTER SCHOOLS COLLECTIVE BOARD OF DIRECTORS

AGENDA ITEM: 10

**MEETING DATE:** March 11, 2019

**SUBJECT:** Chief Financial Officer's Monthly Report

- ☐ Informational Item Only
- ☐ Approval on Consent Agenda
- ☒ Conference/Discussion Item Only (Action Anticipated Date: April 8, 2019)
- ☐ Conference to Action Item
- ☐ Action Item

**DIVISION:** Business Office

**RECOMMENDATION:** Review and Discuss 2019-2020 UCSC Board Meeting Calendar

**BACKGROUND:**

**Board Governance, Board Policy#2: Annual Organizational Meeting**

In accordance with the Bylaws, the Board shall meet at its principal office at least once annually within thirty (30) days of the beginning the academic school year for the purpose of reorganizing the Board.

**Board Governance, Board Policy#5: Board Meetings and Agenda Preparation**

Regular meetings of the Board of Directors of Urban Charter Schools Collective shall be held consistent with the calendar for such meetings as established by the Board each year. If at any time any regular meeting falls on a holiday, (Federal, State or local), such regular meeting shall be held on the next business day.

**FINANCIAL CONSIDERATIONS:** None

**LCAP GOALS:**

**DOCUMENTS ATTACHED:** DRAFT 2019-2020 UCSC Board Meeting Calendar

**PREPARED BY:** Megan Lao

**REVIEWED BY:**

**PREPARED BY:**

**APPROVED BY:** Lee Yang

# UCSC REGULAR BOARD MEETING CALENDAR

**FY 2019-2020**

7555 S Land Park Drive, Sacramento, CA 95831  
Phone (916) 433-5057 Fax (916) 433-5289  
www.urban-csc.org



## Regular Meeting Dates

August 12, 2019  
September 9, 2019  
October 14, 2019  
November 12, 2019  
December 16, 2019  
January 13, 2020  
February 11, 2020  
March 9, 2020  
April 13, 2020  
May 11, 2020  
June 8, 2020  
June 29, 2020

July 2019						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2019						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September 2019						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October 2019						
S	M	T	W	T	F	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November 2019						
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					1	2
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 2019						
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15	16	17	18	19	20	21
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29	30	31				

January 2020						
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25	26	27	28	29	30	31

February 2020						
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23	24	25	26	27	28	29

March 2020						
S	M	T	W	T	F	S
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15	16	17	18	19	20	21
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29	30	31				

April 2020						
S	M	T	W	T	F	S
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

May 2020						
S	M	T	W	T	F	S
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24	25	26	27	28	29	30

June 2020						
S	M	T	W	T	F	S
			1	2	3	4
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

	UCSC Regular Board		Holidays/No School
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## IMPLEMENTATION PLAN

Objective	Strategy	Tactic	2018 – 2019	2019 – 2020	2020 – 2021	2021 – 2022	2022 – 2023	Point Person
I. Further develop YPSA into a powerful case study for body-brain compatible approaches.	A. Develop a strong data collection and analysis operation	i. Build a data team.		x	x	x		Lee
		ii. Foster a data-minded culture.	x	x	x	x	X	Lee
		iii. Standardize our data processes and procedures.		x	x	x	x	Lee
	B. Provide comprehensive and targeted training on body-brain compatible approaches to our faculty and staff	i. Set clear expectations and goals that define “success.”	x	x				Lee
		ii. Ensure all staff and faculty are set up for success.	x	x	x	x	x	Lee
	C. Foster a school and organizational culture of continuous improvement	i. Cultivate a safe and supportive environment anchored in trust.	x	x	x	x	x	Megan
		ii. Develop the formal structures to enable continuous improvement.	x	x				Lee
		iii. Celebrate innovation and experimentation.	x	x	x	x	X	Megan

Objective	Strategy	Tactic	2018 – 2019	2019 – 2020	2020 – 2021	2021 – 2022	2022 – 2023	Point Person
II.  Share the value of body-brain compatible approaches with other organizations and institutions.	A.  Codify our model and approach to body-brain compatible learning.	i. Establish a shared understanding of the HET model.	x	x	x	x	x	Lee
		ii. Ensure consistency of delivery.		x				Lee
	B.  Create buzz around body-brain compatible approaches through broad and targeted outreach.	i. For policy makers, increase awareness of the effectiveness of body-brain compatible approaches.				x	x	Lee
		ii. For school leaders and teachers, offer myriad opportunities to learn about and engage with our model.			x	x	x	Coach
		iii. For parents, empower them to champion and reinforce our work		x	x	x	x	Vince



Objective	Strategy	Tactic	2018 – 2019	2019 – 2020	2020 – 2021	2021 – 2022	2022 – 2023	Point Person
III. Build a stronger and more sustainable UCSC.	A. Attract and retain top talent.	i. Create a profound sense of purpose among our team.	x	x	x	x	x	Lee
		ii. Practice what we preach and become a place known for learning and development for faculty and staff.		x	x	x	x	Lee
		iii. Incentivize longer tenures for faculty and staff.		x	x	x	x	Lee
	B. Improve internal communication.	i. Streamline top-down communication	x	x	x	x	x	Lee
		ii. Proactively solicit bottom-up feedback and ideas.		x	x	x	x	Megan
	C. Transition UCSC's board into a governing board.	i. Build capacity of the Academy Council	x	x	x	x	x	Vince
		ii. Establish clear roles and expectations.	x	x				Miles
		iii. Develop Superintendent oversight templates and processes.	x	x				Miles
		iv. Provide targeted, on-going professional development for board members	x	x	x	x	X	Miles

## COST ASSESSMENT

	2018-19	2019-20	2020-21	2021-22	2022-23	Notes
<b>I. Further develop YPSA into a powerful case study for body-brain compatible approaches</b>						
<b>A. Develop a strong data collection and analysis operation</b>						
i. Build a data team	-	\$25,000	\$25,000	\$75,000	\$75,000	Salary of part-time data contractor, eventually full-time Head of Data
ii. Foster a data-minded culture	-	-	-	-	-	
iii. Standardize our data processes and procedures	-	\$20,000	-	-	\$50,000	Purchase of basic data tool in 2019-20 and more advanced tool in 2022-23
<b>B. Provide comprehensive and targeted training on body-brain compatible approaches to our faculty and staff</b>						
i. Set clear expectations and goals that define “success”	\$15,000	\$10,000	-	-	-	Cost of hiring a curriculum design consultant
ii. Ensure all staff and faculty are set up for success	-	-	-	-	-	
<b>C. Foster a school and organizational culture of continuous improvement</b>						
i. Cultivate a safe and supportive environment anchored in trust	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	Fundraising money to cover birthday celebrations
ii. Develop the formal structures to enable continuous improvement	-	-	-	-	-	
iii. Celebrate innovation and experimentation	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	Providing funds to support staff innovations
<b>subtotal</b>	<b>\$21,000</b>	<b>\$61,000</b>	<b>\$31,000</b>	<b>\$81,000</b>	<b>\$131,000</b>	

2018-19	2019-20	2020-21	2021-22	2022-23	Notes
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<b>II. Share the value of body-brain compatible approaches with other organizations and institutions</b>						
<b>A. Codify our model and approach to body-brain compatible learning</b>						
i. Establish a shared understanding of the HET model	-	-	-	-	-	
ii. Ensure the consistency of delivery	-	\$80,000	\$80,000	\$80,000	\$80,000	Salary for HET coach
<b>B. Create buzz around body-brain compatible approaches through broad and targeted outreach</b>						
i. For policy makers, increase awareness of the effectiveness of body-brain compatible approaches	-	-	-	-	-	
ii. For school leaders and teachers, offer myriad opportunities to learn about and engage with our model	-	-	\$1,500	\$2,500	\$3,500	Recording devices, video editing, food, and other event expenses
iii. For parents, empower them to champion and reinforce our work	-	\$500	\$500	\$1,000	\$1,000	Event supplies and added cost of including parents on trips
<b>subtotal</b>	-	<b>\$80,500</b>	<b>\$82,000</b>	<b>\$83,500</b>	<b>\$84,500</b>	

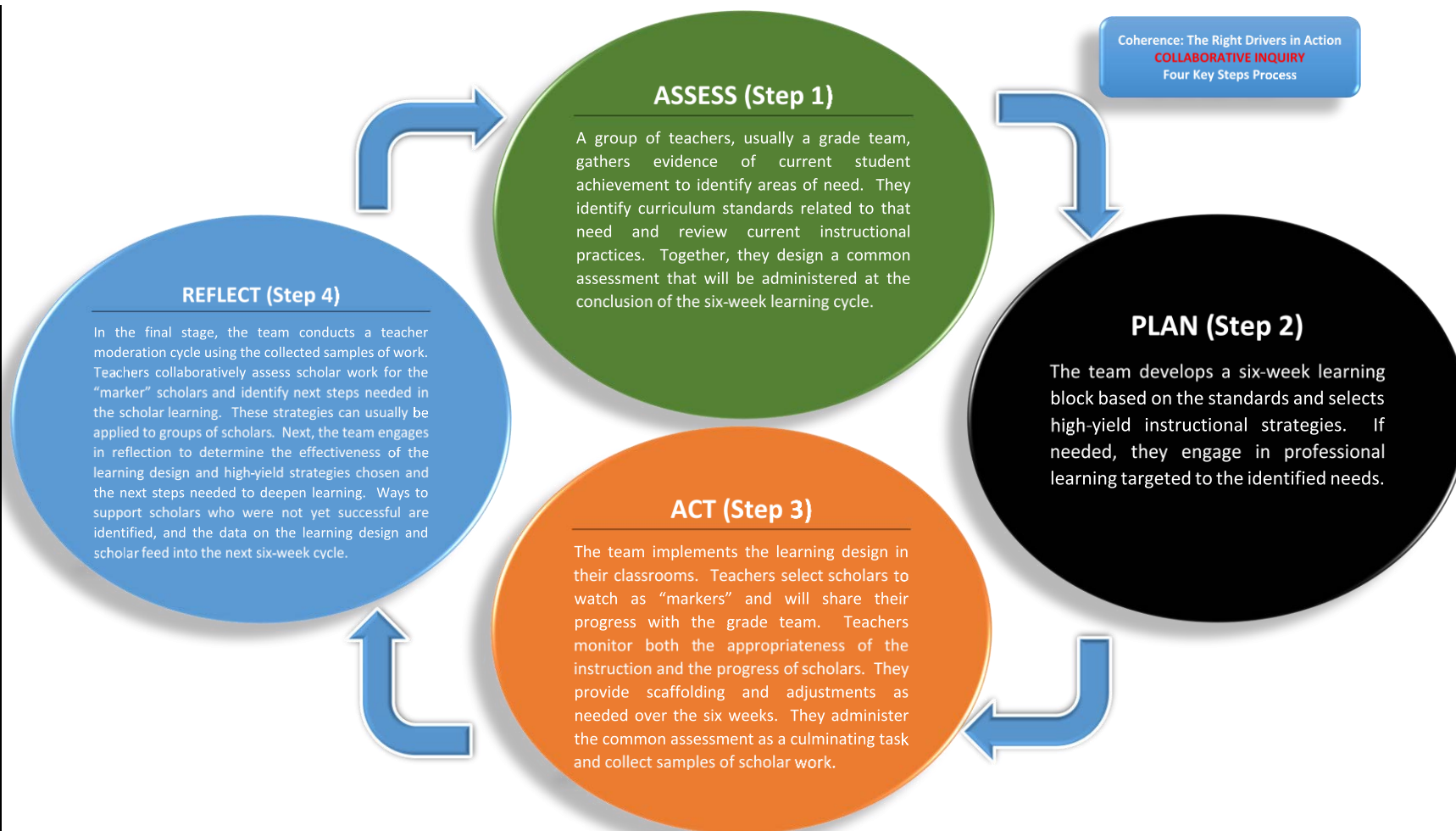
	2018-19	2019-20	2020-21	2021-22	2022-23	Notes
<b>III. Build a stronger and more sustainable UCSC</b>						
<b>A. Attract and retain top talent</b>						
i. Create a profound sense of purpose among our team	-	-	-	-	-	
ii. Practice what we preach and become a place known for learning and development for faculty and staff	-	\$7,500	\$10,000	\$12,500	\$15,000	Conferences and travel
iii. Incentivize longer tenures for faculty and staff	-	\$2,000	\$5,000	\$8,000	\$12,000	Perks for staff, including increasing amount of incentive pay over time
<b>B. Improve internal communications</b>						
i. Streamline top-down communication	-	-	-	-	-	
ii. Proactively solicit bottom-up feedback and ideas	-	\$1,000	\$1,000	\$1,000	\$1,000	Hack-a-thon costs
<b>C. Transition UCSC's board into a governing board</b>						

i. Build capacity of the Academy Council	\$1,000	\$2,000	\$2,000	\$2,000	\$2,000	Professional development for Academy Council
ii. Establish clear roles and expectations	-	-	-	-	-	
iii. Develop Superintendent oversight templates and processes	-	-	-	-	-	
iv. Provide targeted, on-going professional development for board members	\$3,500	\$5,000	\$6,000	\$6,000	\$6,000	Professional development for board members
<i>subtotal</i>	<b>\$4,500</b>	<b>\$17,500</b>	<b>\$24,000</b>	<b>\$29,500</b>	<b>\$36,000</b>	

## TOTAL COST

Strategic Plan Objective	2018-19	2019-20	2020-21	2021-22	2022-23
<b>I. Further develop YPSA into a powerful case study for body-brain compatible approaches</b>	\$21,000	\$61,000	\$31,000	\$81,000	\$131,000
<b>II. Share the value of body-brain approaches with other organizations and institutions</b>	-	\$80,500	\$82,000	\$83,500	\$84,500
<b>III. Build a stronger and more sustainable UCSC</b>	\$4,500	\$17,500	\$24,000	\$29,500	\$36,000
<b>ANNUAL COST</b>	<b>\$25,500</b>	<b>\$159,000</b>	<b>\$137,000</b>	<b>\$194,000</b>	<b>\$251,500</b>
<b>TOTAL COST</b>	<b>\$767,000</b>				

## APPENDIX A: Collaborative Inquiry Process

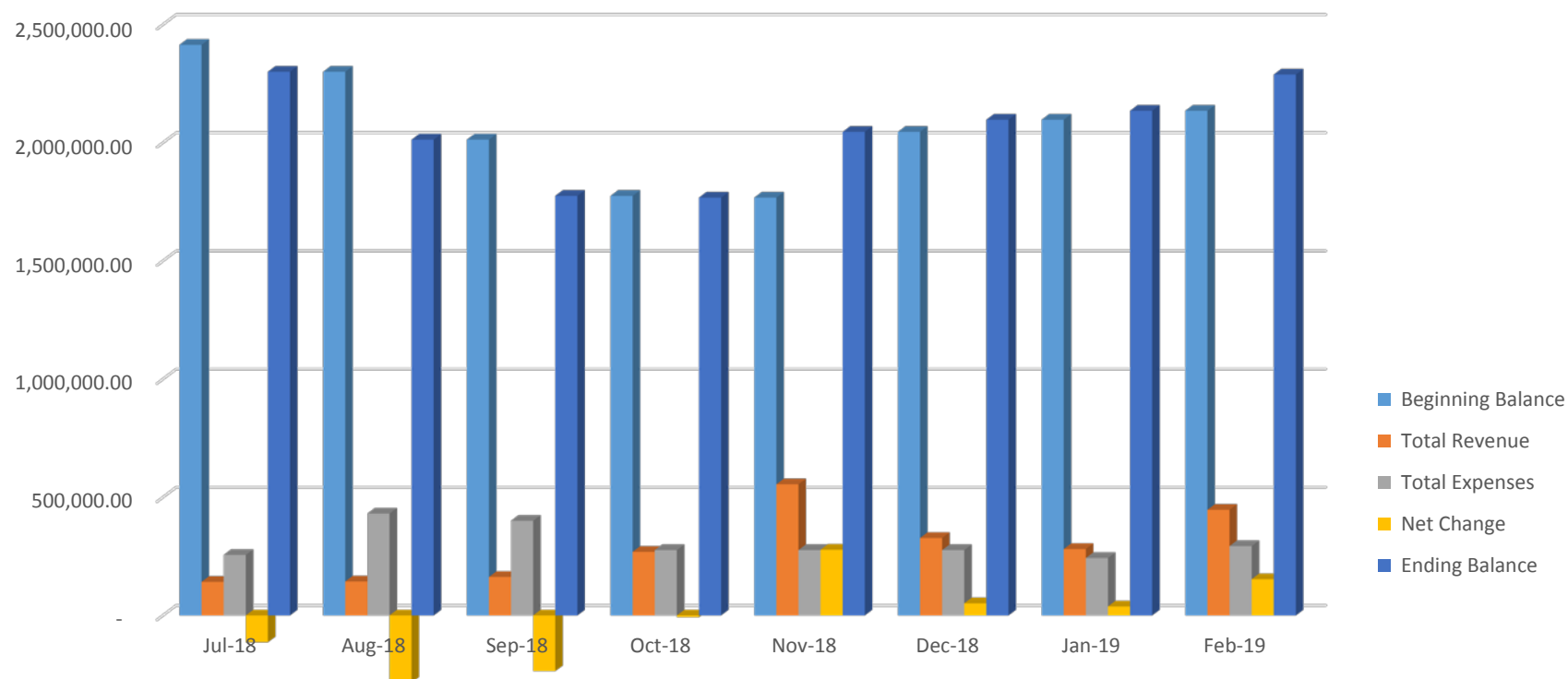


# UCSC YTD Balance Sheet

Regular Board Meeting

March 11, 2019

For Month Ending, February 28, 2019



(500,000.00)

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Beginning Balance	2,414,453.00	2,300,508.40	2,013,300.28	1,775,451.95	1,768,010.91	2,046,222.87	2,097,589.52	2,135,526.27
Total Revenue	142,049.00	143,766.28	162,899.00	269,185.03	554,895.00	327,913.94	281,035.03	446,954.70
Total Expenses	255,993.60	430,974.40	400,747.33	276,626.07	276,683.04	276,547.29	243,098.28	293,565.37
Net Change	(113,944.60)	(287,208.12)	(237,848.33)	(7,441.04)	278,211.96	51,366.65	37,936.75	153,389.33
Ending Balance	2,300,508.40	2,013,300.28	1,775,451.95	1,768,010.91	2,046,222.87	2,097,589.52	2,135,526.27	2,288,915.60

# Urban Charter Schools Collective

## Balance Sheet

As of February 28, 2019

03/07/19

	Feb 28, 19
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
9125 · UBOC-Student Activities (Student Activities Fund)	3,282.26
9124 · Union Bank 4361	2,204,665.57
9122 · Union Bank	222,350.59
Total Checking/Savings	2,430,298.42
Accounts Receivable	
9200 · Accounts Receivable	257.59
Total Accounts Receivable	257.59
Other Current Assets	
9260 · Due From Federal Government	
9260.20 · 8294 - Title II Teacher Quality	1,240.00
Total 9260 · Due From Federal Government	1,240.00
9330 · Prepaid Expenditures	20,739.42
9335 · E-Rate Discount	11,519.59
Total Other Current Assets	33,499.01
Total Current Assets	2,464,055.02
Fixed Assets	
9410 · Land Improvements	13,538.93
9440 · Equipment (Equipment over \$3,000)	77,816.00
9499 · Accumulated Depreciation	-77,569.83
Total Fixed Assets	13,785.10
<b>TOTAL ASSETS</b>	<b>2,477,840.12</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
9500 · Accounts Payable	-3,078.69
Total Accounts Payable	-3,078.69
Credit Cards	
9361 · Union Bank X124	3,190.51
Total Credit Cards	3,190.51
Other Current Liabilities	
9501 · Capital Lease	8,616.98
9510 · Payroll Liabilities	
9511 · STRS Employer Contribution	21,745.65
9512 · STRS Employee Contributions	13,719.88
9513 · EE State Disability Contrib. (Acct# 776-0576...	-29.03
Total 9510 · Payroll Liabilities	35,436.50
9525 · Funds Held for Other (Student Activities Fund)	4,416.88
9650 · Deferred Revenue	
9651 · NCLB-Title I, Part A	9,076.79
9654 · Title III LEP	2,781.58
Total 9650 · Deferred Revenue	11,858.37



03/07/19

Urban Charter Schools Collective  
**Balance Sheet**  
As of February 28, 2019

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	Feb 28, 19
Total Other Current Liabilities	60,328.73
Total Current Liabilities	60,440.55
Total Liabilities	60,440.55
Equity	
9700 - Fund Balance/Net Assets	2,414,452.96
Net Income	2,946.61
Total Equity	2,417,399.57
TOTAL LIABILITIES & EQUITY	2,477,840.12

03/07/19

# Urban Charter Schools Collective

## Profit & Loss Budget vs. Actual

July 2018 through February 2019

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
8000 · Revenues & Other Financing				
8012 · EPA	324,715.00	649,430.00	-324,715.00	50.0%
8015 · General Purpose/State Aid	1,562,533.00	2,742,817.35	-1,180,284.35	57.0%
8096 · In-Lieu Property Taxes	520,091.16	875,247.75	-355,156.59	59.4%
Total 8000 · Revenues & Other Financing	2,407,339.16	4,267,495.10	-1,860,155.94	56.4%
8100 · Federal Revenue				
8290 · Other Federal Revenue				
8293 · Title 1, Part A	32,751.00	134,089.00	-101,338.00	24.4%
8294 · Title II-Improving Teacher Qual	3,748.00	12,944.00	-9,196.00	29.0%
8295 · Title III LEP	10,009.00	14,263.00	-4,254.00	70.2%
8296 · Title IV Stu Suppt Acad Enric...	2,500.00	10,000.00	-7,500.00	25.0%
Total 8290 · Other Federal Revenue	49,008.00	171,296.00	-122,288.00	28.6%
Total 8100 · Federal Revenue	49,008.00	171,296.00	-122,288.00	28.6%
8300 · Other State Revenue				
8550 · Mandate Block Grant	48,703.00	90,063.00	-41,360.00	54.1%
8560 · Lottery				
8561 · Lottery Restricted (Inst Mat)	5,394.84	21,574.56	-16,179.72	25.0%
8562 · Lottery Unrestricted	33,401.22	65,622.62	-32,221.40	50.9%
Total 8560 · Lottery	38,796.06	87,197.18	-48,401.12	44.5%
8590 · All Other State Revenue				
8598 · Low-Performing Students Blk ...	19,760.00	39,520.00	-19,760.00	50.0%
8599 · Classified School Emp PD Blk...	4,252.00	4,252.00	0.00	100.0%
8590 · All Other State Revenue - Other	1,069.00	0.00	1,069.00	100.0%
Total 8590 · All Other State Revenue	25,081.00	43,772.00	-18,691.00	57.3%
8300 · Other State Revenue - Other	0.00	112.37	-112.37	0.0%
Total 8300 · Other State Revenue	112,580.06	221,144.55	-108,564.49	50.9%
8600 · Other Local Revenue				
8610 · Direct Public Support (Contributi...	2,067.28	2,258.28	-191.00	91.5%
8699 · Misc. Funds	541.00	0.00	541.00	100.0%
Total 8600 · Other Local Revenue	2,608.28	2,258.28	350.00	115.5%
Total Income	2,571,535.50	4,662,193.93	-2,090,658.43	55.2%
Gross Profit	2,571,535.50	4,662,193.93	-2,090,658.43	55.2%
Expense				
1000 · Certificated Personnel Salaries				
1100 · Certificated Teachers' Salaries				
1101 · CORE Teacher Salaries	778,990.56	1,200,690.21	-421,699.65	64.9%
1102 · CORE Substitute Teachers	7,994.88	31,560.00	-23,565.12	25.3%
1106 · Stipend Pay-C (Interest Club ...				
1106-4 · MED Waiver Stipend-C	4,375.00	6,875.00	-2,500.00	63.6%
1106-2 · Leadership (Stipends pai...	640.00	24,120.00	-23,480.00	2.7%
Total 1106 · Stipend Pay-C (Interest ...	5,015.00	30,995.00	-25,980.00	16.2%
Total 1100 · Certificated Teachers' Sala...	792,000.44	1,263,245.21	-471,244.77	62.7%
1300 · Cert. Sup & Admin Salaries				
1311 · Principal	75,658.16	113,487.29	-37,829.13	66.7%
1312 · Superintendent	101,000.00	153,015.00	-52,015.00	66.0%

03/07/19

# Urban Charter Schools Collective

## Profit & Loss Budget vs. Actual

### July 2018 through February 2019

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Budget
1321 · Assistant Principal	53,333.36	80,000.00	-26,666.64	66.7%
Total 1300 · Cert. Sup & Admin Salaries	229,991.52	346,502.29	-116,510.77	66.4%
Total 1000 · Certificated Personnel Salaries	1,021,991.96	1,609,747.50	-587,755.54	63.5%
2000 · Classified Personnel Salaries				
2100 · Other Non-Certificated Salaries				
2110 · Enrichment Teachers				
2101 · Enrichment Teachers' Sala...	143,035.43	264,155.13	-121,119.70	54.1%
2102 · Enrichment Teacher Traini...	1,212.83			
2105 · Stipend Pay-NC (Coverage...				
2105-5 · PD/Training	0.00	1,872.00	-1,872.00	0.0%
2105-4 · MED Waiver Stipend-...	750.00	4,125.00	-3,375.00	18.2%
2105-3 · Attendance Stipend	0.00	7,200.00	-7,200.00	0.0%
Total 2105 · Stipend Pay-NC (Cov...	750.00	13,197.00	-12,447.00	5.7%
Total 2110 · Enrichment Teachers	144,998.26	277,352.13	-132,353.87	52.3%
2120 · Instructional Aide	75,908.60	133,413.04	-57,504.44	56.9%
Total 2100 · Other Non-Certificated Sal...	220,906.86	410,765.17	-189,858.31	53.8%
2200 · Classified Support Salaries				
2221 · Plant Manager	26,993.12	43,968.32	-16,975.20	61.4%
2222 · Night Custodian	20,717.20	34,676.80	-13,959.60	59.7%
2223 · Custodial Substitute	3,472.50	5,040.00	-1,567.50	68.9%
2224 · Registered Nurse	14,182.77	37,906.80	-23,724.03	37.4%
Total 2200 · Classified Support Salaries	65,365.59	121,591.92	-56,226.33	53.8%
2300 · Classified Sup.and Admin	69,326.00	103,989.60	-34,663.60	66.7%
2400 · Office Support				
2402 · Clerical Support & Substitutes				
2402-1 · Office Coverage	7,069.42	2,500.00	4,569.42	282.8%
2402-2 · Back Office Coverage	1,605.00	4,000.00	-2,395.00	40.1%
Total 2402 · Clerical Support & Subst...	8,674.42	6,500.00	2,174.42	133.5%
2403 · Office Clerk				
2403-1 · OT Pay	7.04			
2403 · Office Clerk - Other	34,878.96	67,154.32	-32,275.36	51.9%
Total 2403 · Office Clerk	34,886.00	67,154.32	-32,268.32	51.9%
2404 · Administrative Assistant	15,894.04	34,789.12	-18,895.08	45.7%
Total 2400 · Office Support	59,454.46	108,443.44	-48,988.98	54.8%
2800 · Technology Department Salaries				
2801 · ATT	30,177.87	68,275.03	-38,097.16	44.2%
2802 · ATT/Classroom Tutoring	54.00	3,210.00	-3,156.00	1.7%
2803 · ATT PD/Mtg. Stipend	1,894.75	5,772.00	-3,877.25	32.8%
2804 · ATT Attendance Stipends	0.00	5,040.00	-5,040.00	0.0%
2805 · ATT Sub	5,518.05	0.00	5,518.05	100.0%
2800 · Technology Department Salar...	7,108.08	13,642.00	-6,533.92	52.1%
Total 2800 · Technology Department S...	44,752.75	95,939.03	-51,186.28	46.6%
2900 · Campus Safety				
2901 · Yard Duty Salary	16,704.03	31,312.48	-14,608.45	53.3%
2902 · Yard Duty Tranings	1,119.45	572.00	547.45	195.7%
2903 · Yard Duty Sub	1,062.72	0.00	1,062.72	100.0%

03/07/19

# Urban Charter Schools Collective

## Profit & Loss Budget vs. Actual

### July 2018 through February 2019

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Budget
2904 · Attendance Stipend	0.00	1,440.00	-1,440.00	0.0%
Total 2900 · Campus Safety	18,886.20	33,324.48	-14,438.28	56.7%
Total 2000 · Classified Personnel Salaries	478,691.86	874,053.64	-395,361.78	54.8%
3000 · Employee Benefits				
3101 · STRS (Certificated)	165,276.76	262,066.89	-96,790.13	63.1%
3301 · Medicare (Certificated)	14,655.78	23,341.34	-8,685.56	62.8%
3302 · OASDI (Non Certificated)	29,383.61	54,191.33	-24,807.72	54.2%
3304 · Medicare (Non Certificated)	6,939.88	12,673.78	-5,733.90	54.8%
3400 · Health & Welfare Benefits				
3401 · Health & Welfare Benefits-Cert	127,046.21	0.00	127,046.21	100.0%
3402 · Health & Welfare Benefits (NC)	45,464.04	0.00	45,464.04	100.0%
3400 · Health & Welfare Benefits - O...	13,785.39	293,120.96	-279,335.57	4.7%
Total 3400 · Health & Welfare Benefits	186,295.64	293,120.96	-106,825.32	63.6%
3500 · Unemployment Insurance				
3504 · SEF UI Fund	1,474.60	5,741.90	-4,267.30	25.7%
Total 3500 · Unemployment Insurance	1,474.60	5,741.90	-4,267.30	25.7%
3600 · Worker's Comp Insurance	21,712.00	22,000.00	-288.00	98.7%
Total 3000 · Employee Benefits	425,738.27	673,136.20	-247,397.93	63.2%
4000 · Books & Supplies				
4100 · Textbooks & Core Materials	688.41	0.00	688.41	100.0%
4200 · Books & Other Ref Materials				
4211 · Staff Professional Development	1,022.17			
4200 · Books & Other Ref Materials -...	2,935.80	50,000.00	-47,064.20	5.9%
Total 4200 · Books & Other Ref Materials	3,957.97	50,000.00	-46,042.03	7.9%
4300 · Materials & Supplies				
4320 · Enrichment Supplies				
4324 · Sports Enrichment Materials	1,337.89	0.00	1,337.89	100.0%
Total 4320 · Enrichment Supplies	1,337.89	0.00	1,337.89	100.0%
4330 · Office Supplies				
4330-1 · Awards Assembly	686.70	3,000.00	-2,313.30	22.9%
4330-3 · Staff Recognition	446.40			
4330 · Office Supplies - Other	470.85	5,000.00	-4,529.15	9.4%
Total 4330 · Office Supplies	1,603.95	8,000.00	-6,396.05	20.0%
4340 · Back Office Supplies	415.48	5,000.00	-4,584.52	8.3%
4350 · Schoolwide Supplies-Consum...	48,979.93	65,660.00	-16,680.07	74.6%
4360 · Health Supplies	703.85	2,350.00	-1,646.15	30.0%
4370 · Custodial Supplies	6,268.92	14,100.00	-7,831.08	44.5%
4390 · Food for staff (food for staff m...				
4390-3 · UCSC Board	67.92	0.00	67.92	100.0%
4390 · Food for staff (food for staff...	338.00	0.00	338.00	100.0%
Total 4390 · Food for staff (food for s...	405.92	0.00	405.92	100.0%
Total 4300 · Materials & Supplies	59,715.94	95,110.00	-35,394.06	62.8%
4400 · Non-Capitalized Equipment				
4410 · Schoolwide Start-Up (technol...	0.00	60,204.00	-60,204.00	0.0%
4420 · Schoolwide Start-up (furniture)	5,971.67	8,000.00	-2,028.33	74.6%
4400 · Non-Capitalized Equipment - ...	63,806.00	0.00	63,806.00	100.0%

03/07/19

# Urban Charter Schools Collective

## Profit & Loss Budget vs. Actual

July 2018 through February 2019

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Budget
Total 4400 · Non-Capitalized Equipment	69,777.67	68,204.00	1,573.67	102.3%
Total 4000 · Books & Supplies	134,139.99	213,314.00	-79,174.01	62.9%
5000 · Services & Other Op Expenditure				
5200 · Travel & Conferences				
5202 · Travel Expenses				
5202-1 · Staff Professional Develo...	8,251.58	14,565.00	-6,313.42	56.7%
5202-2 · Day to Day Travels	227.43	2,500.00	-2,272.57	9.1%
5202-3 · Study Trip/Pre Visits	1,374.00	432.00	942.00	318.1%
5202 · Travel Expenses - Other	1,388.98	0.00	1,388.98	100.0%
Total 5202 · Travel Expenses	11,241.99	17,497.00	-6,255.01	64.3%
5203 · Conference Fees/Registrations	3,625.00	14,159.00	-10,534.00	25.6%
Total 5200 · Travel & Conferences	14,866.99	31,656.00	-16,789.01	47.0%
5300 · Dues & Memberships	10,700.77	10,677.00	23.77	100.2%
5400 · Insurance	19,554.09	19,604.00	-49.91	99.7%
5500 · Operations & Housekeeping Serv				
5501 · Water	0.00	41,000.00	-41,000.00	0.0%
5502 · Waste Removal	531.18	1,892.54	-1,361.36	28.1%
5503 · Natural Gas	197.58	3,000.00	-2,802.42	6.6%
5504 · Electricity	13,402.77	48,472.98	-35,070.21	27.6%
Total 5500 · Operations & Housekeepin...	14,131.53	94,365.52	-80,233.99	15.0%
5600 · Rental, Leases, Repairs, Improv				
5610 · Office Equip-Servic Agreem...	391.05	850.00	-458.95	46.0%
5615 · Software License Copyright	14,948.34	18,512.00	-3,563.66	80.7%
5620 · Copier Rental	3,695.33	7,500.00	-3,804.67	49.3%
5630 · Improvements or Repairs	0.00	3,000.00	-3,000.00	0.0%
5640 · Pro Rata Share for Facilities	61,273.84	83,594.97	-22,321.13	73.3%
5600 · Rental, Leases, Repairs, Impr...	450.00			
Total 5600 · Rental, Leases, Repairs, I...	80,758.56	113,456.97	-32,698.41	71.2%
5800 · Prof Consult Services & Op Exp				
5801 · Printing & Duplicating	0.00	2,500.00	-2,500.00	0.0%
5802 · Payroll Services	9,005.63	16,800.00	-7,794.37	53.6%
5805 · Audit	0.00	23,600.00	-23,600.00	0.0%
5807 · Insurance Admin Fees	40.00	40.00	0.00	100.0%
5808 · Wire Transfer Fees	0.00	100.00	-100.00	0.0%
5809 · Service Charge (Banks)	10.00			
5810 · Attorney fees	724.70	6,000.00	-5,275.30	12.1%
5811 · CPA fees	2,496.25	8,000.00	-5,503.75	31.2%
5812 · Nurse Consultation Fees (N...	4,166.75	10,000.00	-5,833.25	41.7%
5813 · Late Penalty	0.00	50.00	-50.00	0.0%
5820 · Transportation for Field Trips				
5820.1 · Field Trip Admission	20,095.67	0.00	20,095.67	100.0%
5820.2 · Field Trip Transportation	38,952.07	0.00	38,952.07	100.0%
5820 · Transportation for Field Tri...	0.00	87,677.51	-87,677.51	0.0%
Total 5820 · Transportation for Field ...	59,047.74	87,677.51	-28,629.77	67.3%
5840 · BTSA Support Providers	0.00	16,200.00	-16,200.00	0.0%
5898 · Contracted Services Fees (Us...	241,389.50	76,941.32	164,448.18	313.7%
5899 · 1099 Contracts	34,807.03	78,740.00	-43,932.97	44.2%
Total 5800 · Prof Consult Services & O...	351,687.60	326,648.83	25,038.77	107.7%
5900 · Communications				

03/07/19

# Urban Charter Schools Collective Profit & Loss Budget vs. Actual July 2018 through February 2019

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Budget
5901 · Telephones	15,056.86	30,000.00	-14,943.14	50.2%
5902 · Postage	899.53	1,050.00	-150.47	85.7%
5900 · Communications - Other	370.88	800.00	-429.12	46.4%
Total 5900 · Communications	16,327.27	31,850.00	-15,522.73	51.3%
Total 5000 · Services & Other Op Expendit...	508,026.81	628,258.32	-120,231.51	80.9%
6000 · Capital Outlay				
6400 · Equipment	0.00	116,716.64	-116,716.64	0.0%
Total 6000 · Capital Outlay	0.00	116,716.64	-116,716.64	0.0%
7000 · Other Outgo				
7010 · District Oversight Fee	0.00	42,674.95	-42,674.95	0.0%
7020 · Special Ed Encroachment	0.00	433,268.70	-433,268.70	0.0%
Total 7000 · Other Outgo	0.00	475,943.65	-475,943.65	0.0%
Total Expense	2,568,588.89	4,591,169.95	-2,022,581.06	55.9%
Net Ordinary Income	2,946.61	71,023.98	-68,077.37	4.1%
Net Income	2,946.61	71,023.98	-68,077.37	4.1%



## URBAN CHARTER SCHOOLS COLLECTIVE BOARD OF DIRECTORS

AGENDA ITEM: 13.3.1

**MEETING DATE:** March 11, 2019

**SUBJECT:** Chief Financial Officer's Monthly Report

- ☒ Informational Item Only
- ☐ Approval on Consent Agenda
- ☐ Conference/Discussion Item Only (Action Anticipated Date: \_\_\_\_\_)
- ☐ Conference to Action Item
- ☐ Action Item

**DIVISION:** Business Office

**RECOMMENDATION:** Chief Financial Officer's Monthly Report

**BACKGROUND:**

Fiscal Policy, Budget Policy#1, Budget Transfers

The CBO and Superintendent, or each of their designee may transfer up to \$5,000 from one unrestricted budget item to another without prior Board approval but shall notify the Board of the transfer at the next regularly scheduled meeting.

**FINANCIAL CONSIDERATIONS:** \$1,500

**LCAP GOALS:**

**DOCUMENTS ATTACHED:** Budget Policy #1 Page 4 of 9 and Budget Transfer Request

**PREPARED BY:** Megan Lao

**REVIEWED BY:** \_\_\_\_\_

**PREPARED BY:** \_\_\_\_\_

**APPROVED BY:** Lee Yang



### Controls, Budget, and Fiscal Management

UCSC will maintain the following principles in its ongoing fiscal management practices to ensure that (1) expenditures are authorized by and in accord with amounts specified in the Board-adopted budget, (2) each school's funds are managed and held in a manner that provides a high degree of protection of the school's assets, and (3) all transactions are recorded and documented in an appropriate manner.

#### ***Segregation of Duties***

UCSC will develop and maintain check request and purchase order forms to effectively document the authorization of all non-payroll expenditures. The CBO and Superintendent, or each of their designee must review all proposed expenditures to:

1. Determine if the expenditure is budgeted
2. Determine if funds are currently available for expenditures (i.e. cash flow)
3. Determine if the expenditure is allowable under the appropriate revenue source
4. Determine if the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures, and any related laws or applicable regulations
5. Determine if the price is competitive and prudent. All purchases over \$5,000 must include documentation of a good faith effort to secure the lowest possible cost for comparable goods or services

All transactions will be posted in an electronic general ledger, which shall be maintained by the CBO and Superintendent, or each of their designee or a contracted bookkeeper. To ensure segregation of recording and authorization, the bookkeeper may not co-sign check requests for purchase orders.

#### ***Budget Transfers***

The CBO and Superintendent, or each of their designee may transfer up to \$5,000 from one unrestricted budget item to another without prior Board approval, but shall notify the Board of the transfer at the next regularly scheduled meeting.

#### ***Banking Arrangements***

UCSC will maintain its accounts either in the County Treasury (or with the County Office of Education if applicable) or at a federally insured commercial bank or credit union. Funds will be deposited in non-speculative accounts, including federally-insured savings or checking accounts, or invested in non-speculative federally-backed instruments or in the County's Pooled Money Investment Fund. If funds are held in accounts outside of the County Treasury, the Board must appoint and approve all individuals authorized to sign checks or warrants in accord with these policies.

Reason for request:

Requested by: Megan Lao

Requestor's Signature: 

Date: 3/1/2019

Approved by: 

Approver's Signature: 

Yav Pem Suab Academy - Preparing for the Future Charter (34 67439 0121665)

Status: Certified  
Saved by: dennis mah  
Date: 2/28/2019 10:28 AM**2018-19 Federal Transferability**

Federal transferability of funds is governed by Title V in ESSA Section 5102. An LEA may transfer Title II, Part A and or Title IV, Part A program funds to other allowable programs. This transferability is not the same as Title V, Part B Alternative Uses of Funds Authority governed by ESEA Section 5211. **Note: Funds transferred under Title V, Part B Alternative Uses of Funds Authority are not to be included on this form.**

**CDE Program Contact:**

Geeta Rezvani , Title II / Standards Implementation Support , [grezvani@cde.ca.gov](mailto:grezvani@cde.ca.gov) , 916-323-5595  
Tom Herman, Coordinated School Health & Safety (Title IV), [THerman@cde.ca.gov](mailto:THerman@cde.ca.gov), 916-319-0914

**Title II, Part A Transfers**

2018-19 Title II, Part A entitlement	\$12,944
Transferred to Title I, Part A	\$0
Transferred to Title I, Part C	\$0
Transferred to Title I, Part D	\$0
Transferred to Title III English Learner	\$0
Transferred to Title III Immigrant	\$0
Transferred to Title IV, Part A	\$0
Transferred to Title V, Part B, Subpart 1 Small, Rural School Achievement Grant	\$0
Transferred to Title V, Part B, Subpart 2 Rural and Low-Income Grant	\$0
Total amount of Title II, Part A funds transferred out	\$0
2018-19 Title II, Part A entitlement after transfers out	\$12,944

**Title IV, Part A Transfers**

2018-19 Title IV, Part A entitlement	\$10,000
Transferred to Title I, Part A	\$0
Transferred to Title I, Part C	\$0
Transferred to Title I, Part D	\$0
Transferred to Title II, Part A	\$0
Transferred to Title III English Learner	\$0
Transferred to Title III Immigrant	\$0
Transferred to Title V, Part B, Subpart 1 Small, Rural School Achievement Grant	\$0
Transferred to Title V, Part B, Subpart 2 Rural and Low-Income Grant	\$0
Total amount of Title IV, Part A funds transferred out	\$0
2018-19 Title IV, Part A entitlement after transfers out	\$10,000

**\*\*\*Warning\*\*\***

The data in this report may be protected by the Family Educational Rights and Privacy Act (FERPA) and other applicable data privacy laws. Unauthorized access or sharing of this data may constitute a violation of both state and federal law.

**2018-19 Title I, Part A LEA Allocation and Reservations**

To report LEA required and authorized reservations before distributing funds to schools.

**CDE Program Contact:**

Sylvia Hanna, Title I Policy and Program Guidance Office, [shanna@cde.ca.gov](mailto:shanna@cde.ca.gov), 916-319-0948

Rina DeRose, Title I Policy and Program Guidance Office, [RDeRose@cde.ca.gov](mailto:RDeRose@cde.ca.gov), 916-323-0472

2018-19 Title I, Part A LEA allocation (+)	\$134,089
Transferred-in amount (+)	\$0
Nonprofit private school equitable services proportional share amount (-)	\$0
2018-19 Title I, Part A LEA available allocation	\$134,089

**Required Reservations**

Parent and family engagement (If the allocation is greater than \$500,000, then parent and family engagement equals 1% of the allocation minus the nonprofit private school equitable services proportional share amount.)	\$0
School parent and family engagement	\$0
LEA parent and family engagement	\$0
Direct or indirect services to homeless children, regardless of their school of attendance	\$2

**Authorized Reservations**

Public school Choice transportation	
Other authorized activities	
Indirect cost reservation	
Administrative reservation	

**Reservation Summary**

Total LEA required and authorized reservations	\$2
School parent and family engagement reservation	\$0
Amount available for Title I, Part A school allocations	\$134,087

**\*\*\*Warning\*\*\***

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**2018-19 Title II, Part A LEA Allocations**

The purpose of this data collection is to calculate the total allocation amount available to the LEA for Title II, Part A Supporting Effective Instruction.

**CDE Program Contact:**

Maxine Wheeler, Standards Implementation Support Office, [mwheeler@cde.ca.gov](mailto:mwheeler@cde.ca.gov), 916-323-4746

Geeta Rezvani, Title II / Standards Implementation Support, [grezvani@cde.ca.gov](mailto:grezvani@cde.ca.gov), 916-323-5595

2018-19 Title II, Part A entitlement	\$12,944
Transferred-in amount	\$0
Total funds transferred out of Title II, Part A	\$0
Total entitlement after transfers	\$12,944
Repayment of funds	
2018-19 Allocation	\$12,944
Administrative and indirect costs	
Equitable services for nonprofit private schools	
2018-19 Title II, Part A adjusted allocation	\$12,944

**\*\*\*Warning\*\*\***

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Yav Pem Suab Academy - Preparing for the Future Charter (34 67439 0121665)

Status: Certified  
Saved by: dennis mah  
Date: 2/28/2019 12:22 PM**2018-19 Title III English Learner LEA Allocations and Reservations**

The purpose of this data collection is to calculate the total allocation amount available to the LEA for Title III English learner, and to report required reservations.

**CDE Program Contact:**

Geoffrey Ndirangu, Language Policy and Leadership Office, [gndirang@cde.ca.gov](mailto:gndirang@cde.ca.gov), 916-323-5831

**Total Allocation**

2018-19 Title III English learner entitlement	\$14,263
Transferred-in amount	\$0
Repayment of funds	
2018-19 Allocation	\$14,263

**Allocation Reservations**

Professional development activities	\$4,000
Program and other authorized activities	\$0
English Proficiency and Academic Achievement	\$10,263
Parent, family, and community engagement	\$0
Direct administrative costs (Amount cannot exceed 2% of the entitlement)	\$0
Indirect costs	\$0
Total allocation reservations	\$14,263

**\*\*\*Warning\*\*\***

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Yav Pem Suab Academy - Preparing for the Future Charter (34 67439 0121665)

Status: Certified  
Saved by: dennis mah  
Date: 2/28/2019 12:22 PM**2018-19 Title III English Learner YTD Expenditure Report, 6 Months**

A report of year-to-date expenditures by activity. Activity period covered is July 1, 2018 through December 31, 2018.

**CDE Program Contact:**

Geoffrey Ndirangu, Language Policy and Leadership Office, [gndirang@cde.ca.gov](mailto:gndirang@cde.ca.gov), 916-323-5831

**Required and Authorized English Learners Sub-grantee Activities****Required**

Section 3115 (c)(1) To increase the English proficiency by providing high-quality language instruction educational programs that are based on scientifically based research demonstrating the effectiveness of the programs.

Section 3115 (c)(2) To provide high quality professional development to classroom teachers (including teachers in classroom settings that are not the settings of language instruction educational programs), principals, administrators, and other school or community-based organizational personnel.

**Authorized**

(1) Upgrading program objectives and effective instruction strategies.

(2) Improving the instruction program for English learners by identifying acquiring and upgrading curricula, instruction materials, educational software, and assessment procedures.

(3) Providing tutorials and academic or vocational education for English learners and intensified instruction.

(4) Developing and implementing elementary school or secondary school language instruction educational programs that are coordinated with other relevant programs and services.

(5) Improving the English language proficiency and academic achievement of English learners.

(6) Providing community participation programs, family literacy services and parent outreach and training activities to English learners and their families.

(7) Improving the instruction of English learners, which may include English learners with disabilities. Offering early college high school or dual or concurrent enrollment programs or courses designed to help English learners achieve success in postsecondary education.

2018-19 Title III English learner entitlement	\$14,263
Transferred-in amount	\$0
2018-19 Total allocation	\$14,263
<b>Object Code - Activity</b>	
1000-1999 Certificated personnel salaries	\$0
2000-2999 Classified personnel salaries	\$10,263
3000-3999 Employee benefits	\$0
4000-4999 Books and supplies	\$0
5000-5999 Services and other operating expenditures	\$4,000
Direct administrative costs	\$0
(Amount cannot exceed 2% of the entitlement)	
Indirect costs	\$0
Total year-to-date expenditures	\$14,263
2018-19 Unspent funds	\$0

**\*\*\*Warning\*\*\***

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**2018-19 Title IV, Part A LEA Allocations**

The purpose of this data collection is to calculate the total allocation amount available to the LEA for Title IV, Part A and to report reservations.

**CDE Program Contact:**

Tom Herman, Coordinated School Health & Safety (Title IV), [THerman@cde.ca.gov](mailto:THerman@cde.ca.gov), 916-319-0914

2018-19 Title IV, Part A entitlement	\$10,000
Transferred-in amount	\$0
Total funds transferred out of Title IV, Part A	\$0
2018-19 Title IV, Part A allocation	\$10,000
Indirect cost reservation	
Administrative reservation	
Equitable services for nonprofit private schools	
2018-19 Title IV, Part A adjusted allocation	\$10,000

**\*\*\*Warning\*\*\***

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**2018-19 Consolidation of Administrative Funds**

A request by the LEA to consolidate administrative funds for specific programs.

**CDE Program Contact:**

Julie Brucklacher, Financial Accountability and Info Srv Office, [jbruckla@cde.ca.gov](mailto:jbruckla@cde.ca.gov), 916-327-0858

Title I, Part A Basic SACS Code 3010	No
Title I, Part C Migrant Education SACS Code 3060	No
Title I, Part D Delinquent SACS Code 3025	No
Title II, Part A Supporting Effective Instruction SACS Code 4035	No
Title III Immigrant Students SACS Code 4201	No
Title III English Learner Students - 2% maximum SACS Code 4203	No
Title IV, Part A Student Support - 2% maximum SACS Code 4127	No
Title IV, Part B 21st Century Community Learning Centers SACS Code 4124	No

**\*\*\*Warning\*\*\***

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2018-19 Title I, Part A School Allocations

This report identifies the amount of Title I, Part A funds to be allocated to eligible schools.

CDE Program Contact:

Lana Zhou, Title I Policy and Program Guidance Office, [lzhou@cde.ca.gov](mailto:lzhou@cde.ca.gov), 916-319-0956  
 Rina DeRose, Title I Policy and Program Guidance Office, [RDeros@cd.ca.gov](mailto:RDeros@cd.ca.gov), 916-323-0472

LEA meets small LEA criteria.

An LEA is defined as a small LEA if, based on the school list and the data entered in School Student Counts, the LEA meets one or both of the following:  
 Is a single school LEA  
 Has enrollment total for all schools less than 1,000  
 If applicable, enter a Discretion Code. Use lower case only.

Allowable Discretion Codes

- a - Below LEA average and at or above 35% student low income
- d - Desegregation Waiver on File
- e - Grandfather Provision
- f - Feeder Pattern

Low income measureFRPM  
 Serving schools byHighest to lowest within the LEA  
 LEA-wide low income %65.02%  
 Available Title I, Part A school allocations\$134,087  
 Available parent and family engagement reservation\$0

School Name	School Code	Grade Span Group	Student Enrollment	Eligible Low Income Students Ages 5-17	Low Income Student %	Eligible to be Served	Required to be Served	Public School	Ranking	FdYN	\$ Per Low Income Student (0.00)	TIA School Allocation	2017-18 Carryover	Parent and Family Engagement Amount	Total School Allocation	Discretion Code
Yav Pem Suab Academy - Preparing for the Future Charter	0121665		466	303	65.02	Y	N	Y	1		442.53	134086.59			134086.59	

\*\*\*Warning\*\*\*  
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## 2018-19 Title I, Part A Notification of Authorization of Schoolwide Program

This report provides notification to the California Department of Education of a school's eligibility and local board approval to operate under and report as Schoolwide Program

**CDE Program Contact:**

Lana Zhou, Title I Policy and Program Guidance Office, [lzhou@cde.ca.gov](mailto:lzhou@cde.ca.gov), 916-319-0956

Rina DeRose, Title I Policy and Program Guidance Office, [RDeros@cde.ca.gov](mailto:RDeros@cde.ca.gov), 916-323-0472

School Name	School Code	Authorized	Local Board Approved Date (ex. 07/30/2018)	Low Income %	SIG Approved Date (ex. 07/30/2018)	SWP Waiver Approved Date (ex. 07/30/2018)
Yav Pem Suab Academy - Preparing for the Future Charter	0121665	Y	02/25/2011	65.00%		

\*\*\*Warning\*\*\*

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## URBAN CHARTER SCHOOLS COLLECTIVE BOARD OF DIRECTORS

AGENDA ITEM: 13.3.3

**MEETING DATE:** March 11, 2019

**SUBJECT:** Chief Financial Officer's Monthly Report

- ☒ Informational Item Only
- ☐ Approval on Consent Agenda
- ☐ Conference/Discussion Item Only (Action Anticipated Date: \_\_\_\_\_)
- ☐ Conference to Action Item
- ☐ Action Item

**DIVISION:** Business Office

**RECOMMENDATION:** Statement of Economic Interest Form

**BACKGROUND:**

CA Fair Political Practices Commission Statements of Economic Interests - Form 700

Every elected official and public employee who makes or influences governmental decisions is required to submit a Statement of Economic Interest, also known as the Form 700. The Form 700 provides transparency and ensures accountability in two ways:

1. It provides necessary information to the public about an official's personal financial interests to ensure that officials are making decisions in the best interest of the public and not enhancing their personal finances.
2. It serves as a reminder to the public official of potential [conflicts of interest](#) so the official can abstain from making or participating in governmental decisions that are deemed conflicts of interest.

**FINANCIAL**  
**CONSIDERATIONS:** None

**LCAP GOALS:**

**DOCUMENTS ATTACHED:** Board Governance Board Policy #, Conflict of Interest  
2018/19 Statement of Economic Interests Form 700 Reference Pamphlet  
2018/19 Statement of Economic Interests Form 700

**PREPARED BY:** Megan Lao

**REVIEWED BY:** \_\_\_\_\_

**PREPARED BY:** \_\_\_\_\_

**APPROVED BY:** Lee Yang

## CONFLICT OF INTEREST CODE

### Adoption

In compliance with the Political Reform Act of 1974, California Government Code Section 87100, *et seq.*, the Urban Charter Schools Collective hereby adopts this Conflict of Interest Code (“Code”), which shall apply to all governing board members, candidates for member of the governing board, and all other designated employees of Urban Charter Schools Collective (“Charter School”), as specifically required by California Government Code Section 87300.

### Definition of Terms

As applicable to a California public charter school, the definitions contained in the Political Reform Act of 1974, the regulations of the Fair Political Practices Commission, specifically California Code of Regulations Section 18730, and any amendments or modifications to the Act and regulations are incorporated by reference to this Code.

### Designated Employees

Employees of this Charter School, including governing board members and candidates for election and/or appointment to the governing board, who hold positions that involve the making or participation in the making, of decisions that may foreseeably have a material effect on any financial interest, shall be “designated employees.” The designated positions are listed in “Exhibit A” attached to this policy and incorporated by reference herein.

### Statement of Economic Interests: Filing

Each designated employee, including governing board members and candidates for election and/or appointment to the governing board, shall file a Statement of Economic Interest (“Statement”) at the time and manner prescribed by California Code of Regulations, title 2, section 18730, disclosing reportable investments, interests in real property, business positions, and income required to be reported under the category or categories to which the employee’s position is assigned in “Exhibit A.”

An investment, interest in real property or income shall be reportable, if the business entity in which the investment is held, the interest in real property, the business position, or source of income may foreseeably be affected materially by a decision made or participated in by the designated employee by virtue of his or her position. The specific disclosure responsibilities assigned to each position are set forth in “Exhibit B.”

### Statements Filed With the Charter School

All Statements shall be supplied by the Charter School. All Statements shall be filed with the Charter School. The Charter School’s filing officer shall make and retain a copy of the Statement and forward the original to the County Board of Supervisors.

### Disqualification

No designated employee shall make, participate in making, or try to use his/her official position to influence any Charter School decision which he/she 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 or her immediate family.

### Manner of Disqualification

#### ***Non-Governing Board Member Designated Employees***

When a non-Governing Board member designated employee determines that he/she should not make a decision because of a disqualifying interest, he/she should submit a written disclosure of the disqualifying interest to his/her immediate supervisor. The supervisor shall immediately reassign the matter to another employee and shall forward the disclosure notice to the Charter School Principal, who shall record the employee's disqualification. In the case of a designated employee who is head of an agency, this determination and disclosure shall be made in writing to his/her appointing authority.

#### ***Governing Board Member Designated Employees***

Governing Board members shall disclose a disqualifying interest at the meeting during which consideration of the decision takes place. This disclosure shall be made part of the Board's official record. The Board member shall refrain from participating in the decision in any way (i.e., the Board member with the disqualifying interest shall refrain from voting on the matter and shall leave the room during Board discussion and when the final vote is taken) and comply with any applicable provisions of the Charter School bylaws.

Adopted: 10/10/2011  
Amended: 02/10/15

URBAN CHARTER SCHOOLS COLLECTIVE  
Sacramento, California



## **EXHIBIT A**

### **Designated Positions**

<u>Designated Position</u>	<u>Assigned Disclosure Category</u>
Members of the Governing Board	1, 2, 3
CEO/President	1, 2, 3
Chairman of the Board	1, 2, 3
CFO/Treasurer	1, 2, 3
Secretary	1, 2, 3
Superintendent	1, 2, 3
Principal of Charter School	1, 2, 3
Chief Business Officer	1, 2, 3
Consultants	*

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

The CEO may determine in writing that a particular consultant, 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 the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The CEO'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.)

## **EXHIBIT B**

### **Disclosure Categories**

#### **Category 1**

Designated positions assigned to this category must report:

- a. Interests in real property which are located in whole or in part within the boundaries (and a two mile radius) of the school district in which Urban Charter Schools Collective operates.
- b. Investments in, income, including gifts, loans, and travel payments, from, and business positions in any business entity of the type which engages in the acquisition or disposal of real property or are engaged in building construction or design.
- c. Investments in, income, including gifts, loans, and travel payments, from, and business positions in any business entity of the type which engages in, the manufacture, sale, repair, rental or distribution of school supplies, books, materials, school furnishings or equipment to be utilized by Urban Charter Schools Collective.

#### **Category 2**

Designated positions assigned to this category must report:

Investments in, income, including gifts, loans, and travel payments, from, and business positions in any business entity of the type which engages in the manufacture, sale, repair, rental or distribution of school supplies, books, materials, school furnishings or equipment to be utilized by Urban Charter Schools Collective, its parents, teachers and students for educational purposes. This includes, but is not limited to, educational supplies, textbooks and items used for extra curricular courses.

#### **Category 3**

Designated positions assigned to this category must report:

Investments in, income, including gifts, loans, and travel payments, from, sources which are engaged in the performance of work or services of the type to be utilized by Urban Charter Schools Collective, its parents, teachers and students for educational purposes. This includes, but is not limited to, student services commonly provided in public schools such as speech therapists and counselors.

# 2018/2019 Statement of Economic Interests



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## Form 700

A Public Document

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### ***Helpful Resources***

- Video Tutorials
- Reference Pamphlet
- Excel Version
- FAQs
- Gift and Travel Fact Sheet for State and Local Officials

## **California Fair Political Practices Commission**

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email Advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916)322-5660 • Website: [www.fppc.ca.gov](http://www.fppc.ca.gov)

**December 2018**

## Quick Start Guide

Detailed instructions begin on page 3.

### WHEN IS THE ANNUAL STATEMENT DUE?

- March 1 – Elected State Officers, Judges and Court Commissioners, State Board and Commission members listed in Government Code Section 87200
- April 2 – Most other filers

### WHERE DO I FILE?

Most people file the Form 700 with their agency. If you're not sure where to file your Form 700, contact your filing officer or the person who asked you to complete it.

### ITEMS TO NOTE!

- The Form 700 is a public document.
- Only filers serving in active military duty may receive an extension on the filing deadline.
- You must also report interests held by your spouse or registered domestic partner.
- Your agency's conflict of interest code will help you to complete the Form 700. You are encouraged to get your conflict of interest code from the person who asked you to complete the Form 700.

### NOTHING TO REPORT?

Mark the "No reportable interests" box on Part 4 of the Cover Page, and submit only the signed Cover Page. Be sure to review each schedule carefully!

Schedule	Common Reportable Interests	Common Non-Reportable Interests
A-1: Investments	Stocks, including those held in an IRA or 401K. Each stock must be listed.	Insurance policies, government bonds, diversified mutual funds, funds similar to diversified mutual funds.
A-2: Business Entities/Trusts	Business entities, sole proprietorships, partnerships, LLCs, corporations and trusts. (e.g., Form 1099 filers).	Savings and checking accounts, and annuities.
B: Real Property	Rental property in filer's jurisdiction, or within two miles of the boundaries of the jurisdiction.	A residence used exclusively as a personal residence (such as a home or vacation property).
C: Income	Non-governmental salaries. Note that filers are required to report only half of their spouse's or partner's salary.	Governmental salary (from school district, for example).
D: Gifts	Gifts from businesses, vendors, or other contractors (meals, tickets, etc.).	Gifts from family members.
E: Travel Payments	Travel payments from third parties (not your employer).	Travel paid by your government agency.

**Note:** Like reportable interests, non-reportable interests may also create conflicts of interest and could be grounds for disqualification from certain decisions.

### QUESTIONS?

- advice@fppc.ca.gov
- (866) 275-3772 Mon-Thurs, 9-11:30 a.m.

### E-FILING ISSUES?

- If using your agency's system, please contact technical support at your agency.
- If using FPPC's e-filing system, write to form700@fppc.ca.gov.

## What's New

### Gift Limit Increase

The gift limit increased to \$500 for calendar years 2019 and 2020. The gift limit in 2018 was \$470.

### Who must file:

- Elected and appointed officials and candidates listed in Government Code Section 87200
- Employees, appointed officials, and consultants filing pursuant to a conflict of interest code ("code filers").  
**Obtain your disclosure categories, which describe the interests you must report, from your agency;** they are not part of the Form 700

- Candidates running for local elective offices that are designated in a conflict of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)

**Exception:** Candidates for a county central committee are not required to file the Form 700.

- Members of newly created boards and commissions not yet covered under a conflict of interest code
- Employees in newly created positions of existing agencies

See Reference Pamphlet, page 3, at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### Where to file:

#### 87200 Filers

State offices	➔	Your agency
Judicial offices	➔	The clerk of your court
Retired Judges	➔	Directly with FPPC
County offices	➔	Your county filing official
City offices	➔	Your city clerk
Multi-County offices	➔	Your agency

#### Code Filers — State and Local Officials, Employees, and Consultants Designated in a Conflict of Interest

**Code:** File with your agency, board, or commission unless otherwise specified in your agency's code (e.g., Legislative staff files directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

#### Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body.

**Employees in Newly Created Positions of Existing Agencies:** File with your agency or with your agency's code reviewing body. (See Reference Pamphlet, page 3.)

**Candidates:** File with your local elections office.

### How to file:

The Form 700 is available at [www.fppc.ca.gov](http://www.fppc.ca.gov). Form 700 schedules are also available in Excel format. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

### When to file:

#### Annual Statements

##### ➔ March 1, 2019

- Elected State Officers
- Judges and Court Commissioners
- State Board and State Commission Members listed in Government Code Section 87200

##### ➔ April 2, 2019

- Most other filers

Individuals filing under conflict of interest codes in city and county jurisdictions should verify the annual filing date with their local filing officers.

Statements postmarked by the filing deadline are considered filed on time.

Statements of 30 pages or less may be emailed or faxed by the deadline as long as the originally signed paper version is sent by first class mail to the filing official within 24 hours.

#### Assuming Office and Leaving Office Statements

Most filers file within 30 days of assuming or leaving office or within 30 days of the effective date of a newly adopted or amended conflict of interest code.

##### Exception:

If you assumed office between October 1, 2018, and December 31, 2018, and filed an assuming office statement, you are not required to file an annual statement until March 2, 2020, or April 1, 2020, whichever is applicable. In that case, the annual statement will cover the day after you assumed office through December 31, 2019. (See Reference Pamphlet, page 6, for additional exceptions.)

#### Candidate Statements

File no later than the final filing date for the declaration of candidacy or nomination documents. A candidate statement is not required if you filed an assuming office or annual statement for the same jurisdiction within 60 days before filing a declaration of candidacy or other nomination documents.

#### Late Statements

There is no provision for filing deadline extensions unless the filer is serving in active military duty. (See page 19 for information on penalties and fines.)

#### Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire filed form. Obtain amendment schedules at [www.fppc.ca.gov](http://www.fppc.ca.gov).

## Types of Statements

### Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position is reportable.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, your assuming office date is the date you were appointed or nominated to the position.

#### Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

### Annual Statement:

Generally, the period covered is January 1, 2018, through December 31, 2018. If the period covered by the statement is different than January 1, 2018, through December 31, 2018, (for example, you assumed office between October 1, 2017, and December 31, 2017 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

### Leaving Office Statement:

Generally, the period covered is January 1, 2018, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2018, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2017, and December 31, 2017, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

### Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

### Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

Note that once you file your statement, you may not withdraw it. All changes must be noted on amendment schedules.

**COVER PAGE**

*A PUBLIC DOCUMENT*

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

**1. Office, Agency, or Court**

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: Position:

**2. Jurisdiction of Office** (Check at least one box)

- ☐ State ☐ Judge or Court Commissioner (Statewide Jurisdiction)  
☐ Multi-County ☐ County of  
☐ City of ☐ Other

**3. Type of Statement** (Check at least one box)

- ☐ **Annual:** The period covered is January 1, 2018, through December 31, 2018.  
**-or-** The period covered is \_\_\_\_/\_\_\_\_/\_\_\_\_, through December 31, 2018.  
☐ **Assuming Office:** Date assumed \_\_\_\_/\_\_\_\_/\_\_\_\_  
☐ **Candidate:** Date of Election \_\_\_\_ and office sought, if different than Part 1: \_\_\_\_  
☐ **Leaving Office:** Date Left \_\_\_\_/\_\_\_\_/\_\_\_\_ (Check one circle.)  
☐ The period covered is January 1, 2018, through the date of leaving office.  
**-or-** ☐ The period covered is \_\_\_\_/\_\_\_\_/\_\_\_\_, through the date of leaving office.

**4. Schedule Summary (must complete)** ► Total number of pages including this cover page: \_\_\_\_\_

*Schedules attached*

- ☐ **Schedule A-1 - Investments** – schedule attached ☐ **Schedule C - Income, Loans, & Business Positions** – schedule attached  
☐ **Schedule A-2 - Investments** – schedule attached ☐ **Schedule D - Income – Gifts** – schedule attached  
☐ **Schedule B - Real Property** – schedule attached ☐ **Schedule E - Income – Gifts – Travel Payments** – schedule attached

**-or-** ☐ **None - No reportable interests on any schedule**

**5. Verification**

MAILING ADDRESS STREET CITY STATE ZIP CODE  
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER EMAIL ADDRESS  
( )

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed Signature  
(month, day, year) (File the originally signed paper statement with your filing official.)



## Instructions Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, you may list your business/office address instead of your home address.**

### Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. Consultants must enter the public agency name rather than their private firm's name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your filing obligations, you may complete an expanded statement.
- To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and file with each agency.

If you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

#### Example:

Brian Bourne is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Brian will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Brian will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

### Part 2. Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other filers should review the Reference Pamphlet, page 13, to determine their jurisdiction.

- If your agency is a multi-county office, list each county in which your agency has jurisdiction.
- If your agency is not a state office, court, county office, city office, or multi-county office (e.g., school districts, special districts and JPAs), check the "other" box and enter the county or city in which the agency has jurisdiction.

#### Example:

This filer is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

<b>1. Office, Agency, or Court</b>	
Agency Name: <i>(Do not use acronyms)</i> Feather River Irrigation District	
Division, Board, Department, District, if applicable N/A	Your Position Board Member
► If filing for multiple positions, list below or on an attachment. <i>(Do not use acronyms)</i>	
Agency: N/A	Position: _____
<b>2. Jurisdiction of Office</b> <i>(Check at least one box)</i>	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input checked="" type="checkbox"/> Multi-County Yuba & Sutter Counties	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input type="checkbox"/> Other _____

### Part 3. Type of Statement

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2018 annual statement, **do not** change the pre-printed dates to reflect 2019. Your annual statement is used for reporting the **previous year's** economic interests. Economic interests for your annual filing covering January 1, 2019, through December 31, 2019, will be disclosed on your statement filed in 2020. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1, but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPFC.

### Part 4. Schedule Summary

- Complete the Schedule Summary after you have reviewed each schedule to determine if you have reportable interests.
- Enter the total number of completed pages including the cover page and either check the box for each schedule you use to disclose interests; **or** if you have nothing to disclose on any schedule, check the "No reportable interests" box. Please **do not** attach any blank schedules.

### Part 5. Verification

Complete the verification by signing the statement and entering the date signed. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

**When you sign your statement, you are stating, under penalty of perjury, that it is true and correct.** Only the filer has authority to sign the statement. An unsigned statement is not considered filed and you may be subject to late filing penalties.

# SCHEDULE A-1

## Investments

### Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Investments must be itemized.

Do not attach brokerage or financial statements.

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

- ☐ Stock ☐ Other (Describe)  
☐ Partnership ☐ Income Received of \$0 - \$499  
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

\_\_\_\_/\_\_\_\_/18 ACQUIRED \_\_\_\_/\_\_\_\_/18 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

- ☐ Stock ☐ Other (Describe)  
☐ Partnership ☐ Income Received of \$0 - \$499  
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

\_\_\_\_/\_\_\_\_/18 ACQUIRED \_\_\_\_/\_\_\_\_/18 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

- ☐ Stock ☐ Other (Describe)  
☐ Partnership ☐ Income Received of \$0 - \$499  
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

\_\_\_\_/\_\_\_\_/18 ACQUIRED \_\_\_\_/\_\_\_\_/18 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

- ☐ Stock ☐ Other (Describe)  
☐ Partnership ☐ Income Received of \$0 - \$499  
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

\_\_\_\_/\_\_\_\_/18 ACQUIRED \_\_\_\_/\_\_\_\_/18 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

- ☐ Stock ☐ Other (Describe)  
☐ Partnership ☐ Income Received of \$0 - \$499  
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

\_\_\_\_/\_\_\_\_/18 ACQUIRED \_\_\_\_/\_\_\_\_/18 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT

- ☐ Stock ☐ Other (Describe)  
☐ Partnership ☐ Income Received of \$0 - \$499  
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

\_\_\_\_/\_\_\_\_/18 ACQUIRED \_\_\_\_/\_\_\_\_/18 DISPOSED

Comments:

## Instructions – Schedules A-1 and A-2 Investments

“Investment” means a financial interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency’s jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more at any time during the reporting period. (See Reference Pamphlet, page 13.)

### Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse’s or registered domestic partner’s business (See Reference Pamphlet, page 8, for the definition of “business entity.”)
- Your spouse’s or registered domestic partner’s investments even if they are legally separate property
- Partnerships (e.g., a law firm or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. (See Reference Pamphlet, page 16, for more information on disclosing trusts.)
- Business trusts

### You are not required to disclose:

- Government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. (See Reference Pamphlet, page 13.) (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and certificates of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

- Government defined-benefit pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

**Use Schedule A-1** to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. (See second example below.)

**Use Schedule A-2** to report ownership of 10% or greater (e.g., a sole proprietorship).

### To Complete Schedule A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively. (See page 20 for more information.)
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are filing a candidate or an assuming office statement.

### Examples:

Frank Byrd holds a state agency position. His conflict of interest code requires full disclosure of investments. Frank must disclose his stock holdings of \$2,000 or more in any company that is located in or does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Alice Lance is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Alice must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

### Reminders

- Do you know your agency’s jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – your disclosure categories may only require disclosure of specific investments.

# SCHEDULE A-2

## Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

**CALIFORNIA FORM 700**  
FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

### ▶ 1. BUSINESS ENTITY OR TRUST

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one

☐ Trust, go to 2      ☐ Business Entity, complete the box, then go to 2

#### GENERAL DESCRIPTION OF THIS BUSINESS

##### FAIR MARKET VALUE

- ☐ \$0 - \$1,999  
☐ \$2,000 - \$10,000  
☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000  
☐ Over \$1,000,000

##### IF APPLICABLE, LIST DATE:

\_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_/\_\_\_\_\_/18  
 ACQUIRED      DISPOSED

##### NATURE OF INVESTMENT

☐ Partnership    ☐ Sole Proprietorship    ☐ \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

### ▶ 1. BUSINESS ENTITY OR TRUST

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one

☐ Trust, go to 2      ☐ Business Entity, complete the box, then go to 2

#### GENERAL DESCRIPTION OF THIS BUSINESS

##### FAIR MARKET VALUE

- ☐ \$0 - \$1,999  
☐ \$2,000 - \$10,000  
☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000  
☐ Over \$1,000,000

##### IF APPLICABLE, LIST DATE:

\_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_/\_\_\_\_\_/18  
 ACQUIRED      DISPOSED

##### NATURE OF INVESTMENT

☐ Partnership    ☐ Sole Proprietorship    ☐ \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

### ▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

- ☐ \$0 - \$499      ☐ \$10,001 - \$100,000  
☐ \$500 - \$1,000      ☐ OVER \$100,000  
☐ \$1,001 - \$10,000

### ▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

- ☐ \$0 - \$499      ☐ \$10,001 - \$100,000  
☐ \$500 - \$1,000      ☐ OVER \$100,000  
☐ \$1,001 - \$10,000

### ▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☐ None    or    ☐ Names listed below

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### ▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☐ None    or    ☐ Names listed below

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### ▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:

☐ INVESTMENT      ☐ REAL PROPERTY

Name of Business Entity, if Investment, or  
 Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or  
 City or Other Precise Location of Real Property

##### FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000  
☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000  
☐ Over \$1,000,000

##### IF APPLICABLE, LIST DATE:

\_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_/\_\_\_\_\_/18  
 ACQUIRED      DISPOSED

##### NATURE OF INTEREST

☐ Property Ownership/Deed of Trust    ☐ Stock    ☐ Partnership

☐ Leasehold \_\_\_\_\_  
 Yrs. remaining

☐ Other \_\_\_\_\_

☐ Check box if additional schedules reporting investments or real property are attached

### ▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:

☐ INVESTMENT      ☐ REAL PROPERTY

Name of Business Entity, if Investment, or  
 Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or  
 City or Other Precise Location of Real Property

##### FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000  
☐ \$10,001 - \$100,000  
☐ \$100,001 - \$1,000,000  
☐ Over \$1,000,000

##### IF APPLICABLE, LIST DATE:

\_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_/\_\_\_\_\_/18  
 ACQUIRED      DISPOSED

##### NATURE OF INTEREST

☐ Property Ownership/Deed of Trust    ☐ Stock    ☐ Partnership

☐ Leasehold \_\_\_\_\_  
 Yrs. remaining

☐ Other \_\_\_\_\_

☐ Check box if additional schedules reporting investments or real property are attached

Comments: \_\_\_\_\_

## Instructions – Schedule A-2

### Investments, Income, and Assets of Business Entities/Trusts

Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children, together or separately, had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

#### To Complete Schedule A-2:

**Part 1.** Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

**Part 2.** Check the box indicating **your pro rata** share of the **gross** income received **by** the business entity or trust. This amount includes your pro rata share of the **gross** income **from** the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

**Part 3.** Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan **to the business entity or trust** identified in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting

period. (See Reference Pamphlet, page 11, for examples.) Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in Part 1. (See Reference Pamphlet, page 8.)

You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" are not adequate disclosure. (See Reference Pamphlet, page 14, for information on procedures to request an exemption from disclosing privileged information.)

**Part 4.** Report any investments or interests in real property held or leased **by the entity or trust** identified in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.

**SCHEDULE B**  
**Interests in Real Property**  
(Including Rental Income)

➤ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

---

CITY

---

FAIR MARKET VALUE      IF APPLICABLE, LIST DATE:

☐ \$2,000 - \$10,000             /        / **18**             /        / **18**

☐ \$10,001 - \$100,000      ACQUIRED      DISPOSED

☐ \$100,001 - \$1,000,000

☐ Over \$1,000,000

NATURE OF INTEREST

☐ Ownership/Deed of Trust      ☐ Easement

☐ Leasehold                                       ☐                                 

Yrs. remaining      Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

☐ \$0 - \$499      ☐ \$500 - \$1,000      ☐ \$1,001 - \$10,000

☐ \$10,001 - \$100,000      ☐ OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

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\* You are not required to report loans from a commercial lending institution made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER\*

---

ADDRESS (*Business Address Acceptable*)

---

BUSINESS ACTIVITY, IF ANY, OF LENDER

---

INTEREST RATE	TERM (Months/Years)
_____ % <input type="checkbox"/> None	_____

---

HIGHEST BALANCE DURING REPORTING PERIOD

<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> \$1,001 - \$10,000
<input type="checkbox"/> \$10,001 - \$100,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> Guarantor, if applicable	

Comments: \_\_\_\_\_

## Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. Real property is also considered to be "within the jurisdiction" of a local government agency if the property or any part of it is located within two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency. (See Reference Pamphlet, page 13.)

### Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

### You are not required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)

**Please note:** A non-reportable residence can still be grounds for a conflict of interest and may be disqualifying.

- Interests in real property held through a blind trust (See Reference Pamphlet, page 16.)

### To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold, disclose the number of years remaining on the lease.

### Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 is not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?

- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."
- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

### Example:

Allison Gande is a city planning commissioner. During the reporting period, she received rental income of \$12,000, from a single tenant who rented property she owned in the city's jurisdiction. If Allison received \$6,000 each from two tenants, the tenants' names would not be required because no single tenant paid her \$10,000 or more. A married couple is considered a single tenant.

ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS <b>4600 24th Street</b>	
CITY <b>Sacramento</b>	
FAIR MARKET VALUE <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input checked="" type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	IF APPLICABLE, LIST DATE: ____/____/18 ACQUIRED      DISPOSED
NATURE OF INTEREST <input type="checkbox"/> Ownership/Deed of Trust <input type="checkbox"/> Easement <input type="checkbox"/> Leasehold      Yrs. remaining: _____ Other: _____	
IF RENTAL PROPERTY, GROSS INCOME RECEIVED <input type="checkbox"/> \$0 - \$499 <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more. <input type="checkbox"/> None <b>Henry Wells</b>	
NAME OF LENDER* <b>Sophia Petroillo</b>	
ADDRESS (Business Address Acceptable) <b>2121 Blue Sky Parkway, Sacramento</b>	
BUSINESS ACTIVITY, IF ANY, OF LENDER <b>Restaurant Owner</b>	
INTEREST RATE <b>8</b> % <input type="checkbox"/> None	TERM (Months/Years) <b>15 Years</b>
HIGHEST BALANCE DURING REPORTING PERIOD <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
<input type="checkbox"/> Guarantor, if applicable	
Comments: _____	

**CALIFORNIA FORM**

**700**

**FAIR POLITICAL PRACTICES COMMISSION**

Name

[illegible]

\* You are not required to report loans from a commercial lending institution, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER* <hr/> ADDRESS <i>(Business Address Acceptable)</i> <hr/> BUSINESS ACTIVITY, IF ANY, OF LENDER <hr/> HIGHEST BALANCE DURING REPORTING PERIOD <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	INTEREST RATE <hr/> % <input type="checkbox"/> None  SECURITY FOR LOAN <input type="checkbox"/> None <input type="checkbox"/> Personal residence  <input type="checkbox"/> Real Property <hr/> <i>Street address</i> <hr/> <i>City</i>  <input type="checkbox"/> Guarantor <hr/> <input type="checkbox"/> Other <hr/> <i>(Describe)</i>
---	---

**Comments:**



## Instructions – Schedule C Income, Loans, & Business Positions (Income Other Than Gifts and Travel Payments)

### Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. (See Reference Pamphlet, page 11.) You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

The source and income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) Reportable sources of income may be further limited by your disclosure category located in your agency's conflict of interest code.

### Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

### Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others
- An honorarium received prior to becoming a public official (See Reference Pamphlet, page 10.)
- Incentive compensation (See Reference Pamphlet, page 12.)

### Reminders

- Code filers – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

### You are not required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be identified.
- Income from a PERS retirement account.

(See Reference Pamphlet, page 12.)

## To Complete Schedule C:

### Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. (See Reference Pamphlet, page 8.) **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

### Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
  - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
  - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

<b>CALIFORNIA FORM 700</b> FAIR POLITICAL PRACTICES COMMISSION Name _____
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## SCHEDULE D Income – Gifts

<p>► NAME OF SOURCE <i>(Not an Acronym)</i></p> <p>_____</p> <p>ADDRESS <i>(Business Address Acceptable)</i></p> <p>_____</p> <p>BUSINESS ACTIVITY, IF ANY, OF SOURCE</p> <p>_____</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 25%;">DATE (mm/dd/yy)</th> <th style="width: 15%;">VALUE</th> <th style="width: 60%;">DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$ _____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$ _____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$ _____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$ _____	_____	____/____/____	\$ _____	_____	____/____/____	\$ _____	_____	<p>► NAME OF SOURCE <i>(Not an Acronym)</i></p> <p>_____</p> <p>ADDRESS <i>(Business Address Acceptable)</i></p> <p>_____</p> <p>BUSINESS ACTIVITY, IF ANY, OF SOURCE</p> <p>_____</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 25%;">DATE (mm/dd/yy)</th> <th style="width: 15%;">VALUE</th> <th style="width: 60%;">DESCRIPTION OF GIFT(S)</th> </tr> <tr> <td>____/____/____</td> <td>\$ _____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$ _____</td> <td>_____</td> </tr> <tr> <td>____/____/____</td> <td>\$ _____</td> <td>_____</td> </tr> </table>	DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)	____/____/____	\$ _____	_____	____/____/____	\$ _____	_____	____/____/____	\$ _____	_____
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**Comments:** \_\_\_\_\_

\_\_\_\_\_

## Instructions – Schedule D Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" field after the name or in the "comments" section at the bottom of Schedule D.

### Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for official agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming office (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

### You are not required to disclose:

#### Reminders

- Gifts from a single source are subject to a \$500 limit in 2019. (See Reference Pamphlet, page 10.)
- Code filers – you only need to report gifts from reportable sources.

#### Gift Tracking Mobile Application

- FPPC has created a gift tracking app for mobile devices that helps filers track gifts and provides a quick and easy way to upload the information to the Form 700. Visit FPPC's website to download the app.

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without being claimed by you as a charitable contribution for tax purposes
- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist registered to lobby your state agency, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your official duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- Up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to influence you. (See Regulation 18943.)
- Free admission, food, and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the official makes a speech (as defined in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event.
- Any other payment not identified above, that would otherwise meet the definition of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the official's state agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to influence you.

### To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

<b>CALIFORNIA FORM 700</b> FAIR POLITICAL PRACTICES COMMISSION Name _____
---

## SCHEDULE E

### Income – Gifts

### Travel Payments, Advances, and Reimbursements

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. Per Government Code Section 89506, these payments may not be subject to the gift limit. However, they may result in a disqualifying conflict of interest.
- For gifts of travel, provide the travel destination.

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

Made a Speech/Participated in a Panel \_\_\_\_\_

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

Made a Speech/Participated in a Panel \_\_\_\_\_

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

Made a Speech/Participated in a Panel \_\_\_\_\_

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

Made a Speech/Participated in a Panel \_\_\_\_\_

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

Comments: \_\_\_\_\_

## Instructions – Schedule E Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. (See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans" to read about travel payments under section 89506(a).)

### You are not required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received, such as reimbursement for travel on agency business from your government agency employer.
- A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes.
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C.
- A travel payment that was received from a nonprofit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.

**Note: Certain travel payments may not be reportable if reported via email on Form 801 by your agency.**

### To Complete Schedule E:

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
  - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement.

When reporting travel payments that are gifts, you must provide a description of the gift, the **date(s)** received, and the **travel destination**.

- **Travel payments are income** if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling

\$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

### Example:

City council member MaryClaire Chandler is the chair of a 501(c)(6) trade association, and the association pays for her travel to attend its meetings. Because MaryClaire is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for MaryClaire to attend other events for which she is not providing services are likely considered gifts. Note that the same payment from a 501(c)(3) would NOT be reportable.

<small>► NAME OF SOURCE (Not an Acronym)</small>	
Health Services Trade Association	
<small>ADDRESS (Business Address Acceptable)</small>	
1230 K Street, Suite 610	
<small>CITY AND STATE</small>	
Sacramento, CA	
<input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE Association of Healthcare Workers	
<small>DATE(S):</small> ____/____/____	<small>AMT: \$</small> 150.00
<small>(If gift)</small>	
<small>► MUST CHECK ONE:</small> <input type="checkbox"/> Gift <input checked="" type="checkbox"/> <b>Income</b>	
Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description <u>Travel reimbursement for board meeting.</u>	

### Example:

Mayor Kim travels to China on a trip organized by China Silicon Valley Business Development, a California nonprofit, 501(c)(6) organization. The Chengdu Municipal People's Government pays for Mayor Kim's airfare and travel costs, as well as his meals and lodging during the trip. The trip's agenda shows that the trip's purpose is to promote job creation and economic activity in China and in Silicon Valley, so the trip is reasonably related to a governmental purpose. Thus, Mayor Kim must report the gift of travel, but the gift is exempt from the gift limit. In this case, the travel payments are not subject to the gift limit because the source is a foreign government and because the travel is reasonably related to a governmental purpose. (Section 89506(a)(2).) Note that Mayor Kim could be disqualified from participating in or making decisions about The Chengdu Municipal People's Government for 12 months. Also note that if China Silicon Valley Business Development (a 501(c)(6) organization) paid for the travel costs rather than the governmental organization, the payments would be subject to the gift limits. (See the FPPC fact sheet, Limitations and Restrictions on Gifts, Honoraria, Travel and Loans, at [www.fppc.ca.gov](http://www.fppc.ca.gov).)

<small>► NAME OF SOURCE (Not an Acronym)</small>	
Chengdu Municipal People's Government	
<small>ADDRESS (Business Address Acceptable)</small>	
2 Caoshi St, CaoShiJie, Qingyang Qu, Chengdu Shi,	
<small>CITY AND STATE</small>	
Sichuan Sheng, China, 610000	
<input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	
<small>DATE(S):</small> 09/04/XX - 09/08/XX	<small>AMT: \$</small> 3,874.38
<small>(If gift)</small>	
<small>► MUST CHECK ONE:</small> <input checked="" type="checkbox"/> Gift <input type="checkbox"/> <b>Income</b>	
Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description <u>Travel reimbursement for trip to China.</u>	
<small>► If Gift, Provide Travel Destination</small> Sichuan Sheng, China	

## Restrictions and Prohibitions

The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

### Gift Prohibition

Gifts received by most state and local officials, employees, and candidates are subject to a limit. In 2017 and 2018, the gift limit was \$470 from a single source during a calendar year. In 2019-2020, the gift limit increased to \$500 from a single source during a calendar year.

In addition, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local officials and employees should check with their agency to determine if other restrictions apply.

### Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose. For example, a personal residence is often not reportable, but may be grounds for disqualification. Specific disqualification requirements apply to 87200 filers (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These officials must publicly identify the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18707, and the Guide to Recognizing Conflicts of Interest at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. (See Reference Pamphlet, page 10.)

### Loan Restrictions

Certain state and local officials are subject to restrictions on loans. (See Reference Pamphlet, page 14.)

### Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state officials, most state employees, local elected officials, county chief administrative officers, city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

### Late Filing

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

**For assistance** concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov).
- Call the FPPC toll-free at (866) 275-3772.

### Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

## Questions and Answers

### General

- Q. What is the reporting period for disclosing interests on an assuming office statement or a candidate statement?
- A. On an assuming office statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed office. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed office.
- On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you file your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you file your declaration of candidacy.
- Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- Q. I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming office statement as city manager. Persons serving as “acting,” “interim,” or “alternate” must file as if they hold the position because they are or may be performing the duties of the position.
- Q. My spouse and I are currently separated and in the process of obtaining a divorce. Must I still report my spouse’s income, investments, and interests in real property?
- A. Yes. A public official must continue to report a spouse’s economic interests until such time as dissolution of marriage proceedings is final. However, if a separate property agreement has been reached prior to that time, your estranged spouse’s income may not have to be reported. Contact the FPPC for more information.

- Q. As a designated employee, I left one state agency to work for another state agency. Must I file a leaving office statement?
- A. Yes. You may also need to file an assuming office statement for the new agency.

### Investment Disclosure

- Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of “doing business in the jurisdiction” is not limited to whether the business has an office or physical location in your jurisdiction. (See Reference Pamphlet, page 13.)
- Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.
- Q. I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.
- Q. The value of my stock changed during the reporting period. How do I report the value of the stock?
- A. You are required to report the highest value that the stock reached during the reporting period. You may use your monthly statements to determine the highest value. You may also use the entity’s website to determine the highest value. You are encouraged to keep a record of where you found the reported value. Note that for an assuming office statement, you must report the value of the stock on the date you assumed office.

## Questions and Answers Continued

- Q. I am the sole owner of my business, an S-Corporation. I believe that the nature of the business is such that it cannot be said to have any "fair market value" because it has no assets. I operate the corporation under an agreement with a large insurance company. My contract does not have resale value because of its nature as a personal services contract. Must I report the fair market value for my business on Schedule A-2 of the Form 700?
- A. Yes. Even if there are no *tangible* assets, intangible assets, such as relationships with companies and clients are commonly sold to qualified professionals. The "fair market value" is often quantified for other purposes, such as marital dissolutions or estate planning. In addition, the IRS presumes that "personal services corporations" have a fair market value. A professional "book of business" and the associated goodwill that generates income are not without a determinable value. The Form 700 does not require a precise fair market value; it is only necessary to check a box indicating the broad range within which the value falls.
- Q. I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the "Acquired" and "Disposed" fields?
- A. No. You must only report dates in the "Acquired" or "Disposed" fields when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.
- Q. On last year's filing I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?
- A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

- Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?
- A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

### Income Disclosure

- Q. I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?
- A. No, only the clients located in or doing business on a regular basis in your jurisdiction must be disclosed.
- Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?
- A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California or Federal law. This regulation may be obtained from our website at [www.fppc.ca.gov](http://www.fppc.ca.gov). (See Reference Pamphlet, page 14.)
- Q. I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?
- A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the "comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.



## Questions and Answers Continued

Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. (See Reference Pamphlet, page 8.)

Q. My husband is a partner in a four-person firm where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the firm is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before the client's name is reported.

Q. How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

Q. I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise sufficient control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. (See Reference Pamphlet, page 14.)

Q. I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

Q. Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

### Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

Q. I am a city manager, and I own a rental property located in an adjacent city, but one mile from the city limit. Do I need to report this property interest?

A. Yes. You are required to report this property because it is located within 2 miles of the boundaries of the city you manage.

Q. Must I report a home that I own as a personal residence for my daughter?

A. You are not required to disclose a home used as a personal residence for a family member unless you receive income from it, such as rental income.

Q. I am a co-signer on a loan for a rental property owned by a friend. Since I am listed on the deed of trust, do I need to report my friend's property as an interest in real property on my Form 700?

A. No. Simply being a co-signer on a loan for property does not create a reportable interest in real property for you.

### Gift Disclosure

Q. If I received a reportable gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

## Questions and Answers Continued

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- Q. Julia and Jared Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?
- A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2018 the gift limit was \$470, so the Bensons may have given the supervisor artwork valued at no more than \$940. The supervisor must identify Jared and Julia Benson as the sources of the gift.
- Q. I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?
- A. No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.
- Q. I am a Form 700 filer with full disclosure. Our agency holds a holiday raffle to raise funds for a local charity. I bought \$10 worth of raffle tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought raffle tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?
- A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.
- Q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.
- A. Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.

# **2018/2019 Form 700 Statement of Economic Interests**



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## **Reference Pamphlet**

### **California Fair Political Practices Commission**

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Toll-free advice line: 1 (866) ASK-FPPC • (866) 275-3772

Telephone: (916) 322-5660 • Website: [www.fppc.ca.gov](http://www.fppc.ca.gov)

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# Who Must File

## 1. Officials and Candidates Specified in Gov. Code Section 87200 and Members of Boards and Commissions of Newly Created Agencies

The Act requires the following individuals to fully disclose their personal assets and income described in Form 700, Statement of Economic Interests:

### State Offices

- Governor
- Lieutenant Governor
- Attorney General
- Controller
- Insurance Commissioner
- Secretary of State
- Treasurer
- Members of the State Legislature
- Superintendent of Public Instruction
- State Board of Equalization Members
- Public Utilities Commissioners
- State Energy Resources Conservation and Development Commissioners
- State Coastal Commissioners
- Fair Political Practices Commissioners
- State public officials (including employees and consultants) who manage public investments
- Elected members of and candidates for the Board of Administration of the California Public Employees' Retirement System
- Elected members of and candidates for the Teachers' Retirement Board
- Members of the High Speed Rail Authority

Other officials and employees of state boards, commissions, agencies, and departments file Form 700 as described in Part 2 on this page.

### Judicial Offices

- Supreme, Appellate, and Superior Court Judges
- Court Commissioners
- Retired Judges, Pro-Tem Judges, and part-time Court Commissioners who serve or expect to serve 30 days or more in a calendar year

### County and City Offices

- Members of Boards of Supervisors
- Mayors and Members of City Councils
- Chief Administrative Officers
- District Attorneys
- County Counsels
- City Attorneys
- City Managers
- Planning Commissioners
- County and City Treasurers
- County and city public officials (including employees and consultants) who manage public investments

## Members of Boards and Commissions of Newly Created Agencies

Members must fully disclose their investments, interests in real property, business positions, and income (including loans, gifts, and travel payments) until the positions are covered under a conflict of interest code.

## 2. State and Local Officials, Employees, Candidates, and Consultants Designated in a Conflict of Interest Code ("Code Filers")

The Act requires every state and local government agency to adopt a unique conflict of interest code. The code lists each position within the agency filled by individuals who make or participate in making governmental decisions that could affect their personal economic interests.

The code requires individuals holding those positions to periodically file Form 700 disclosing certain personal economic interests as determined by the code's "disclosure categories." These individuals are called "designated employees" or "code filers."

Obtain your disclosure categories from your agency – they are not contained in the Form 700. Persons with broad decisionmaking authority must disclose more interests than those in positions with limited discretion. For example, you may be required to disclose only investments and business positions in or income (including loans, gifts, and travel payments) from businesses of the type that contract with your agency, or you may not be required to disclose real property interests.

In addition, certain consultants to public agencies may qualify as public officials because they make, participate in making, or act in a staff capacity for governmental decisions. Agencies determine who is a consultant and the level of disclosure and may use Form 805.

Note: An official who holds a position specified in Gov. Code Section 87200 is not required to file statements under the conflict of interest code of any agency that has the same or a smaller jurisdiction (for example, a state legislator who also sits on a state or local board or commission).

## Employees in Newly Created Positions of Existing Agencies

An individual hired for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the agency's broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. The Form 804 may be used to satisfy this requirement.

# Types of Form 700 Filings

## Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position is reportable.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, your assuming office date is the date you were appointed or nominated to the position.

### Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

## Annual Statement:

Generally, the period covered is January 1, 2018, through December 31, 2018. If the period covered by the statement is different than January 1, 2018, through December 31, 2018, (for example, you assumed office between October 1, 2017, and December 31, 2017, or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

## Leaving Office Statement:

Generally, the period covered is January 1, 2018, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2018, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2017, and December 31, 2017, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

## Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

## Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

# Where to File

## 1. Officials Specified in Gov. Code Section 87200 (See Reference Pamphlet, page 3):

In most cases, the filing officials listed below will retain a copy of your statement and forward the original to the FPPC.

Filers	Where to File
<b>87200 Filers</b>	
State offices	Your agency
Judicial offices	The clerk of your court
Retired Judges	Directly with FPPC
County offices	Your county filing official
City offices	Your city clerk
Multi-County offices	Your agency
<b>87200 Candidates</b>	
State offices	County elections official with whom you file your declaration of candidacy
Judicial offices	
Multi-County offices	
County offices	County elections official
City offices	City Clerk
Public Employees' Retirement System (CalPERS)	CalPERS
State Teachers' Retirement Board (CalSTRS)	CalSTRS

**Note:** Individuals that invest public funds for a city or county agency must file Form 700 with the agency. Unlike most other 87200 filers, the original statement will **not** be forwarded to the FPPC pursuant to Regulation 18753.

## 2. Code Filers — State and Local Officials, Employees, Candidates, and Consultants Designated in a Conflict of interest Code:

File with your agency, board, or commission unless otherwise specified in your agency's conflict of interest code. In most cases, the agency, board, or commission will retain the statements.

Candidates for local elective offices designated in a conflict of interest code file with the elections office where the declaration of candidacy or other nomination documents are filed.

## 3. Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body as provided by your code reviewing body.

State Senate and Assembly staff members file statements directly with the FPPC.

Exceptions:

- Elected state officers are not required to file statements under any agency's conflict of interest code.
- Filers listed in Section 87200 are not required to file statements under any agency's conflict of interest code in the same jurisdiction. For example, a county supervisor who is appointed to serve in an agency with jurisdiction in the same county has no additional filing obligations.

## 4. Positions Not Yet Covered Under a Conflict of interest Code

An individual hired for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for this disclosure. Such individuals are referred to as "code filers." See Regulation 18734.

# When to File

## Assuming Office Statements:

Filer	Deadline
Elected officials	<b>30 days</b> after assuming office
Appointed positions specified in Gov. Code Section 87200  <b>or</b> Newly created board and commission members not covered by a conflict of interest code	<b>30 days</b> after assuming office  <b>or</b> <b>10 days</b> after appointment or nomination if subject to Senate or judicial confirmation
Other appointed positions (including those held by newly-hired employees) that are or will be designated in a conflict of interest code	<b>30 days</b> after assuming office (30 days after appointment or nomination if subject to Senate confirmation)
Positions newly added to a new or amended conflict of interest code	<b>30 days</b> after the effective date of the code or code amendment

### Exceptions:

- Elected state officers who assume office in December or January are not required to file an assuming office statement, but will file the next annual statement due.
- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file an assuming office statement. Instead, you will simply file the next annual statement due.
- If you leave an office specified in Gov. Code Section 87200 and, within 45 days, you assume another office or position specified in Section 87200 that has the same jurisdiction (for example, a city planning commissioner elected as mayor), you are not required to file an assuming office statement. Instead, you will simply file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

**Late statements are subject to a late fine of \$10 per day per position up to \$100 for each day the statement is late.**

## Annual Statements:

- Elected state officers (including members of the state legislature, members elected to the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board);  
Judges and court commissioners; and  
Members of state boards and commissions specified in Gov. Code Section 87200:  
File no later than **Friday, March 1, 2019.**
- County and city officials specified in Gov. Code Section 87200:  
File no later than **Tuesday, April 2, 2019.**
- Multi-County officials:  
File no later than **Tuesday, April 2, 2019.**
- State and local officials and employees designated in a conflict of interest code:  
File on the date prescribed in the code (April 1 for most filers).

### Exception:

If you assumed office between October 1, 2018, and December 31, 2018, and filed an assuming office statement, you are not required to file an annual statement until March 2, 2020, or April 1, 2020, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2019.

Incumbent officeholders who file candidate statements also must file annual statements by the specified deadlines.



## When to File - (continued)

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### Leaving Office Statements:

Leaving office statements must be filed no later than 30 days after leaving the office or position.

Exceptions:

- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file a leaving office statement. Instead, you will simply file the next annual statement due.
- If you leave an office specified in Gov. Code Section 87200 and, within 45 days, you assume another office or position specified in Section 87200 that has the same jurisdiction (for example, a city planning commissioner elected as mayor), you are not required to file a leaving office statement. Instead, you will simply file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

### Candidate Statements:

All candidates (including incumbents) for offices specified in Gov. Code Section 87200 must file statements no later than the final filing date for their declaration of candidacy.

Candidates seeking a position designated in a conflict of interest code must file no later than the final filing date for the declaration of candidacy or other nomination documents.

Exception:

A candidate statement is not required if you filed an assuming office or annual statement for the same jurisdiction **within 60 days** before filing a declaration of candidacy or other nomination documents.

### Late Statements:

Late statements should be submitted as soon as possible after the filing deadline, in the same manner and place as a timely filed statement.

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or District Attorney) for investigation and possible prosecution. In addition to the late filing penalties from the filing officer, a fine of up to \$5,000 per violation may be imposed.

## Terms & Definitions

The instructions located on the back of each schedule describe the types of interests that must be reported. The purpose of this section is to explain other terms used in Form 700 that are not defined in the instructions to the schedules or elsewhere.

**Blind Trust:** See Trusts, Reference Pamphlet, page 16.

**Business Entity:** Any organization or enterprise operated for profit, including a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, or association. This would include a business for which you take business deductions for tax purposes (for example, a small business operated in your home).

**Code Filer:** An individual who has been designated in a state or local agency's conflict of interest code to file statements of economic interests.

An individual hired on or after January 1, 2010 for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for such disclosure. See Regulation 18734.

**Commission Income:** "Commission income" means gross payments of \$500 or more received during the period covered by the statement as a broker, agent, or salesperson, including insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers, and retail or wholesale salespersons, among others.

In addition, you may be required to disclose the names of sources of commission income if your pro rata share of the gross income was \$10,000 or more from a single source during the reporting period. If your spouse or registered domestic partner received commission income, you would disclose your community property share (50%) of that income (that is, the names of sources of \$20,000 or more in gross commission income received by your spouse or registered domestic partner).

Report commission income as follows:

- If the income was received through a business entity in which you and your spouse or registered domestic partner had a 10% or greater ownership interest (or if you receive commission income on a regular basis as an independent contractor or agent), use Schedule A-2.
- If the income was received through a business entity in which you or your spouse or registered domestic partner **did not receive commission income on a regular basis** or you had a less than 10% ownership interest, use Schedule C.

The "source" of commission income generally includes all parties to a transaction, and each is attributed the full value of the commission.

Examples:

- You are a partner in Jameson and Mulligan Insurance Company and have a 50% ownership interest in the company. You sold two Businessmen's Insurance Company policies to XYZ Company during the reporting period. You received commission income of \$5,000 from the first transaction and \$6,000 from the second. On Schedule A-2, report your partnership interest in and income received from Jameson and Mulligan Insurance Company in Parts 1 and 2. In Part 3, list both Businessmen's Insurance Company and XYZ Company as sources of \$10,000 or more in commission income.
- You are a stockbroker for Prince Investments, but you have no ownership interest in the firm. You receive commission income on a regular basis through the sale of stock to clients. Your total gross income from your employment with Prince Investments was over \$100,000 during the reporting period. On Schedule A-2, report your name as the name of the business entity in Part 1 and the gross income you have received in Part 2. (Because you are an employee of Prince Investments, you do not need to complete the information in the box in Part 1 indicating the general description of business activity, fair market value, or nature of investment.) In Part 3, list Prince Investments and the names of any clients who were sources of \$10,000 or more in commission income to you.
- You are a real estate agent and an independent contractor under Super Realty. On Schedule A-2, Part 1, in addition to your name or business name, complete the business entity description box. In Part 2, identify your gross income. In Part 3, for each transaction that resulted in commission income to you of \$10,000 or more, you must identify the brokerage entity, each person you represented, and any person who received a finder's or other referral fee for referring a party to the transaction to the broker.

Note: If your pro rata share of commission income from a single source is \$500 or more, you may be required to disqualify yourself from decisions affecting that source of income, even though you are not required to report the income. (See Reference Pamphlet, page 12.)

## Terms & Definitions - (continued)

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**Conflict of Interest:** A public official or employee has a conflict of interest under the Act when all of the following occur:

- The official makes, participates in making, or uses his or her official position to influence a governmental decision;
- It is reasonably foreseeable that the decision will affect the official's economic interest;
- The effect of the decision on the official's economic interest will be material; and
- The effect of the decision on the official's economic interest will be different than its effect on the public generally.

**Conflict of Interest Code:** The Act requires every state and local government agency to adopt a conflict of interest code. The code may be contained in a regulation, policy statement, or a city or county ordinance, resolution, or other document.

An agency's conflict of interest code must designate all officials and employees of, and consultants to, the agency who make or participate in making governmental decisions that could cause conflicts of interest. These individuals are required by the code to file statements of economic interests and to disqualify themselves when conflicts of interest occur.

The disclosure required under a conflict of interest code for a particular designated official or employee should include only the kinds of personal economic interests he or she could significantly affect through the exercise of his or her official duties. For example, an employee whose duties are limited to reviewing contracts for supplies, equipment, materials, or services provided to the agency should be required to report only those interests he or she holds that are likely to be affected by the agency's contracts for supplies, equipment, materials, or services.

**Consultant:** An individual who contracts with or whose employer contracts with state or local government agencies and who makes, participates in making, or acts in a staff capacity for making governmental decisions. The agency determines who is a consultant. Consultants may be required to file Form 700. Such consultants would file under full disclosure unless the agency provides in writing a limited disclosure requirement. Agencies may use FPPC Form 805 to assign such disclosure. The obligation to file Form 700 is always imposed on the individual who is providing services to the agency, not on the business or firm that employs the individual.

FPPC Regulation 18700.3 defines "consultant" as an individual who makes a governmental decision whether to:

- Approve a rate, rule, or regulation
- Adopt or enforce a law
- Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement
- Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval
- Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract
- Grant agency approval to a plan, design, report, study, or similar item
- Adopt, or grant agency approval of, policies, standards, or guidelines for the agency or for any of its subdivisions

A consultant also is an individual who serves in a staff capacity with the agency and:

- participates in making a governmental decision; or
- performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's conflict of interest code.

**Designated Employee:** An official or employee of a state or local government agency whose position has been designated in the agency's conflict of interest code to file statements of economic interests or whose position has not yet been listed in the code but makes or participates in making governmental decisions. Individuals who contract with government agencies (consultants) may also be designated in a conflict of interest code.

A federal officer or employee serving in an official federal capacity on a state or local government agency is not a designated employee.

**Disclosure Categories:** The section of an agency's conflict of interest code that specifies the types of personal economic interests officials and employees of the agency must disclose on their statements of economic interests. Disclosure categories are usually contained in an appendix or attachment to the conflict of interest code. Contact your agency to obtain a copy of your disclosure categories.

## Terms & Definitions - (continued)

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**Diversified Mutual Fund:** Diversified portfolios of stocks, bonds, or money market instruments that are managed by investment companies whose business is pooling the money of many individuals and investing it to seek a common investment goal. Mutual funds are managed by trained professionals who buy and sell securities. A typical mutual fund will own between 75 to 100 separate securities at any given time so they also provide instant diversification. *Only diversified mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 are exempt from disclosure.* In addition, Regulation 18237 provides an exception from reporting other funds that are similar to diversified mutual funds. (See Reference Pamphlet, page 13.)

**Elected State Officer:** Elected state officers include the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, State Controller, Secretary of State, State Treasurer, Superintendent of Public Instruction, members of the State Legislature, members of the State Board of Equalization, elected members of the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board.

**Enforcement:** The FPPC investigates suspected violations of the Act. Other law enforcement agencies (the Attorney General or district attorney) also may initiate investigations under certain circumstances. If violations are found, the Commission may initiate administrative enforcement proceedings that could result in fines of up to \$5,000 per violation.

Instead of administrative prosecution, a civil action may be brought for negligent or intentional violations by the appropriate civil prosecutor (the Commission, Attorney General, or district attorney), or a private party residing within the jurisdiction. In civil actions, the measure of damages is up to the amount or value not properly reported.

Persons who violate the conflict of interest disclosure provisions of the Act also may be subject to agency discipline, including dismissal.

Finally, a knowing or willful violation of any provision of the Act is a misdemeanor. Persons convicted of a misdemeanor may be disqualified for four years from the date of the conviction from serving as a lobbyist or running for elective office, in addition to other penalties that may be imposed. The Act also provides for numerous civil penalties, including monetary penalties and damages, and injunctive relief from the courts.

**Expanded Statement:** Some officials or employees may have multiple filing obligations (for example, a city council member who also holds a designated position with a county agency, board, or commission). Such officials or employees may complete one expanded statement covering the disclosure requirements for all positions and file a complete, originally signed copy with each agency.

**Fair Market Value:** When reporting the value of an investment, interest in real property, or gift, you must disclose the fair market value – the price at which the item would sell for on the open market. This is particularly important when valuing gifts, because the fair market value of a gift may be different from the amount it cost the donor to provide the gift. For example, the wholesale cost of a bouquet of flowers may be \$10, but the fair market value may be \$25 or more. In addition, there are special rules for valuing free tickets and passes. Call or email the FPPC for assistance.

### Gift and Honoraria Prohibitions

#### Gifts:

State and local officials who are listed in Gov. Code Section 87200 (except judges – see below), candidates for these elective offices (including judicial candidates), and officials and employees of state and local government agencies who are designated in a conflict of interest code were prohibited from accepting a gift or gifts totaling more than \$470 in a calendar year from a single source in 2018. The gift limit is \$500 in 2019 and 2020.

In addition, elected state officers, candidates for elective state offices, and officials and employees of state agencies are subject to a \$10 per calendar month limit on gifts from lobbyists and lobbying firms registered with the Secretary of State.

#### Honoraria:

State and local officials who are listed in Gov. Code Section 87200 (except judges – see below), candidates for these elective offices (including judicial candidates), and employees of state and local government agencies who are designated in a conflict of interest code are prohibited from accepting honoraria for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

## Terms & Definitions - (continued)

### Exceptions:

- Some gifts are not reportable or subject to the gift and honoraria prohibitions, and other gifts may not be subject to the prohibitions, but are reportable. For detailed information, see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)).
- The gift limit and the honorarium prohibitions do not apply to a part-time member of the governing board of a public institution of higher education, unless the member is also an elected official.
- If you are designated in a state or local government agency's conflict of interest code, the gift limit and honorarium prohibition are applicable only to sources you would otherwise be required to report on your statement of economic interests. However, this exception is not applicable if you also hold a position listed in Gov. Code Section 87200 (See Reference Pamphlet, page 3.)
- For state agency officials and employees, the \$10 lobbyist/lobbying firm gift limit is applicable only to lobbyists and lobbying firms registered to lobby your agency. This exception is not applicable if you are an elected state officer or a member or employee of the State Legislature.
- Payments for articles published as part of the practice of a bona fide business, trade, or profession, such as teaching, are not considered honoraria. A payment for an "article published" that is customarily provided in connection with teaching includes text book royalties and payments for academic tenure review letters. An official is presumed to be engaged in the bona fide profession of teaching if he or she is employed to teach at an accredited university.

### Judges:

Section 170.9 of the Code of Civil Procedure imposes gift limits on judges and prohibits judges from accepting any honorarium. Section 170.9 is enforced by the Commission on Judicial Performance. The FPPC has no authority to interpret or enforce the Code of Civil Procedure. Court commissioners are subject to the gift limit under the Political Reform Act.

**Income Reporting:** Reporting income under the Act is different than reporting income for tax purposes. The Act requires **gross** income (the amount received before deducting losses, expenses, or taxes, as well as income reinvested in a business entity) to be reported.

**Pro Rata Share:** The instructions for reporting income refer to your pro rata share of the income received. Your pro rata share is normally based on your ownership

interest in the entity or property. For example, if you are a sole proprietor, you must disclose 100% of the gross income to the business entity on Schedule A-2. If you own 25% of a piece of rental property, you must report 25% of the gross rental income received. When reporting your community property interest in your spouse's or registered domestic partner's income, your pro rata share is 50% of his or her income.

**Separate Property Agreement:** Generally, a public official is required to disclose his or her community property share of his or her spouse's income. But, when a public official and his or her spouse have a legally separate property agreement (e.g., prenuptial agreement), the official is not required to report the spouse's community property share of income, unless the funds are commingled with community funds or used to pay for community expenses or to produce or enhance the separate income of the official.

**Note:** This reporting exception does not apply to investments and interests in real property. Even if a public official and his or her spouse have a separate property agreement, the spouse's investments and interests in real property must still be disclosed because the definitions of reportable investments and interests in real property include those held by the official's immediate family (spouse, registered domestic partner, and dependent children). These definitions are not dependent on community property law.

**Income to a Business Entity:** When you are required to report sources of income to a business entity, sources of rental income, or sources of commission income, you are only required to disclose individual sources of income of \$10,000 or more. However, you may be required to **disqualify** yourself from decisions affecting sources of \$500 or more in income, even though you are not required to report them.

### Examples:

- Alice Ruiz is a partner in a business entity. She has a 25% interest. On Schedule A-2, she must disclose 25% of the fair market value of the business entity; 25% of the gross income to the business entity (even though all of the income received was reinvested in the business and she did not personally receive any income from the business); and the name of each source of \$40,000 or more to the business.

## Terms & Definitions - (continued)

- Pat and Mark Johnson, a married couple, own Classic Autos. Income to this business was \$200,000. In determining the amount to report for income on Schedule A-2, Part 2, Mark must include his 50% share (\$100,000) and 50% of his spouse's share (\$50,000). Thus, his reportable income would be \$150,000 and he will check the box indicating \$100,001-\$1,000,000. (See Reference Pamphlet, page 13, for an example of how to calculate the value of this investment and interest in real property.)

### You are not required to report:

- Salary, reimbursement for expenses or per diem, social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency
- A travel payment that was received from a nonprofit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.
- Campaign contributions
- A cash bequest or cash inheritance
- Returns on a security registered with the Securities and Exchange Commission, including dividends, interest, or proceeds from a sale of stocks or bonds unless the purchaser can be identified.
- Redemption of a mutual fund
- Payments received under an insurance policy, including an annuity
- Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a bond or other debt instrument issued by a government agency
- Your spouse's or registered domestic partner's income that is legally "separate" income so long as the funds are not commingled with community funds or used to pay community expenses
- Income of dependent children
- Automobile trade-in allowances from dealers
- Loans and loan repayments received from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin unless he or she was acting as an intermediary or agent for any person not covered by this provision
- Alimony or child support payments
- Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a)

- Any loan from a commercial lending institution made in the lender's regular course of business on terms available to the public without regard to your official status
- Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available to the public without regard to your official status
- Loans made to others. However, repayments may be reportable on Schedule C
- A loan you co-signed for another person unless you made payments on the loan during the reporting period

**Incentive Compensation:** "Incentive compensation" means income over and above salary that is either ongoing or cumulative, or both, as sales or purchases of goods or services accumulate. Incentive compensation is calculated by a predetermined formula set by the official's employer which correlates to the conduct of the purchaser in direct response to the effort of the official.

Incentive compensation does not include:

- Salary
- Commission income (*For information regarding disclosure of "commission income," see Reference Pamphlet, page 8.*)
- Bonuses for activity not related to sales or marketing, the amount of which is based solely on merit or hours worked over and above a predetermined minimum
- Executive incentive plans based on company performance, provided that the formula for determining the amount of the executive's incentive income does not include a correlation between that amount and increased profits derived from increased business with specific and identifiable clients or customers of the company
- Payments for personal services which are not marketing or sales

The purchaser is a source of income to the official if all three of the following apply:

- the official's employment responsibilities include directing sales or marketing activity toward the purchaser; and
- there is direct personal contact between the official and the purchaser intended by the official to generate sales or business; and
- there is a direct relationship between the purchasing activity of the purchaser and the amount of the incentive compensation received by the official.

## Terms & Definitions - (continued)

Report incentive compensation as follows:

- In addition to salary, reimbursement of expenses, and other income received from your employer, separately report on Schedule C the name of each person who purchased products or services sold, marketed or represented by you if you received incentive compensation of \$500 or more attributable to the purchaser during the period covered by the statement.
- If incentive compensation is paid by your employer in a lump sum, without allocation of amounts to specific customers, you must determine the amount of incentive compensation attributable to each of your customers. This may be based on the volume of sales to those customers.

(See Regulations 18700.1 and 18728.5 for more information.)

**Investment Funds:** The term "investment" no longer includes certain exchange traded funds, closed-end funds, or funds held in an Internal Revenue Code qualified plan. These non-reportable investment funds (1) must be bona fide investment funds that pool money from more than 100 investors, (2) must hold securities of more than 15 issuers, and (3) cannot have a stated policy of concentrating their holdings in the same industry or business ("sector funds"). In addition, the filer may not influence or control the decision to purchase or sell the specific fund on behalf of his or her agency during the reporting period or influence or control the selection of any specific investment purchased or sold by the fund. (Regulation 18237)

**Investments and Interests in Real Property:** When disclosing investments on Schedules A-1 or A-2 and interests in real property on Schedules A-2 or B, you must include investments and interests in real property held by your spouse or registered domestic partner, and those held by your dependent children, as if you held them directly.

Examples:

- Julia Pearson, husband, and two dependent children each own \$600 in stock in General Motors. Because the total value of their holdings is \$2,400, Julia must disclose the stock as an investment on Schedule A-1.
- Pat and Mark Johnson, a married couple, jointly own Classic Autos. Mark must disclose Classic Autos as an investment on Schedule A-2. To determine the reportable value of the investment, Mark will aggregate the value of his 50% interest and Pat's 50% interest. Thus, if the total value of the business entity is \$150,000, he will check the box \$100,001 - \$1,000,000 in Part 1 of Schedule A-2. (Also see Reference Pamphlet, page 11, for an example of how to calculate reportable income.)

The Johnsons also own the property where Classic Autos is located. To determine the reportable value of the real property, Mark will again aggregate the value of his 50% interest and Pat's 50% interest to determine the amount to report in Part 4 of Schedule A-2.

- Katie Lee rents out a room in her home. She receives \$6,000 a year in rental income. Katie will report the fair market value of the rental portion of her residence and the income received on Schedule B.

**Jurisdiction:** Report disclosable investments and sources of income (including loans, gifts, and travel payments) that are either located in or doing business in your agency's jurisdiction, are planning to do business in your agency's jurisdiction, or have done business during the previous two years in your agency's jurisdiction, and interests in real property located in your agency's jurisdiction.

A business entity is doing business in your agency's jurisdiction if the entity has business contacts on a regular or substantial basis with a person who maintains a physical presence in your jurisdiction.

Business contacts include, but are not limited to, manufacturing, distributing, selling, purchasing, or providing services or goods. Business contacts do not include marketing via the Internet, telephone, television, radio, or printed media.

The same criteria are used to determine whether an individual, organization, or other entity is doing business in your jurisdiction.

Exception:

Gifts are reportable regardless of the location of the donor. For example, a state agency official with full disclosure must report gifts from sources located outside of California. (Designated employees/code filers should consult their disclosure categories to determine if the donor of a gift is of the type that must be disclosed.)

When reporting interests in real property, if your jurisdiction is the state, you must disclose real property located within the state of California unless your agency's conflict of interest code specifies otherwise.

For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district, or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency.

## Terms & Definitions - (continued)

See the following explanations to determine what your jurisdiction is:

**State Offices and All Courts:** Your jurisdiction is the state if you are an elected state officer, a state legislator, or a candidate for one of these offices. Judges, judicial candidates, and court commissioners also have statewide jurisdiction. (*In re Baty* (1979) 5 FPPC Ops. 10) If you are an official or employee of, or a consultant to, a state board, commission, or agency, or of any court or the State Legislature, your jurisdiction is the state.

**County Offices:** Your jurisdiction is the county if you are an elected county officer, a candidate for county office, or if you are an official or employee of, or a consultant to, a county agency or any agency with jurisdiction solely within a single county.

**City Offices:** Your jurisdiction is the city if you are an elected city officer, a candidate for city office, or you are an official or employee of, or a consultant to, a city agency or any agency with jurisdiction solely within a single city.

**Multi-County Offices:** If you are an elected officer, candidate, official or employee of, or a consultant to a multi-county agency, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. (Example: A water district has jurisdiction in a portion of two counties. Members of the board are only required to report interests located or doing business in that portion of each county in which the agency has jurisdiction.)

**Other (for example, school districts, special districts and JPAs):** If you are an elected officer, candidate, official or employee of, or a consultant to an agency not covered above, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. See the multi-county example above.

**Leasehold Interest:** The term "interest in real property" includes leasehold interests. An interest in a lease on real property is reportable if the value of the leasehold interest is \$2,000 or more. The value of the interest is the total amount of rent owed by you during the reporting period or, for a candidate or assuming office statement, during the prior 12 months.

You are not required to disclose a leasehold interest with a value of less than \$2,000 or a month-to-month tenancy.

**Loan Reporting:** Filers are not required to report loans from commercial lending institutions or any indebtedness created as part of retail installment or credit card transactions that are made in the lender's regular course of business, without regard to official status, on terms available to members of the public.

**Loan Restrictions:** State and local elected and appointed public officials are prohibited from receiving any personal loan totaling more than \$250 from an official, employee, or consultant of their government agencies or any government agency over which the official or the official's agency has direction or control. In addition, loans of more than \$250 from any person who has a contract with the official's agency or an agency under the official's control are prohibited unless the loan is from a commercial lending institution or part of a retail installment or credit card transaction made in the regular course of business on terms available to members of the public.

State and local elected officials are also prohibited from receiving any personal loan of \$500 or more unless the loan agreement is in writing and clearly states the terms of the loan, including the parties to the loan agreement, the date, amount, and term of the loan, the date or dates when payments are due, the amount of the payments, and the interest rate on the loan.

Campaign loans and loans from family members are not subject to the \$250 and \$500 loan prohibitions.

A personal loan made to a public official that is not being repaid or is being repaid below certain amounts will become a gift to the official under certain circumstances. Contact the FPPC for further information, or see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)).

**Privileged Information:** FPPC Regulation 18740 sets out specific procedures that must be followed in order to withhold the name of a source of income. Under this regulation, you are not required to disclose on Schedule A-2, Part 3, the name of a person who paid fees or made payments to a business entity if disclosure of the name would violate a legally recognized privilege under California or Federal law. However, you must provide an explanation for nondisclosure, separately stating for each undisclosed person: the legal basis for the assertion of the privilege, facts demonstrating why the privilege is applicable, and that to the best of your knowledge you have not and will not make, participate in making, or use your official position to influence a governmental decision affecting the undisclosed person in violation of Government Code Section 87100. This explanation may be included with, or attached to, the public official's Form 700.

We note that the name of a source of income is privileged only to a limited extent under California law. For example, a name is protected by attorney-client privilege only when facts concerning an attorney's representation of an anonymous client are not publicly known and those facts,



## Terms & Definitions - (continued)

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when coupled with disclosure of the client's identity, might expose the client to an official investigation or to civil or criminal liability. A patient's name is protected by physician-patient privilege only when disclosure of the patient's name would also reveal the nature of the treatment received by the patient. A patient's name is also protected if the disclosure of the patient's name would constitute a violation by an entity covered under the Federal Health Insurance Portability and Accountability Act (also known as HIPAA).

### **Public Officials Who Manage Public Investments:**

Individuals who invest public funds in revenue-producing programs must file Form 700. This includes individuals who direct or approve investment transactions, formulate or approve investment policies, and establish guidelines for asset allocations. FPPC Regulation 18700.3 defines "public officials who manage public investments" to include the following:

- Members of boards and commissions, including pension and retirement boards or commissions, and committees thereof, who exercise responsibility for the management of public investments;
- High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments (for example, chief or principal investment officers or chief financial managers); and
- Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions described above.

**Registered Domestic Partners:** Filers must report investments and interests in real property held by, and sources of income to, registered domestic partners. (See Regulation 18229.)

### **Retirement Accounts (for example, deferred compensation and individual retirement accounts (IRAs)):**

Assets held in retirement accounts must be disclosed if the assets are reportable items, such as common stock (investments) or real estate (interests in real property). For help in determining whether your investments and real property are reportable, see the instructions to Schedules A-1, A-2, and B.

If your retirement account holds reportable assets, disclose only the assets held in the account, not the account itself. You may have to contact your account manager to determine the assets contained in your account.

**Schedule A-1:** Report any business entity in which the value of your investment interest was \$2,000 or more during the reporting period. (Use Schedule A-2 if you have a 10% or greater ownership interest in the business entity.)

**Schedule B:** Report any piece of real property in which the value of your interest was \$2,000 or more during the reporting period.

Examples:

- Anaya Tiwari deposits \$500 per month into her employer's deferred compensation program. She has chosen to purchase shares in two diversified mutual funds registered with the Securities and Exchange Commission. Because her funds are invested solely in non-reportable mutual funds (see Schedule A-1 instructions), Anaya has no disclosure requirements with regard to the deferred compensation program.
- Earl James Jones has \$6,000 in an individual retirement account with an investment firm. The account contains stock in several companies doing business in his jurisdiction. One of his stock holdings, Misac Computers, reached a value of \$2,500 during the reporting period. The value of his investment in each of the other companies was less than \$2,000. Earl must report Misac Computers as an investment on Schedule A-1 because the value of his stock in that company was \$2,000 or more.
- Adriane Fisher has \$5,000 in a retirement fund that invests in real property located in her jurisdiction. The value of her interest in each piece of real property held in the fund was less than \$2,000 during the reporting period. Although her retirement fund holds reportable assets, she has no disclosure requirement because she did not have a \$2,000 or greater interest in any single piece of real property. If, in the future, the value of her interest in a single piece of real property reaches or exceeds \$2,000, she will be required to disclose the real property on Schedule B for that reporting period.

## Terms & Definitions - (continued)

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**Trusts:** Investments and interests in real property held and income received by a trust (including a living trust) are reported on Schedule A-2 if you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater interest in the trust and your pro rata share of a single investment or interest in real property was \$2,000 or more.

You have an interest in a trust if you are a trustor and:

- Can revoke or terminate the trust;
- Have retained or reserved any rights to the income or principal of the trust or retained any reversionary or remainder interest; or
- Have retained any power of appointment, including the power to change the trustee or the beneficiaries.

Or you are a beneficiary and:

- Presently receive income (see Gov. Code Section 82030); or
- Have an irrevocable future right to receive income or principal. (See FPPC Regulation 18234 for more information.)

Examples:

- Sarah Murphy has set up a living trust that holds her principal residence, stock in several companies that do business in her jurisdiction, and a rental home in her agency's jurisdiction. Since Sarah is the trustor and can revoke or terminate the trust, she must disclose any stock worth \$2,000 or more and the rental home on Schedule A-2. Sarah's residence is not reportable because it is used exclusively as her personal residence.
- Chao Yee is listed as a beneficiary in his grandparents' trust. However, Chao does not presently receive income from the trust, nor does he have an irrevocable future right to receive income or principal. Therefore, Chao is not required to disclose any assets contained in his grandparents' trust.

### **Blind Trusts:**

A blind trust is a trust managed by a disinterested trustee who has complete discretion to purchase and sell assets held by the trust. If you have a direct, indirect, or beneficial interest in a blind trust, you may not be required to disclose your pro rata share of the trust's assets or income. However, the trust must meet the standards set out in FPPC Regulation 18235, and you must disclose reportable assets originally transferred into the blind trust and income from those original assets on Schedule A-2 until they have been disposed of by the trustee.

### **Trustees:**

If you are only a trustee, you do not have a reportable interest in the trust. However, you may be required to report the income you received from the trust for performing trustee services.

**Wedding Gifts:** Wedding gifts must be disclosed if they were received from a reportable source during the period covered by the statement. Gifts valued at \$50 or more are reportable; however, a wedding gift is considered a gift to both spouses equally. Therefore, you would count one-half of the value of a wedding gift to determine if it is reportable and need only report individual gifts with a total value of \$100 or more.

For example, you receive a place setting of china valued at \$150 from a reportable source as a wedding gift. Because the value to you is \$50 or more, you must report the gift on Schedule D, but may state its value as \$75.

Wedding gifts are not subject to the \$470 gift limit (\$500 in 2019 - 2020), but they are subject to the \$10 lobbyist/lobbying firm gift limit for state officials.

### **Privacy Information Notice**

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Gov. Code Sections 81000-91014 and California Code of Regulations Sections 18110-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal, or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice or how to access your personal information, please contact the FPPC at:

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