



Ethics Training for Public Officials

AB 1234

City of Benicia

January 24, 2017





Who, Where, What



- 7 City of Beaumont Officials
- \$43 million in misappropriated bond, contract, fee and loan funds over two decades
- Facing 16-26 years in prison



Who, What, Where



Former Beaumont Official Pleads Guilty in Corruption Case

The former public works director of Beaumont has pleaded guilty in a corruption case and must pay back \$3 million to the Southern California city.

Oct. 20, 2017, at 8:14 p.m.

BEAUMONT, Calif. (AP) — The former public works director of Beaumont has pleaded guilty in a corruption case and must pay back \$3 million to the Southern California city. The Riverside County district attorney's office says Deepak Moorjani entered a plea Friday to conflict of interest. Prosecutors say Moorjani acknowledged that his consulting company was involved in making city contracts that benefited the firm and took millions of dollars in developer fees intended for a regional agency.

He's the second ex-official sentenced this week. Ex-Police Chief Francis Dennis Coe Jr. pleaded guilty on Wednesday to a misdemeanor count of conspiracy to commit theft. He was sentenced to 200 hours of community service. He also paid back \$50,000 in interest-free city loans. Five other former officials, including the city manager, also face corruption charges.

“I’m Not Like Those Officials”

- Make sure your name does not show up in the FPPC’s “Hall of Shame”...

FAIR POLITICAL PRACTICES COMMISSION

Summaries of Past Enforcement Cases A-Z

www.fppc.ca.gov

The FPPC closes approximately 800 - 1,200 cases each year. Hundreds of these cases result in administrative penalties and fines imposed on the violator.

FPPC Enforcement Actions

Robert S.

Conflict of Interest

Fine: \$3,000

FPPC No. 15/073

Robert S., a member of the Bakersfield City Council, and President of Smith Tech USA, attempted to use his official position to influence a governmental decision in which he had a financial interest, by speaking before the Bakersfield Planning Commission regarding the approval of SmithTech USA's application for the subdivision of two tracts of land owned by a client.

FPPC Enforcement Actions

Amador Water Agency

Mass Mailer

Fine: \$3,000

FPPC No. 15/1355

Amador Water Agency (“AWA”) produced and mailed 7,269 copies of the August 12, 2015 AWA letter at public expense. The letter individually named each member of the AWA Board of Directors, and was sent in concert with the AWA Board of Directors. AWA produced and sent the August 12, 2015 letter.

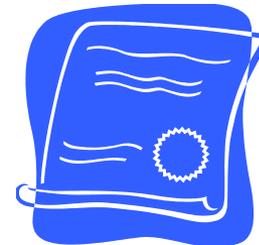
Agenda

1. Ethics Principles
2. Transparency Laws
3. Personal Financial Interests
& Fair Processes
4. Personal Advantages
and Perks of Office



Goals

1. **Familiarize** you with **laws** that govern your service and when to **ask questions**
2. Encourage you to **think beyond legal restrictions (outside the box)**
3. **Satisfy** your AB 1234 requirement



Goals

Avoid these Headlines:



Water giant gave \$1.4 million loan to official

Associated Press Thursday, June 09, 2016

SAN FRANCISCO — A California public water district that earned a rare federal penalty over what it described as "a little Enron accounting" loaned one of its executives \$1.4 million to buy a riverfront home, and the loan remains unpaid nine years later although the official has left the agency, according to records and interviews.

Westlands Water District says its 2007 loan to its former deputy general manager — now at \$1.57 million with a 0.84 percent annual interest rate — is allowed under agency rules on salary.

Public Perception

What would you want to read about on the front page?

- Even if you are confident about the “right thing to do” – Don’t forget about public perception.
- The public needs to believe that “the right thing has been done.”



Attorney Advice



The sooner you speak to legal counsel the better, but remember...

- The City Attorney represents the City not you personally.
- Reliance on advice from legal counsel is not a defense if your actions result in a violation.
- Only a formal advice letter from the Fair Political Practices Commission protects you from violations of FPPC regulations.

Ethics Laws vs. Ethics

Law = minimum standards

What we must do

Floor - not the Ceiling

Ethics = What an official should do



I. General Ethical Principles

Universal Ethical Values:

- Professional
- Community First
- Trustworthy
- Respect
- Fairness



Professional

This value looks like:

- I come prepared to meetings, having read and studied any materials and information provided to me.
- I respect confidential information.
- I follow through and take responsibility for my actions.
- I keep my knowledge and skills current.

Community First

This value looks like:

- I make impartial decisions, free of narrow political interests and financial and other personal interests that might impair my independence of judgment or action.
- I comply with both the spirit and the letter of the law (Constitution, State law, Municipal Code, City Policies).
- I do not use City resources or my position for personal gain.

Trustworthy

This value looks like:

- I act truthfully with the public, City officials, and staff.
- I use accurate information.
- I do what I say I will do.
- I use my title only when conducting official City business, carefully considering whether I am exceeding or appearing to exceed my authority.

Respect

This value looks like:

- I treat people (officials, employees, public) with courtesy and equitably.
- I listen carefully.
- I am engaged – I ask questions.
- I involve staff.
- I work towards consensus.

Fairness

This value looks like:

- I focus on merits not on personalities.
- I promote public involvement.
- I provide more process than required.
- I consider all sides.
- I apply policies consistently.

II: Transparency Laws



The Brown Act

Public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. ***It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly.***"

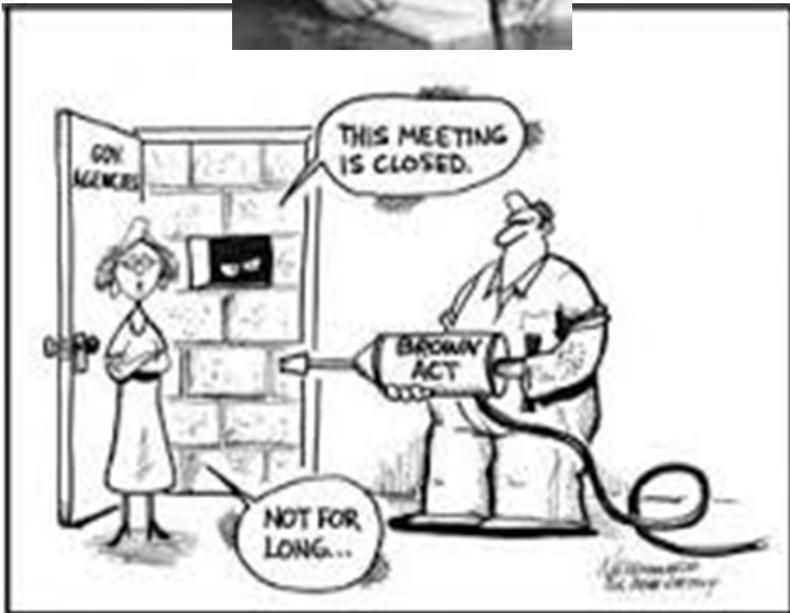
Gov. Code § 54950



The Brown Act



- All *meetings* of the *legislative body* of a *local agency* must be *open and public*



- All *persons* must be *permitted to attend* any meeting

The Brown Act

- **Basic Rule:** Meetings of the City Council & Members of City Boards & Commissions are covered by the Brown Act.



- What is a **Meeting**?
 - any gathering of a **majority of the members** of a legislative body
 - at the **same time** and location
 - to **hear, discuss, deliberate** or **take action** upon any item which is within its subject matter jurisdiction



The Choice Is Yours



Three City Council members run into each other at the local coffee shop and begin discussing the County's new marijuana regulations. Is this a Brown Act violation?

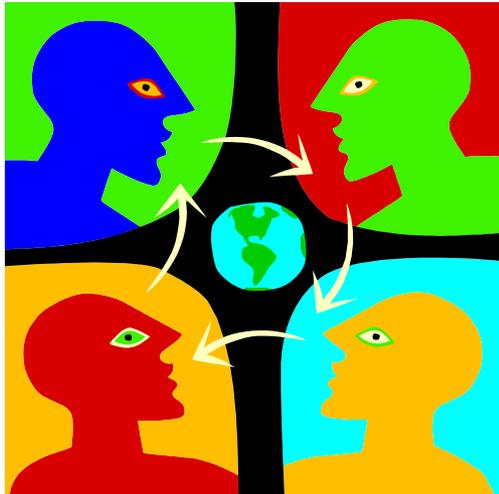
- a) Yes.
- b) No.
- c) Only if the group discussed whether a dispensary could open within the City.

The Brown Act

Formal Meetings:

- Regular meetings
- Special meetings
- Emergency meetings

Improper “Informal” Meetings



Caution: “A majority of the members of a legislative body **shall not...use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action** on any item of business that is within the subject matter jurisdiction of the legislative body.

Gov. Code § 54952(b)(1)

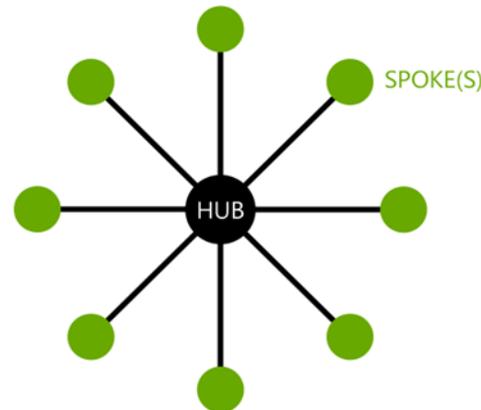
Improper “Serial” Meeting

- **Daisy Chain**: If Member A contacts Member B, and Member B contacts Member C, and so on, until a quorum has been involved, this type of “serial meeting” may result in a violation of the Brown Act.



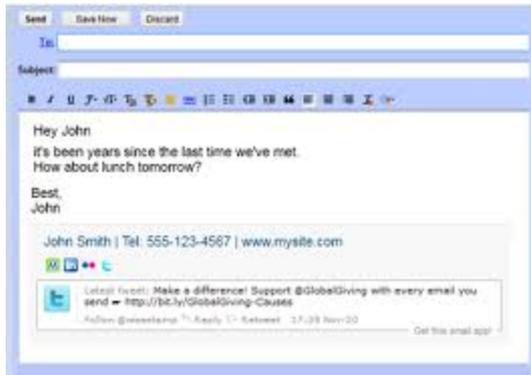
Improper “Serial” Meeting

- **Hub and spoke**: An intermediary contacts at least a quorum of the members to develop a collective concurrence on action to be taken by the legislative body.



Improper “Technology” Meetings

- **Use of e-mail or other technology/media by a majority of a legislative body to discuss, deliberate, or take action on items within the body’s jurisdiction violates the Brown Act.**





The Choice Is Yours



You are unsure how to vote at an upcoming meeting and request information from the City Manager. Should you:

- a) Copy the email to the entire City Council.
- b) Hit “Reply All” when the City Manager responds to you and the entire City Council.
- c) Only email the City Manager.
- d) None of the above.

E-mail Meetings



- Take caution, e-mail spreads like wildfire.

Recommendations for E-mail

- **Avoid sending e-mails to the whole body.**
 - If necessary, provide information only.
 - Do not solicit a response.
- **Be careful replying to e-mails.**
 - Do not communicate your position or make a commitment on a pending matter.
 - Do not direct a reply to a majority of the City Council or a majority of Committee/or Commission members .
- **Think carefully before sending any e-mail.**
 - Remember, your e-mail can be forwarded by others to a majority of the Council/committee/commission

Avoid These Headlines

Judge Rules Council Violated Brown Act

January 5, 2017 – Mercurynews.com

SAN JOSE — Nearly a decade after a Vietnamese community group took San Jose to court over claims that elected officials secretly lined up votes in naming a retail center, a judge agreed that the City Council violated open meeting laws — and ordered a fix to stop it from happening again.

The lawsuit, filed in February 2008, claims former Councilwoman Madison Nguyen privately rallied support from a majority of council members to name a shopping center “Saigon Business District.” If a council member privately discusses an issue up for a vote with five of San Jose’s 11 City Council members — a majority — it is considered a violation of the Ralph M. Brown Act.

Brown Act Violations

- Request to Cure/Action Invalidated
- Civil Action to prevent future violations
- Costs and Attorney's Fees
- Criminal Charges
 - Each member of a legislative body who attends a meeting of that legislative body where action is taken in violation of any provision of this chapter, and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under this chapter, ***is guilty of a misdemeanor.***

Gov. Code § § 54959, 54960, 54960.1

Individual Meetings - OK

- A City employee or official may:
 - engage in **“separate conversations or communications”** outside of a meeting
 - in order to **“answer questions or provide information”**
 - so long as that person **“does not communicate to members of the legislative body the comments or positions of any other member or members.”**



Gov. Code § 54952.2(b)(2).



The Choice Is Yours



During public comments on non-agendized items a City Council member may:

- a) Have a 5-minute conversation with a member of the public.
- b) Approve a \$5000 grant to the Veterans Club if they ask and really need it.
- c) Request donations to his/her political campaign.
- d) None of the above.

Non-Agendized Items

- Action or discussion on any item not appearing on the posted agenda is generally prohibited.
- Board Members may only:
 - Briefly respond to public statements or questions,
 - Ask a question for clarification,
 - Make a brief announcement,
 - Make a brief report on his or her activities,
 - Provide a reference to staff or other sources for factual information, or
 - Request staff to place the matter on a future agenda and report back to the legislative body in a subsequent meeting.

Gov. Code § 54954.2(a)(2)

Brown Act: Public Participation

Public participation in meetings is ensured by:

- Accessible location (ADA, Non-Discrimination)
- Providing access to agendas and related documents when distributed to a majority of the legislative body.
- Allowing the public to speak on an agenda item before or during the body's consideration of the item.
- Allowing the public to record meetings



Avoid These Headlines

Inglewood's Lawsuit Against Gadfly Smells Like Censorship

June 1, 2015

The city of Inglewood is suing a longtime critic of the mayor and city officials, alleging he violated copyright law by using footage of council meetings in videos blasting them for abusing their power.



Closed Sessions

Closed Sessions:

- Closed sessions are an **exception** to the rule that agency meetings must be open and public.
- Only topics authorized under the Brown Act may be discussed in closed session.
- The most common closed session topics are: Litigation (Existing or Potential), Real Estate Negotiations, Personnel Matters, and Labor Negotiations.

Gov. Code § 54954.3

Closed Sessions

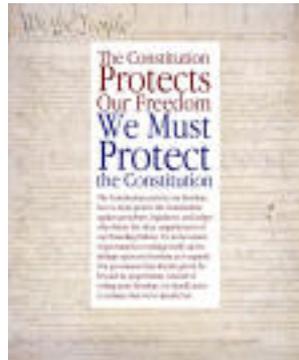
- The disclosure of confidential information is prohibited unless the legislative body authorizes the disclosure of the information.
- “***Confidential information***” means communication made in closed session that is specifically related to the basis for the closed session meeting.

Gov. Code § 54963(a) and (b)



Access to Public Records

- Access to public records is a constitutional right.



Public Records

- **Public Record” means:**

- Any writing,
- Containing information relating to the conduct of the public’s business,
- Prepared, owned, used or retained by any state or local agency,
- Regardless of physical form or characteristic.



Gov. Code § 6252(e)

Public Records

Rule: All of the agency's public records must be disclosed to the public, upon request, unless there is a specific reason not to do so.



- As described by one court: “Islands of privacy floating in a sea of disclosure.”



The Choice Is Yours

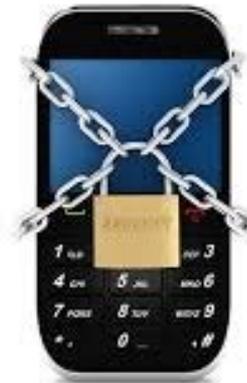


Which is a public record subject to disclosure:

- a) A message about your son's soccer game sent from your agency email account.
- b) A message about agency business sent from your personal email account.
- c) A text of a grocery list sent from an agency device.
- d) All of the above.

Public Records

The California Supreme Court ruled in 2017 that information related to the public's business retained on private phones, computers and other personal devices and accounts of public employees and officials is a public record.



Public Records

- Local officials have some discretion in terms of what records may be retained.
- Important to follow records retention schedules & policies.



III: Personal Financial Interests & Fair Processes



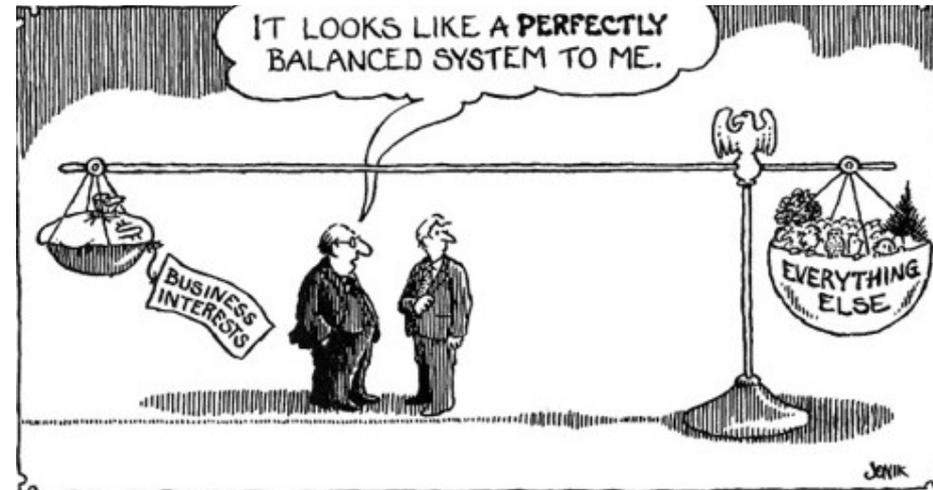
Conflicts of Interest Rules

- **Political Reform Act**
 - Government Code § 87100 and following, and the Regulations of the Fair Political Practices Commission (FPPC)
- **Contractual Conflicts**
 - Government Code § 1090



Purpose of Conflict Rules

- Public officials owe paramount loyalty to the public.
- Personal or private financial interests should not be allowed to enter into the decision making process.



Disclosure of Financial Interests

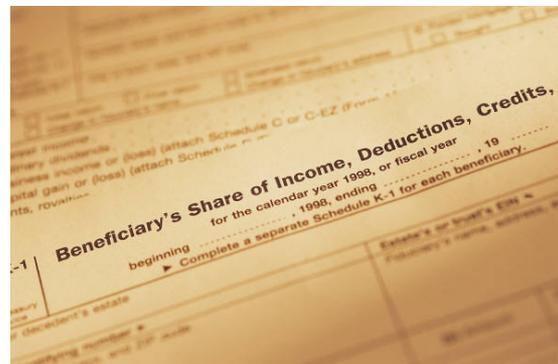
- Statements of Economic Interests “Form 700”
- Purpose:
 - alert officials of personal interests that might be affected
 - inform the public about potential conflicts



The Who, What, When and Where of Disclosure

- **Who?** All “designated” officials.
- **What?** Interests in real property, investments, business positions, sources of income and gifts.
- **When?** Upon assuming office, annually (by 4/1), and upon leaving office.
- **Where?** File with local agency, which will send it, if required, to the FPPC.

Note: The documents are public records and late filers may face fines or penalties.



Form 700 Reporting

FPPC Enforcement Decisions:

Jackson W., as a **Member of the Sunshine Ordinance Task Force** for the City and County of San Francisco, failed to timely file the 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013.

Fine: \$200



Can I Participate?

Conflict-of-Interest Rules Political Reform Act



General Rule of Disqualification

- A public official may not:
 - make/participate/influence
 - a governmental decision
 - that will have a foreseeable and material financial effect on
 - the official's economic interests





The Choice Is Yours



The best time to discuss a potential conflict with the City Attorney is:

- a) At a meeting because it is convenient and will save money.
- b) After the action/decision so you know all the facts.
- c) As early as possible.
- d) Never, because it's not a privileged communication.

Recognizing and Seeking Advice

- The conflict rules and regulations are complex.
- **Recognizing** potential conflicts is essential.
- **Talk early on** with the City Attorney and consider seeking advice from the FPPC when economic interests may be affected (positively or negatively) by a decision.



Potential Economic Interests

- **Sources of Income**

Any source of income of \$500 or more during the prior 12 months for you or your spouse or domestic partner.

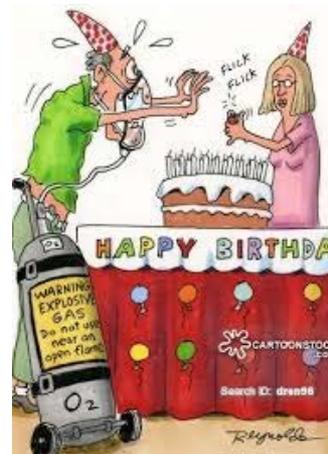


Potential Economic Interests

FPPC Enforcement Decisions:

David S., a member of the board of directors of the **Indian Valley Hospital District**, violated the conflict-of-interest provisions when he **voted in favor of a contract which benefitted a client of his oxygen supply business.**

Fine: \$2,000



Potential Economic Interests

- **Business management, employment or investment**
 - Any business entity in which an official is a director, officer, partner, trustee, manager or employee.
 - Any business entity in which an official has a direct or indirect investment of \$2,000 or more.

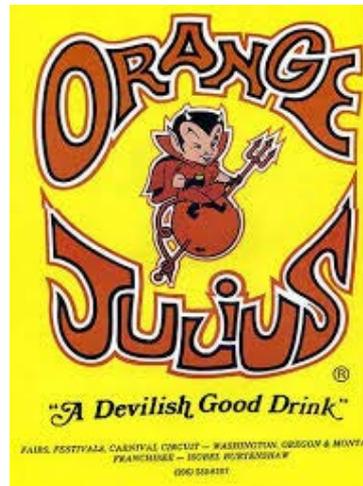


Potential Economic Interests

FPPC Enforcement Decisions:

Leonard E. was the **Assistant City Manager** and Controller of the City of West Covina. Mr. E violated the conflict of interest disclosure and disqualification provisions by **failing to disclose his interests in an Orange Julius franchise located in a shopping mall and by participating in decisions relating to a major expansion and restoration of the mall.**

Fine: \$18,000





The Choice Is Yours



Interests in real property are:

- a) A potential ground for a conflict of interest.
- b) Not a conflict if it is your home because of the homestead exemption.
- c) Not a problem as long as your property is more than 300 feet away.
- d) Always a conflict if the property is within the Agency's jurisdiction.

Potential Economic Interests

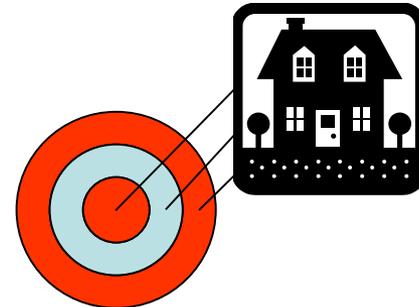
- **Real Property**

Any real property interest worth **\$2,000** or more

- Includes leasehold interests in some instances

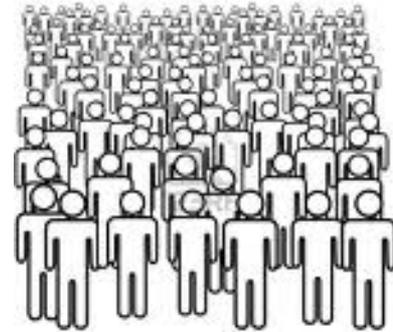


- **Tip:** Be alert for any projects or decisions that may affect the land use or value of the property or other nearby properties (500 feet).



Exceptions to Potential Economic Interest Conflicts

- Two exceptions to potential financial conflicts:
 - The “**public generally**”
 - The “**legally required participation**”



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Public Generally Exception

- Decisions that affect a **broad range of persons or interests** may be exempted: 25% of (i) all businesses, (ii) all real property, or (iii) all individuals.

Example: Water rate decisions



Legally Required Participation Exception

- May apply if a conflict disqualifies so many officials that there is no longer a quorum to make a decision.



Note: Does not apply: (1) quorum could later be met; (2) to break a tie vote.

Conflicts Created By Future Employment



Delays on the revolving door...

- May not participate in decisions involving a **prospective** employer (includes interviews and negotiations).
- Officials and senior management may not represent parties before their former agency for **one year** after leaving office.

Conflicts Created By Future Employment

FPPC Enforcement Decisions:

Dwain S. served as a **Director on the Western Hills Water District** Board of Directors During his tenure he voted on a matter directly relating to World International, Inc., with whom he had an arrangement concerning prospective employment at the time of the vote.

Fine: \$4,000



Common Law Conflict: Personal Interests or Bias

- Personal interests or biases (positive or negative) about the facts or the parties may cast doubt on your ability to make a fair decision.
- Need to exercise power with at least the appearance of *disinterested* skill, zeal, and diligence.



Public Interest vs. Personal Interest

City of Fairfield v. Superior Court (1975) 14 Cal.3d 768:

“A councilman has not only a right but an obligation to discuss issues of vital concern with his constituents and to state his views on matters of public importance. . . . ***Campaign statements...do not disqualify the candidate from voting on matters which come before him after his election.***”

Nasha v. City of Los Angeles (2004) 125 Cal.App.4th 470:

Plaintiff was seeking to develop five lots in Los Angeles. While the matter was pending before the Planning Commission, one of the Commissioners authored an article attacking the Plaintiff’s project. The Planning Commission voted to deny the project and, in the lawsuit filed by the Plaintiff against the City of Los Angeles, the Court found that ***the Planning Commission’s decision should be set aside due to an unacceptable probability of actual bias on the part of the Commissioner who authored the article.***

Avoid These Headlines

San Marino mayor resigns after being censured over dog poop incident

SAN MARINO - Mayor Dennis Kneier, who set off a political firestorm when he tossed a bag of dog poop onto a neighbor's yard, resigned his post Wednesday, just 10 days after a surveillance video of the incident went viral.

I have apologized to my neighbor for my action, and I will pay a fine for littering," Kneier wrote. "These events continue to be embarrassing to me and to the city. Because of this, I have decided to step down as mayor."

What Happens If Disqualified?

- If disqualified:
 - Identify the applicable interest (with specificity).
 - Step down from the dais and leave the room (unless on consent calendar).
 - Refrain from any discussion or participation.



Exception: You can participate as a member of public from the audience on matters affecting *personal* economic interests.



The Choice Is Yours



When is it legal to enter into a contract with your City:

- a) If you use a third-party intermediary (e.g., real estate broker).
- b) If you disclose your interest in advance to the Council and abstain from voting.
- c) If you receive only a small payment or get less than fair market value.
- d) If you are the best service provider available.
- e) Never.

Contractual Conflicts of Interest Government Code § 1090

Prohibition on
“Self Dealing”



Contractual Conflicts of Interest

Government Code § 1090

- Section 1090 prohibits **officials** and **employees** from having **financial interests in contracts made by them in their official capacities** or any board of which they are members.



Contractual Conflicts of Interest

- If a public official or employee has a financial interest in a contract, **the contract is prohibited** *regardless* of whether the official participates in or abstains from the actual decision.



Contractual Conflicts of Interest

- Term “Contract” is liberally construed
- Financial gain not required



Limited Exceptions:

- Contract existed before assuming office -- if no modifications made during tenure
- Interest is terminated prior to participation

Contractual Conflicts

Berkeley councilman profited from police chief's public home loan

By Thomas Peele | tpeele@bayareanewsgroup.com

POSTED: 10/02/2015 11:42:21 AM PDT | UPDATED: 4 MONTHS AGO

16 COMMENTS

BERKELEY -- In a move that ethicists call fraught with conflicts and cronyism, a City Council member who voted to give Berkeley police Chief Michael Meehan a \$500,000 housing loan from public funds later worked as his real estate agent and took a commission on the chief's purchase of a home, records show.

Councilman Lawrence Capitelli said he split the nearly \$30,000 commission on the \$1.185 million sale with another



Violations of § 1090

- If contract is made in violation of § 1090, the contract will be deemed ***void***.
- All **monies paid** under the contract **must be returned** to the local agency.
- Willful violations may be punished by fine, imprisonment and disqualification from public office.



Contractual Conflicts of Interest

- There are also exceptions for:
 - “**Remote interests**” (§ 1091)
(landlord or tenant
of contracting party)
 - “**Non-interests**” (§ 1091.5)
(non-compensated officer
of a non-profit)



 ***Still must abstain from voting***

V: Personal Advantages & Perks

Legal Limitations on Official Benefits and Perks



benefits & perks



The Choice Is Yours



Agency officials can set their salary:

- a) As high as they want (or can get away with).
- b) By ordinance or resolution.
- c) Whenever they want.
- d) None of the above.

Compensation

- Generally fixed by statute.
- Cannot be acted on at a special meeting.
- Automatic increases not permitted.





The Choice Is Yours



If you take your spouse on official business, you can charge the following to the City:

- a) Room.
- b) Spouse's meals.
- c) Mileage.
- d) Both (a) and (c).
- e) None of the above.

Expense Reimbursement



General Rule: *Actual* and *Necessary* Expenses

Reporting: Timely use of report forms (with receipts documenting the expenses); oral report at subsequent meeting (only for attendance at Brown Act “meetings”)

Penalty: loss of reimbursement privilege; restitution; civil penalties and 3x value of misused resources; jail; ban from public office

Remember...

Your expense report forms are
PUBLIC RECORDS





The Choice Is Yours



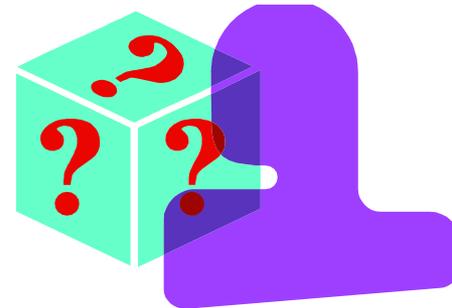
A local business owner offers to give you an iPhone X in appreciation of your excellent work. You must:

- a) Tell the City Manager.
- b) Give it to your children.
- c) Determine the value before accepting.
- d) Give it to charity and take a tax deduction.
- e) Politely refuse the offer.

Gifts

- **What is a Gift?**

- Anything of value you receive for which you do not provide monetary or other consideration of equal or greater value.
- May include discounts and rebates if not also given to the general public.



Report - \$50 or more in a year/source

Limit - \$470/year/source through 2018



Gifts



Options when you receive a gift over \$50:

- Decide if you want to report it on your Form 700.
- If so, report it within 30 days of receipt.
- If not, then within 30 days:
 - Reimburse the donee for the fair market value,
 - Return the gift unused, or
 - Donate the gift to charity (no deductions).
- If the gift exceeds \$470, you have a duty to reject it.
 - Or “buy down” the value.

Disclosure of Gifts

- Must report gifts on your Form 700 if:
 - Total value of all gifts from that source during the calendar year is at least \$50.
 - Gift are reportable regardless of the location of the donor.



Tip: If the amount is unknown, you must make a good faith estimate of the item's fair market value.



The Choice Is Yours



Are meals considered “gifts”?

- a) Yes, if the food is delicious.
- b) No, if the company is boring.
- c) No, if you take turns paying.
- d) Only if you go to a restaurant.

Gifts

- **Are Meals Gifts?**

Yes. A meal is a gift unless:

- provided at an individual's home (existing relationship)
- Provided as part of a reciprocal exchange
- paid for by a governmental agency



Gifts



FPPC Enforcement Decisions:

James L., as Mayor of Palmdale, failed to timely disclose gifts of two meals totaling \$253.39 on his Statement of Economic Interests. All gifts were from E.J. De La Rosa & Co., Inc.

Penalty: \$200.

SACRAMENTO — Spurred by an investigation by the Ventura County District Attorney's Office into the activities of Oxnard city officials, the Fair Political Practices Commission found 205 government officials across the state failed to properly report gifts from the same companies involved in the Oxnard case.

Gifts

There is a rule for everything:

- Gifts through family members
- Attendance at Invitation-Only Events
- Wedding gifts
- Non-Profit fundraisers



Gifts

FPPC Enforcement Decisions:

Judith V., former mayor of the City of San Bernardino, acceptance of membership dues from Arrowhead Country Club, exceeded the 2004 gift limit of \$340 and the 2005 gift limit of \$360.

Fine: \$400





The Choice Is Yours



Can public officials accept “tips” for a job well done?

- a) Never.
- b) Always.
- c) Only if you do an extra good job.
- d) Yes, if you have a performance based contract.

Prohibition on Gratuities or Rewards



It is a misdemeanor to receive any kind of gratuity or reward for performing one's duties.

Honoraria

- Receipt of honoraria (e.g., any payment for a speech, article, attendance at a conference, event or similar gathering) is ***prohibited***.
- **Exception:** Speech or article in connection with private business.

Tip: You can **return** or **donate** the honoraria within 30 days of receipt.





The Choice Is Yours



Which are not permitted:

- a) Making a few personal copies on the City's copy machine.
- b) Calling your spouse from a City phone.
- c) Using a City truck to pick up a new mattress.
- d) All of the above.

Misuse of Public Resources



- **Rule:** No use of public funds or resources for personal, non-public purposes, including campaigns.
- **“Public Resources”** includes staff time, office equipment and supplies, but excludes incidental or minimal uses.



- **Penalties:** disqualification from office, jail, civil penalties up to \$1000/day plus 3x the value of the unlawful use.

Tip: Ensure that expense or use is consistent with adopted agency policy or practice.

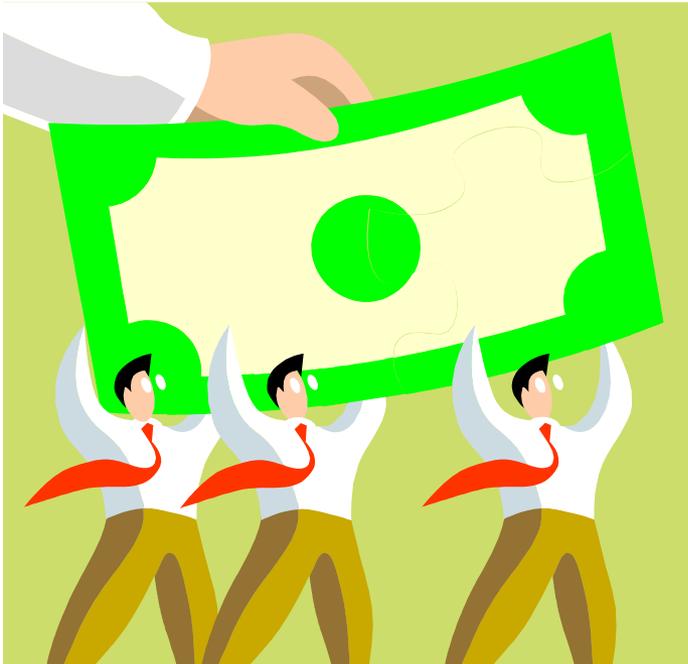
Avoid These Headlines

Top fire officials suspected of driving county vehicles while collecting \$1,000 monthly personal car allowance.

SAN BERNARDINO - San Bernardino County Fire Chief Pat D. was placed on unpaid administrative leave Wednesday after county supervisors evaluated a human resources report alleging he and Deputy Fire Chief Dan W. **improperly drove county vehicles for personal use.** D and W reportedly used a county trailer to move personal belongings from Running Springs to Yucaipa. The two may have also violated county policy by driving county vehicles while collecting a roughly \$1,000 monthly personal car allowance.



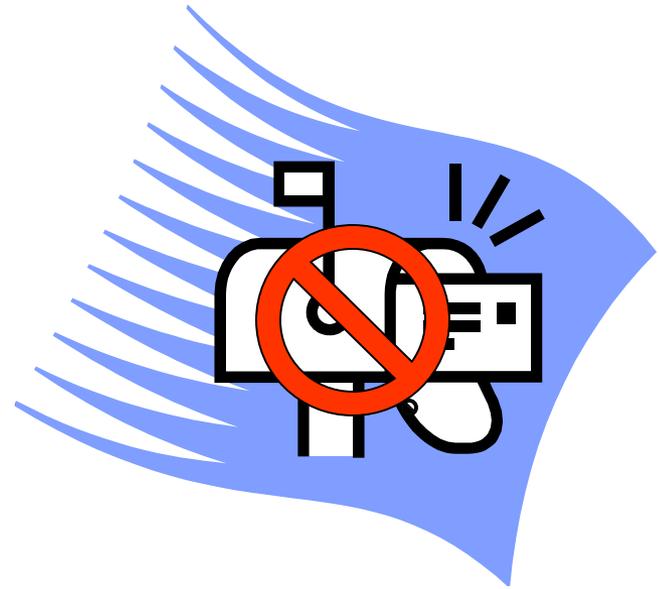
Gifts of Public Funds



- Local agencies are prohibited from making a “gift” of public money or anything of value.
- Expenditures for ***public purposes*** are not considered gifts even if a private party incidentally benefits.

Mass Mailing Prohibition

- **Rule:** No newsletter or other mass mailing may be sent at public expense.
- **Purpose:** Conserve resources, no advantages for incumbents.
- **Application:**
 - 200+ items/month
 - official “featured”
- **Penalties:** Criminal liability; restitution.



Mass Mailing Prohibition

The Public Eye: Rocklin fined \$2,000 for newsletter containing prohibited photos

Richard Chang / *The Sacramento Bee*

Rocklin was fined \$2,000 by the California Fair Political Practices Commission last week for blanketing households with a newsletter that contained photos of City Council members, a violation of the Political Reform Act.

The State considers such activities a prohibited form of campaigning with taxpayer funds that gives incumbents an unfair advantage.

City officials said the inaugural newsletter, *Inside Rocklin*, was a well-intentioned effort to keep citizens informed and that they were unaware of the state rules.

MAYOR'S MESSAGE . . .

Welcome to the inaugural issue of *Inside Rocklin*. We hope this guide helps you enjoy the best that Rocklin has to offer. Whether you are a long-time resident or new to the area, I invite you to take a look and see what's happening in Rocklin. Rocklin is a thriving city of 60,000 residents consisting of a vibrant and historical downtown, friendly neighborhoods, unique shopping and strong businesses that offer diverse employment. Rocklin residents and visitors alike enjoy numerous hometown community events, scenic parks and rustic open spaces. Public safety is our top priority. We are fortunate to have a highly-ranked fire department, and an accredited police department in part responsible for keeping our crime rate among the lowest in the region. Rocklin is also a center for educational excellence, proudly home to the #1 ranked unified school district in the region—Rocklin Unified. Sierra College and William Jessup University round out higher-education choices. Something extra special that makes Rocklin a great

place to live, visit or work stems from our caring community. People get involved—and stay involved—by volunteering numerous hours and support in a variety of important ways. And most noticeable, Rocklin people are nice. It's what sets Rocklin apart and maintains a small-town feel in a mid-size city.

Hang on to this guide, refer to it often to find out what's going on and how you can stay connected to your wonderful community.

You can also find the latest information and updates on the City's website at **rocklin.ca.us**, or 'like' us on Facebook (City of Rocklin, California Government). Explore and enjoy all that Rocklin has to offer!



Scott Yuill
Mayor, City of Rocklin



George Magnuson
Vice Mayor



Diana Ruslin
Councilmember



Dave Butler
Councilmember



Greg Janda
Councilmember



Restrictions on Loans

- Officials cannot receive loans:
 - from anyone within the official's agency or with whom the contracts; or
 - greater than \$500 (except in writing and with clear terms)

PERSONAL
LOANS



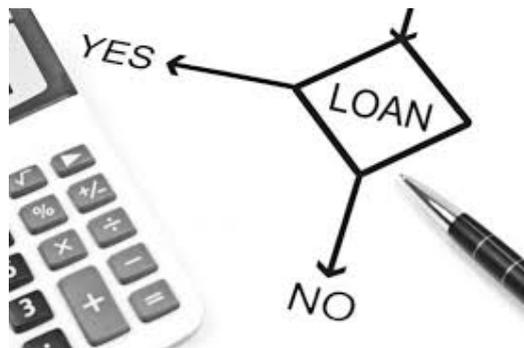
Exceptions: loans received by the official's campaign committee; normal bank and credit indebtedness; and loans from family members.

Restrictions on Loans

FPPC Enforcement Decisions:

Antoinette R., was the **Inspection Services Manager for the City of Oakland Community and Economic Development Agency** . Ms. R. violated conflict of interest laws when she approved and signed a series of contracts with a contractor, her former brother-in-law, from whom she had received a loan in the amount of \$50,000.

Fine: \$6,500



Solicitations of Political Support

- Soliciting campaign funds from agency officers or employees is unlawful (except when included as part of a communication to a significant segment of the community).
- Conditioning employment and compensation decisions on political support is also prohibited.



Final Questions to Ask



- What would inspire public confidence?
- What decision best serve the interests of the community as a whole?

Public Perception

The LA School iPad Scandal: What You Need To Know

By ANNIE GILBERTSON, *NPR*
August 27, 2014



A massive expansion of classroom technology has come to a grinding halt in Los Angeles.

The LA Unified School District had planned to buy some 700,000 iPads for its students and teachers. The Apple tablets would include learning software built by publishing giant Pearson. But Superintendent John Deasy announced earlier this week he is canceling the contract and restarting the bidding process.



The decision comes on the heels of an investigation by NPR member station KPCC, ***which obtained emails between Deasy and tech executives that bring into question whether the initial bidding process was fair.***

Public Perception

What would you want to read about on the front page?

- Even if you are confident about the “right thing to do” – Don’t forget about public perception.
- The public needs to believe that “the right thing has been done.”



Final Thoughts

Don't End Your Career This Way:



Resources

- FPPC: 1-866-ASK-FPPC and on the web at www.fppc.ca.gov
- Attorney General: www.ca.ag.gov
- League of California Cities: www.cacities.org
- Institute for Local Government: www.ca.ilg.org

You made it!!!

