

San Francisco Ethics Commission  
August 2016

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**Information for  
Supported Review of  
Departmental Conflict of Interests Codes**

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The Ethics Commission was established by San Francisco voters in November 1993, and serves the public, City employees and officials, and local candidates through education and enforcement of ethics laws, including public information, reports and advice; campaign disclosure and economic interests filings; lobbyist and campaign consultant registration and reporting; public financing for City campaigns; audits, investigations and enforcement.

For more information about the Ethics Commission visit  
[www.sfethics.org](http://www.sfethics.org)

## Background on Conflict of Interests Codes Designated Positions

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State law requires all public agencies to have a Conflict of Interests code, which identifies all agency officials and employees who make or participate in making governmental decisions. Because the code identifies these positions along with the types of financial interests that can pose a foreseeable conflict of interest for officials and employees serving in those roles, the code is fundamental tool to help government officials detect and avoid potential conflicts of interests. Regular public disclosure filings by designated officials and employees that are known as a Statement of Economic Interests, or Form 700, help ensure the public's trust that government decisions are made without any regard to officials' personal financial interests.

### Criteria for Designating Filers

The Conflict of Interests code must designate all agency positions that involve making or participation in making decisions that “may foreseeably have a material effect on any financial interest.” According to the Fair Political Practices Commission, the state agency that administers and enforces conflicts of interests laws throughout California, designated positions must include agency members, officers and employees “who are in positions where it is reasonably foreseeable that the decisions they make or participate in making will have financial impacts.”<sup>1</sup> An agency's list of designated filers, however, should *not* include positions that do not have decision-making authority or are solely ministerial, manual or clerical. Because each agency is unique, the FPPC advises, it is important to review job duty statements and organizational charts to ensure agency codes are accurate.

### Additional Factors to Consider

Because organizations and employees' duties can change over time, conflict of interests codes need to be reviewed and amended no less than every two years. Questions to consider in updated an agency's list of designated filers include the following:

- ✓ Have there been any substantial changes to the agency's organizational structure since the current conflict of interest code was last approved?
- ✓ Have any positions been eliminated or renamed since the current conflict of interest code was last approved?
- ✓ Have any new positions been added since the current conflict of interest code was last approved?
- ✓ Have there been any substantial changes in duties or responsibilities for any positions since the current conflict of interest code was last approved?

“Yes” answers to any of these questions indicates that an agency's code needs to be updated.

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<sup>1</sup> FPPC guide on *How to Amend a State Agency's Conflict of Interest Code*, p. 1.

## City and County of San Francisco

### Conflict of Interests Codes Disclosure Category Samples

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An individual whose position is identified as a designated filer on an agency's conflict of interests code must disclose certain reportable economic interests that are associated with the duties of the individual's position. Because job duties differ from agency to agency and even unit to unit within the same agency, not all employees in the same job title or classification may have the exact same reporting requirements.

Depending on the individual's position, reportable interests may include investments, business positions, sources of income, interests in real property, and gifts. Those and other terms used on the Form 700 may be found in the California Political Reform Act (Govt. Code Sec. 81000 *et seq.*), its associated regulations, and the instructions for the Form 700.

The disclosure category samples that appear on the following pages are intended to help guide agencies in developing and assigning disclosure requirements that are tailored to the authority and scope of duties of designated positions. The examples address common job functions that make or participate in making governmental decisions and are grouped by the general breadth of responsibilities: broad and indefinable duties; agency-wide; and division-specific. Sample disclosures may be combined for designated positions that have responsibilities for multiple functions, or that have agency-wide duties in one area, but division-specific duties in another.

Disclosure must be made by filing the California Form 700 on specified schedules for the applicable period. In general, these are:

Annual	January 1 through December 31 of the previous calendar year.
Assuming Office	Reportable investments, business positions, and interests in real property the filer holds on the date of assuming office; and reportable income for 12 months immediately preceding the date the filer assumes office.
Leaving Office	From the last date covered by the filer's most recent filing through the date the filer left the designated position.

Reporting periods and filings may vary in individual circumstances and should be verified by your Filing Officer with the City Attorney's Office or Ethics Commission.

## Supported Review of Departmental COI Codes

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### Gather Info

- \_\_\_ Current list of designated filers
- \_\_\_ Current disclosure requirements for each designated filer
- \_\_\_ Current Org chart
- \_\_\_ For new positions: job descriptions
- \_\_\_ Number of agency employees
- \_\_\_ Number of Form 700 filers
- \_\_\_ Number of consultants filing Form 700

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### Review Info

- \_\_\_ Identify any designated positions no longer on org chart
- \_\_\_ Identify new positions on org chart but not on designated filers list
- \_\_\_ Complete a *Designated Position Review* sheet for each proposed change to a designated position (*see next page*)
- \_\_\_ Refer to the *Sample Disclosures Matrix* for help in identifying disclosure requirements tied to the position's scope & functions
- \_\_\_ Redline the current list of designated filers to show
  - (1) positions proposed to be deleted
  - (2) positions proposed to be added
  - (3) any other proposed changes to positions listed
- \_\_\_ Redline the list to show proposed disclosure requirements (and category number, if already known)

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### Coordinate Initial Review with Ethics Commission

Provide the Ethics Commission staff with the following:

- \_\_\_ Org chart
- \_\_\_ Completed *Designated Position Review* sheets
- \_\_\_ Redlined list of designated filers showing disclosure categories and requirements

Ethics staff can then provide an initial review of the proposed changes and will follow up with departmental Filing Officers for any additional information before providing the department with recommendations for finalizing the list of designated filers and disclosure requirements.

## Designated Position Review Sheet

*For use in reviewing positions to be deleted, added or changed as a Conflict of Interests Code designated filer.*

<b>Department</b>									
<b>Division or Unit</b>									
<b>Position</b>									
<b>Class #</b>	<input type="checkbox"/> Delete			<input type="checkbox"/> Add			<input type="checkbox"/> Other change		
<b>Explanation for deletion, addition, or change</b>									
<b>Scope of Position Duties</b>									
<i>Please check all that apply</i>	<i>Refer to the "Sample Disclosures Matrix" on next page to map sample disclosure requirements for the functional areas and scope of duties identified below</i>								
<b>Functional Area</b>	<b>Agency-wide</b>			<b>Division-specific</b>			<b>Limited (L) or None (N)</b>		
	Delete Function	Add Function	Change Function	Delete Function	Add Function	Change Function	Delete Function	Add Function	Change Function
<b>Procurement</b>									
<b>Regulatory/Policy</b>									
<b>Personnel</b>									
<b>Labor Relations</b>									
<b>Info Technology</b>									
<b>Audits</b>									
<b>Other</b> <i>(Please describe)</i>									
<b>Contact Name</b>					<b>Contact Phone</b>			<b>Contact E-mail</b>	
<b>Title</b>							<b>Date</b>		

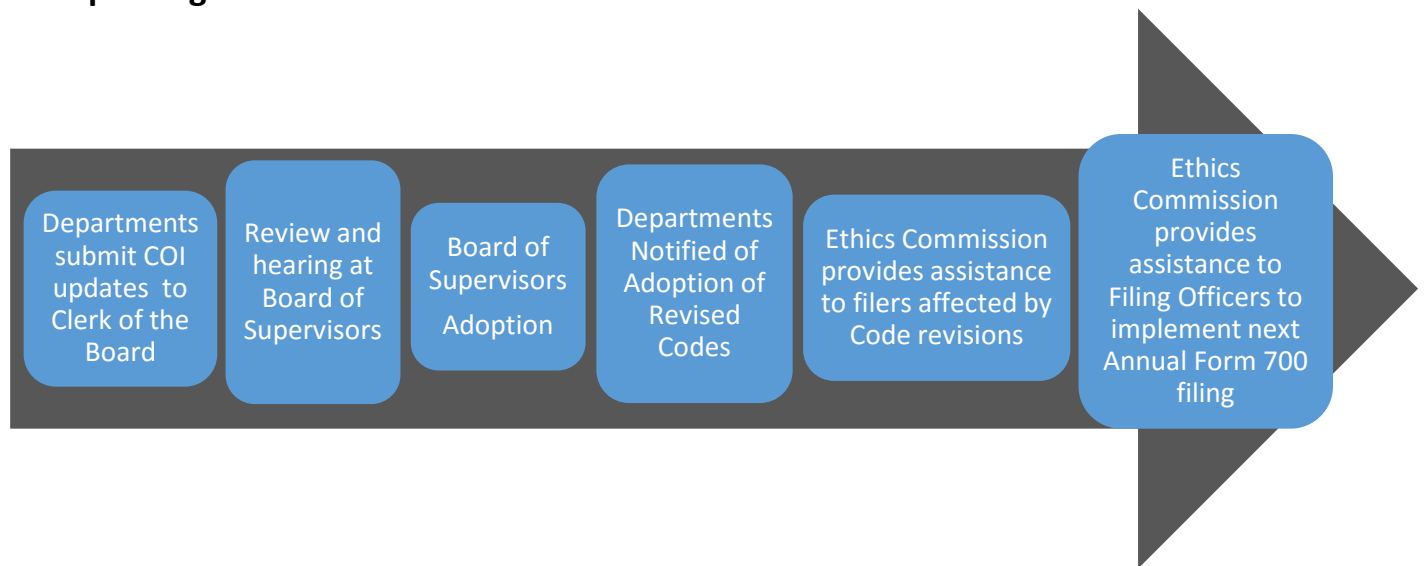
## Sample Disclosures Matrix

For use with the Designated Position Review Sheet to identify disclosure requirements for positions designated on a department's Conflict of Interests Code.

Functional Area	Scope Agency-wide	Scope Division-specific
Procurement	PR-AW	PR-DS
Regulatory/Policy	REG-AW	REG-DS
Personnel	PER-AW	PER-DS
Labor Relations	M-LR	M-LR
Info Technology	M-IT	M-IT
Audits		M-Aud
Other	<i>Ethics Commission staff can assist</i>	

Detailed disclosure category sample appear beginning on the next page.

## Stages in Biennial Review Process for Updating Conflict of Interests Codes



## Disclosure Category Samples

## Category for High Level Officials with Broadest Duties and Authority

➤ *Broadest disclosure, often referred to as “Category 1”*

Any investment, business positions in business entities, source of income.

Interests in real property within the jurisdiction of the City and County of San Francisco.

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### Samples for Agency-Wide Authority

➤ *Disclosures focused on broad authority within agency*

**PR-AW**

#### Procurement (*Agency-wide*)

- A. Any investment in, business position with, or income from a source that:
  - 1. Provides the type of services, goods, or equipment used by the filer’s agency;
  - 2. Provided or sought to provide services, goods, or equipment to the filer’s agency; or
  - 3. Was a party or sought to become a party to a written agreement with the filer’s agency.
- B. Any interest in real property that was involved in a contracting decision made by or pending with the filer’s agency or is located within 500 feet of such property.
- C. Any investment in, business position with, or income from a source that rented, leased, sub rented, sublet, purchased, or sold real property or facilities to or from the filer’s agency.
- D. Any investment in, business position with, or income from a source that applied for or received a grant from or provided grant funding to the City or County when the filer’s agency provided a review, recommendation, or referral.

### Samples for Division-Specific Authority

➤ *Disclosures focused on more limited agency authority*

**PR-DS**

#### Procurement (*Division-specific*)

- A. Any investment in, business position with, or income from a source that:
  - 1. Provides the type of services, goods, or equipment used by the filer’s division;
  - 2. Provided or sought to provide services, goods, or equipment to the filer’s division; or
  - 3. Was a party or sought to become a party to a written agreement with the filer’s division.
- B. Any interest in real property that was involved in a contracting decision made by or pending with the filer’s division or is located within 500 feet of such property.
- C. Any investment in, business position with, or income from a source that rented, leased, sub rented, sublet, purchased, or sold real property or facilities to or from the City or County when the filer’s division provided a review, recommendation, or referral.
- D. Any investment in, business position with, or income from a source that applied for or received a grant from or provided grant funding to the City or County when the filer’s division provided a review, recommendation, or referral.

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**REG-AW**

#### Regulatory (*Agency-wide*)

**REG-DS**

#### Regulatory (*Division-specific*)



- A. Any investment in, business position with, or income from a source that was involved as a party, participant, or representative in an investigative, enforcement, claim, litigation, regulatory, legislative, permitting, or licensing issue made by or pending with the filer's agency.
- B. Any interest in real property that was involved in an enforcement, regulatory, legislative, permitting, or licensing decision made by or pending with the filer's agency or is located within 500 feet of such property.
- C. Any investment in, business position with, or income from a source that was registered as a lobbyist during the reporting period.

**PER-AW**

**Personnel (Agency-wide)**

- A. Any income from an individual, or an immediate family member of an individual, who was employed by or applied for any position within the filer's agency.
- B. Any investment in, business position with, or income from a source that represented or sought to represent an employee or group of employees in the filer's agency.
- C. Any investment in, business position with, or income from a source that did any of the following:
  1. Provides the type of services, goods, or equipment used by the filer's division;
  2. Provided or sought to provide services, goods, or equipment to the filer's division; or
  3. Was a party or sought to become a party to a written agreement with the filer's division.
- D. Any investment in, business position with, or income from a source that provided or sought to provide benefits, services, goods, or equipment to the filer's agency or its employees when the filer's division provided a review, recommendation, or referral.

- A. Any investment in, business position with, or income from a source that was involved as a party, participant, or representative in an investigative, enforcement, claim, litigation, regulatory, legislative, permitting, or licensing issue made by or pending with the filer's division.
- B. Any interest in real property that was involved in an enforcement, regulatory, legislative, permitting, or licensing decision made by or pending with the filer's division or is located within 500 feet of such property.
- C. Any investment in, business position with, or income from a source that was registered as a lobbyist during the reporting period.

**PER-DS**

**Personnel (Division-specific)**

- A. Any income from an individual, or immediate family member of an individual, who was employed by or applied for any position with the filer's agency when the filer's division provided a review, recommendation, or referral.
- B. Any investment in, business position with, or income from a source that represented or sought to represent an employee or group of employees and for whom the filer's division provided a review, recommendation, or referral.
- C. Any investment in, business position with, or income from a source that did any of the following:
  1. Provides the type of services, goods, or equipment used by the filer's division;
  2. Provided or sought to provide services, goods, or equipment to the filer's division; or
  3. Was a party or sought to become a party to a written agreement with the filer's division.
- D. Any investment in, business position with, or income from a source that provided or sought to provide benefits, services, goods, or equipment to

the filer's agency or its employees when the filer's division provided a review, recommendation, or referral.

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## Miscellaneous

➤ *Sample disclosures tailored to specific types of functions*

**M-LR**

### **Personnel Dept, Labor Relations, etc.**

- A. Any income from an individual, or an immediate family member of an individual, who was employed by or applied for any position within the City when the filer's division provided a review, recommendation, or referral.
- B. Any investment in, business position with, or income from a source that represented or sought to represent an employee or group of employees and for whom the filer's division provided a review, recommendation, or referral.
- C. Any investment in, business position with, or income from a source that:
  - 1. Provides the type of services, goods, or equipment used by the filer's division;
  - 2. Provided or sought to provide services, goods, or equipment to the filer's division; or
  - 3. Was a party or sought to become a party to a written agreement with the filer's division.
- D. Any investment in, business position with, or income from a source that provided or sought to provide benefits, services, goods, or equipment to City employees and for which the filer's division provided a review, recommendation, or referral.
- E. Any investment in, business position with, or income from a source that was involved as a party, participant, or representative in a personnel, investigative, enforcement, claim, or litigation matter that involved the filer's division.

## Questions?

Please feel free to contact  
the Ethics Commission's  
Education & Compliance Division  
at 415.252.3100

**M-Aud**

### **Audits**

- A. Any investment in, business position with, or income from a source that was the subject of an assignment or from any representative of that subject during the reporting period.

**M-IT**

### **Information Technology**

- A. Any investment in, business position with, or income from a source that:
  - 1. Provides the type of information technology services, goods, or equipment used by the filer's agency, including but not limited to, computer hardware or software companies, computer consultant services, training, data processing firms, and media services; or
  - 2. Provided or sought to provide such services, goods, or equipment to the filer's agency.