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#### ETHICS COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Peter Keane	Date:	March	n 22, 2017				
CHAIRPERSON	То:	Members of the Ethics Commission					
Daina Chiu Vice-Chairperson	From:	Pat Pe	etersen, Education and Compliance Officer				
Beverly Hayon Commissioner	Subject: AGENDA ITEM 7 Education and Compliance Report for the March 27, 2017 Meeting						
Paul A. Renne Commissioner	Summary:		This report highlights programmatic information and operational updates related to the Education and Compliance Program				
Quentin L. Kopp Commissioner LeeAnn Pelham	Action Requ	ested:	No action is required by the Commission as this item is for informational purposes only.				
Executive Director	Outreach						
	Statement of Economic Interests (Form 700) Annual Filings						
	Preparation for the Annual Statement of Economic Interests (Form 700) filings continues to be the primary focus of activities of the Education and Compliance program. This year, officials' and designated filers' annual financial disclosure forms are required to be submitted no later than Monday, April 3, because April 1 this year falls on a weekend.						
	compliance t Officers and individuals b	To help heighten awareness of these filing requirements and support full and timely compliance this filing season, Commission staff held four information sessions for Filing Officers and designated filers. These information sessions have been designed to help individuals better understand the purpose and mechanics of Form 700 filings. Information presented at the filer information sessions appears in Attachment 1.					
	So far, more than 40 designated filers representing over a dozen departments, and more than 30 filing officers, attended the sessions. Responses from designated filers to post-session surveys about the trainings, and other follow-on conversations with attendees, were positive. We also circulated a follow-up "FAQ" for filers to answer a series of commonly asked questions (See Attachment 2). To encourage even broader awareness, we have added a fifth Form 700 filing information session. This session is scheduled for March 24.						
	discussions v	vill prov ers desi	ove toward e-filing for all Form 700 filers in the coming year, these ride helpful information about the most effective information and re to better understand and comply with their financial disclosure filing				

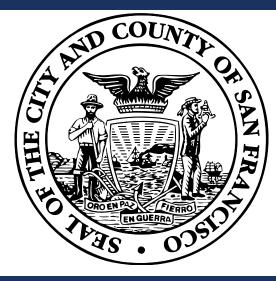
#### New Website

As we reported last month, our new website enables us to highlight key activities and requirements throughout the year on a home page "banner." This banner can be changed as often as helpful to link to specific compliance tools or further detailed program information, all in one focused place.

This month, for example, the <u>banner</u> and its <u>related landing page</u> have continued to highlight information and resources for Form 700 filers to promote understanding and filing compliance about these public disclosure statements. Once the April 3<sup>rd</sup> deadline has passed, visitors to the site will find additional information about how to understand and access this year's filings.

As we continue to gather and assess feedback on our new website, understanding the information needs of our web users will help us continue to shape the most useful content for our education and compliance notices and guidance going forward.

We look forward to answering any questions you might have at the upcoming Commission meeting.



### **San Francisco Ethics Commission**

#### STATEMENT OF ECONOMIC INTERESTS - FORM 700 2017 ANNUAL FILING

Filer Information Session 03/10/17

#### AGENDA

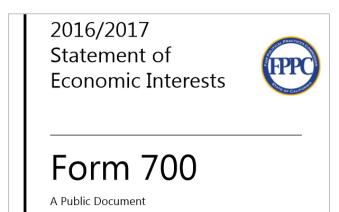
- Overview Statement of Economic Interests
- Form 700 Filing Process
- Form 700 Review
- Q&A

# **OVERVIEW** Statement of Economic Interests

### **STATEMENT OF ECONOMIC INTERESTS - FORM 700**

- Political Reform Act
- Why Statement of Economic Interests Form 700s are filed
- How Form 700 disclosure supports Transparency and Accountability





#### WHO FILES FORM 700?

- Elected Officials, Departments Heads, Board Members and Commissioners
- Designated Employees

Learn more online: San Francisco Campaign & Governmental Conduct Code

### FILING REQUIREMENTS AND DUE DATES

Assuming Office – Within 30 days

Annual – Apr 3<sup>rd</sup> 2017\*

### Leaving Office – Within 30 days

\*Exception: If you assumed office between Oct 1 2016 and March 31 2017, and filed an assuming office Form 700, you do not need to file annual Form 700 in 2017.

Learn more online: Form 700 Filing Deadlines page

#### **ETHICS & SUNSHINE TRAINING**

For Elected Officials, Departments Heads, Board Members and Commissioners

- Sunshine Ordinance Declaration Due Apr 3<sup>rd</sup> 2017
- Certificate of Ethics Training Due every two years

Learn more online: Ethics and Sunshine Training page

# **FORM 700 FILING PROCESS**

### FILING 2017 ANNUAL FORM 700 ELECTRONICALLY

Elected Officials, Departments Heads, Board Members and Commissioners

- Login to the Ethics Commission E-filing system (NetFile)
- Complete and submit the form online by due date

Lenter Your NetFil	le User E-Mail Addr	ess	- 1
Password			- 1
Enter Your NetFil	le User Password		- 1
		Lost Your Password?	1
Log In			



### FILING 2017 ANNUAL FORM 700 ON PAPER

**Designated Employees** 

- Print and complete hard copy Form 700
- Submit the completed form to your Filing Officer by due date

CALIFORNIA FORM FAIR POLITICAL PRACTICES A PUBLIC DOCU	COMMISSION	EMENT OF ECONOMIC INTERESTS COVER PAGE	Date Initial Filing Received Official Use Only
Please type or print in ink. IAME OF FILER	(LAST)	(FIRST)	(MIDDLE)
. Office, Agency, or	Court		
Agency Name (Do not u	se acronyms)		
Division, Board, Departm	ent, District, if applicable	Your Position	
► If filing for multiple po	sitions, list below or on an attachn	nent. (Do not use acronyms)	
Agency:		Position:	
. Jurisdiction of Of	fice (Check at least one box)		
State		Judge or Court Commissioner (S	tatewide Jurisdiction)
		County of	
Multi-County			

Learn more online: 2017 Annual Form 700 Filing Requirements page

### PUBLIC ACCESS TO FILED FORMS

- Form 700 statements filed electronically
  - Available at Form 700 Online Disclosure (with limited redactions)
  - Un-redacted forms are accessible to the public on request at the Ethics Commission
- Form 700 statements filed on paper
  - Retained with departmental filing officers and are accessible to the public on request
- Sunshine Ordinance Declarations and Certificates of Ethics Training
  - Available at <u>Online Disclosure</u> (with limited redactions)
  - Un-redacted forms are accessible to the public on request at the Ethics Commission

#### LATE FILING AND ENFORCEMENT

- No provision in the law to extend Form 700 due dates
- Late fees of \$10/day up to a \$100 for each required filing
- Non-filers may be subject to disciplinary and/or enforcement actions with potential fines of up to \$5,000 per violation

Learn more online: Late Filing and Enforcement page

#### **AMENDMENTS TO FILED FORM 700**

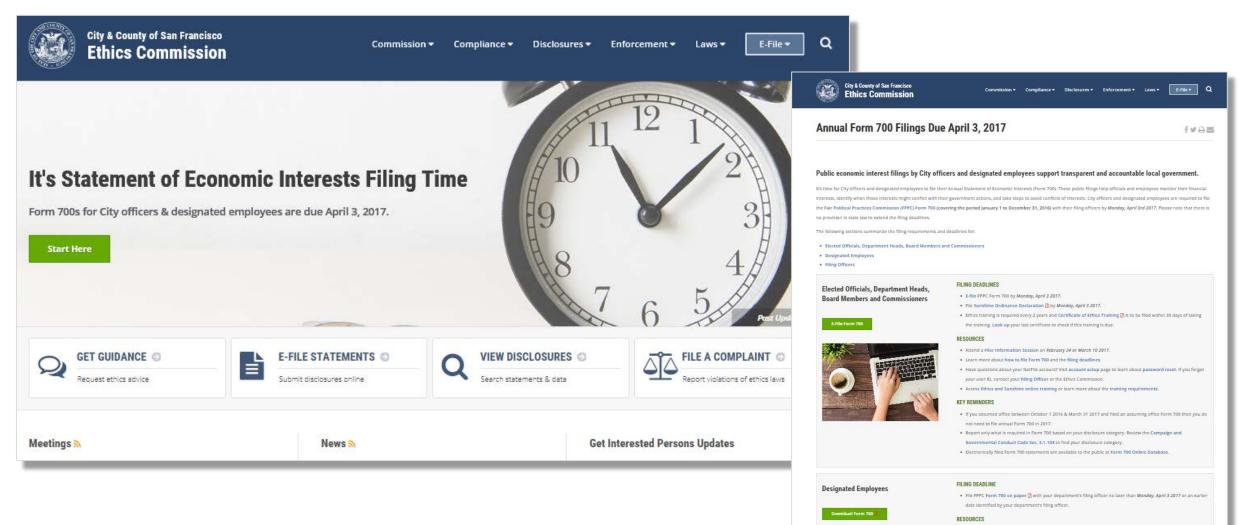
- Amend the form electronically or on paper depending on your original filing
- Amendments can be made to current or prior years' filings



#### **FILING SUPPORT & RESOURCES**

- Contacts for Individual Assistance
  - Filing Officer for your department
  - Ethics Commission <u>ethics.commission@sfgov.org</u> or (415) 252-3100
  - Fair Political Practices Commission (FPPC) (866) 275-3772 (866-ASK-FPPC)
  - Deputy City Attorney assigned to your department
- Online Resources
  - Ethics Commission website <u>www.sfethics.org</u>
  - Fair Political Practices Commission website <u>www.fppc.ca.gov/Form700.html</u>

#### FORM 700 FILING GUIDANCE & RESOURCES AT SFETHICS.ORG



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- Attend a Filer Information Session on February 24 or March 10 2017.
- · Learn more about how to file Form 700 and the filing deadlines.
- If you need assistance contact your department's Filing Officer or the Ethics Commission

#### KEY REMINDERS

- If you assumed office between October 1 2016 & March 31 2017 and filed an assuming office Form 700 then you do
  not need to file annual Form 700 in 2017.
- Report only what is required in Form 700 based on your disclosure category. Review your department's Code in the Compage and Governmental Conduct Code Sec. 3.1-100 to 3.1-510 (click on your department's section) to find your disclosure category.
   Form 700 statements like on paper are retained with departmental filing officers and are accessible to the public

FORM 700 REVIEW

#### FORM 700 GENERAL REMINDERS

- Reporting period for 2017 annual filing: 1/1/2016 to 12/31/2016
- Reportable financial interests include filer's own and those of filer's spouse/partner. They also include interests of dependent children.
- Filer's position and disclosure category will determine reportable financial interests

#### HOW TO FIND YOUR DISCLOSURE CATEGORY

- Visit San Francisco Campaign & Governmental Conduct Code
- Click on the section for your department

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California     Gaifornia     Gaifornia     Gaifornia     Gaifornia     Gaifornia     Gaifornia     San Francisco Charter     Gaifornia     San Francisco Business and Tax Regulations Code     Gaifornia     San Francisco Environment Code     Gaifornia     San Francisco Fire Code     Gaifornia     San Francisco Fire Code     Gaifornia     San Francisco Fire Code     Gaifornia     San Francisco Health Code     Gaifornia     San Francisco Park Code     Gaifornia     San Francisco Panning Code     Gaifornia     San Francisco Panning Code     Gaifornia     San Francisco Police Code     Gaifornia     San Francisco Public Works Code     Gaifornia     San Francisco Transportation Code     Gaifornia     San Francisco Building Inspection Commission (BI     Gaifornia     Comprehensive Ordinance List	Sec. 3.1-225 Sec. 3.1-225 Sec. 3.1-230 Sec. 3.1-240 Sec. 3.1-242 Sec. 3.1-245 Sec. 3.1-250 Sec. 3.1-251 Sec. 3.1-252 Sec. 3.1-255 Sec. 3.1-255 Sec. 3.1-260 Sec. 3.1-267 ■ SEC. 3 As used in th	Emerg Enviro Ethics Film C Financ Fine A Fire D Genera Genera Genera Golder Health Health Health	Property	ent, Departme nent of the. ney – City Ad ney – Public V ney – Technol neourse Autho	ministrator. Vorks. ogy, Departm rity.		

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#### HOW TO FIND YOUR DISCLOSURE CATEGORY

- View the disclosure category and description for your position (Note: description for disclosure category 1 is under 3.1-107)
- Contact your Filing Officer or Department Head regarding any questions

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San Francisco Charter San Francisco Administrative Code San Francisco Business and Tax Regulations Cc	<b>■</b> SEC. 3.1-230.	ETHICS CO	MMISSI	ION.		
San Francisco Campaign and Governmental Co	1					
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ARTICLE II: LOBBYING     ARTICLE III: CONDUCT OF GOVERNMENT (     ARTICLE IV: PROTECTION OF WHISTLEBLC     References to Ordinances     San Francisco Environment Code     San Francisco Fire Code	Designated Positions Commission Member	~		•		•
ARTICLE II: LOBBYING     ARTICLE III: CONDUCT OF GOVERNMENT (     ARTICLE IV: PROTECTION OF WHISTLEBLC     Areferences to Ordinances     San Francisco Environment Code     San Francisco Health Code     San Francisco Hunicipal Elections Code     San Francisco Park Code	Designated Positions Commission Member Executive Director	Commission during		•		•
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San Francisco Business and Tax Regulations Co San Francisco Campaign and Governmental Co CAMPAIGN AND GOVERNMENTAL CONDUCT	1	ierwise specifi	ed, for each depa	rtment or age	ncy, Disclosu	re Category 1	shall read:
ARTICLE I: ELECTION CAMPAIGNS	"Disclosu	re Category 1.	. Persons in this	category shall	disclose inco	me (including	gifts) from any source, in
ARTICLE II: LOBBYING	employee, or holds any position of management."						
ARTICLE III: CONDUCT OF GOVERNMENT (	(Added by Ord. 71-00, File No. 000358, App. 4/28/2000; Ord. 320-10, File No. 101272, App. 12/23/2010)						
ARTICLE IV: PROTECTION OF WHISTLEBLC	(Added by	Ord. /1-00, File No	5. 000558, App. 4/28/	2000; Ora. 320-10	, File No. 101272,	App. 12/25/2010)	
References to Ordinances	(Derivation	n: Former Administ	rative Code Section 5	8.8)			
San Francisco Environment Code							
San Francisco Fire Code		3 1-108	CONSULTA	NTS			
San Francisco Health Code	A SEC.	5.1 100. 1	conselli				
San Francisco Municipal Elections Code San Francisco Park Code	Unless of	envice stated i	in this Chapter	onsultants for	departments	and agencies o	overed by this Chapter s
San Francisco Park Code San Francisco Planning Code							ant works may determine
San Francisco Zoning Maps							because the consultant
San Francisco Police Code							e determination shall be a
San Francisco Port Code	oased upon	that description	n, a statement of	the extent of	disclosure req	unements. The	e determination shari oe a
San Francisco Public Works Code	(Added by	Ord. 80-07, File No	o. 070122, App. 4/19/	2007)			
San Francisco Subdivision Code							
San Francisco Transportation Code							
San Francisco Building Inspection Commission	I SEA	C 3 1 100	DEDEVII	an a			

#### FORM 700 SCHEDULES

- Cover Page
- Schedules
  - A-I: Investments Stocks, Bonds, and Other Interests (Ownership <10%)</p>
  - A-2: Investments, Income, and Assets of Business Entities/Trusts (Ownership >10%)
  - B: Interests in Real Property
  - C: Income, Loans, and Business Positions
  - D: Income Gifts
  - E: Income Gifts of Travel Payments, Advances, and Reimbursements

#### FORM 700 COVER PAGE REMINDERS

- List business address
  - Contact information will not be redacted in the forms retained at departments
  - Electronic filers: Contact information will be redacted online but is available unredacted at the Ethics Commission
- Select applicable schedules
- Sign the form

CALIFORNIA FORM / UU ST/ FAIR POLITICAL PRACTICES COMMISSION A PUBLIC DOCUMENT lease type or print in link.	COVER PAGE
AME OF FILER (LAST)	(FIRST) (MIDDLE)
. Office, Agency, or Court	
Agency Name (Do not use acronyms)	
Division, Board, Department, District, if applicable	Your Position
<ul> <li>If filing for multiple positions, list below or on an attain</li> </ul>	hment. (Do not use acronyms)
Agency:	Position:
Jurisdiction of Office (Check at least one bo	0
State	Judge or Court Commissioner (Statewide Jurisdiction)
Multi-County	County of
City of	Other
. Type of Statement (Check at least one box)	
Annual: The period covered is January 1, 2016, th December 31, 2016.	rough Leaving Office: Date Left// (Check one)
-or- The period covered is	through OThe period covered is January 1, 2016, through the date of leaving office.
Assuming Office: Date assumed	The period covered is/, through the date of leaving office.
Candidate: Election year	and office sought, if different than Part 1:
Schedules attached	Total number of pages including this cover page:
Schedule A-1 - Investments – schedule attacher Schedule A-2 - Investments – schedule attacher	
Schedule A-2 · Investments – schedule attacher Schedule B · Real Property – schedule attacher	
•Or- None - No reportable interests on any sc	
Verification	100010
MAILING ADDRESS STREET (Business or Agency Address Recommended - Public Document)	CITY STATE ZIP CODE
DAYTIME TELEPHONE NUMBER	E-MAL ADDRESS
I have used all reasonable diligence in preparing this stat herein and in any attached schedules is true and compl	ement. I have reviewed this statement and to the best of my knowledge the information contained the Lacknowledge this is a public document
	he State of California that the foregoing is true and correct.
Date Signed	Signature

### FORM 700 SCHEDULE A-IREMINDERS

Investments - Stocks, Bonds, and Other Interests (Ownership <10%)

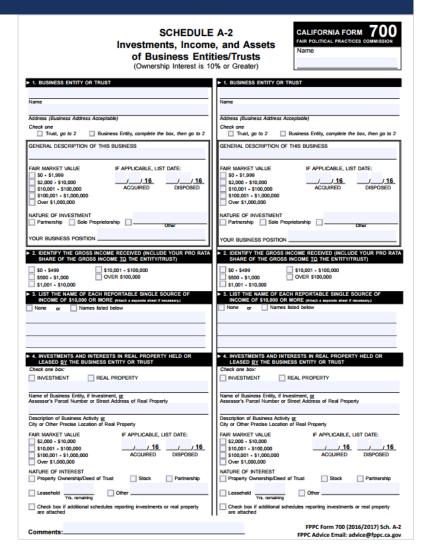
- Investments worth \$2,000 or more
- Stocks/bonds chosen by the individual
- Mutual funds are not required to be disclosed

Invest Stocks, Bonds, a (Ownership Interes	ULE A-1 coments and Other Interests t is Less Than 10%) a or financial statements.
NAME OF BUSINESS ENTITY  GENERAL DESCRIPTION OF THIS BUSINESS  FAIR MARKET VALUE  S2.00 - \$10.000  \$100.001 - \$1.000.000  NATURE OF BNVESTMENT  Stock  Partnership Partnership Nocome Received of \$5.0 Set99 Nocome Received of \$5.0 or More (Report on Schedule C)  IF APPLICABLE, LIST DATE:	NAME OF BUSINESS ENTITY      GENERAL DESCRIPTION OF THIS BUSINESS      FAIR MARKET VALUE     S2.000 - \$10,000     \$100,001 - \$100,000     \$100,001 - \$1,000,000     NATURE OF BVVESTMENT     Stock     Other     (Describe)     Partnership Oncome Received of \$50 - \$409     Oncome Received of \$500 or More (Report on Schedule C)     IF APPLICABLE, LIST DATE:
16	
Partnership Oncome Received of \$0 - \$499 IF APPLICABLE, LIST DATE:  J_J_J 16 ACQUIRED DISPOSED  NAME OF BUSINESS ENTITY  GENERAL DESCRIPTION OF THIS BUSINESS	Partnership Oncome Received of \$0 - \$499     Oncome Received of \$500 or More (Report on Schedule C)      IF APPLICABLE, LIST DATE:
FAIR MARKET VALUE           \$2,000 - \$10,000           \$100,001 - \$1,000,000           \$100,001 - \$1,000,000           NATURE OF INVESTMENT           Stock         Other           (Describe)           Partnership         Oncome Received of \$0 - \$499           Income Received of \$20 - More (Report on Schedule C)           IF APPLICABLE, LIST DATE:           ACQUIRED         DISPOSED	FAIR MARKET VALUE           \$2,000 - \$10,000           \$10,001 - \$1,000,000           NATURE OF INVESTMENT           Stock         Other           Partnership         Other           IF APPLICABLE, LIST DATE:           ACQUIRED         DISPOSED

### FORM 700 SCHEDULE A-2 REMINDERS

Investments, Income, and Assets of Business Entities/Trusts (Ownership >10%)

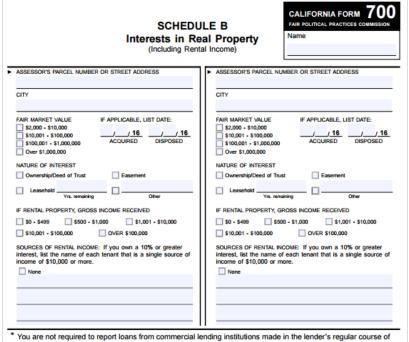
- Business ownership
- Must report any client that was a source of more than \$10k of income
- Trust funds



#### FORM 700 SCHEDULE B REMINDERS

Interests in Real Property

- Report interests (worth \$2,000 or more) in real property owned within the city (personal home is generally excluded)
- Report rental income from properties owned within the city (including personal home, if a portion of it is rented out)
- Tenants names are also reported and not redacted on paper filings (names are redacted online for electronically filed forms)
- Personal mortgages are not reportable if they are at rates available to the general public



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 NAME OF LENDER ADDRESS (Business Address Acceptable) ADDRESS (Business Address Acceptable) BUSINESS ACTIVITY, IF ANY, OF LENDER BUSINESS ACTIVITY IF ANY OF LENDER INTEREST DATE TERM (Months/Years INTEREST RATE TERM (Months/Years) \_\_\_\_% None \_\_\_\_% None HIGHEST BALANCE DURING REPORTING PERIOD HIGHEST BALANCE DURING REPORTING PERIOD S1,001 - \$10,000 S500 - \$1,000 S500 - \$1,000 \$1,001 - \$10,000 \$10,001 - \$100,000 OVER \$100,000 S10,001 - \$100,000 OVER \$100,000

Guarantor if applicable

Guarantor, if applicable

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### FORM 700 SCHEDULE C REMINDERS

Income, Loans, and Business Positions

- Sources of income of \$500 or more
- Need not report governmental salary
- Income from businesses and non-profits
- Income from sale of property (home, car etc.)
- Source of income consideration: Entity conducts business within the city
- Do not double report business ownership as employment

SCHEDULE C Income, Loans, & Business Positions (Other than Gifts and Travel Payments)				
1. INCOME RECEIVED	1. INCOME RECEIVED			
NAME OF SOURCE OF INCOME	NAME OF SOURCE OF INCOME			
ADDRESS (Business Address Acceptable)	ADDRESS (Business Address Acceptable)			
BUSINESS ACTIVITY, IF ANY, OF SOURCE	BUSINESS ACTIVITY, IF ANY, OF SOURCE			
YOUR BUSINESS POSITION	YOUR BUSINESS POSITION			
GROSS INCOME RECEIVED         No Income - Business Position Only           \$500 - \$1,000         \$10,001 - \$10,000           \$10,001 - \$100,000         OVER \$100,000           CONSIDERATION FOR WHICH INCOME WAS RECEIVED           Salary         Spouse's or registered domestic partner's income	GROSS INCOME RECEIVED         No Income - Business Position Only           \$500 - \$1,000         \$1,001 - \$10,000           \$10,001 - \$100,000         OVER \$100,000           CONSIDERATION FOR WHICH INCOME WAS RECEIVED         Salary           Salary         Spouse's or registered domestic partner's income			
(For self-employed use Schedule A-2.) Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.)	(For self-employed use Schedule A-2.) Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.)			
Sale of	Sale of (Real property; cer; boat; etc.) Loan repayment			
Commission or Rental Income, list each source of \$10,000 or more	Commission or Rental Income, <i>šal</i> each source of \$10,000 or more			
(Describe)	(Describe)			
(Describe)	(Describe)			

You are not required to report loans from commercial lending institutions, 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:

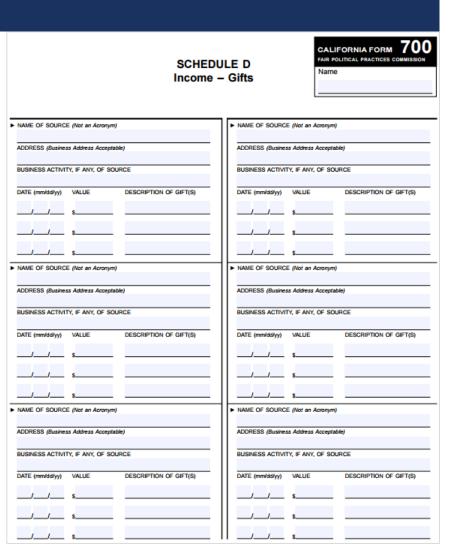
NAME OF LENDER*	INTEREST RATE TERM (Months/Years)
ADDRESS (Business Address Acceptable)	%None
	SECURITY FOR LOAN
BUSINESS ACTIVITY, IF ANY, OF LENDER	None Personal residence
	Real Property
HIGHEST BALANCE DURING REPORTING PERIOD	Street address
\$500 - \$1,000	City
\$1,001 - \$10,000	Guarantor
S10,001 - \$100,000	
OVER \$100,000	Other
	(Describe)

### FORM 700 SCHEDULE D REMINDERS

#### Income – Gifts

- Report gift(s) with cumulative value of \$50 or more
- Gift limit Not more than \$470 in a calendar year from a single source
- Common exceptions
  - Gifts from family members
  - Gifts of informational material (example: conference admission)

Learn more online: <u>Gifts and Travel page</u>



### FORM 700 SCHEDULE E REMINDERS

Income - Gifts of Travel Payments, Advances, and Reimbursements

- Need not report gifts from family members
- Need not report travel paid for by the City to carry out your official duties

Learn more online: Gifts and Travel page

Comments

SCHEDU Income – Travel Payments and Reimbur	Gifts Name
NAME OF SOURCE (Not an Acronym)	NAME OF SOURCE (Not an Acronym)
ADDRESS (Business Address Acceptable)	ADDRESS (Business Address Acceptable)
CITY AND STATE	CITY AND STATE
501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOUR
DATE(S):/ AMT: \$	DATE(S)://
MUST CHECK ONE: Gift -or- Income	MUST CHECK ONE: Gift -or- Income
Made a Speech/Participated in a Panel	Made a Speech/Participated in a Panel
Other - Provide Description	Other - Provide Description
If Gift, Provide Travel Destination	If Gift, Provide Travel Destination
► NAME OF SOURCE (Not an Acronym)	NAME OF SOURCE (Not an Acronym)
ADDRESS (Business Address Acceptable)	ADDRESS (Business Address Acceptable)
CITY AND STATE	CITY AND STATE
501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOUR
DATE(S):	DATE(S)://
MUST CHECK ONE: Gift -or- Income	MUST CHECK ONE: Gift -or- Income
Made a Speech/Participated in a Panel	Made a Speech/Participated in a Panel
O Other - Provide Description	O Other - Provide Description

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#### **QUESTIONS ABOUTYOUR FORM 700?**

For specific questions regarding your filing please consult:

- The Ethics Commission <u>ethics.commission@sfgov.org</u> or (415) 252-3100
- The Fair Political Practices Commission (FPPC) (866) 275-3772 (866-ASK-FPPC)
- Deputy City Attorney assigned to your department



## Thank you

San Francisco Ethics Commission 25 Van Ness Avenue, Suite 220 San Francisco, CA 94102 (415) 252-3100 www.sfethics.org

# sfethics FAQ

#### Frequently Asked Questions from Recent Ethics Commission Form 700 Filer Information Sessions

This FAQ presents answers to a range of questions posed by Form 700 filers at recent Ethics Commission Form 700 Filer Information Sessions. It is provided as general guidance on some commonly asked questions. For additional information or specific guidance based on your particular circumstances, please contact the Ethics Commission's Education and Compliance team at 415.252.3100 or by email at <u>ethics.commission@sfgov.org</u>.

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#### 1. Who are filing officers? What do they help with?

Departmental filing officers are individuals assigned by a Department head or that person's designee to help administer the Form 700 filing processes for that department. Filing officers disseminate filing forms and instructions to their department's officers and employees and collect and provide public access to filed statements. For reference, a <u>list of departmental filing officers</u> appears on the Ethics Commission's website. If you need further assistance, please contact the Ethics Commission.

#### 2. What is a disclosure category and how do I determine my disclosure category?

Disclosure categories identify the types of economic interests that persons required to file a Form 700 may need to disclose. **Before you start filling your Form 700, you should determine what disclosure category applies to your position.** These categories are assigned by each department based on the duties of your position. You can look up your disclosure category in the <u>San Francisco Campaign and Governmental</u> <u>Conduct Code</u>. You can also contact your filing officer or the Ethics Commission for assistance in determining your disclosure category. For example, if your disclosure category does not require you to report investments in certain business sectors, then you would not need to report such investments on your Form 700.

#### 3. My disclosure category requires me to report real property I own in the City. Do I have to report my personal residence, or is that always excluded?

Your personal residence is not required to be disclosed unless:

- you claim a business deduction for a portion of your home, if the portion claimed as a tax deduction is valued at \$2,000 or more; or
- you rent out a portion of your home.

#### 4. My disclosure category requires me to report gifts from any source. Do I have to report gifts that I received from my family?

In general, you only need to report sources of gifts worth \$50 or more, or multiple gifts that are worth \$50 or more from a single source. But you do not need to report gifts – regardless of value – from family members. For the purpose of this exception, family members include your spouse or former spouse; child or step-child; parent; grandparent; grandchild; brother; sister; current or former parent-in-law, brother-in-law, or sister-in-law; nephew; niece; aunt or uncle; including grand nephew, grand niece, grand aunt, or grand uncle, or first cousin including first cousin once removed or the spouse, or former spouse, of any such person other than a former in-law.

#### 5. My disclosure category requires me to report gifts from any source. But do I have to report gifts from nonprofit organizations?

There is no general exception for gifts from non-profit organizations. But to be reportable, you would need to have received a gift worth \$50 or more, or multiple gifts that total \$50 or more from a single non-profit.

#### 6. How do I find out whether a company is doing business in the City, for Form 700 reporting purposes?

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.

7. My disclosure category requires me to report investments in businesses that "do business" in the City. Do I have to report my investments in mutual funds?

Even if some of the underlying holdings in a mutual fund operate in San Francisco, you are not required to report investments in diversified mutual funds. A diversified mutual fund is a portfolio of stocks, bonds, or money market instruments that is managed by an investment company and pools the money of many individuals together. A typical diversified mutual fund will own between 75 to 100 separate securities at any given time.

8. I was married only during a portion of the reporting period, but am now not married. Do I need to report my spouse's financial interests for the period we were married?

Yes. Subject to your disclosure category, Form 700s require that you report the financial interests held by you, your spouse, and any dependent children during the reporting period. If you were married during the reporting period, then you must generally disclose the financial interests held by your spouse during that time (again, if required by your disclosure category).

- 9. My disclosure category requires me to disclose income from any source. I rent a room in my house for short-term rentals, and after such rentals, I receive a check each month from the third-party rental company that finds and places the short-term tenants. I do not directly receive payment from such tenants. What or who do I need to report as the source of any income from short-term rentals? The actual source of rental income (i.e., the tenant) may need to be reported on Schedule C if he/she paid \$500 or more for your short-term rental unit. But bear in mind that such renters would be reportable only if they have "regular business contacts" in San Francisco (see question 6 above). So, for example, short-term tenants who routinely visit San Francisco for business would likely need to be reported if they satisfy the \$500 threshold.
- **10.** Are there any confidentiality provisions that apply if I own a business that provides medical services to individual clients? Can I keep the clients' names confidential?

The Fair Political Practices Commission (FPPC) has established a process by which Form 700 filers may seek guidance about such confidentiality issues. That process is set forth in <u>FPPC regulation 18740</u>. If you believe that your Form 700 raises confidentiality concerns, you should contact the Ethics Commission and the FPPC as soon as possible to allow sufficient time for this process.

- 11. Are there designated employees who are required to file Ethics and Sunshine training certificates? No. Only elected officials, department heads, and members of boards and commission must file Ethics and Sunshine training certificates. By City policy issued by the Mayor and the Department of Human Resources in 2016, some employees who are involved in procurement and purchasing are now required by City policy to take ethics training. But these employees are not required to file Ethics training certificates with the Ethics Commission.
- 12. I recently changed positions within the City. In my former position, I filed a Form 700, and in my new one, I will also file a Form 700. Do I need to file an assuming office Form 700 upon taking the new position? In such a situation, you are neither "assuming" nor "leaving" an office for Form 700 purposes. But on your next annual Form 700, you would be required to disclose:
  - interests made reportable by your original disclosure category that were held or received at any time during the period from the beginning of the reporting period to the transfer date; and
  - interests made reportable by your new disclosure category that were held or received at any time during the period from the date of the transfer through the end of the reporting period.
- 13. How long are paper copies of Form 700 retained in department's files?

The law requires Form 700s to be retained for seven years.

14. Do I need to file Form 700 if my position is not listed in the City's Conflict of Interest Code?

State law requires individuals to file a Form 700 when their position is designated in a jurisdiction's Conflict of Interest Code (in San Francisco, <u>Article III, Chapter 1 of the Campaign and Governmental Conduct Code</u>). By policy, some departments may also ask other employees to file economic interest statements. Questions about financial disclosure policies that may apply to persons other than designated filers should be directed to your department head or departmental filing officer.

#### 15. As a designated employee, why can't I file my Form 700 electronically?

Currently, only elected City officials, department heads, board members and commissioners can file their statements electronically. In the coming year, the Ethics Commission will be proposing a change in the law to extend electronic filing to all designated filers to enable everyone to take advantage of online filing technology for their Form 700 filing requirements.

#### 16. Where do late fees go?

Form 700 statements filed late are subject to a late fee of **\$10 per day per position, up to a maximum of \$100**. Late fees are deposited into the City's General Fund.

#### 17. Who has authority to levy discipline or other penalties for a failure to file a required Form 700?

Your department may discipline you for failing to file a Form 700. In addition, the Ethics Commission and/or the Fair Political Practices Commission may take steps to initiate an enforcement action against a filer who is more than 30 days late in filing Statement of Economic Interest (Form 700). Under state law, failure to file a Form 700 can subject the filer to a fine of up to \$5,000 per violation. In addition, willful failure to file may be a misdemeanor and non-filers may also be subject disciplinary action (San Francisco Campaign and Governmental Conflict of Interest Code Section 3.1-102.5).

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