



MAGNOLIA PUBLIC SCHOOLS

Board Of Directors

Board Agenda Item #	II H
Date:	June 6, 2016
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Kelly Hourigan, Chief Operations Officer
RE:	Conflict of Interest Code

Proposed Board Recommendation

I move that the board approve the attached MERF Fair Political Practices Commission (FPPC) compliant proposed conflict of interest code.

Background

Currently our authorizers request 700 forms, the primary purpose of obtaining conflict of interest code approval from the FPPC is to establish clear, uniform Form 700 reporting requirements in accordance with the California law.

Pursuant to Title 2 of the California Code of Regulations, section 18750.1.

MPS must complete the following steps in order to obtain FPPC approval of its conflict of interest code:

- 1) The Board of MPS should approve of an FPPC-compliant proposed conflict of interest code.
- 2) MPS must either conduct a public hearing or establish a written comment period relating to the conflict of interest code. Typically, most schools establish a written comment period.
- 3) MPS must prepare a Notice of Intention to Adopt a Conflict of Interest Code.
- 4) MPS must prepare a written explanation of the reasons for designation and disclosure responsibilities which is referred to in the Notice of Intention to Adopt a Conflict of Interest Code.
- 5) Forty-five (45) days before the close of the written comment period, the following must be done:
 - (a) A copy of the Notice of Intention to Adopt a Conflict of Interest Code and the proposed Conflict of Interest Code should be sent to the FPPC;
 - (b) A copy of the Notice of Intention to Adopt a Conflict of Interest Code must be provided to each person listed in Exhibit "A" of the conflict of interest code (e.g. Directors, Officers [President, Secretary, Treasurer, Chairman of the Board], Executive Director, any consultants, etc.) and the public at least 45 days prior to the close of the written comment period. These individuals may be served individually with a copy of the Notice or the Notice can be posted on an employee bulletin board or published in an employee newsletter. Publication in a newspaper of general circulation can be utilized to provide notice to the public.



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- 6) After the expiration of the 45 day comment period three copies of the proposed conflict of interest code should be sent to the FPPC with the following:
- (a) A Declaration of the Chief Executive Officer of MPS;
 - (b) A summary of any public hearing held by MPS (If requested by an interested person);
 - (c) Copies of any written submission made to MPS regarding the proposed Code (unless the person making the submission requests its omission);
 - (d) A written explanation of the reasons for the designations and the disclosure responsibilities of officers, employees, members or consultants of the agency;
 - (e) The names and addresses of all persons who participated in the public hearing of MPS (if a hearing was held) regarding the proposed Code and all persons who requested notice from MPS of the date of the FPPC hearing on the adoption of the Code;
 - (f) The most current organizational chart of MPS;
 - (g) Job descriptions for all individuals designated in Exhibit "A" of the proposed conflict of interest code;
 - (h) A copy of the MPS charters;
 - (i) Minutes from the last three Board meetings; and
 - (j) A brief description of the duties and the terms of all consultants working for MPS (if any).

Budget Implications:

There are no budget implications.

Name of Staff Originator:

Kelly Hourigan, Chief Operations Officer

Attachments:

MERF Conflict of Interest Code

MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION
CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations §18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code for the **Magnolia Educational & Research Foundation. (MERF)**

Individuals holding designated positions shall file statements of economic interests with the **MERF**, which will make the statements available for public inspection and reproduction. (Government Code § 81008) All statements will be retained by **MERF**.

**APPENDIX A
DESIGNATED POSITIONS**

<u>Designated Positions</u>	<u>Disclosure Category</u>
Members of the Governing Board	1, 2
Corporate Officers (e.g., CEO/President, CFO/Treasurer, Secretary)	1, 2
Chief External Officer	1, 2
Regional Director – South	1, 2
Regional Director – North	1, 2
Chief Operations Officer	1, 2
Chief Academic Officer	1, 2
Chief of Human Resources/Director of Human Resources	1, 2
Directors of New School Development	1, 2
Director of Accountability	1, 2
Director of Partnerships	1, 2
Director of Information Technology/IT Director	1, 2
Principals	1, 3
Business Managers/Senior Financial Analysts	1, 3
Manager of Capital Projects and Facilities	1, 3
IT Manager	3
Office Managers	3
Contract Compliance Manager	3
Accounts Payable – Vendor Relations	3
Consultants/New Positions	*

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The CEO/President or designee may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The CEO/President or designee’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Government Code § 81008)

APPENDIX B
DISCLOSURE CATEGORIES

Category 1

Designated positions assigned to this category must report:

- a. Interests in real property located in whole or in part within two (2) miles of any facility utilized by MERF's charter school, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.
- b. Investments and business positions in business entities, or sources of income (including gifts, loans, and travel payments) that engage in the purchase or sale of real property or are engaged in building construction or design.

Category 2

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities or sources of income (including receipt of gifts, loans, and travel payments) that are contractors engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type to be utilized by MERF.

Category 3

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities or sources of income (including receipt of gifts, loans, and travel payments) that are contractors engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type to be utilized by the designated position's department. For the purpose of this category a Principal's department is his/her entire school.