

Form 700 Presentation - Due April 1, 2024

What is Form 700?

- In the aftermath of Watergate (1974) CA voters passed Prop 9, know as the Political Reform Act. The Fair Political Practices Commission (FPPC) was created to administer and enforce this landmark ethics law.
- Form 700 has been required of elected state officers, judges, state board and commission members, legislative staffers, and traditional school board members (among others) for decades.
- SB 126 (2019) made this disclosure mandatory for all charter school board members.
- Form 700 discloses financial interests to elected officials and public employees.
- Forms will be filed with a board member's charter school (keep on hand for up to seven years).
- **This is a PUBLIC DOCUMENT.** Everything written here may be viewed by the public and the press.

Form 700 Presentation

Instructions

- If you are in doubt about whether to disclose something, the conservative answer is to disclose it.
- You only need to report as much as your disclosure category(ies) in your conflict of interest code requires.
- Generally, you disclose a financial interest only once on the Form. You should not double report it.
- The document must be typed or printed in ink.
- Save the Schedule Summary for the end; complete the cover page last.
- Remember to sign the statement.
- You may use the school's mailing address rather than your home address.

Form 700 Presentation - Schedule A-1

- If you have a business located in, doing business in or planning to do business in your charter school's jurisdiction and that business is owned by you, your spouse or registered domestic partner or your dependent children AND it had a total benefit of \$2,000 or more, you need to report that interest on this schedule.
- Reportable investments include: stocks and bonds, family farms, and even a 10% or greater interest in a living trust.
- You do NOT need to report:
 - Diversified mutual funds
 - Insurance policies
 - Money in a checking or savings account
 - CalPERS/CalSTRS accounts
 - Retirement accounts (non-reportable interest)

Form 700 Presentation - Schedule A-2

- On this schedule you MUST report:
 - Your business or your spouse's business (community property)
 - Family trust
 - Partnership interests
 - Rental property held by a business or trust
 - Stocks

- You do NOT need to report:
 - Insurance policies
 - Government bonds
 - Your personal residence
 - Vacation properties used for leisure and not rental
 - CalPERS/CalSTRS accounts

Form 700 Presentation - Schedule B - Real Property

- What is “real property?”
 - It has to be within, or located within two miles outside the boundaries of the jurisdiction of the charter school.
 - Real Property can include a deed of trust, an easement or an option to acquire property. It can also include a mining lease or an interest in real property that you, your spouse or your minor children own at least a 10% share in.
- You do NOT need to report:
 - You are NOT required to report a home or vacation cabin used exclusively as a residence. But if you rent out rooms in the vacation cabin, the portion claimed as a tax deduction is reportable.
 - You are not required to report your own personal residence.

Form 700 Presentation - Schedule C - Income, Loans & Business Positions

- Report the source and amount of gross income you or your spouse received if:
 - it was over \$500 gross income and
 - it is from an entity outlined in your charter school's conflict of interest code, or
 - it is from an entity that does business in your jurisdiction
- This may be salary/wages, per diem, or reimbursement for expenses including travel payments provided by your employer.
- Repayment of loans made to others.
- May also be commission income, prizes or awards, gross income from the sale of a car or house.

Form 700 Presentation - Schedule C - Income, Loans & Business Positions

- You do NOT need to report:
 - Government income (state, federal, local)
 - Stock dividends or sale
 - Income from PERS/STRS
 - Inheritance
 - Income earned by dependent children
 - Alimony or child support payments
 - Loans made to others

Form 700 Presentation - Schedule D - Gifts

- Reportable Interests:
 - Accepting a gift – even if you don't use it, makes it reportable.
 - A gift is reportable if its fair market value is \$50 or more.
 - The gift limit is \$520 (2021) from a single source
 - Gifts from lobbyists are limited to \$10 per month
 - Commonly reportable gifts include: tickets or passes to events, food, beverages and accommodations, wedding gifts, forgiveness of a loan received by you
- You do NOT need to report:
 - Gifts of similar value exchanged on birthdays, holidays, etc.
 - Unused gifts returned within 30 days
 - Informational material to help you in your work
 - SWAG at an event where you speak
 - Plaques or trophies valued less than \$250
 - Disaster relief

Form 700 Presentation - Schedule E - Gifts, Travel Payments, Advances, and Reimbursements

- You are NOT required to report travel payments from government agencies if you have provided services of equal or greater value than the payment.
- You are NOT required to disclose travel payments received from your employer in the normal course of your employment.
- You ARE required to report travel payments that are gifts – if you did not provide services equal to or greater in value than payments received.
- When reporting travel payments as income, you have the burden of proving income and describing services.