

COMMISSION FOR TEACHER PREPARATION AND LICENSING

OFFICE OF THE EXECUTIVE SECRETARY
1020 O STREET
SACRAMENTO, CALIFORNIA 95814
(916) 445-0184



March 9, 1977

76-7722

TO: All Individuals and Groups Interested in the
Activities of the Commission for Teacher
Preparation and Licensing

FROM: Peter L. LoPresti, Executive Secretary

SUBJECT: Title 5 Regulations, California Administrative Code,
Sections 5910 through 5910.8, Conflict of Interest
Code

The Commission for Teacher Preparation and Licensing has approved the attached Title 5 Regulations, California Administrative Code, Conflict of Interest Code, Sections 5910 through 5910.8.

These Title 5 Regulations will be the subject of a Public Hearing for final adoption by the Commission at the April Commission meeting:

10:00 a.m.
Friday, April 1, 1977
Sacramento Inn - Walnut Room #1
1401 Arden Way at the Freeway
Sacramento, CA

Please feel free to duplicate and distribute these Title 5 Regulations to anyone you believe might be interested in responding. If you wish to make a presentation regarding the attached to the Commission, please send 30 copies of your material for distribution to the Commission and Staff by March 16, 1977. We would also appreciate a call to the Commission office in order to schedule sufficient time on the Agenda for people who wish to make presentations.

Attachment

TITLE 5, CALIFORNIA ADMINISTRATIVE CODE, AS FOLLOWS:

Adopts Sections 5910 to 5910.8 in Subchapter 17 of Division 7 of Part 1 to read:

5910. Conflict of Interest Code. The Commission for Teacher Preparation and Licensing adopts this Conflict of Interest Code to satisfy the requirements of the Political Reform Act of 1974. The purposes of this Code are to provide reasonable assurance that all foreseeable potential conflicts of interest of designated employees, including members of the Commission, will be disclosed and prevented; to provide specific guidance to such persons of their obligation to avoid conflicts of interest; and to establish the rules for the disclosure of certain financial interests.

5910.1. Designated Positions. The positions listed in Section 5910.8 are designated positions. Employees of the Commission and Commission members holding these positions are designated employees and are deemed to make or participate in the making of decisions which may foreseeably have a material effect on a financial interest.

5910.2. Disclosure Statements-Filing. (a) Each designated employee, including Commission members, shall file annual statements at the time and in the manner prescribed in this Code, disclosing interests in investment, real property, income, and management positions specified as reportable under the category to which the employee's position is assigned in Section 5910.8.

(b) Initial statements shall be filed by each designated employee and Commission member within 30 days after the effective date of this Code disclosing reportable investments and interests in real property, but not income.

(c) The effective date of this Code is 30 days after the Code is filed in the Office of the Secretary of State.

(d) Annual statements shall be filed by all designated employees and Commission members. Such statements shall cover the period of the preceding calendar year and shall be filed during the month of February. The statement shall include the financial interests described in Subsection (a) above, held at any time during the period covered by the statement, whether or not these financial interests are still held at the time of filing.

(e) Civil service employees appointed, promoted or transferred to designated positions shall file initial statements within 30 days after the date of their employment.

(f) All other employees and Commission members appointed, promoted or transferred to designated positions shall file initial statements not less than 10 days before assuming office (or if subject to confirmation, 10 days before being confirmed), unless an earlier assumption of office is required by emergency circumstances, in which case the statement shall be filed within 30 days thereafter.

(g) Leaving office statements shall be filed by every person who leaves a designated position specified in Section 5910.8 within 30 days after leaving the position, disclosing that person's reportable interests in investments, real property, income, and management positions held at any time during the period since the closing date of the previous statement filed, and whether or not these financial interests are still being held at the time of filing.

(h) All designated employees and Commission members required to submit a statement of economic interests shall file the original with the Executive Secretary of the Commission for Teacher Preparation and Licensing.

5910.3. Contents of Disclosure Statement. Disclosure statements shall be made on forms supplied by the Commission for Teacher Preparation and Licensing and shall contain the following information:

(a) Contents of Investment and Real Property Reports. When an investment or an interest in real property is required to be reported, the statement shall contain:

(1) A Statement of the nature of the investment or interest;

(2) The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;

(3) The address or other precise location of the real property;

(4) A statement whether the fair market value of the investment, or interest in real property, exceeds ten thousand dollars (\$10,000), and whether it exceeds one hundred thousand dollars (\$100,000). This information need not be provided with respect to an interest in real property which is used principally as the residence of the filer.

(b) Contents of Personal Income Reports. When personal income is required to be reported, the statement shall contain:

(1) The name and address of each source of income aggregating two hundred and fifty dollars (\$250) or more in value, or twenty-five dollars (\$25) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;

(2) A statement whether the aggregate value of income from each source was greater than one thousand dollars (\$1,000), and whether it was greater than ten thousand dollars (\$10,000);

(3) A description of the consideration, if any, for which the income was received;

(4) In the case of a gift, the name and address of the donor and the amount and the date on which the gift was received.

(c) Contents of Business Entity Income Reports. When income of a business entity, including income of a sole proprietorship, is required to be reported, the statement shall contain:

(1) The name, address, and a general description of the business activity of the business entity;

(2) In the case of a business entity which provides legal or brokerage services, the name of every person who paid fees to the business entity if the filer's pro rata share of fees from such person was equal to or greater than one thousand dollars (\$1,000);

(3) In the case of a business entity not covered by paragraph 2, the name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000) during a calendar year.

(d) Contents of Management Positions Reports. When management positions are required to be reported, designated employees shall list the name of each business entity not specified above in which the employee or Commission member is a director, officer, partner, trustee, employee, or in which the employee or Commission member holds any position of management.

(e) Acquisition or Disposal During Reporting Period. In the case of a statement filed under Section 5910.3 (a) above, if the investment, or interest in real property, was partially or wholly acquired or disposed of during the period covered by the statement, the date of acquisition or disposal must be included.

5910.4. Disqualification. Designated employees must disqualify themselves from making or participating in the making of any decisions which will foreseeably have a material financial effect, distinguishable from its effect on the public generally, on any reportable interest of that employee (except sources of gifts less than \$250). No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made.

5910.5. Manner of Disqualification. A designated employee required to disqualify himself or herself shall notify his or her supervisor in writing. This notice shall be forwarded to the Executive Director, who shall record the employee's disqualification. Upon receipt of such statement, the supervisor shall immediately reassign the matter to another employee.

In the case of a designated employee who is a member of the Commission, notice of disqualification shall be given at the

meeting during which consideration of the decision takes place and shall be made part of the official record of the Commission. The member shall then refrain from participating and shall attempt in no way to use his or her official position to influence any other person with respect to the matter.

5910.6. Definition of Terms. Except as otherwise provided, the definitions contained in the Political Reform Act of 1974 (Government Code Section 81000 et seq.), the Regulations of the Fair Political Practices Commission, and any amendments to the Act or Regulations, shall be incorporated into this Conflict of Interest Code.

5910.7. Non-Designated Positions. The following persons who neither make nor participate in the making of decisions affecting financial interests shall not be designated employees and shall not be required to file financial statements:

- (1) Members of the Committee of Credentials,
- (2) Members of the advisory boards to the Commission, including consultants, advisors and educators, who possess no authority with respect to any agency decision beyond the rendition of information, advice, recommendation or counsel on research matters presented to them for review, and who arrive at their conclusions independent of the control and direction of the agency or of any agency official.
- (3) Consultants hired at the agency for less than 90 days under contract, civil service or exempt position.

5910.8. Disclosure Categories and Designated Positions.

(a) Category I. The following persons shall report any investments, managerial positions and income from any school, college or university offering courses or curricula which are approved by the Commission:

- (1) Chief of Programs,
- (2) Chief of Licensing,
- (3) Chief of Professional Standards,
- (4) Chief of Administration,
- (5) Consultants, including Education Project Specialists, Research and Evaluation Consultants, and Consultants in Teacher Preparation.

(b) Category II. The following persons shall report investments, managerial positions, and income to the extent they know or have reason to know that the business entity in which the investment or managerial position is held or the source of income, is engaged in providing research work, program development,

program auditing, testing and examinations, or professional consulting work or services of the type utilized by the Commission:

- (1) Chief of Programs,
- (2) Chief of Licensing,
- (3) Consultants, including Education Project Specialists, Research and Evaluation Consultants, and Consultants in Teacher Preparation.
- (4) Chief of Administration,
- (5) Staff Counsel I and above.

(c) Category III. The following persons shall report investments, managerial positions, and income to the extent that they know or have reason to know that the business entity in which the investment or managerial position is held or the source of income, is one which renders services or sells products or equipment of the type utilized by the Commission, or manufactures, wholesales or distributes such products or equipment:

- (1) Chief of Administration,
- (2) Chief of Programs,
- (3) Chief of Licensing,
- (4) Chief of Professional Standards,
- (5) Consultants, including Education Project Specialists, Research and Evaluation Consultants, and Consultants in Teacher Preparation,
- (6) Staff Counsel I and above.

(d) Category IV. The following persons shall report all financial interests covered by Categories I, II, and III above, and additionally shall report real property interests, investments, managerial positions, and income from any hotel, convention center, or other places for rent with conference facilities of the type utilized, rented or selected by the Commission for meetings, conferences, or examinations:

- (1) All Commissioners,
- (2) Executive Secretary of the Commission,
- (3) Assistant Executive Secretary,
- (4) Director of Programs and Licensing.

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These regulations will not create any new or increased costs to local government pursuant to Section 2231 of the Revenue and Taxation Code.