REPORT

DATE: February 7, 2008

TO: Regional Council
Administration Committee

FROM: Justine Block, Deputy Legal Counsel
(213)236-1920; Block@scag.ca.gov

SUBJECT: Proposed Amendments to the SCAG Conflict of Interest Code

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Administration Committee: Recommend that the Regional Council approve the attached, proposed amendments to the SCAG Conflict of Interest Code.

Regional Council: Approve the attached, proposed amendments to the SCAG Conflict of Interest Code.

BACKGROUND:

At its November 2007 meeting, the Regional Council approved release of proposed amendments to the Southern California Association of Governments (SCAG) Conflict of Interest Code (Code) for a 45-day comment period. The comment period has now closed, and no comments were received. At this time, legal staff requests that the Regional Council provide final approval of the attached, Conflict of Interest Code amendments.

Pursuant to the state Political Reform Act, Cal. Gov. Code §81000 et seq., SCAG periodically reviews its Conflict of Interest Code and determines whether the Code must be amended. All public officials holding designated positions on the Code are required to file annual statement of economic interest forms (Form 700) to disclose certain investments, income, interests in real property and business positions.

SCAG legal counsel reviewed the agency's current Code, and determined that substantive amendments to the Code are required. These amendments (a strikeout version is attached) would primarily add new designated filers that make or participate in making governmental decisions; delete positions that no longer exist at SCAG; and add one new disclosure category.

Specifically, legal staff recommends adding voting members of the Policy Committees (TCC, EEC, and CEHD Committees) to the Code, since the Policy Committees make policy recommendations to the Regional Council on matters within each respective committee's jurisdiction, pursuant to authority provided under the SCAG Bylaws, Article V-A(7)(a); and thus make governmental decisions under applicable Fair Political Practices Commission regulations and guidance.

Furthermore, these amendments would add to the Code all positions in the agency that have "Manager" in the title, and add the position of Business Operations Supervisor, based on current job classification information provided by the Human Resources staff. Finally, the Code amendments would add a new disclosure category narrowly tailored to apply to the newly added Business Operations Supervisor position.

FISCAL IMPACT:
Legal staff costs associated with this matter are captured in Work Element Number 08-880.SCGS1.

Attachments:

1) **"Conflict of Interest Code of the Southern California Association of Governments," with the attached strikeout (redlined) version of the Appendix, "Proposed Amendments to the Conflict of Interest Code of the Southern California Association of Governments;" and**

2) **"Explanations of Proposed Substantive Amendments to the Conflict of Interest Code of the Southern California Association of Governments."**

Reviewed by:

Division Manager

Reviewed by:

Department Director

Reviewed by:

Chief Financial Officer

CONFLICT OF INTEREST CODE OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

The Political Reform Act, Cal. Govt. Code §§81000 et seq., requires state and local governments to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 C.C.R. §18730, which contains the terms of a standard conflict of interest code, and which can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 C.C.R. §18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories shall constitute the Conflict of Interest Code of the Southern California Association of Governments.

Upon receipt of the statements of economic interests of the General Assembly members, Regional Council members, Policy Committee members, and the Executive Director, the agency shall make and retain a copy and forward the original of these statements to the Fair Political Practices Commission.

All other designated officials shall file their statements of economic interests with the Southern California Association of Governments, which will then make the statements available for public inspection and reproduction under Cal. Gov. Code §81008, and will retain the original of these statements.

PROPOSED AMENDMENTS TO THE CONFLICT OF INTEREST CODE OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

Appendix

Designated ~~Employee~~ Officials	**Disclosure**
General Assembly Members	1
Regional Council Members	
Policy Committee on Transportation and Communications (TCC) Members*	
Policy Committee on Energy and Environment (EEC) Members*	
Policy Committee on Community, Economic and Human Development (CEHD) Members*	
Executive Director	**1**
Deputy Executive Director	
Chief Financial Officer	
Chief Counsel/ Director of Legal Services	
Deputy Legal Counsel	
Director of Government and Public Affairs	
Director of Planning and Policy	
Director of Information Services	
General Counsel	
~~**Manager of Finance**~~	
Internal Auditor	**1**
~~**Manager of Government and Public Affairs**~~	
~~**Manager of Special Projects**~~	
~~**Supervising Human Resources Officer**~~	
Manager of Accounting	
Manager of Budgets & Grants	
Manager of Contracts	
Manager of Human Resources	
Manager of Community Development	
Manager of Environmental Planning	
Manager of Transportation Planning/Programming	
Manager of Legislative Affairs	
Manager of Member Relations	
Manager of Communications	
Manager of Program Development and Evaluation	
Manager of Data and GIS	
Manager of Information Technology	
Manager of Modeling	
Business Operations Supervisor	**2**
Consultant**	**1**

Disclosure Categories

1. ~~1.~~ **A designated employee in this category must report** ~~All investments, interests in real property, sources of income, and business positions~~ **all interests in real property, as well as investments, business positions and sources of income, including gifts, loans and travel payments.**

2. **A designated employee in this category must report investments in and income, including gifts, loans and travel payments** from individuals and entities **of the type** that supply equipment, materials or services to SCAG.

*** Ex-Officio (non-voting) members of the Policy Committees serve in a solely advisory capacity and are not deemed designated officials under the code.**

Consultants shall be included in the list of designated ~~employees~~ **officials and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based on that description, a statement of the extent of the disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner as this conflict of interest code.

EXPLANATIONS OF PROPOSED SUBSTANTIVE AMENDMENTS TO THE CONFLICT OF INTEREST CODE OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

1. Addition and designation of members of the TCC, EEC, and CEHD Policy Committees ("Policy Committees"). Pursuant to the SCAG Bylaws, the Policy Committees make policy recommendations to the Regional Council on matters within each respective committee's jurisdiction.

2. Addition and designation of the "Director of Government and Public Affairs." Responsibilities of this position include making recommendations to the Regional Council regarding development and implementation of the Regional Council's policies and projects in the areas of public participation, stakeholder partnerships, relationship development, and cooperation and collaboration among contiguous regional planning agencies as well as state and federal agencies.

3. Deletion and redesignation of the "Manager of Finance" position, which is now known as the "Manager of Accounting."

4. Deletion and redesignation of the "Manager of Government and Public Affairs" position, which is now known as the "Manager of Legislative Affairs."

5. Deletion of the "Manager of Special Projects" position, which no longer exists as a result of a reorganization decision by the Executive Director approximately two years ago.

6. Deletion and redesignation of the "Supervising Human Resources Officer" position, which is now known as the "Manager of Human Resources."

7. Addition and designation of the following Manager Positions, as a result of agency reorganizations during the past few years and based on current job classification information provided by the Human Resources division:

   Manager of Human Resources
   Manager of Budgets and Grants
   Manager of Contracts
   Manager of Community Development
   Manager of Environmental Planning
   Manager of Transportation Planning/Programming
   Manager of Communications
   Manager of Legislative Affairs
   Manager of Member Relations
   Manager of Program Development and Evaluation

Manager of Data and GIS
Manager of Information Technology
Manager of Modeling

All positions within the agency that have "Manager" in the title are responsible for a division of each department and have responsibilities that include recommending and administering policies and procedures within each department's policies; developing and recommending the annual division budget; administering the division budget; and overseeing and managing consultant projects and services.

8. Addition and designation of the "Business Operations Supervisor" position. This position is responsible for managing purchases for agency office equipment, furniture and supplies, and other purchases related to facility operations; and for managing consultant service contracts regarding office facilities and records storage and destruction.

9. Addition of disclosure category number 2. This disclosure category is narrowly tailored to apply to the newly added Business Operations Supervisor position.

Questions or comments regarding these proposed amendments should be addressed to:

Justine Block, Deputy Legal Counsel
Southern California Association of Governments
818 West 7th Street, 12th Floor
Los Angeles, CA 90017-3435
(213) 236-1920