



Board of Supervisors

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Shari Greenwood
Clerk

MEMORANDUM

TO: School Districts/Special Districts ✓ S.A.

FROM: Shari Greenwood, Clerk to the Board of Supervisors

Date: February 6, 1995

Subject: Annual Statement of Economic Interest Forms

Enclosed is one (1) copy of the Statement of Economic Interest (State Form 730). Please reproduce this form for completion by each member of your Board of Trustees/Board of Directors.

The filing period is from January 1, 1994, through December 31, 1994. All statements must be filed with the Superintendent/Manager of the District no later than April 1, 1995. The Superintendent/Manager retains all the copies except his/hers which is forwarded, if required, to the County Superintendent/Clerk to the Board of Supervisors.

Trustees/Directors who fail to complete and file their statements by April 1, 1995, incur late penalties of \$10 for each day late up to a maximum of \$100.

It should be noted that if a Trustee/Director either leaves office or assumes office during the year, that individual is required to file a Statement of Economic Interest. Trustees/Directors who have been elected or appointed to office between October 1, 1994 and December 31, 1994, and have filed their Assuming Office Statement, are not required to file an Annual Statement until 1996. ALSO, IT IS IMPORTANT TO KEEP THIS OFFICE INFORMED OF MEMBERS WHO LEAVE OR ASSUME OFFICE SO THAT WE WILL HAVE A CURRENT ROSTER.

If you have any questions, please call Gwen Leffall, Deputy Clerk to the Board, at 488-3529.



California Fair Political Practices Commission

January 1995

FACT SHEET FOR LOCAL OFFICIALS

GIFTS, HONORARIA AND TRAVEL

The Political Reform Act^{1/} imposes limits on gifts and prohibits honoraria payments received by local elected officers, designated employees of local government agencies (i.e., individuals required to file statements of economic interests under a local agency's conflict of interest code), elected or appointed members of the governing board of any special district,^{2/} and candidates^{3/} for any of these offices or positions. (Section 89501.)

This fact sheet summarizes the major provisions of the Act concerning gifts, honoraria and travel. You should not, however, rely on the fact sheet alone to ensure compliance with the Act. If you have any questions, contact the Fair Political Practices Commission at (916) 322-5901.

1/ Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

2/ For purposes of the gift limit and honoraria prohibition, "special district" means any agency of the state established for the local performance of governmental or proprietary functions within limited boundaries, and includes a county service area, a maintenance district or area, an improvement district or zone, an air pollution control district, or a redevelopment agency. (Section 82048.5.)

3/ For purposes of the gift limit and honoraria prohibition, you become a "candidate" when you file a statement of organization (Form 410) as a controlled committee for the purpose of seeking elective office, a candidate intention statement (Form 501), or a declaration of candidacy, whichever occurs first. If you are an unsuccessful candidate, you will no longer be subject to the gift limit and honoraria prohibition when you are eligible to terminate your campaign filing obligations and have filed a statement of termination (Form 416), or after certification of election results if you did not establish a controlled committee. (Section 89501(d).)

I. GIFTS

Gift Limitation

If you are a local elected officer, a designated employee of a local government agency, an elected or appointed member of the governing board of any special district, or a candidate for any of these offices or positions, you may not accept gifts from any single source totaling more than \$280 in a calendar year. (Section 89501.)^{4/}

Definition of "Gift"

Under the Act, a gift is any payment or other benefit provided to you for which you do not provide goods or services of equal or greater value. A gift includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to your official status. (Section 82028.)

Except as discussed below, you have "received" or "accepted" a gift when you know that you have actual possession of the gift or when you take any action exercising direction or control over the gift, including discarding the gift or turning it over to another person. (Regulation 18941.)

Exceptions to the Definition of "Gift"

The Act and Commission regulations provide exceptions for certain types of gifts. (Section 82028; Regulations 18940-18946.5.) The following are not subject to any gift limit and are not required to be disclosed on a statement of economic interests (Form 721 or 730):

1. Gifts which you return (unused) to the donor, or for which you reimburse the donor, within 30 days of receipt. (Section 82028(b)(2); Regulation 18943.)

2. Gifts which you donate (unused) to a charitable organization or a government agency within 30 days of receipt without claiming a deduction for tax purposes. (Section 82028(b)(2); Regulation 18943.)

3. Gifts from your spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, or first cousin or the

^{4/} The gift limit is adjusted biennially to reflect changes in the Consumer Price Index. For 1995-96, the gift limit is \$280. (Section 89504; Regulation 18954.) Gifts aggregating \$50 or more must be disclosed and gifts aggregating \$280 or more received by an official may subject the official to disqualification with respect to the source. (Section 87103(d).)

12. Passes or tickets which provide admission or access to facilities, goods, services or other benefits (either on a one-time or repeated basis) that you do not use and do not give to another person. (Regulation 18946.1.)

13. Gifts provided directly to members of your family unless you receive direct benefit from the gift or you exercise discretion and control over the use or disposition of the gift. (Regulation 18944.) (Note: In most cases, the full amount of a gift made to you and your spouse must be counted for purposes of disclosure and the gift limits. However, see the discussion below regarding wedding gifts.)

14. Gifts provided to your government agency. This may include passes or tickets to facilities, goods or services, travel payments, and other benefits. However, certain conditions must be met before a gift received by an official through his or her agency would not be considered a gift to the official. (Regulations 18944.1-18944.2.) Contact the FPPC Legal Division at (916) 322-5901 for detailed information.

Other Gift Exceptions Which May Be Reportable

The following exceptions are also applicable to gifts, but you may be required to report these items on a statement of economic interests (Form 721 or 730) and they can subject a public official to disqualification:

1. Certain payments for transportation, lodging and subsistence are not subject to gift limits but may be reportable on a statement of economic interests (Form 721 or 730). Travel payments are discussed below.

2. Wedding gifts are subject to the gift limit and are reportable. However, for purposes of valuing wedding gifts, one-half of the value of each gift is attributable to each spouse, unless the gift is intended exclusively for the use and enjoyment of one spouse, in which case the entire value of the gift is attributable to that individual. (Regulation 18946.3.)

3. A prize or award received in a bona fide competition not related to your official status is not subject to the gift limit, but must be reported as income if the value of the prize or award is \$250 or more. (Regulation 18946.5.)

4. Passes or tickets which provide admission or access to facilities, goods, services, or other benefits are reportable and subject to the gift limit if you use them or give them to another person. The value of a pass or ticket which provides one-time admission is the face value of the pass or ticket, or the price which would be offered to the general public. (Regulation 18946.1(a).)

spouse of any such person, unless he or she is acting as an agent or intermediary for another person who is the true source of the gift. (Section 82028(b)(3); Regulation 18942(a)(3).)

4. Gifts of hospitality involving food, drink or occasional lodging which you receive in an individual's home when the individual or a member of his or her family is present. (Regulation 18942(a)(7).)

5. Gifts approximately equal in value exchanged between you and another individual on holidays, birthdays, or similar occasions. (Regulation 18942(a)(8).)

6. Informational material provided to assist you in the performance of your official duties, including books, reports, pamphlets, calendars, periodicals, videotapes, or free admission to informational conferences or seminars.

"Informational material" may also include scale models, pictorial representations, maps, and other such items, provided that if the item's fair market value is more than \$250, you have the burden of demonstrating that the item is informational. In addition, on-site demonstrations, tours, or inspections designed specifically for public officials are considered informational material, but this exception does not apply to meals or to transportation to the site unless the transportation is not commercially available. (Section 82028(b)(1); Regulations 18942(a)(1) and 18942.1.)

7. A bequest or inheritance. (Section 82028(b)(5); Regulation 18942(a)(5).)

8. Campaign contributions, including rebates or discounts received in connection with campaign activities. (Section 82028(b)(4); Regulation 18942(a)(4).) However, campaign contributions must be reported in accordance with the campaign disclosure provisions of the Act.

9. Personalized plaques and trophies with an individual value of less than \$250. (Section 82028(b)(6); Regulation 18942(a)(6).)

10. Tickets to attend fundraisers for campaign committees or other candidates, and tickets to fundraisers for organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. (Regulation 18946.4.)

11. Free admission, refreshments and similar non-cash nominal benefits provided to you at an event at which you give a speech, participate in a panel or seminar, or provide a similar service. Transportation within California, and any necessary lodging and subsistence provided directly in connection with the speech, panel, seminar, or service are also not considered gifts. (Regulation 18942(a)(9).)

2. An honorarium which is delivered to your government agency within 30 days for donation to the agency's general fund or equivalent account for which you do not claim a deduction for income tax purposes. (Section 89502(e); Regulation 18933(b).)

3. A payment which is not delivered to you but is made directly to a bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organization. However, you may not make the donation a condition for your speech, article or attendance, you may not claim the donation as a deduction for income tax purposes, the donation may have no reasonably foreseeable financial effect on you or on any member of your immediate family, and you may not be identified to the non-profit organization in connection with the donation. (Regulation 18932.5.)

4. A payment received from your spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person. However, a payment which would be considered an honorarium is prohibited if one of these persons is acting as an agent or intermediary for someone else. (Regulation 18932.4(b).)

5. Items 6, 8, 9, and 11 under "Exceptions to the Definition of 'Gift,'" on page 3 of this fact sheet.

Other Honoraria Exceptions Which May Be Reportable

The following payments are not considered "honoraria" but may be reportable and can subject a public official to disqualification:

1. Payments received for a comedic, dramatic, musical, or other similar artistic performance, and payments received for the publication of books, plays, or screenplays. (Regulations 18931.1-18931.2.) However, such payments are reportable income.

2. Income earned for your personal services if the services are provided in connection with a bona fide business, trade or profession--such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting--and the services are customarily provided in connection with the business, trade, or profession. This exception does not apply if the sole or predominant activity of the business, trade, or profession is making speeches. In addition, you must meet certain criteria to establish that you are practicing a bona fide business, trade or profession (such as maintenance of business records, licensure, proof of teaching post) before a payment received for personal services which may meet the definition of honorarium would be considered earned income and not an honorarium. (Section 89502(c); Regulations 18932-18932.3.) Earned income is required to be reported. Contact the FPPC Legal Division at (916) 322-5901 for detailed information.

The value of a pass or ticket which provides repeated admission or access to facilities, goods, services, or other benefits is the fair market value of your actual use of the pass or ticket, including guests who accompany you and who are admitted with the pass or ticket, plus the fair market value of any possible use by any person to whom you transfer the privilege or use of the pass or tickets. (Regulation 18946.1(b).)

II. HONORARIA

Honoraria Prohibition

If you are a local elected official, a designated employee of a local government agency, an elected or appointed member of the governing board of any special district, or a candidate for any of these offices or positions, you may not accept honoraria payments. (Section 89501.)

Definition of "Honorarium"

An "honorarium" is any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. (Section 89502; Regulation 18931.)

A "speech given" means a public address, oration, or other form of oral presentation, including participation in a panel, seminar, or debate. (Regulation 18931.1.)

An "article published" means a nonfictional written work: 1) that is produced in connection with any activity other than the practice of a bona fide business, trade, or profession; and 2) that is published in a periodical, journal, newspaper, newsletter, magazine, pamphlet, or similar publication. (Regulation 18931.2.)

"Attendance" means being present during, making an appearance at, or serving as host or master of ceremonies for any public or private conference, convention, meeting, social event, meal, or like gathering. (Regulation 18931.3.)

Exceptions to the Definition of "Honorarium"

The Act and Commission regulations provide certain exceptions to the prohibition on honoraria. (Section 89502; Regulations 18930-18935.) The payments described below are not prohibited and are not required to be disclosed on a statement of economic interests (Form 721 or 730):

1. An honorarium which you return (unused) to the donor or the donor's agent or intermediary within 30 days. (Section 89502(e); Regulation 18933(b).)

3. Free admission, food, beverages, and other non-cash nominal benefits provided to you at any public or private conference, convention, meeting, social event, meal, or similar gathering, whether or not you provide any substantive service at the event. (Regulation 18932.4(f).) Although these items are not considered honoraria, they may be reportable gifts and subject to the gift limit.

4. Certain payments for transportation, lodging, and subsistence are not considered honoraria but may be reportable and subject to the gift limit. (Sections 89501(c) and 89506.) Travel payments are discussed below.

III. TRAVEL PAYMENTS

The Act and Commission regulations provide exceptions to the gift limit and honoraria prohibition for certain types of travel payments. (Section 89506; Regulations 18950-18950.4.)

The term "travel payment" includes payments, advances, or reimbursements for travel, including actual transportation and related lodging and subsistence. (Section 89501(c).)

Travel Payments Not Subject to Limits and Reporting

The following types of travel payments are not subject to any limit and are not reportable on a statement of economic interests (Form 721 or 730):

1. Transportation within California provided to you directly in connection with an event at which you give a speech, participate in a panel or seminar, or provide a similar service. (Regulation 18950.3.)
2. Free admission, refreshments and similar non-cash nominal benefits provided to you during the entire event (inside or outside California) at which you give a speech, participate in a panel or seminar, or provide a similar service. (Regulation 18950.3.)
3. Necessary lodging and subsistence (inside or outside California), including meals and beverages, provided to you directly in connection with an event at which you give a speech, participate in a panel or seminar, or provide a similar service. However, the exclusion for meals and beverages is limited to those provided on the day of the activity. (Regulation 18950.3.)
4. Travel payments provided to you by your government agency or by any state, local, or federal government agency which would be considered income and not a gift (i.e., payments for which you provide equal or greater consideration). (Section 89506(d)(2); Regulation 18950.2(e).)

5. Reimbursements for travel expenses provided to you by a bona fide educational, academic, or charitable organization for which you provide equal or greater consideration. (Section 82030(b)(2).)

6. Travel payments provided to you directly in connection with campaign activities. However, these payments must be reported in accordance with the campaign disclosure provisions of the Act. (Regulations 18950.2(d); 18950.4.)

7. Any payment which is excluded from the definition of "gift" as described on pages 2-4 of this fact sheet.

Reportable Travel Payments Not Subject to Limit

The following travel payments are not subject to the gift limit but may be reportable on a statement of economic interests (Form 721 or 730, Schedule D-1):

1. Travel which is reasonably necessary in connection with a bona fide business, trade, or profession, and which satisfies the criteria for federal income tax deductions for business expenses specified in Sections 162 and 274 of the Internal Revenue Code. (Section 89506(d)(3); Regulation 18950.2(f).) For reporting purposes, these travel payments would be considered part of the salary, wages, and other income received from the business entity and would be reported on Schedule D of Form 721 or 730.

2. Travel within the United States which is reasonably related to a legislative or governmental purpose--or to an issue of state, national, or international public policy--in connection with an event at which you give a speech, participate in a panel or seminar or provide a similar service. Lodging and subsistence expenses in this case are limited to the day immediately preceding, the day of, and the day immediately following the speech, panel, or other service. (Section 89506(a)(1); Regulation 18950.2(a).)

Note that this exception is different than travel payments described earlier. Under the circumstances described in this paragraph, transportation outside California but within the United States is not subject to the \$280 gift limit but is reportable and can subject a public official to disqualification. On the other hand, transportation inside California in connection with a speech is neither limited nor reportable. (Regulation 18950.3.)

In addition, the lodging and subsistence payments described in this paragraph can be provided both the day before and the day after a speech without being subject to the \$280 limit. However, lodging and subsistence payments are reportable unless they are received directly in connection with the event.

3. Travel not in connection with giving a speech, participating in a panel or seminar or providing a similar service but which is reasonably related to a legislative or governmental purpose--or to an issue of state, national, or international public policy--and which is provided by:

a) A government, governmental agency, foreign government, or government authority;

b) A bona fide public or private educational institution defined in Section 203 of the Revenue and Taxation Code;

c) A nonprofit charitable or religious organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code; or

d) A person that is domiciled outside the United States and that substantially satisfies the requirements for tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

(Section 89506(a)(2); Regulation 18950.2(c).)

NEW GIFT LIMIT AND HONORARIA BAN

*Effective January 1, 1995,
most local officials, as well as candidates for local office,
may not accept a gift in excess of \$280
from a single source during a calendar year.*

*For information on how
the restrictions apply to your position,
refer to page one of the Forms 721 and 730
and the fact sheet on gifts, honoraria, and travel
for an explanation of the biennial
adjustment, prohibitions, limitations and exceptions.*

Vendor Id: C113 Vendor Name: COALINGA FARMERS CO-OP GIN INC.

Date	Invoice #	Description	Gross	Discount	Net
3/03/1995	2288	ClgaGin-S8-UNLDPstch	500.00	0.00	500.00

Chk Date	Chk #	Totals:	500.00	0.00	500.00
4/13/1995	00459				

DEVINE & WOOD FARMING, INC.
25366 W. DORRIS • COALINGA, CA 93210
209-935-1558

FRESNO MAIN OFFICE
WELLS FARGO BANK
FRESNO, CA 93721

11-24/192
1210

Double D Farms Inc
No. 00459

Pay Five Hundred Dollars 00 Cents

PAY
TO
THE
ORDER
OF

C113
COALINGA FARMERS CO-OP GIN INC.
PO BOX 557
COALINGA CA 93210

DATE CHECK NO. CHECK AMOUNT
4/13/1995 00459 *****500.00

Gray Barber

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