CONFLICT OF INTEREST CODE
SANTA BARBARA COMMUNITY COLLEGE DISTRICT

I. Adoption

In compliance with the Political Reform Act of 1974, California Government Code Section 81000, et seq., the SANTA BARBARA COMMUNITY COLLEGE DISTRICT hereby adopts this Conflict of Interest Code, which shall apply to all governing board members and designated employees of this school district, as specifically required by California Government Code Section 87300.

II. Designated Employees

Employees of the SANTA BARBARA COMMUNITY COLLEGE DISTRICT, including governing board members, who hold positions which involve the making, or participation in the making, of decisions which may foreseeably have a material effect on any financial interest shall be designated employees. All persons who hold the positions specifically enumerated in Exhibit "A" are designated employees.

III. Disclosure Statement - Filing

A. Each designated employee, including governing board members, shall file annual statements at the time and in the manner prescribed in this Code, disclosing reportable interests in real property, investments in business entities, and income which might foreseeably be affected materially by decisions made or participated in by the designated employee by virtue of his or her position. It has been determined that it is foreseeable that the types of investments, interests in real property, and income listed in the disclosure categories in Exhibit "B" may be affected materially by decisions made or participated in by the designated employee by virtue of his or her position. Such interests are reportable if held by the designated employee. Notwithstanding the foregoing the principal residence of the designated employee need not be reported.

B. Initial statements shall be filed by each designated employee within 30 days after the effective date of this Conflict of Interest Code disclosing investments and interests in real property.

C. Annual statements shall be filed during the month of January disclosing investments, interests in real property and income held or received in the period between the closing date of the employee's previously filed statement and December 31st.

D. Leaving office statements shall be filed by every person who leaves a designated position specified in Exhibit "A" within 30 days after leaving the position, disclosing his or her reportable investments, interests in real property, and income during the period since the closing date of the previous statement filed pursuant to this Code. A designated employee who leaves his position and immediately assumes another position designated in Exhibit "A" shall file an amended statement only if additional reporting is required pursuant to Exhibit "A".

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E. Annual and leaving office statements shall include any investments in business entities, interests in real property, and income held or received at any time during the period covered by the statement, whether or not they are still held at the time of filing.

F. Employees elected, appointed, promoted or transferred to designated positions shall file initial statements not less than ten days before assuming office unless an earlier assumption of office is required by emergency circumstances, in which case the statement shall be filed within ten days thereafter.

G. The statement shall be filed with the SANTA BARBARA COMMUNITY COLLEGE DISTRICT. In the case of statements of members of the Board, the District shall make and retain a copy and forward the original to the SANTA BARBARA COUNTY BOARD OF SUPERVISORS.

IV. Disclosure Statements - Contents

Disclosure statements shall be made on forms supplied by the SANTA BARBARA COMMUNITY COLLEGE DISTRICT.

A. Contents of Investment and Interest in Real Property Reports:

When an investment or interest in real property is required to be disclosed, the statement shall contain the following:

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).

5. In the case of an investment which constitutes 50% or more of the ownership interest in a business entity, a disclosure of the investments and interests in real property of the business entity;

6. If the property or investment was partially or wholly acquired or disposed of during the period covered by the statement, the date of acquisition or disposal.

B. Contents of Income Reports:

1. When income is required to be reported under this Code, the statement shall contain the following:

   a. The name and address of each source of income aggregating $250 or more in value, or $25 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
b. A statement whether the aggregate value of income from each source was greater than $1,000 and whether it was greater than $10,000;

c. A description of the consideration, if any, for which the income was received;

d. 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.

2. When income of a business entity, including income of a sole proprietorship, is required to be reported, the statement shall contain:

a. The name, address, and a general description of the business activity of the business entity;

b. 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 greater than $1,000;

c. In the case of a business entity not covered by sub-paragraph "b", 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 greater than $10,000 during a calendar year;

d. Income of a business entity shall not be reported unless the filer or his or her spouse owns, directly, indirectly, or beneficially, a 10% interest or greater. In addition, for purposes of sub-paragraphs "b" and "c" of this Section, the disclosure of persons who are clients or customers of a business entity is required only if it is reasonably foreseeable that the client or customer may be materially affected by the decisions of the filer.

V. Disqualification

A. 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 financial interest of that employee (except sources of gifts of less than $250), on the principal residence of the designated employee or on any business entity in which the designated employee holds a position of management or is a director, officer, partner, trustee or employee. 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.

B. A member of the governing board with a disqualifying interest as set forth in Paragraph A shall give notice of and identify such interest at the meeting during which consideration of the decision takes place. Such notice and identification shall be made part of the official minutes of the board. Any other designated employee required to disqualify himself or herself shall notify his or her supervisor in writing which writing shall be kept as a record of the district.
VI. Definition of Terms

Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974. The definitions contained in Exhibit "C" are hereby incorporated into this Code.

VII. Statute of Limitation

No action shall be brought pursuant to Government Code Section 91003 to restrain the execution of or to set aside official action of the District unless the complaint or petition is filed and served upon the District within 90 days following the official action.
EXHIBIT "A"
Designated Positions

I. Persons occupying the following positions are designated employees and must disclose financial interests in all categories defined in Exhibit "B":
   Member of the Board of Trustees
   Superintendent-President
   Assistant Superintendent, Business Services
   Administrative Dean, Continuing Education
   Administrative Dean, Instruction
   Administrative Dean, Student Services

II. Persons occupying the following positions are designated employees and must disclose financial interests defined in Category 1 of Exhibit "B":
   Director, Facilities Development

III. Persons occupying the following positions are designated employees and must disclose financial interests defined in Category 3 of Exhibit "B":
   Assistant Dean, Continuing Education (2)
   Assistant Dean, Evening Division
   Assistant Dean, Health Occupations
   Assistant Dean, Occupational and Career Education
   Assistant Dean, Student Activities
   Coordinator, Instructional Media Services
   Coordinator, Placement and Financial Aids
   Director, Athletics (2)
   Director, Community Services
   Director, Facilities and Operations
   Director, Food Services
   Director, Purchasing
   Bookstore Manager
   Head Librarian
   Members, Resources Allocation Review Board
EXHIBIT B
Disclosure Categories

Category 1

(a) Interests in real property which is located in whole or in part either (1) within the boundaries of the District, or (2) within two miles of the boundaries of the District, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property, if the fair market value of the interest is greater than $1,000.

(b) Investments in or income from business entities which are contractors or sub-contractors which are or have been within the previous two-year period engaged in or in the foreseeable future may engage in the performance of building construction or design for the District.

(c) Investments in or income from persons or business entities engaged in the acquisition of or disposal of real property within the jurisdiction.

Category 2

Investments in or income from business entities which within the last two years have contracted or in the future foreseeably may contract with the district to provide work, services, materials, machinery or equipment.

Category 3

Investments in or income from business entities which within the last two years have contracted or in the future foreseeably may contract with the district to provide work, services, materials, machinery or equipment of the type utilized by the department for which the designated employee is a manager or director.
EXHIBIT C
Definitions

1. "Business entity": Any organization or enterprise operated for profit, including but not limited to a proprietorship, firm, business trust, joint venture, syndicate, corporation or association. (Gov.C. 82005)

2. "Consultant" shall include any natural person who provides, under contract, information, advice, recommendation or counsel to a state or local government agency, provided, however, that "consultant" shall not include a person who:

   a. Conducts research and arrives at conclusions with respect to his or her rendition of information, advice, recommendation or counsel independent of the control and direction of the agency or of any agency official, other than normal contract monitoring; and

   b. Possesses no authority with respect to any agency decision beyond the rendition of information, advice, recommendation or counsel. (2 CAC 18700(a)(2))

3. "Designated employee": Any officer, employee, or consultant of the District whose position is designated in Exhibit "A" of this Code. Exhibit "A" sets forth those positions which entail the making or participation in the making of decisions which may foreseeably have a material financial effect on any financial interest. (Gov.C. 82019)

4. "Effect on public generally": A material financial effect of a governmental decision on official's financial interests is distinguishable from its effect on the public generally unless the decision will affect the official's interest in substantially the same manner as it will affect all members of the public or a significant segment of the public. Except as provided herein an industry, trade or profession does not constitute a significant segment of the general public. In the case of an elected official, an industry, trade or profession of which that official is a member may constitute a significant segment of the public generally if that industry, trade or profession is a predominant industry, trade or profession in the district. (2 CAC 18703)

5. "Financial interest": A designated employee has a "financial interest" in a decision if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its
effect on the public generally or any significant segment thereof, on:

a. Any business entity in which the designated employee has a direct or indirect investment worth more than $1,000;

b. Any real property in which the designated employee has a direct or indirect interest worth more than $1,000;

c. Any source of income, other than loans by a commercial lending institution in the regular course of business, aggregating $250,000 or more in value received by or promised to the designated employee within twelve months prior to the time when the decision is made; or

d. Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management;

e. "Indirect investment or interest" as used to define financial interest means any investment or interest owned by the spouse or dependent child of the designated employee, held or owned by an agent on behalf of the designated employee, held or owned by any business entity controlled by the designated employee or by a trust in which the designated employee has a substantial interest. A business entity is controlled by a designated employee if the designated employee, his or her agents, spouse and dependent children hold more than 50 percent of the ownership interest in the entity. A designated employee has a substantial interest in a trust when the designated employee, his or her spouse and dependent children have a present or future interest worth more than $1,000. (Gov.C. 87103)

6. "Gift" means any payment to the extent that consideration of equal or greater value is not received. Any person, other than a defendant in a criminal action, who claims that a payment is not a gift by reason of receipt of consideration has the burden of proving that the consideration received is of equal or greater value. The term "gift" does not include informational material such as books, reports, pamphlets, calendars or periodicals. No payment for travel or reimbursement for any expenses shall be deemed "informational material." (Gov.C. 82082)

7. "Immediate family" means the spouse and dependent children. Whenever disclosure of investments or interests in real property is required by this code, investments and interests in real property of members of the immediate family shall also be disclosed. (Gov.C. 82029)
8. "In any way attempting to use his or her official position to influence a governmental decision":

a. "In any way attempting to use his or her official position to influence a governmental decision" shall include furthering or attempting to affect in any manner any decision:

(1) Within or before his or her agency; or

(2) Before any agency which is appointed by or subject to the budgetary control of his or her agency.

b. "In any way attempting to use hir or her official position to influence a governmental decision" shall not include:

(1) Appearances by a public official as a member of the general public before an agency in the course of its prescribed governmental function to represent himself or herself on matters related solely to his or her personal interest;

(2) Actions by public officials, employees or employee representatives relating to their compensation or the terms or conditions of their employment or contract. (2 CAC 18700(e))

9. "Income":

a. "Income" means, except as provided in subsection (b), income including but not limited to any salary, wage, advance, payment, dividend, interest, rent, capital gain, return of capital, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness, discount in the price of anything of value unless the discount is available to members of the public without regard to official status, rebate, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in income of
a spouse. Income of an individual also includes a pro rata share of any income of any business entity or trust in which the individual or spouse owns, directly, indirectly, or beneficially, a 10% interest or greater.

b. "Income" does not include:

(1) Income from a source which is a former employer if: All income from the employer was received by or accrued to the designated employee prior to the time he or she became a designated employee; the income was received in the normal course of the previous employment; and there was no expectation by the designated employee at the time he or she assumed a designated position of renewed employment with the former employer;

(2) Campaign contributions required to be reported under Chapter 4 of the Political Reform Act of 1974;

(3) Salary and reimbursement for expenses or per diem received from a state or local government agency and reimbursement for travel expenses and per diem received from a bona fide educational, academic or charitable organization;

(4) Gifts of informational material, such as books, pamphlets, reports, calendars or periodicals;

(5) Gifts which are not used and which, within 30 days after receipt, are returned to the donor or delivered to a charitable organization without being claimed as a charitable contribution for tax purposes;

(6) Gifts from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, aunt, uncle or first cousin or the spouse of any such person; provided that a gift from any such person shall be considered income if the donor is acting as an agent or intermediary for any person not covered by this paragraph;

(7) Any devise or inheritance;

(8) Interest, dividends or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, payments
received under any insurance policy, or any bond
or other debt instrument issued by any government
or government agency;

(9) Dividends, interest or any other return
on a security which is registered with the Securities
& Exchange Commission of the United States Government.

(10) Gifts of hospitality involving food, beverage,
or lodging provided to any person filing a statement
of economic interest if such hospitality has been
reciprocated within the filing period. "Reciprocity"
as used in this subparagraph includes the providing
by the filer to the host of any consideration, in-
cluding entertainment or a household gift of a
reasonably similar benefit or value;

(11) Income, other than a gift, received from any
source outside the jurisdiction and not doing business
within the jurisdiction, not planning to do business
within the jurisdiction, or not having done business
within the jurisdiction during the two years prior to
the time any statement or other action is required
under this code. (Gov.C. 82030, 2 CAC 18704, 18727)

10. "Interest in real property" includes any leasehold, beneficial
or ownership interest or option to acquire such an interest in real
property within the jurisdiction if the fair market value of the in-
terest is greater than $1,000. Interests in real property of an in-
dividual include a pro rata share of interests in real property of
any business entity or trust in which the individual or spouse owns,
directly, indirectly, or beneficially, a 10% interest or greater.
For purposes of disclosure, but not for purposes of disqualification,
interests in real property does not include the principal residence
of the designated employee. (Gov.C. 82033, 87206.5)

11. "Investment": Any financial interest in or security issued
by a business entity, including but not limited to common stock,
preferred stock, rights, warrants, options, debt instruments and any
partnership or other ownership interest, if the business entity or
any parent, subsidiary or otherwise related business entity has an
interest in real property within the jurisdiction, or does business
or plans to do business within the jurisdiction at any time during
the two years prior to the time any statement or other action is
required under this Code. No asset shall be deemed an investment
unless its fair market value exceeds $1,000. "Investment" does not
include a time or demand deposit in a financial institution, shares
in a credit union, any insurance policy, or any bond or other debt
instrument issued by any government or government agency. Invest-
ments of an individual include a pro rata share of investments of
any business entity or trust in which the individual or spouse owns, directly, indirectly, or beneficially, a 10% interest or greater. (Gov.C. 82034)

12. "Jurisdiction": Means the geographical area within the District's boundaries, except that real property shall be deemed to be within the "jurisdiction" of the District if it is located within or not more than two miles outside the boundaries of the District, or within two miles of any land owned or used by the District. (Gov.C. 82035)

13. "Legally required participation":

a. A designated employee is not legally required to make or to participate in the making of a governmental decision within the meaning of Paragraph V of the Code unless there exists no alternative source of decision consistent with the purposes and terms of the statute authorizing the decision.

b. Whenever a designated employee who has a financial interest in a decision is legally required to make or to participate in making such a decision, he or she shall:

(1) Disclose as a matter of official public record the existence of the financial interest;

(2) Describe with particularity the nature of the financial interest before he or she makes or participates in making the decision;

(3) Attempt in no way to use his or her official position to influence any other public official with respect to the matter;

(4) State the reason there is no alternative source of decision-making authority;

(5) Participate in making the decision only to the extent that such participation is legally required.

c. This provision shall be construed narrowly, and shall not be construed to permit voting to break a tie. (2 CAC 18701)

14. "Making Governmental Decisions": A designated employee "makes a governmental decision," except as provided in Definition
16(b)(1) herein, when he or she, acting within the authority of his or her office:

a. Votes on a matter;

b. Appoints a person;

c. Obligates or commits the District to any course of action;

d. Enters into any contractual agreement on behalf of the District;

e. Determines not to act, within the meaning of subparagraphs a, b, c, and d, unless such determination is made because of his or her financial interest. When the determination not to act occurs because of his or her financial interest, the designated employee’s determination must be accompanied by disclosure of the financial interest, made part of the District’s official record or made in writing to the designated employee’s supervisor, appointing power or any other person specified in this Code. (2 CAC 18700(b))

15. "Material Financial Effect":

a. The financial effect of a governmental decision on a financial interest of a designated employee is material if, at the time the designated employee makes, participates in making, or attempts to use his or her position to influence the making of the decision, in light of all the circumstances and facts known at the time of the decision, the designated employee knows or has reason to know that the existence of the financial interest might interfere with his or her performance of duties in an impartial manner free from bias.

Provided that, the making or participation in the making of a governmental decision by a contract consultant or by a
person retained to provide information, advice, recommendation or counsel has no material financial effect on a business entity or source of income in which such consultant or person retained is an officer, employee, sole proprietor or partner, if the only financial effects of the decision are the modification, perpetuation or renewal of the contractual or retainer agreement and/or the opportunity to bid competitively upon a project or contract.

In determining the existence of a material effect upon a financial interest, consideration should be given, but not be limited to, an analysis of the following factors:

(1) In the case of a business entity in which the designated employee has a direct or indirect investment worth more than one thousand dollars ($1,000), or in the case of a designated employee who is a director, officer, partner, trustee, employee, or holds any position of management in a business entity:

(A) Whether the effect of the decision will be to increase or decrease the annualized gross revenue of the business entity by one percent or more or the annual net income of the business entity by a .5 percent or more;

(B) Whether the effect of the decision will be to increase or decrease the assets or liabilities of the business entity by $50,000 or more, or by .5 percent of its current assets or liabilities, whichever is less.

(2) In the case of real property within the jurisdiction, in which the designated employee has a direct or indirect interest worth more than one thousand dollars ($1,000):

(A) Whether the effect of the decision will be to increase the income-producing potential of the real property by $100 or more or by five percent per month, whichever is less.

(B) Whether the effect of the decision will be to increase the fair market value of the real property by $1,000 or more or by .5 percent, whichever is greater.

(3) In the case of a source of income of a designated employee:

(A) Whether the decision will affect the source of income in the manner described in
paragraph (1) above;

(B) Whether the governmental decision will directly affect the amount of income to be received by the designated employee;

(C) Whether there is a nexus between the governmental decision and the purpose for which the designated employee receives income.

b. The specific dollar or percentage amounts set forth above do not constitute either absolute maximum or minimum levels, but are merely intended to provide guidance and should be considered along with other relevant factors in determining whether a financial interest may interfere with the designated employee’s exercise of his or her duties in rendering a decision. (2 CAC 18702)

16. "Participating in the Making of Governmental Decisions":

a. A designated employee "participates in the making of a governmental decision", except as provided in subsection b of this definition, when he or she, acting within the authority of his or her office:

   (1) Negotiates, without significant substantive review, with a governmental entity or private person regarding the decision; or

   (2) Advises or makes recommendations to the decision-maker, either directly or without significant intervening substantive review, by:

      (A) Conducting research or making any investigation which requires the exercise of judgment on the part of the designated employee and the purpose of which is to influence the decision; or

      (B) Preparing or presenting any report, analysis, or opinion, orally or in writing, which requires the exercise of judgment on the part of the designated employee and the purpose of which is to influence the decision.

b. "Making" or "participation in the making" of a governmental decision shall not include:

   (1) Actions of designated employees which are solely ministerial, secretarial, manual or clerical.
(2) Appearances by a designated employee as a member of the general public before the District in the course of its prescribed governmental function to represent himself on matters related solely to his or her personal interests; or

(3) Actions by designated employees, or employee representatives relating to their compensation or the terms or conditions of their employment or contract. (2 CAC 18700(c)(d))

17. "Person" means an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, committee, and any other organization or group of persons acting in concert. (Gov.C. 82047)

18. "Public official" means every member, officer, employee or consultant of a state or local government agency. (Gov.C. 82048)
RESOLUTION
OF THE GOVERNING BOARD OF THE
SANTA BARBARA COMMUNITY COLLEGE DISTRICT

RE: SETTING TIME AND PLACE OF HEARING ON PROPOSED CONFLICT OF INTEREST CODE

RESOLVED by the Board of Trustees of the SANTA BARBARA COMMUNITY COLLEGE DISTRICT, as follows:

WHEREAS, Government Code Section 87300 requires every local government agency to adopt and promulgate a Conflict of Interest Code;

WHEREAS, there has been presented to this Board a proposed Conflict of Interest Code for this District, a copy of which is on file with the Secretary-Clerk of the District; and

WHEREAS, Government Code Section 87311 requires that the review and preparation of Conflict of Interest Codes shall be carried out under procedures which guarantee officers, employees, members, and consultants of the District and to residents of the jurisdiction adequate notice and a fair opportunity to present their views;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. That Thursday, the 13th of January, 1977, at the hour of 4:00 o'clock, p.m., in the regular meeting place of this Board, 721 Cliff Drive, Santa Barbara, California, be, and the same are hereby, appointed and fixed as the time and place when and where this Board will consider and determine whether the aforesaid proposed Conflict of Interest Code shall be adopted.

2. That the Superintendent-President of this District be, and is hereby, directed to give notice of said hearing by publication of this resolution in full once, at least ten days prior to said hearing, in the Santa Barbara News Press, a newspaper of general circulation in the District.
3. That the Superintendent-President of this District be, and is hereby directed to distribute one copy of this resolution together with one copy of the aforesaid Conflict of Interest Code to each person or persons holding positions within the District enumerated in Exhibit "A" of the Code.

4. That the Superintendent-President of this District be, and is hereby, directed to file copies of said Conflict of Interest Code in the District office to be available for distribution to persons requesting the same.

PASSED AND ADOPTED this 16th day of December, 1976

by the following vote:

Ayes: Four (4)

Noes: None

Absent: Three (3) left prior to consideration of this item.

BOARD OF TRUSTEES OF THE
SANTA BARBARA COMMUNITY COLLEGE DISTRICT:

ANN GUTSHALL President

(absent for this item)

JOE W. DOBBS Vice-President

(absent for this item)

KATHRYN O. ALEXANDER Member

(absent for this item)

SIDNEY R. FRANK Member

ELI LURIA Member

JOYCE E. BOYLAND Member

BENJAMIN F. J. WELLS Member