

ABAG Finance Authority for Nonprofit Corporations

Executive Committee

November 7, 2019

Agenda Item 6

Conflict of Interest Code

Subject: Amendment of ABAG FAN Conflict of Interest Code

Background: A local agency's conflict of interest code (COIC) must reflect the current structure of the agency and properly identify officials and employees who should be filing Form 700, the Statement of Economic Interests. A COIC tells public officials, employees and consultants what types of financial interests they must disclose on their Form 700s. To ensure COICs remain current and accurate, each local agency is required to review its code at least every even-numbered year. In connection with the 2018 biennial review of ABAG FAN's COIC, staff determined that the designated positions needed to be updated to reflect the Metropolitan Transportation Commission (MTC)-Association of Bay Area Governments (ABAG) staff consolidation.

Pursuant to the Contract for Services between ABAG and MTC, dated as of May 30, 2017 (Contract for Services), the staff of ABAG became employees of MTC, effective July 1, 2017. The following MTC consolidated staff positions have been determined to make or participate in the making of ABAG FAN decisions that may foreseeably have a material financial effect on an economic interest: Deputy Executive Director, Local Government Services; General Counsel; Senior Deputy General Counsel; Senior Counsel; Director, Finance & Accounting; and Director, Treasury & Revenue. These positions have been added to the list of designated positions in ABAG FAN's COIC (formerly Appendix A, now Appendix B).

Other proposed changes to the COIC include the deletion of one of the disclosure categories per the direction of Fair Political Practices Commission (FPPC) staff; deletion of the former Appendix B and concomitant listing of officials who manage public investments at the end of the list of designated positions (formerly Appendix A, now Appendix B), where they are listed for informational purposes only, because they file Form 700 under the Political Reform Act (Government Code § 87200); and the addition of background information in a section entitled "Conflict of Interest Disclosure Designations." All of the proposed changes have been reviewed and given initial approval by the FPPC.

FPPC amendment procedures require that a written notice of intent to amend the COIC must be given 45 days prior to the time the proposed amendment is submitted to the FPPC for formal

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approval. A copy of that written notice is attached to this Summary Sheet. The comment period will run from Friday, November 8, 2019 through Monday, December 23, 2019.

Any interested person may request a public hearing to comment on the proposed COIC amendment, if any such request is made no later than 15 days prior to the close of the comment period, or by Friday, December 6, 2019. If no request for a hearing is received, staff would submit the proposed amended COIC to the FPPC for formal approval, and the COIC as amended would be effective 30 days after FPPC approval.

Issues: None identified.

Recommended Actions: The ABAG FAN Executive Committee is requested to authorize staff to circulate the proposed changes to the Conflict of Interest Code for public comment and to schedule a public hearing if there is a request from the public to do so; and, assuming no comments are received, to authorize staff to submit the proposed amended COIC to the Fair Political Practices Commission for formal approval.

Attachments: A. Notice of Intention to Amend the Conflict of Interest Code of ABAG Finance Authority for Nonprofit Corporations

B. Proposed Amended Conflict of Interest Code

Reviewed:



Therese McMillan