

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

902A



FROM: County Counsel

SUBMITTAL DATE: October 7, 2008

SUBJECT: Approval of the Conflict of Interest Code for the Riverside Schools Insurance Authority (RSIA) JPA

RECOMMENDED MOTION: That the Board of Supervisors approve the amended Conflict of Interest Code submitted by the Riverside Schools Insurance Authority (RSIA) JPA.

BACKGROUND: Government Code section 87306.5 requires that all local agencies review their Conflict of Interest Code, and the listing of designated positions for employees who must disclose along with the types of disclosure required, and make appropriate amendments to each as required.

The Riverside Schools Insurance Authority (RSIA) JPA recently revised its Conflict of Interest Code and has submitted it for approval by the Board of Supervisors as the code reviewing body.

This office has reviewed the revised code and has found that it complies with statutory requirements. It is recommended that the Riverside Schools Insurance Authority (RSIA) JPA's new revised code be approved and that the Clerk of the Board notify the Agency of the action taken.

B.T. Miller, Jr., Deputy County Counsel for
JOE S. RANK, County Counsel

C.E.O. RECOMMENDATION:

APPROVE

BY
Tina Grande

County Executive Office Signature

Policy
 Poli

Consent
 Consent

Department Recommendation:
Per Executive Office:

Prev. Agn. ref.

Dist.

AGENDA NO.

2.13

**CONFLICT-OF-INTEREST CODE FOR
RIVERSIDE SCHOOLS INSURANCE AUTHORITY (RSIA) JPA**

The Political Reform Act, Government Code Sections 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict-of-Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs., Section 18730, which contains the terms of a standard Conflict-of-Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs., Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict-of-Interest Code of the Riverside Schools Insurance Authority (RSIA) JPA.

Designated individuals shall file their statements of economic interest with the Clerk of the Board of Supervisors of Riverside County which shall make the statements available for public inspection and reproduction (Gov. Code Section 81008).

**CONFLICT OF INTEREST CODE FOR
RIVERSIDE SCHOOLS INSURANCE AUTHORITY (RSIA) JPA**

APPENDIX A

I. CONSULTANTS

The functions listed below are performed by "Consultants" who are required to file a Form 700. Those required to file shall report in the disclosure categories identified for the position. If a firm is engaged to perform consulting services, only the individual(s) at the firm who are directly involved in performing the functions identified below shall file.

POSITION

DISCLOSURE CATEGORIES

JPA Manager

1 – 5 inclusive

Performs a variety of administrative duties for the JPA; such duties include attending Board of Directors meetings, creation of Board agenda, cover pages and minutes, collection of economic statements for applicable individuals, and submission of such statements to the Clerk of the Board of Supervisors of Riverside County.

Legal Counsel

1 – 5 inclusive

Advises the JPA on legal and regulatory matters affecting its operations

Claims Manager

1 – 5 inclusive

Investigates, and subject to the direction and control of the Board, negotiates and settles claims on behalf of the JPA

Insurance Financial Consultant

1 – 5 inclusive

Reviews financial data relating to the JPA's self-insured program and provides the following services:

- (1) Prepare Comprehensive Financial Information Report(s)
- (2) Provide Management's Discussion & Analysis (MD&A) services in compliance with Governmental Accounting Standards Board (GASB) 34
- (3) Provide accounting services

Insurance Program Consultant

1 – 5 inclusive

Assists the JPA in the design, implementation, evaluation, or modification of one or more of its self-insurance programs

II. CONSULTANTS EXEMPT FROM DISCLOSURE

A consultant who does not make significant decisions on behalf of the JPA, performs its services subject to the review and approval of the JPA, or performs functions that are limited in scope, may be determined by the JPA President to be exempt from the filing obligations described in Section I above. Any such determination made by the JPA President must be in writing and state the basis for the determination which shall include a detailed description of the consultant's duties and functions. A copy of the determination shall be retained by the JPA.

III. DISCLOSURE CATEGORIES

The following is a description of the categories of financial interests that may be reported on Form 700. Individuals required to report shall report for each category specified above.

1. Investments and business positions in business entities, and source of income, including loans, gifts, and travel payments, from sources of the type to contract with the agency to supply materials, commodities, supplies, books, machinery, vehicles or equipment utilized by the agency.
2. Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from sources which are contractors, or subcontractors, engaged in the performance of work or services of the type utilized by the agency, including but not limited to insurance companies, carriers, holding companies, underwriters, agents or accounting firms.
3. Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from sources which have filed claims, or have claims pending against the agency.
4. Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from banks or savings and loans.
5. Interests in commercial real property (or interests in real property used for commercial leasing purposes).

IV. POSITIONS NOT COVERED BY CODE

The following positions are not covered by the Code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

- Members of the Board (including President, Vice President, Secretary and Treasurer)
- Alternate Members of the Board
- Consultants (Those involved in the investment of public funds)

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission (FPPC) for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether a position is covered by Section 87200.

~~CONFLICT- OF- INTEREST CODE FOR
RIVERSIDE SCHOOLS INSURANCE AUTHORITY (RSIA) JPA
FOR PROPERTY & LIABILITY~~

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The Political Reform Act, Government Code Sections 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict- of- Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs., Section 18730, which contains the terms of a standard Conflict- of- Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs., Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict- of- Interest Code of the Riverside Schools Insurance Authority (RSIA) JPA for Property & Liability.

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Designated ~~employees~~ individuals shall file their statements of economic interests with the ~~Liability/Property Self-Insurance Authority~~ Clerk of the Board of Supervisors of Riverside County which shall make the statements available for public inspection and reproduction (Gov. Code Section 81008).

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~~EXHIBIT "A"~~

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2008 Local Agency Biennial Notice

Name of Agency: Riverside Schools' Insurance Authority (RSIA)
c/o Beaumont Unified School District
Mailing Address: 500 Grace Street Beaumont, CA 92223
Contact Person: Steve Hovey Office Phone No: 951/845-1631 xt. 301
E-mail: shovey@beaumontusd.k12.ca.us Fax No: 951/845-4561

This agency has reviewed its conflict-of-interest code and has determined that:

An amendment is required. The following amendments are necessary:

(Check all that apply.)

- Include new positions (including consultants) that must be designated.
- Delete positions that manage public investments from the list of designated positions.
- Revise disclosure categories.
- Revise the titles of existing positions.
- Delete titles of positions that have been abolished.
- Other *(describe)* _____

Code is currently under review by the code-reviewing body.

No amendment is required.

The agency's code accurately designates all positions that make or participate in the making of governmental decisions; the disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding the designated positions; and the code includes all other provisions required by Government Code Section 87302.



Signature of Chief Executive Officer

September 25, 2008

Date

Complete this notice regardless of how recently your code was approved or amended.
Please return this notice no later than **October 1, 2008**, to:

(PLACE RETURN ADDRESS OF CODE- REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

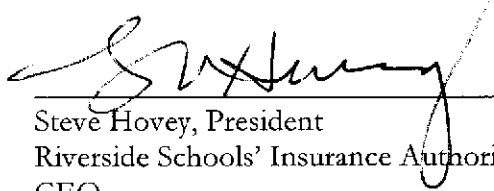
Fair Political Practices Commission
428 J Street, Suite 620, Sacramento, CA 95833
For Technical Assistance: (866) ASK-FPPC

DECLARATION OF CHIEF EXECUTIVE OFFICER
FOR LOCAL AGENCIES

The proposed Conflict-of-Interest Code specifically enumerates each of the positions within the agency which involve the making or participation in the making of decisions which may foreseeably have a material financial effect on any financial interest. The agency has satisfied all of the requirements of Title 2, Division 6 of the California Code of Regulations §18750.1 preliminary to approval of the proposed code.

September 25, 2008

Date



Steve Hovey, President
Riverside Schools' Insurance Authority
CEO

Insurance Program Consultant 1 – 5 inclusive

Assists the JPA in the design, implementation, evaluation, or modification of one or more of its self-insurance programs

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II. CONSULTANTS EXEMPT FROM DISCLOSURE

A consultant who does not make significant decisions on behalf of the JPA, performs its services subject to the review and approval of the JPA, or performs functions that are limited in scope, may be determined by the JPA President to be exempt from the filing obligations described in Section I above. Any such determination made by the JPA President must be in writing and state the basis for the determination which shall include a detailed description of the consultant's duties and functions. A copy of the determination shall be retained by the JPA.

III. DISCLOSURE CATEGORIES

The following is a description of the categories of financial interests that may be reported on Form 700. Individuals required to report shall report for each category specified above

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1. Investments and business positions in business entities, and source of income including loans, gifts, and travel payments, from sources of the type to contract with the agency to supply materials, commodities, supplies, books, machinery, vehicles or equipment utilized by the agency.

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2. Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from sources which are contractors, or subcontractors, engaged in the performance of work or services of the type utilized by the agency, including but not limited to, insurance companies, carriers, holding companies, underwriters, agents or accounting firms.

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3. Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from sources which have filed claims, or have claims pending against the agency.

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4. Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from banks or savings and loans.

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~~5. Investments and business positions in, and income from, entities in which the Authority is empowered to invest its funds.~~

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5. Interests in commercial real property (or interests in real property used for commercial leasing purposes).

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~~*With respect to Consultants, the Chairperson of the Board, in the absence of an Administrator, however, may determine in writing that a particular consultant, although a "designated person", is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. A copy of this determination shall be retained by Northern Orange County Self Insurance Authority. Nothing herein excuses any such consultant from any other provision of the Conflict of Interest Code.~~

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~~WRITTEN EXPLANATION OF REASONS FOR
DESIGNATIONS AND DISCLOSURE RESPONSIBILITIES
RIVERSIDE SELF INSURANCE AUTHORITY LIABILITY/PROPERTY SELF-
INSURANCE AUTHORITY~~

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DESIGNATIONS

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~~The position of Board Member, Administrator and Consultants have been designated as those positions subject to the provisions of the Conflict of Interest Code in that those positions are the only positions have any substantial responsibility relative to the Riverside Self Insurance Authority Liability/Property Self Insurance Authority (hereinafter referred to as RSIA) decision making process or policy. The term consultant includes the insurance brokers, the general counsel, and the risk manager and the claims administrator even though said positions are separately specified as well.~~

DISCLOSURE RESPONSIBILITIES

~~The categories relative to the types of interests that must be disclosed are based upon the types of financial interest relevant to the RSIA business which is confined to providing various types of insurance coverage to local public entities.~~

IV. POSITIONS NOT COVERED BY CODE

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~~The following positions are not covered by the Code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:~~

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- ~~• Members of the Board (including President, Vice President, Secretary and Treasurer)~~
- ~~• Alternate Members of the Board of Directors~~
- ~~• Consultants (Those involved directly in the investment of public funds)~~

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~~An individual holding one of the above-listed positions may contact the Fair Political Practices Commission (FPPC) for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether a position is covered by Section 87200.~~

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RIVERSIDE SCHOOLS INSURANCE AUTHORITY (RSIA)

**NOTICE OF INTENTION TO AMEND A
CONFLICT-OF-INTEREST CODE**

NOTICE IS HEREBY GIVEN that the Riverside Schools Insurance Authority (RSIA) intends to amend a conflict-of-interest code pursuant to Government Code Section 87300 and 87306. Pursuant to Government Code Section 87302, the code will designate employees who must disclose certain investments, income, interests in real property and business positions, and who must disqualify themselves from making or participating in the making of governmental decisions affecting those interests.

A written comment period has been established commencing on (first day of 45-day period) and terminating on (last day of 45-day comment period). Any interested person may present written comments concerning the proposed code no later than (last day of 45-day comment period) to the Riverside Schools Insurance Authority (RSIA), (address). No public hearing on this matter will be held unless any interested person or his or her representative requests no later than 15 days prior to the close of the written comment period, a public hearing.

The Riverside Schools Insurance Authority (RSIA) has prepared a written explanation of the reasons for the designations and the disclosure responsibilities and has available all of the information upon which its proposal is based.

The Riverside Schools Insurance Authority's conflict-of-interest code will provide for specified Consultants to the Riverside Schools Insurance Authority to disclose any and all financial interests as they may relate to the operation of the Riverside Schools Insurance Authority, pursuant to Government Code Sections 87300 and 87306. Positions that manage public investments will be deleted from the list of designated positions since they must file under Government Code Section 87200. Disclosure categories under the Code have been revised to include loans, gifts and travel payments as a source of income

Copies of the proposed code and all of the information upon which it is based may be obtained from the Riverside Schools Insurance Authority (RSIA), (address). Any inquiries concerning the proposed code should be directed to (name of agency official and telephone number, email (optional)).