

# State of California



## Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

Technical Assistance • • Administration • • Executive/Legal • • Enforcement  
(916) 322-5662 322-5660 322-5901 322-6441

September 28, 1984

Mel Price  
Deputy County Counsel  
County of Sacramento  
700 H Street  
Sacramento, CA 95814

Re: Your Request for Advice;  
Our Advice No. A-84-245

Dear Mr. Price:

This letter is to confirm telephone advice rendered to you at your request on September 11, 1984. Your request related to the valuation (and possible disclosure) of a gift being tendered to certain County employees who had been involved in obtaining underwriting for a bond issue.

The Bank of America ("BoFA") was the lender who underwrote the bond issue. To show its appreciation, BoFA wants to give a wall clock to each of the four individual County officials involved. Each clock would bear a personalized inscription to the specific official who is its recipient. It is estimated that each clock would cost BoFA several hundred dollars. The officials have sought your advice regarding the valuation of such a gift if received.

You have been informed that, in a similar circumstance in Los Angeles County, the officials were advised that because of the personalized inscription the clock has no intrinsic value and, therefore, was not reportable. You requested our interpretation.

I advised you that such a valuation would not be appropriate.<sup>1/</sup> I cited to you the Cory Opinion, 1 FPCC

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<sup>1/</sup> For instance, a new Cadillac which has a personalized, engraved name plate does not lose its "intrinsic value" and become worthless because of the name plate. In addition, some items, such as wall plaques, derive most of their value from being personalized. Again, this does not make them valueless.

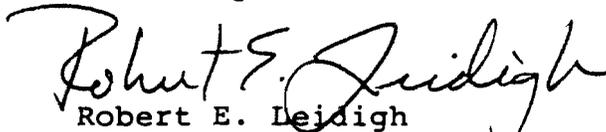
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Opinions 153 at 154, which requires a good faith estimate and suggests that the cost to the donor be utilized where such information is available. In this case, you apparently have estimates that the cost to BofA will be "several hundred dollars." Obviously, then, the value would exceed the \$50 gift reporting threshold. In addition, if the value equals \$250 or more, disqualification may be required for the following 12-month period as to decisions involving BofA.

Of course, the officials can return the gifts, donate them to charity (without claiming a tax deduction) or pay for them within 30 days of receipt and thereby eliminate any reporting or disqualification obligations.

Should you have any questions, please do not hesitate to contact me at 916/322-5901.

Sincerely,

  
Robert E. Leidigh  
Counsel, Legal Division

REL:km

cc: Mr. Ed Pozorski  
Deputy County Counsel  
Los Angeles County