



California Fair Political Practices Commission

November 16, 1987

Kitty Loberg
1900 Mt. View Lane
Redwood Valley, CA 95470

Re: Your Request for Advice
Our File No. I-87-239

Dear Ms. Loberg:

You have requested advice about application of the conflict of interest provisions of the Political Reform Act (the "Act")^{1/} to your duties as Data Processing Manager for the County of Mendocino.

Thank you for sending me a copy of the conflict of interest code that covers your position with the county. The code clarified what situations might create a conflict for you. Nevertheless, because your question is a general one and not about a specific situation, we are treating your request as one for informal assistance.^{2/}

QUESTION

Can you avoid a conflict of interest if your husband refuses to provide services to the County of Mendocino?

CONCLUSION

If your husband continues to provide bookkeeping services only for trucking and automotive businesses and he does not

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

^{2/} Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Section 83114; Regulation 18329(c)(3).)

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contract with the county, his business activities probably will not require your disqualification.

If, however, your husband begins selling computer software and hardware systems, the customers may become sources of income to you pursuant to the Act. Because they may do business with your division, you would have a potential conflict of interest.

FACTS

You are the Data Processing Manager for Mendocino County. Your job duties are to "plan and direct the operations of the Data Processing Division, to identify the county's data processing needs, and to coordinate those needs with existing data processing capabilities." You also recommend to the county General Services Director the purchase of hardware equipment. At times the county board of supervisors also has directed you to buy certain hardware.

Your husband is self-employed and provides computerized bookkeeping services mainly to trucking and automotive businesses. He also prepares tax forms and is a tax bookkeeper for individuals and small businesses. These businesses do not contract with the county and do not provide the type of products or services that your division uses.

Mr. Loberg wants to expand his business to sell personal computer systems and specialized software to trucking and automotive businesses. Mr. Loberg has not and will not solicit any business from the county.

In your letter you advised us that you have not disclosed your husband's occupation or income on previous statements of economic interest because you believe that categories 5 and 6 for your position do not demand such disclosure. Categories 5 and 6 require you to report investments or management positions in or income from business entities that perform services or provide equipment of the type used by the county or your department. You do not believe your husband's business nor his clients have any connection with the county or your department, so you have not reported the business or its sources of income.^{3/}

^{3/} The Commission does not provide advice after conduct has occurred. Consequently, we make no comment about your past disclosure filings. (Regulation 18329(b)(8)(a), copy enclosed.)

ANALYSIS

Section 87100 prohibits a public official from making, participating in making, or in any way using her official position to influence a governmental decision in which she has a financial interest. You are a public official because you are the Data Processing Manager for Mendocino County.

Disclosure of Economic Interests

Any conflict of interest you may have will be based partly on the economic interests categories 5 and 6 require you to disclose. You wrote that you have not been disclosing your husband's occupation and income because you believe neither he nor his clients contract with the county, provide services, or "manufacture, sell or lease supplies, machinery or equipment" of the type the county or your department uses.

We have not advised you about past statements of economic interest. You should understand, however, that if your husband begins selling software and hardware systems, he will be performing services or providing equipment of the type the county and your department use. Also, he may receive income from businesses that perform services and provide equipment of the same type.

Your income includes salary, wages and other payments, including gifts and a community property interest in your husband's income. (Section 82030(a).) Section 87207(a)(1) requires you to disclose income of \$250 or more and gifts worth \$50 or more from any income source that fits category 5 or 6 or both.

Because of your community property interest in your husband's income, if his business were a category 5 or 6 type entity and received \$500 or more gross income during a 12-month period, you would have to identify your husband's business as a source of income to you on Schedule D of your statement of economic interests ("SEI"). (See Hays v. Wood (1979) 25 Cal.3d 772, 779.) On Schedule H-2 of your SEI, you also must identify any person who pays the business \$20,000 or more in a calendar year. (Section 87207(b).) Of course, this assumes the income source qualifies for disclosure under categories 5 and 6.

The investment interest your husband has in his business is attributable to you. (Section 82034.) If the business' fair market value is \$1,000 or more and it qualifies for category 5 or 6 disclosure, you must report the business as an investment on Schedule A of your SEI. (Section 87206.)

Conflicts of Interest

You will have a financial interest in a decision and you will be disqualified if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from the effect on the public generally, on any of the following:

(a) Any business entity in which the public official has a direct or indirect investment worth one thousand dollars (\$1,000) or more.

(b) Any real property in which the public official has a direct or indirect interest worth one thousand dollars (\$1,000) or more.

(c) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the public official within 12 months prior to the time when the decision is made.

(d) Any business entity in which the public official is a director, officer, partner, trustee, employee, or holds any position of management.

(e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the public official within 12 months prior to the time when the decision is made.

Section 87103(a)-(e).

In addition to your investment interest in your husband's business, you also may be a director or hold a position of management in the business. But if Mr. Loberg never seeks a contract through your department, you never may find yourself in a situation requiring disqualification because of your investment interest or business position in the firm.

Nevertheless, a conflict of interest may arise because of a customer who is a source of income to you through Mr. Loberg's business. You are disqualified from making a decision that would have a reasonably foreseeable material financial effect

on any customer who is a source of income to you of \$250 or more promised or received within 12 months of the decision. (Section 87103(c).) Because only your community property interest in Mr. Loberg's income is attributable to you, the customer must pay the business \$500 or more for the income to meet the \$250 threshold. (Sections 82030(a) and 87103(c).)

Disqualification from Decisionmaking

The conflict-of-interest laws require you to examine each governmental decision before you and determine whether it could foreseeably affect your husband's business or a customer who is a source of income of \$250 or more.

Furthermore, there also must be a substantial likelihood the effect will occur. Certainty is not required. Nevertheless, if an effect were a mere possibility, it would not be reasonably foreseeable. (In re Thorner (1975) 1 FPPC Ops. 198, copy enclosed.).

A governmental decision has several forms. Regulation 18702.1(a)(1) (copy enclosed) requires you to be disqualified if a source of income "appears" before you. A business appears before you if it contracts with your division or files "an application, claim, appeal, or similar request." (Regulation 18702.1(b).)

Participation in a decision also includes an investigation that results in the preparation or presentation of a report, analysis, or opinion. (Regulation 18700(c).) You would be disqualified from investigating the purchase of computer equipment from a source of income to you, if the decision would have a material financial effect on the source of income.

For a decision affecting a source of income, that does not "appear" before you, Regulation 18702.2 (copy enclosed) gives guidelines on how to determine the existence of a material financial effect on the source of income. For instance, if the company were listed on the NASDAQ over-the-counter market, you would use subsection (d). A governmental decision that would increase or decrease such a company's gross revenues by \$150,000 or more in a fiscal year would have a material effect on the company.

Nevertheless, you would not be disqualified if the required action were "solely ministerial, secretarial, manual or clerical." (Regulation 18700(d)(1).) For instance, if the

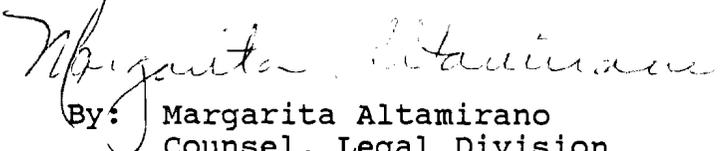
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board of supervisors ordered you to buy particular equipment and you had no discretion to recommend or investigate the purchase further, you would not be disqualified from acting because your role would be ministerial.

I hope this letter provides the advice you requested. If you have a question about a particular situation, you may ask us for more specific advice. Please call me at (916) 322-5901 if you have a question about this letter.

Sincerely,

Diane M. Griffiths
General Counsel


By: Margarita Altamirano
Counsel, Legal Division

DMG:MA:plh
Enclosures



MARSHA A. YOUNG
COUNTY CLERK-RECORDER

EX-OFFICIO CLERK
OF THE
SUPERIOR COURT
REGISTRAR OF VOTERS

LAURA L. SMITH
ASSISTANT CLERK-RECORDER

TELEPHONE: AREA (707)
463-4379 - CLERK
463-4376 - RECORDER
463-4371 - ELECTIONS

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COUNTY OF MENDOCINO

OFFICE OF THE COUNTY CLERK

P.O. BOX 148

UKIAH, CALIFORNIA 95482

January 23, 1987

RE: CONFLICT OF
INTEREST STATEMENT

Kitty Loberg
Data Processing Manager
1900 Mt. View Lane
Redwood Valley, CA 95470

FILE BY APRIL 1, 1987
TO AVOID PENALTY

Dear Ms. Loberg:

In accordance with the provisions of your agency's Conflict of Interest Code, your position has been designated as one which must execute and file a Conflict of Interest Statement. The statement required at this time will be your "Annual" Statement which should be filed during the month of MARCH, 1987 with this office. For your convenience, I have enclosed the Informational Manual, Form 730 and a copy of your disclosure category.

Your statement will cover the period of January 1, 1986 through December 31, 1986, unless you assumed your position after January 1st then it will be from the date of assuming office through December 31, 1986. Please review "EXCEPTIONS" located on page 3 of the attached Informational Manual.

To determine which schedule(s) are applicable to your disclosure category please refer to the enclosed excerpt of your agency's code.

I would also like to call your attention to the fact that any person who files an original statement or report after any deadline, shall, in addition to any other penalties or remedies established, be liable in the amount of ten dollars (\$10) per day up to a maximum of \$100.00 to the officer with whom the statement is required to be filed.

Should you have any questions or if I can be of any assistance, please feel free to contact me at 463-4372.

Sincerely,

MARSHA A. YOUNG
County Clerk/Recorder

Gene E. Santos
By: Deputy Clerk

Enclosures

Designated Position: Data Processing Manager

Disclosure Category: 5 and 6

Applicable Schedules: C, D, E, F, G, & H

CATEGORY 1: All investments and sources of income over \$250.00

CATEGORY 2: All interests in real property (except principal place of residence)

CATEGORY 3: All investments and interests in real property (except principal place of residence) and sources of income subject to the regulatory, permit or licensing authority of the department.

CATEGORY 4: Investments in business entities, management positions held and sources of income from business entities engaged in land development, construction or the acquisition or sale of real property within the County of Mendocino.

CATEGORY 5: Investments and management positions held in business entities or income derived from sources which:

(1) are contractors or subcontractors engaged in the performance of work or services of the type utilized by the County of Mendocino, or

(2) manufacture, sell or lease supplies, machinery or equipment of the type utilized by the County of Mendocino.

CATEGORY 6: Investments and management positions held in business entities or income derived from sources which:

(1) are contractors or subcontractors engaged in the performance of work or services of the type utilized by the employee's department, or

(2) manufacture, sell or lease supplies, machinery or equipment of the type utilized by the employee's department.



California Fair Political Practices Commission

1986/1987 Supplement to
Statement of Economic
Interests, Form 730 and
Form 730 Manual

1986/1987 STATEMENT OF ECONOMIC INTERESTS
ADDITIONAL DISCLOSURE INFORMATION

EXCEPTION FROM GIFT DISCLOSURE
FOR PERSONALIZED PLAQUES AND TROPHIES
(Gov. Code Section 82028; SB 2172 - Stats 1986, Ch. 654)

Schedule F - Gifts

You are not required to disclose personalized plaques and trophies with an individual value of less than \$250.

REPORTING COMMISSION INCOME
RECEIVED AS A BROKER, AGENT OR SALESPERSON
(2 Cal. Adm. Code Section 18704.3)

Schedule D - Income

If you received a total of \$250 or more in commission income, you must report the commission income on Schedule D. "Commission income" means gross payments received as a result of services rendered as a broker, agent or salesperson. Persons who must report commission income include: insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers and retail or wholesale salespersons. If you are self-employed, list your name under "Name of Source of Income." If you conduct business through a firm or other business entity, the name of the source of income should be listed as the firm or other business entity.

Schedule H-1 - Income Received by a Business Entity

On Schedule H-1 brokers, agents or salespersons are required to disclose the names of sources of commission income (other than the one listed on Schedule D) if their pro rata share of the gross commission income amounts to \$10,000 or more from a single source. No ownership interest in a business entity is necessary to require disclosure or disqualification under this provision. The "source" of commission income may be a client or customer or it may be a broker, a company or other business entity through which the goods or services were sold.

IMPORTANT: If you have received commission income of \$10,000 or more from a single source, contact the Fair Political Practices Commission at (916) 322-5662 for assistance before completing Schedule H-1.

INSTRUCTIONS FOR COMPLETING SCHEDULES H-1 AND H-2

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

During the reporting period, did you or your spouse have a 10% or greater interest in any business entity or rental property?

NO—You do not have to complete this schedule. Please check the "no reportable interests" box on the Summary Page and discard Schedule H

YES—You must provide the name of each individual or entity which:

- is located in, or doing business in, your jurisdiction; and
- was a source of income, including loans received or outstanding, to the business entity, provided that your pro rata share of such payments or receipts was \$10,000 or more and the source of income was of the type covered by your disclosure category; or
- made rent payments, provided that your pro rata share of such receipts was \$10,000 or more, and the source of income was of the type covered by your disclosure category.

This reporting requirement is determined by the jurisdiction of the source of loan or income — not by the jurisdiction of the business entity which received the loan or income, or by the location of the rental property.

IF THE BUSINESS ENTITY IN WHICH YOU HAVE A 10% OR GREATER INTEREST IS LOCATED IN OR DOING BUSINESS WITHIN YOUR JURISDICTION, AND WAS OF THE TYPE COVERED BY YOUR DISCLOSURE CATEGORY, IT MUST ALSO BE REPORTED ON SCHEDULE A AND POSSIBLY SCHEDULE C. IF THE RENTAL PROPERTY IS LOCATED WITHIN YOUR JURISDICTION, IT MUST BE REPORTED ON SCHEDULE B.

How To Fill Out Schedule H-1 — Income And Loans To Business Entities

- **Name of Business Entity** — Provide the complete name of the business entity which received the income or loan.
- **Address of the Business Entity** — Provide the complete address of the business entity which received the income or loan.
- **Activity of Business Entity** — Provide a description of the activity in which the business entity was engaged. For example, clothing manufacturer, oil distributor, retail furniture sales.
- **Names of Sources of Income and Loans** — Provide the complete name of the lender or source of income.

NOTE: FPPC Regulation 2 Cal. Adm. Code Section 18740 contains information regarding exemption of clients' names from disclosure pursuant to a legally recognized privilege under California law. You may obtain a copy of Regulation Section 18740 by contacting the Fair Political Practices Commission.

How To Fill Out Schedule H-2 — Income From Rental Property

- **Address of Rental Property** — Provide the complete address of the rental property for which the income was received.
- **Name of Renters** — Provide the complete name of the person or persons who are renting or leasing the property.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE H.

For further information and examples of Schedule H-1 and H-2, please see pages 18 and 19 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE G

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

If you are required to disclose business positions under your agency's conflict of interest code, you must report the name of the business entity for which you were a director, officer, partner, trustee, or employee or held any position of management.

How To Fill Out Schedule G

- **Name of Entity** — Provide the complete name of the business entity for which you held a business position.
- **Address of Entity** — Provide the complete address including number, street and city.
- **Description of Business Activity** — Provide a description of the activity in which the business entity was engaged.
- **Your Job Title or Position** — Provide your job title or position held.
- **Position Commenced On** — Provide the date when you commenced your position with this business entity, if not held during the entire period.
- **Position Terminated On** — Provide the date you terminated if your position with this business entity was not held through the entire period.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE G.

For further information and examples of Schedule G, please see pages 17 and 18 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE F

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must disclose gifts aggregating \$50 or more received during the reporting period from any source of income covered by your disclosure category.

You are not required to report:

- Gifts of food, drink or occasional lodging provided in an individual's home
- Gifts of approximate equal value exchanged between you and any individual, other than a lobbyist, on holidays, birthdays, or similar occasions
- Gifts of informational materials, for example, books, pamphlets, reports, calendars or periodicals
- Gifts from family members
- Gifts which were not used and which were returned within thirty days to the donor or delivered to a charitable organization without being claimed for income tax purposes
- Any bequest or inheritance

REPORTING HONORARIA

"Honorarium" means a payment for speaking at any event, participating in a panel or seminar, or performing a similar service. You must report all honoraria of \$50 or more received from any source during the reporting period.

Reportable honoraria include:

- Payments of \$50 or more
- Any extra benefits provided which were not provided directly in connection with the event
- Reimbursement or payment for travel outside California

You are not required to report the following benefits provided directly in connection with the event in which you participated:

- Free admission
- Food and beverage at the event
- Similar nominal benefits
- Reimbursement or payment for travel within California

NOTE: See page 13 of the Form 730 Manual for detailed information about reporting payments for travel.

An employee of a State agency who wishes to accept an honorarium from a lobbyist who is registered to influence his or her agency should consult FPPC Regulation 18623.

How To Fill Out Schedule F

- **Name of Donor** — Provide the complete name of the source. If you received a gift through an intermediary, you must disclose the name, address and business activity of both the donor and the intermediary.
- **Address of Donor** — Provide the complete address.
- **Business Activity of Donor** — Provide the type of business activity in which the donor was engaged.
- **Date of Gift** — Provide the date upon which the gift was received.
- **Value of Gift** — Provide the exact value (if known) or approximate value of the gift received.
- **Description of Gift** — Provide an accurate description of the gift received.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE F.

For further information and examples of Schedule F, please see pages 15 and 16 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE E

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must report loans, including real estate loans and margin accounts, to you or your spouse aggregating \$250 or more which were received or were outstanding during the reporting period from any source of income covered by your disclosure category located in, or doing business in, your agency's jurisdiction.

You are not required to report:

- Any loan from a commercial lending institution in the normal course of business used to purchase, refinance the purchase of, or for improvements to, your principal place of residence
- Any loans from a commercial lending institution in the normal course of business which did not exceed \$10,000 at any time during the reporting period
- Any indebtedness of less than \$10,000 created as part of a retail installment or credit transaction
- Any loan from a 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, unless the lender was acting as an intermediary or agent for any person not covered by this provision

How To Fill Out Schedule E

For Each Loan You Must Report:

- **Name of Lender** — Provide the complete name of the lender.
- **Address of Lender** — Provide the complete address, including city.
- **Business Activity of Lender** — For example, bank, savings and loan, lawyer, real estate developer.
- **Security for Loan** — If security was offered in exchange for the loan (property, stocks, etc.), list the specific address of the property or describe the security. In addition, provide the full name of any co-signer or guarantor (other than the filer or a member of his or her immediate family). If no security, co-signer or guarantor, check the box to indicate none.
- **Entire Loan Repaid** — If the loan was repaid during the reporting period, provide its highest balance during the period and check the "entire loan repaid" box.
- **Amount of Highest Balance** — Check the appropriate box which indicates the highest amount outstanding on the loan at any time during the reporting period.
- **Interest Rate** — Indicate the interest rate that you are paying on the loan or check the box indicating none.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE E.

For further information and examples of Schedule E, please see pages 15 and 16 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE D

General Information

IMPORTANT: Reportable income under the Political Reform Act is different from income for tax purposes. BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must report your gross income, including your community property interest in your spouse's gross income, from sources described in your disclosure category. Gross income is the total amount before deducting expenses or losses. Income includes all payments aggregating \$250 or more received during the reporting period from any source located in, or doing business in, your agency's jurisdiction.

Reportable income includes:

- Salary/wages (see exclusions below)
- Payments you received from a business entity (including rental property) or a trust in which you or your spouse did not have a 10% or greater interest. If you or your spouse did have a 10% or greater interest in a business entity (including rental property) or a trust, you must report your pro rata share of the total gross payments received by the business entity or trust
- Your community property interest in your spouse's income
- Proceeds from any sale, including the sale of a house or car
- Forgiveness or payment of indebtedness received by you
- Per diem (see exclusions below)
- Reimbursement for expenses (see exclusions below). See page 13 for a detailed explanation of reporting travel payments
- Interest (see exclusions below)
- Honorarium payments (see page 13 of the Form 730 Manual and Schedule F—Gifts, for a detailed explanation of honoraria and benefits in connection with honoraria)

You are *not* required to report:

- Salary or reimbursements for expenses and per diem received from a federal, state or local government agency
- Reimbursement for travel expenses and per diem received from a bona fide educational, academic or charitable organization
- Campaign contributions
- Devise or inheritance
- Dividends, interest or other return on a security which is registered with the SEC
- Payments received under an insurance policy
- Interest, dividends or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a government bond
- Income of dependent children
- Redemption of mutual funds
- Alimony or child support payments
- Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a)

How To Fill Out Schedule D

- **Name of Source of Income** — Provide the complete name of the individual, business, etc.
- **Address of Source of Income** — Provide the complete address including number, street and city.
- **Business Activity of Source of Income** — For example, law firm, insurance brokerage, real estate company.
- **Description of the Consideration for Which Income Was Received** — For example, payment for consulting services, sale of auto, salary.
- **Amount** — Check the box which corresponds to the gross income received.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE D.

For further information and examples of Schedule D, please see pages 13 and 14 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULES C-1 AND C-2

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

During the reporting period, did you or your immediate family have a 10% or greater interest in any business entity or trust?

- NO — You do not have to complete this schedule. Please check the "no reportable interests" box on the Summary Page and discard Schedule C
- YES — Continue reading below

If yes, did the business entity or trust hold interests in real property or investments of the type covered by your disclosure category located in or doing business in your jurisdiction? (See Schedule A instruction page for an explanation of "jurisdiction")

- NO — You do not have to complete this schedule. Please check the "no reportable interests" box on the Summary Page and discard Schedule C
- YES — You must report such interests in real property or investments owned by the business entity or trust on Schedule C if:
 - Your pro rata share in any interest in real property was \$1,000 or more (report on Schedule C-1)
 - Your pro rata share in any investment was \$1,000 or more (report on Schedule C-2)

IN ADDITION, YOU MAY HAVE TO REPORT THE BUSINESS ENTITY HOLDING SUCH INVESTMENTS OR INTERESTS IN REAL PROPERTY AS AN INVESTMENT ON SCHEDULE A.

How To Fill Out Schedule C-1 — Interests in Real Property

- **Name of Business Entity or Trust Holding Interests in Real Property** — Provide the complete name.
- **Street Address** — Provide the complete address including number, street and city. If there is no number or street address, provide the parcel number or subdivision and lot number and the city.
- **Nature of Interest** — For example, equity, option, sole or part owner, deed of trust.
- **Acquired or Disposed** — If the property was acquired or disposed of during the reporting period, the property must be reported, the appropriate box must be checked and the date provided.

How To Fill Out Schedule C-2 — Investments

- **Name of Business Entity or Trust Holding Investments** — Provide the complete name of the business entity which holds the investment.
- **Name of Business Entity** — Provide the complete name of the business entity in which the holding business entity had an investment.
- **General Description of Business Activity** — For example, clothing manufacturer, oil distributor, retail furniture sales.
- **Acquired or Disposed** — If the investment was acquired or disposed of during the reporting period, the investment must be reported, the appropriate box must be checked and the date provided.
- **Value** — Check the box which corresponds to the value of your investment.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE C.

For further information and examples of Schedules C-1 and C-2, please see pages 11 and 12 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE B

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must report interests in real property described in your disclosure category, located in your agency's jurisdiction, in which you or your immediate family had an aggregate interest of \$1,000 or more during the reporting period.

An interest in real property is in the jurisdiction of a local agency if:

- It is located in or within two miles of the jurisdiction of the agency
- It is located in or within two miles of any land owned or used by the agency

An interest in real property is in the jurisdiction of a state agency if:

- It is located anywhere within the State of California.

The most common types of interests in real property are:

- Ownership interests
- Deeds of trust
- Options to acquire real property interests
- Leasehold interests (see page 9 of the Form 730 Manual for a detailed explanation of leasehold interest)
- Easements

You are *not* required to report:

- Your principal place of residence unless it is also a place of business, for example, family farm or retail business, in which case you are only required to disclose that portion of the property which is used in connection with your business activities.
- Any other residence which you utilize exclusively as your personal residence

How To Fill Out Schedule B

- **Street Address** — Provide the complete address including number, street, and city. If there is no number or street address, provide the parcel number or subdivision and lot number and the city.
- **Nature of Interest** — For example, equity, option, sole or part owner, deed of trust.
- **Acquired or Disposed** — If the property was acquired or disposed of during the reporting period, the property must be reported, the appropriate box must be checked and the date provided.
- **Value** — Check the box which corresponds to the value of your interest. (See page 10 of the Form 730 Manual to determine the value of your interest.)
- **Rental Property Ownership Interest** — Check the box which corresponds to your ownership interest. If you check 10% or greater you may have additional reporting requirements on Schedules D and H.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE B.

For further information and examples of Schedule B, please see pages 9, 10 and 11 of the Form 730 Manual.

OFFICE MEMO
STD. 100 REV. 11-75

DATE
10/8/87

TO:
Kitty Loberg

ROOM NUMBER

FROM:
(707) 463-4393

9:56
19 min.
PHONE NUMBER

SUBJECT:

Asked re: nondisclosure of
husband's income -
will send me ce of code
b/c I'm worried that might
have conflict from source of
income to husband.

September 16, 1987

SEP 16 1987

Mr. Robert E. Leidigh
Legal Counsel/Legal Division
Calif. Fair Political Practices Commission
428 J Street, Suite 800
P.O. Box 807
Sacramento, Calif. 95804-0807

Dear Mr. Leidigh,

I am requesting technical advice regarding how to avoid a conflict of interest. Please consider the following information.

Since January of 1984 I have been the Data Processing Manager for the County of Mendocino, Data Processing Division, which is a division under the County Administrative Office. My responsibilities are "to plan and direct the operations of the Data Processing Division, to identify the County's data processing needs, and to coordinate those needs with existing data processing capabilities". One of my duties is "recommends purchase of major hardware equipment". I do not have direct purchasing authority of either computer equipment or services. The County General Services Director has purchasing authority for the entire County. It is also my understanding that the Mendocino County Board of Supervisors may direct purchases (through approved contracts), and they have provided, at times, such direction to me.

I am required to file annual conflict of interest disclosure reports, which I have done. I understand that in those disclosure reports I am required to report any financial interests or income of either myself or my spouse relating to services or products of the type used by the County of Mendocino.

My spouse has a background, including a degree, in the data processing field also. My spouse is self-employed; he provides computerized bookkeeping services, primarily for the trucking and automotive lines of industry. He also is a certified personal tax preparer, and provides personal tax bookkeeping for individuals and/or small businesses. My husband's business is small, he has no employees. As I believe the County is not in the trucking industry, nor does it prepare personal income taxes, I believe my spouse's occupation does not require disclosure reporting.

9/16/87

Mr. Robert E. Leidigh

Page 2

My husband is selective with the type of clients he serves. He wants to expand his consultation and service, within the trucking and automotive lines of business, and plans on selling personal computer systems with specialized software in those lines of business.

My husband does not seek work, contracts, or business from the County of Mendocino. He has stated that he will not do business with the County of Mendocino. (He basically has nothing to sell them anyway.) I have previously informed our County Administrator that I have not sought any business with my husband, nor has he solicited any business from the County.

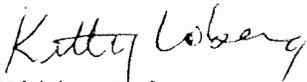
Some people who like to spread rumors, would like to say that "because my husband would be selling personal computers", I would have a conflict of interest. We have reason to believe, as ridiculous as it may sound, that the Grand Jury has done some investigation into my husband and I, and so far we can only conclude that it has to do with this issue! My husband talked to Lily Spitz in your office, and we understand her to say, that there is no conflict, if my husband has stated he will not do business with the County.

I would like a written response to the following questions.

1. If my husband states he will not do business with the County of Mendocino, does this relieve me of a possible conflict of interest?
2. If the above answer is yes - what form (verbal or written) must the refusal be and to who must be notified?

Your timely response is appreciated. Thank you for the information you and your office has provided me in the past.

Sincerely,



Kitty Loberg
1900 Mt. View Lane
Redwood Valley, Calif. 95470

MARSHA A. YOUNG
COUNTY CLERK-RECORDER

EX-OFFICIO CLERK
OF THE
SUPERIOR COURT
REGISTRAR OF VOTERS



87-039
LAURA L. SMITH
ASSISTANT CLERK-RECORDER

TELEPHONE: AREA (707)
463-4379 - CLERK
463-4376 - RECORDER
463-4371 - ELECTIONS

OCT 13 10 26 AM '87

COUNTY OF MENDOCINO

OFFICE OF THE COUNTY CLERK

P.O. BOX 148

UKIAH, CALIFORNIA 95482

January 23, 1987

RE: CONFLICT OF
INTEREST STATEMENT

Kitty Loberg
Data Processing Manager
1900 Mt. View Lane
Redwood Valley, CA 95470

FILE BY APRIL 1, 1987
TO AVOID PENALTY

Dear Ms. Loberg:

In accordance with the provisions of your agency's Conflict of Interest Code, your position has been designated as one which must execute and file a Conflict of Interest Statement. The statement required at this time will be your "Annual" Statement which should be filed during the month of MARCH, 1987 with this office. For your convenience, I have enclosed the Informational Manual, Form 730 and a copy of your disclosure category.

Your statement will cover the period of January 1, 1986 through December 31, 1986, unless you assumed your position after January 1st then it will be from the date of assuming office through December 31, 1986. Please review "EXCEPTIONS" located on page 3 of the attached Informational Manual.

To determine which schedule(s) are applicable to your disclosure category please refer to the enclosed excerpt of your agency's code.

I would also like to call your attention to the fact that any person who files an original statement or report after any deadline, shall, in addition to any other penalties or remedies established, be liable in the amount of ten dollars (\$10) per day up to a maximum of \$100.00 to the officer with whom the statement is required to be filed.

Should you have any questions or if I can be of any assistance, please feel free to contact me at 463-4372.

Sincerely,

MARSHA A. YOUNG
County Clerk/Recorder

Karen E. Santos

By: Deputy Clerk

Enclosures

Designated Position: **Data Processing Manager**

Disclosure Category: **5 and 6**

Applicable Schedules: **C, D, E, F, G, & H**

CATEGORY 1: All investments and sources of income over \$250.00

CATEGORY 2: All interests in real property (except principal place of residence)

CATEGORY 3: All investments and interests in real property (except principal place of residence) and sources of income subject to the regulatory, permit or licensing authority of the department.

CATEGORY 4: Investments in business entities, management positions held and sources of income from business entities engaged in land development, construction or the acquisition or sale of real property within the County of Mendocino.

CATEGORY 5: Investments and management positions held in business entities or income derived from sources which:

(1) are contractors or subcontractors engaged in the performance of work or services of the type utilized by the County of Mendocino, or

(2) manufacture, sell or lease supplies, machinery or equipment of the type utilized by the County of Mendocino.

CATEGORY 6: Investments and management positions held in business entities or income derived from sources which:

(1) are contractors or subcontractors engaged in the performance of work or services of the type utilized by the employee's department, or

(2) manufacture, sell or lease supplies, machinery or equipment of the type utilized by the employee's department.



California Fair Political Practices Commission

1986/1987 Supplement to
Statement of Economic
Interests, Form 730 and
Form 730 Manual

1986/1987 STATEMENT OF ECONOMIC INTERESTS
ADDITIONAL DISCLOSURE INFORMATION

EXCEPTION FROM GIFT DISCLOSURE
FOR PERSONALIZED PLAQUES AND TROPHIES
(Gov. Code Section 82028; SB 2172 - Stats 1986, Ch. 654)

Schedule F - Gifts

You are not required to disclose personalized plaques and trophies with an individual value of less than \$250.

REPORTING COMMISSION INCOME
RECEIVED AS A BROKER, AGENT OR SALESPERSON
(2 Cal. Adm. Code Section 18704.3)

Schedule D - Income

If you received a total of \$250 or more in commission income, you must report the commission income on Schedule D. "Commission income" means gross payments received as a result of services rendered as a broker, agent or salesperson. Persons who must report commission income include: insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers and retail or wholesale salespersons. If you are self-employed, list your name under "Name of Source of Income." If you conduct business through a firm or other business entity, the name of the source of income should be listed as the firm or other business entity.

Schedule H-1 - Income Received by a Business Entity

On Schedule H-1 brokers, agents or salespersons are required to disclose the names of sources of commission income (other than the one listed on Schedule D) if their pro rata share of the gross commission income amounts to \$10,000 or more from a single source. No ownership interest in a business entity is necessary to require disclosure or disqualification under this provision. The "source" of commission income may be a client or customer or it may be a broker, a company or other business entity through which the goods or services were sold.

IMPORTANT: If you have received commission income of \$10,000 or more from a single source, contact the Fair Political Practices Commission at (916) 322-5662 for assistance before completing Schedule H-1.

INSTRUCTIONS FOR COMPLETING SCHEDULES H-1 AND H-2

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

During the reporting period, did you or your spouse have a 10% or greater interest in any business entity or rental property?

NO—You do not have to complete this schedule. Please check the "no reportable interests" box on the Summary Page and discard Schedule H

YES—You must provide the name of each individual or entity which:

- is located in, or doing business in, your jurisdiction; and
- was a source of income, including loans received or outstanding, to the business entity, provided that your pro rata share of such payments or receipts was \$10,000 or more and the source of income was of the type covered by your disclosure category; or
- made rent payments, provided that your pro rata share of such receipts was \$10,000 or more, and the source of income was of the type covered by your disclosure category.

This reporting requirement is determined by the jurisdiction of the source of loan or income — not by the jurisdiction of the business entity which received the loan or income, or by the location of the rental property.

IF THE BUSINESS ENTITY IN WHICH YOU HAVE A 10% OR GREATER INTEREST IS LOCATED IN OR DOING BUSINESS WITHIN YOUR JURISDICTION, AND WAS OF THE TYPE COVERED BY YOUR DISCLOSURE CATEGORY, IT MUST ALSO BE REPORTED ON SCHEDULE A AND POSSIBLY SCHEDULE C. IF THE RENTAL PROPERTY IS LOCATED WITHIN YOUR JURISDICTION, IT MUST BE REPORTED ON SCHEDULE B.

How To Fill Out Schedule H-1 — Income And Loans To Business Entities

- **Name of Business Entity** — Provide the complete name of the business entity which received the income or loan.
- **Address of the Business Entity** — Provide the complete address of the business entity which received the income or loan.
- **Activity of Business Entity** — Provide a description of the activity in which the business entity was engaged. For example, clothing manufacturer, oil distributor, retail furniture sales.
- **Names of Sources of Income and Loans** — Provide the complete name of the lender or source of income.

NOTE: FPPC Regulation 2 Cal. Adm. Code Section 18740 contains information regarding exemption of clients' names from disclosure pursuant to a legally recognized privilege under California law. You may obtain a copy of Regulation Section 18740 by contacting the Fair Political Practices Commission.

How To Fill Out Schedule H-2 — Income From Rental Property

- **Address of Rental Property** — Provide the complete address of the rental property for which the income was received.
- **Name of Renters** — Provide the complete name of the person or persons who are renting or leasing the property.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE H.

For further information and examples of Schedule H-1 and H-2, please see pages 18 and 19 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE G

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

If you are required to disclose business positions under your agency's conflict of interest code, you must report the name of the business entity for which you were a director, officer, partner, trustee, or employee or held any position of management.

How To Fill Out Schedule G

- **Name of Entity** — Provide the complete name of the business entity for which you held a business position.
- **Address of Entity** — Provide the complete address including number, street and city.
- **Description of Business Activity** — Provide a description of the activity in which the business entity was engaged.
- **Your Job Title or Position** — Provide your job title or position held.
- **Position Commenced On** — Provide the date when you commenced your position with this business entity, if not held during the entire period.
- **Position Terminated On** — Provide the date you terminated if your position with this business entity was not held through the entire period.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE G.

For further information and examples of Schedule G, please see pages 17 and 18 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE F

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must disclose gifts aggregating \$50 or more received during the reporting period from any source of income covered by your disclosure category.

You are not required to report:

- Gifts of food, drink or occasional lodging provided in an individual's home
- Gifts of approximate equal value exchanged between you and any individual, other than a lobbyist, on holidays, birthdays, or similar occasions
- Gifts of informational materials, for example, books, pamphlets, reports, calendars or periodicals
- Gifts from family members
- Gifts which were not used and which were returned within thirty days to the donor or delivered to a charitable organization without being claimed for income tax purposes
- Any bequest or inheritance

REPORTING HONORARIA

"Honorarium" means a payment for speaking at any event, participating in a panel or seminar, or performing a similar service. You must report all honoraria of \$50 or more received from any source during the reporting period.

Reportable honoraria include:

- Payments of \$50 or more
- Any extra benefits provided which were not provided directly in connection with the event
- Reimbursement or payment for travel outside California

You are not required to report the following benefits provided directly in connection with the event in which you participated:

- Free admission
- Food and beverage at the event
- Similar nominal benefits
- Reimbursement or payment for travel within California

NOTE: See page 13 of the Form 730 Manual for detailed information about reporting payments for travel.

An employee of a State agency who wishes to accept an honorarium from a lobbyist who is registered to influence his or her agency should consult FPPC Regulation 18623.

How To Fill Out Schedule F

- **Name of Donor** — Provide the complete name of the source. If you received a gift through an intermediary, you must disclose the name, address and business activity of both the donor and the intermediary.
- **Address of Donor** — Provide the complete address.
- **Business Activity of Donor** — Provide the type of business activity in which the donor was engaged.
- **Date of Gift** — Provide the date upon which the gift was received.
- **Value of Gift** — Provide the exact value (if known) or approximate value of the gift received.
- **Description of Gift** — Provide an accurate description of the gift received.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE F.

For further information and examples of Schedule F, please see pages 15 and 16 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE E

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must report loans, including real estate loans and margin accounts, to you or your spouse aggregating \$250 or more which were received or were outstanding during the reporting period from any source of income covered by your disclosure category located in, or doing business in, your agency's jurisdiction.

You are not required to report:

- Any loan from a commercial lending institution in the normal course of business used to purchase, refinance the purchase of, or for improvements to, your principal place of residence
- Any loans from a commercial lending institution in the normal course of business which did not exceed \$10,000 at any time during the reporting period
- Any indebtedness of less than \$10,000 created as part of a retail installment or credit transaction
- Any loan from a 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, unless the lender was acting as an intermediary or agent for any person not covered by this provision

How To Fill Out Schedule E

For Each Loan You Must Report:

- **Name of Lender** — Provide the complete name of the lender.
- **Address of Lender** — Provide the complete address, including city.
- **Business Activity of Lender** — For example, bank, savings and loan, lawyer, real estate developer.
- **Security for Loan** — If security was offered in exchange for the loan (property, stocks, etc.), list the specific address of the property or describe the security. In addition, provide the full name of any co-signer or guarantor (other than the filer or a member of his or her immediate family). If no security, co-signer or guarantor, check the box to indicate none.
- **Entire Loan Repaid** — If the loan was repaid during the reporting period, provide its highest balance during the period and check the "entire loan repaid" box.
- **Amount of Highest Balance** — Check the appropriate box which indicates the highest amount outstanding on the loan at any time during the reporting period.
- **Interest Rate** — Indicate the interest rate that you are paying on the loan or check the box indicating none.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE E.

For further information and examples of Schedule E, please see pages 15 and 16 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE D

General Information

IMPORTANT: Reportable income under the Political Reform Act is different from income for tax purposes. BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must report your **gross** income, including your community property interest in your spouse's gross income, from sources described in your disclosure category. Gross income is the total amount before deducting expenses or losses. Income includes all payments aggregating \$250 or more received during the reporting period from any source located in, or doing business in, your agency's jurisdiction.

Reportable income includes:

- Salary/wages (see exclusions below)
- Payments you received from a business entity (including rental property) or a trust in which you or your spouse did not have a 10% or greater interest. If you or your spouse did have a 10% or greater interest in a business entity (including rental property) or a trust, you must report your pro rata share of the total gross payments received by the business entity or trust
- Your community property interest in your spouse's income
- Proceeds from any sale, including the sale of a house or car
- Forgiveness or payment of indebtedness received by you
- Per diem (see exclusions below)
- Reimbursement for expenses (see exclusions below). See page 13 for a detailed explanation of reporting travel payments
- Interest (see exclusions below)
- Honorarium payments (see page 13 of the Form 730 Manual and Schedule F—Gifts, for a detailed explanation of honoraria and benefits in connection with honoraria)

You are **not** required to report:

- Salary or reimbursements for expenses and per diem received from a federal, state or local government agency
- Reimbursement for travel expenses and per diem received from a bona fide educational, academic or charitable organization
- Campaign contributions
- Devise or inheritance
- Dividends, interest or other return on a security which is registered with the SEC
- Payments received under an insurance policy
- Interest, dividends or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a government bond
- Income of dependent children
- Redemption of mutual funds
- Alimony or child support payments
- Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a)

How To Fill Out Schedule D

- **Name of Source of Income** — Provide the complete name of the individual, business, etc.
- **Address of Source of Income** — Provide the complete address including number, street and city.
- **Business Activity of Source of Income** — For example, law firm, insurance brokerage, real estate company.
- **Description of the Consideration for Which Income Was Received** — For example, payment for consulting services, sale of auto, salary.
- **Amount** — Check the box which corresponds to the gross income received.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE D.

For further information and examples of Schedule D, please see pages 13 and 14 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULES C-1 AND C-2

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

During the reporting period, did you or your immediate family have a 10% or greater interest in any business entity or trust?

- NO — You do not have to complete this schedule. Please check the "no reportable interests" box on the Summary Page and discard Schedule C
- YES — Continue reading below

If yes, did the business entity or trust hold interests in real property or investments of the type covered by your disclosure category located in or doing business in your jurisdiction? (See Schedule A instruction page for an explanation of "jurisdiction")

- NO — You do not have to complete this schedule. Please check the "no reportable interests" box on the Summary Page and discard Schedule C
- YES — You must report such interests in real property or investments owned by the business entity or trust on Schedule C if:
 - Your pro rata share in any interest in real property was \$1,000 or more (report on Schedule C-1)
 - Your pro rata share in any investment was \$1,000 or more (report on Schedule C-2)

IN ADDITION, YOU MAY HAVE TO REPORT THE BUSINESS ENTITY HOLDING SUCH INVESTMENTS OR INTERESTS IN REAL PROPERTY AS AN INVESTMENT ON SCHEDULE A.

How To Fill Out Schedule C-1 — Interests in Real Property

- **Name of Business Entity or Trust Holding Interests in Real Property** — Provide the complete name.
- **Street Address** — Provide the complete address including number, street and city. If there is no number or street address, provide the parcel number or subdivision and lot number and the city.
- **Nature of Interest** — For example, equity, option, sole or part owner, deed of trust.
- **Acquired or Disposed** — If the property was acquired or disposed of during the reporting period, the property must be reported, the appropriate box must be checked and the date provided.

How To Fill Out Schedule C-2 — Investments

- **Name of Business Entity or Trust Holding Investments** — Provide the complete name of the business entity which holds the investment.
- **Name of Business Entity** — Provide the complete name of the business entity in which the holding business entity had an investment.
- **General Description of Business Activity** — For example, clothing manufacturer, oil distributor, retail furniture sales.
- **Acquired or Disposed** — If the investment was acquired or disposed of during the reporting period, the investment must be reported, the appropriate box must be checked and the date provided.
- **Value** — Check the box which corresponds to the value of your investment.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE C.

For further information and examples of Schedules C-1 and C-2, please see pages 11 and 12 of the Form 730 Manual.

INSTRUCTIONS FOR COMPLETING SCHEDULE B

General Information

BEFORE COMPLETING THIS SCHEDULE, REFER TO YOUR DISCLOSURE CATEGORY TO DETERMINE WHAT TYPE OF DISCLOSURE APPLIES TO YOU.

You must report interests in real property described in your disclosure category, located in your agency's jurisdiction, in which you or your immediate family had an aggregate interest of \$1,000 or more during the reporting period.

An interest in real property is in the jurisdiction of a local agency if:

- It is located in or within two miles of the jurisdiction of the agency
- It is located in or within two miles of any land owned or used by the agency

An interest in real property is in the jurisdiction of a state agency if:

- It is located anywhere within the State of California.

The most common types of interests in real property are:

- Ownership interests
- Deeds of trust
- Options to acquire real property interests
- Leasehold interests (see page 9 of the Form 730 Manual for a detailed explanation of leasehold interest)
- Easements

You are *not* required to report:

- Your principal place of residence unless it is also a place of business, for example, family farm or retail business, in which case you are only required to disclose that portion of the property which is used in connection with your business activities.
- Any other residence which you utilize exclusively as your personal residence

How To Fill Out Schedule B

- **Street Address** — Provide the complete address including number, street, and city. If there is no number or street address, provide the parcel number or subdivision and lot number and the city.
- **Nature of Interest** — For example, equity, option, sole or part owner, deed of trust.
- **Acquired or Disposed** — If the property was acquired or disposed of **during the reporting period**, the property must be reported, the appropriate box must be checked and the date provided.
- **Value** — Check the box which corresponds to the value of your interest. (See page 10 of the Form 730 Manual to determine the value of your interest.)
- **Rental Property Ownership Interest** — Check the box which corresponds to your ownership interest. If you check 10% or greater you may have additional reporting requirements on Schedules D and H.

PLEASE TURN TO THE SUMMARY PAGE (PAGE 2) AND CHECK THE BOX WHICH INDICATES WHETHER OR NOT YOU HAD ANY REPORTABLE INTERESTS ON SCHEDULE B.

For further information and examples of Schedule B, please see pages 9, 10 and 11 of the Form 730 Manual.

September 16, 1987

202, 0 22 11 31

Mr. Robert E. Leidigh
Legal Counsel/Legal Division
Calif. Fair Political Practices Commission
428 J Street, Suite 800
P.O. Box 807
Sacramento, Calif. 95804-0807

Dear Mr. Leidigh,

I am requesting technical advice regarding how to avoid a conflict of interest. Please consider the following information.

Since January of 1984 I have been the Data Processing Manager for the County of Mendocino, Data Processing Division, which is a division under the County Administrative Office. My responsibilities are "to plan and direct the operations of the Data Processing Division, to identify the County's data processing needs, and to coordinate those needs with existing data processing capabilities". One of my duties is "recommends purchase of major hardware equipment". I do not have direct purchasing authority of either computer equipment or services. The County General Services Director has purchasing authority for the entire County. It is also my understanding that the Mendocino County Board of Supervisors may direct purchases (through approved contracts), and they have provided, at times, such direction to me.

I am required to file annual conflict of interest disclosure reports, which I have done. I understand that in those disclosure reports I am required to report any financial interests or income of either myself or my spouse relating to services or products of the type used by the County of Mendocino.

My spouse has a background, including a degree, in the data processing field also. My spouse is self-employed; he provides computerized bookkeeping services, primarily for the trucking and automotive lines of industry. He also is a certified personal tax preparer, and provides personal tax bookkeeping for individuals and/or small businesses. My husband's business is small, he has no employees. As I believe the County is not in the trucking industry, nor does it prepare personal income taxes, I believe my spouse's occupation does not require disclosure reporting.

9/16/87

Mr. Robert E. Leidigh

Page 2

My husband is selective with the type of clients he serves. He wants to expand his consultation and service, within the trucking and automotive lines of business, and plans on selling personal computer systems with specialized software in those lines of business.

My husband does not seek work, contracts, or business from the County of Mendocino. He has stated that he will not do business with the County of Mendocino. (He basically has nothing to sell them anyway.) I have previously informed our County Administrator that I have not sought any business with my husband, nor has he solicited any business from the County.

Some people who like to spread rumors, would like to say that "because my husband would be selling personal computers", I would have a conflict of interest. We have reason to believe, as ridiculous as it may sound, that the Grand Jury has done some investigation into my husband and I, and so far we can only conclude that it has to do with this issue! My husband talked to Lily Spitz in your office, and we understand her to say, that there is no conflict, if my husband has stated he will not do business with the County.

I would like a written response to the following questions.

1. If my husband states he will not do business with the County of Mendocino, does this relieve me of a possible conflict of interest?
2. If the above answer is yes - what form (verbal or written) must the refusal be and to who must be notified?

Your timely response is appreciated. Thank you for the information you and your office has provided me in the past.

Sincerely,



Kitty Loberg
1900 Mt. View Lane
Redwood Valley, Calif. 95470



California Fair Political Practices Commission

September 21, 1987

Kitty Loberg
1900 Mt. View Lane
Redwood Valley, CA 95470

Re: 87-239

Dear Ms. Loberg:

Your letter requesting advice under the Political Reform Act was received on September 21, 1987 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Robert Leidigh, an attorney in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Adm. Code Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

A handwritten signature in cursive script that reads "Diane M. Griffiths".

Diane M. Griffiths
General Counsel

DMG:plh