



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3000 • Sacramento, CA 95811

January 27, 2023

Gary Winuk
Kaufman Legal Group
o/b/o Dr. Jonathan Reichental
Via Email: gwinuk@kaufmanlegalgroup.com

Warning Letter Re: FPPC No. 2018-01561, Dr. Jonathan Reichental

Dear Gary Winuk:

The Enforcement Division of the Fair Political Practices Commission (“Commission”) enforces the provisions of the Political Reform Act (the “Act”).¹ This letter is in response to a sworn complaint that alleged your client, Dr. Jonathan Reichental, as a Director, Information Technology/Chief Information Officer with the City of Palo Alto, violated the Act’s Statement of Economic Interests (“SEI”) disclosure provisions by failing to timely disclose certain interests on their SEI. Additionally, the complaint alleged that your client accepted gifts over-the-limit and participated in decisions causing a conflict of interest.

The Enforcement Division has completed its investigation and review of the case and determined your client failed to timely disclose certain investments on the 2017 Annual SEI.² Additionally, the investigation determined that your client did not receive gifts over-the-limit and did not participate in a decision in which your client had a financial interest; therefore, these allegations have been disproven.

The Act requires designated employees to periodically file SEIs disclosing specific economic interests as required in the agency’s Conflict of Interest Code.³ The applicable City of Palo Alto Conflict of Interest Code identified Information Technology/Chief Information Officer as a position required to disclose, among other interests, all investments in business entities.⁴

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014, and all statutory references are to this code. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

² Dr. Jonathan Reichental failed to timely report certain investments on the 2015 and 2016 Annual SEIs. However, amendments have been filed to disclose the interests and the applicable statute of limitations for these violations has expired.

³ Section 87300.

⁴ City of Palo Alto Conflict of Interest Code.

Your client's actions violated the Act because they failed to timely disclose their investment interest in The Walt Disney Company, Apple, Microsoft, and Facebook on their 2017 Annual SEI. However, the Enforcement Division has decided to close this case with this warning letter because the violations resulted in minimal public harm. Your client filed amendments to disclose the missing interests after receiving contact from the Enforcement Division, your client does not have a prior enforcement history, and your client is no longer in office and has not held office for the past four years.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly discovered information or future conduct. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

A warning letter is an Enforcement Division case resolution without administrative prosecution or fine. The Commission has adopted Regulation 18360.1 to authorize the Enforcement Division to issue warning letters to conclude cases in specified circumstances. However, the warning letter resolution does not provide your client with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If your client wishes to avail themselves of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten days from the date of this letter. Upon this notification, the Enforcement Division will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the Commission's website ten days from the date of this letter.

If you need forms or a manual, or guidance regarding your obligations, please call the Commission's Toll-Free Advice Line at 1-866-275-3772 or visit our website at www.fppc.ca.gov.

Please feel free to contact me at JRinehart@fppc.ca.gov with any questions you may have regarding this letter.

Sincerely,

Jenna C. Rinehart

Jenna C. Rinehart,
Commission Counsel
Enforcement Division

cc: Dr. Jeanne Fleming JFleming@Metricus.net