



FAIR POLITICAL PRACTICES COMMISSION

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December 17, 2014

Sachi A. Hamai
Executive Office
L. A. County Board of Supervisors
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 383
Los Angeles, CA 90012

Re: Your Request for Advice
Our File No. A-14-194

Dear Ms. Hamai:

This letter responds to your request for advice regarding the disclosure of economic interests under the Political Reform Act (the "Act").¹ Your request is made on behalf of the County of Los Angeles Board of Supervisors.

QUESTION

Is the Los Angeles Board of Supervisors the appropriate code reviewing body for a charter academy that maintains office space outside of the county and is planning to seek an additional charter outside of the county to operate additional schools?

CONCLUSION

Owning property outside of the jurisdiction or attempting to expand outside of the jurisdiction is not determinative of an agency's actual jurisdiction. Because Camino Nuevo Charter Academy has been granted a charter only within Los Angeles County, the Los Angeles County Board of Supervisors is the code reviewing body for the academy and will remain the code reviewing body unless the academy is granted a charter outside of the county.

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

FACTS

The Los Angeles County Board of Supervisors (the “Board of Supervisors”) is the code reviewing body for local governmental agencies, other than city agencies, with jurisdiction within the County of Los Angeles. The Executive Office of the Board of Supervisors is responsible for ensuring that a proper conflict of interest code is adopted for the agencies, and that all agencies are aware of their responsibilities for the collection of their respective official’s statements of economic interest. It has been the county’s practice to require any chartering school district to encompass all charter schools operating solely within the chartering district within the district’s conflict of interest code. The county does not generally permit the chartering school to create a separate code.

Camino Nuevo Charter Academy operates six charter schools within Los Angeles County and in the Los Angeles Unified School District (the “LAUSD”), its chartering district. Camino Nuevo has brought to our attention that, in addition to the six charter schools and pre-school in the LAUSD, it also leases and staffs a charter school development facility located in San Diego County. While this location is within the San Diego Unified School District (“SDUSD”), Camino Nuevo does not operate a school at the location and the location does not contain classroom facilities. At this time, Camino Nuevo does not have a charter to operate at the location, and the location is used for management activities primarily serving as office space for Camino Nuevo’s Senior Vice President of Programs.

However, Camino Nuevo is considering commercial property options for additional school sites, including lease and purchase agreements. Sites being considered are in San Diego and other areas outside LAUSD’s jurisdictions. These additional sites will include classroom-based school facilities, and possibly additional office/administrative space as Camino Nuevo grows and expands.

In light of Camino Nuevo’s business activities outside of Los Angeles County and plans to start in charter school outside of the county and possibly within the SDUSD, you ask whether the Board of Supervisors remains the appropriate code reviewing body for the school.

ANALYSIS

The Act requires every agency to adopt and promulgate a conflict of interest code. (Section 87300.) The Act also requires that conflict of interest codes “shall be formulated at the most decentralized level possible” and that “[a]ny question of the level of a department which should be deemed an ‘agency’ for purposes of Section 87300 shall be resolved by the code reviewing body.”

Under Section 82011, a county’s board of supervisors is the code reviewing body for any local agency, other than a city agency, that has “jurisdiction wholly within the county.” With respect to a local governmental agency, the Act defines “jurisdiction” as “the region, county, city, district, or other geographical area in which [the agency] has jurisdiction.” Real property is

“deemed ‘within the jurisdiction’ with respect to a local government agency if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency.” (Section 82035.) While defining “jurisdiction” as the region or area in which the agency has jurisdiction provides little insight in determining the actual “jurisdiction” of a charter school, it is telling that real property is “within the jurisdiction” of an agency if the property is within the boundaries of the jurisdiction *or* not more than two miles outside the boundaries of the jurisdiction. Clearly, the express language of the Act contemplates ownership of property and other business activity outside of the actual boundaries of the jurisdiction.

Accordingly, owning property outside of Los Angeles County or attempting to expand outside of the county is not determinative of Camino Nuevo’s jurisdiction, and we must look to the actual authority that has been granted to Camino Nuevo to determine its jurisdiction. At this time, Camino Nuevo has been granted a charter only within Los Angeles County. Thus, Camino Nuevo’s actual authority is limited to Los Angeles County and the academy’s jurisdiction is wholly within the county. Pursuant to the Act, the Los Angeles County Board of Supervisors (the “Board of Supervisors”) will remain the code reviewing body for Camino Nuevo unless the academy is granted a charter outside of the county.²

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Zackery P. Morazzini
General Counsel



By: Brian G. Lau
Counsel, Legal Division

BGL:jgl

² In light of Camino Nuevo’s property and activity outside of Los Angeles County, you note that the Los Angeles County Board of Supervisors is concerned that interests held outside of the county will not be adequately disclosed. However, the Act does provide safeguards addressing the disclosure of economic interests that are not within the boundaries of an agency’s actual jurisdiction. As previously noted, real property is treated as “within the jurisdiction” for purposes of disclosure, even when the property is outside an agency’s actual jurisdiction if the property is not more than two miles from any property owned or used by the agency. (Section 82035.) Moreover, other interests, such as a source of income or an investment, are generally reportable if the source or business entity does business in the jurisdiction or has done business in the jurisdiction in the previous two years, and any source or business entity that has done business with Camino Nuevo will be a source or business entity that has done business in the jurisdiction for purposes of disclosure. (Sections 82030 and 82034.)