



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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September 29, 2015

Kim Forrester
Office of the County Counsel
County of Santa Clara
70 W. Hedding Street, 9th Floor
San Jose, CA 95110

Re: Your Request for Advice
Our File No. A-15-131

Dear Ms. Forrester:

This letter responds to your request for advice regarding the disclosure of economic interests under the Political Reform Act (the "Act").¹ You request advice on behalf of the Santa Clara Board of Supervisors.

QUESTIONS

1) May Rocketship Education, a nonprofit corporation operating multiple charter schools within the County of Santa Clara, adopt a single conflict of interest code combining all of the schools operating in the county?

2) Is the Santa Clara County Board of Supervisors the appropriate code reviewing body for Rocketship Education if it is seeking to open a charter school in another county?

CONCLUSIONS

1) So long as the Santa Clara County Board of Supervisors remains Rocketship Education's code reviewing body, whether the corporation must adopt a separate conflict of interest code for each charter school operating within the county or a single code combining the schools is a decision that must be left to the county.

2) The Santa Clara County Board of Supervisors is the code reviewing body for Rocketship Education unless the corporation is granted a charter to operate a school in another county within the State.

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

Rocketship Education is a nonprofit public benefit corporation (according to the corporation) operating charter schools within the County of Santa Clara. At this time, Rocketship Education has adopted a single conflict of interest code combining all schools operated by the corporation within the county. As indicated to you by Rocketship Education's Vice President for the Bay Area, the corporation is actively seeking to open a charter school in another county. In addition to schools within Santa Clara County, Rocketship Education also operates several schools outside of California.

ANALYSIS

1) May Rocketship Education, a nonprofit corporation operating multiple charter schools within the County of Santa Clara, adopt a single conflict of interest code combining all of the schools operating in the county?

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." (Section 87301.) Based on our conclusion that the Santa Clara County Board of Supervisors appear to be the code reviewing body for Rocketship Education, the determination of whether the corporation must adopt a separate conflict of interest code for each charter school operating in the county or a single code combining the schools is a decision that must be left to the county. Nonetheless, we note that permitting Rocketship Education to adopt a single conflict of interest code is likely the most efficient option, and nothing in the Act requires Rocketship Education to adopt separate conflict of interest codes for each school so long as the county does not require them to do so.

2) Is the Santa Clara County Board of Supervisors the appropriate code reviewing body for Rocketship Education if it seeking to open a charter school in another county?

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 an entity operating charter schools, we have previously determined that owning property outside of the county in which the entity has been granted a charter or attempting to expand outside of this county is not determinative of the entity's actual jurisdiction. (*Hamai* Advice Letter, No. A-14-194.)

To determine the jurisdiction of Rocketship Education, we look only to the actual authority that has been granted to the corporation. Based upon the facts provided, at least within California, it appears that Rocketship Education has been granted a charter only within the County of Santa

Clara. Accordingly, Rocketship Education's actual authority is currently limited to the county, and the corporation's jurisdiction is wholly within the county. Pursuant to the Act, the Santa Clara County Board of Supervisors will remain the code reviewing body for Rocketship Education unless the corporation is granted a charter outside of the county. Should the corporation be granted a charter in a second county, the Commission would become the code reviewing body pursuant to Section 82011(a).

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

Sincerely,

Hyla P. Wagner
General Counsel

A handwritten signature in black ink, appearing to read 'B. Lau', with a long horizontal flourish extending to the right.

By: Brian G. Lau
Senior Counsel, Legal Division

BGL:jgl