

DEPARTMENT: Administration

BY: Rich Inman, CAO

PHONE: 966-3222

**RECOMMENDED ACTION AND JUSTIFICATION:**

Adopt "Board of Supervisors and County Elected Officials Expense and Ethics Policy"

**BACKGROUND AND HISTORY OF BOARD ACTIONS:**

AB 1234 (Salinas) was passed by the legislature this past October and requires that a local agency (County) that provides reimbursement for expenses to members of its legislative body (Board of Supervisors) to adopt a written policy on the duties for which its legislative body members may receive compensation. This bill requires such a governing body to adopt a written policy concerning what occurrences qualify a member to receive reimbursement of expenses for travel, meals, and lodging and would impose related requirements, including the filing of expense reports, which would be public records.

This bill would also require that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body all agency officials (Board of Supervisors and elected county officials) receive training in ethics.

**ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**

There is no alternative to adopting a written policy which is require by law, however the elements of the policy may be amended to include or exclude specific activities that are included in the policy.

Financial Impact? ( ) Yes ( ) No	Current FY Cost	Annual Recurring Cost: \$
Budgeted In Current FY? ( ) Yes ( ) No ( ) Partially Funded		
Amount in Budget: _____	List Attachments, number pages consecutively	
Additional Funding Needed: \$ _____	Policy	
Source:	AB 1234(in part)	
Internal Transfer _____		
Unanticipated Revenue _____ 4/5's vote		
Transfer Between Funds _____ 4/5's vote		
Contingency _____ 4/5's vote		
( ) General ( ) Other		

**CLERK'S USE ONLY:**

Res. No.: 05-598 Ord. No. \_\_\_\_\_  
Vote - Ayes: 5 Noes: \_\_\_\_\_  
Absent: \_\_\_\_\_  
*MW* Approved  
( ) Minute Order Attached ( ) No Action Necessary

**COUNTY ADMINISTRATIVE OFFICER:**

Requested Action Recommended  
 No Opinion  
Comments:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The foregoing instrument is a correct copy of the original on file in this office.

Date: \_\_\_\_\_  
Attest: MARGIE WILLIAMS, Clerk of the Board  
County of Mariposa, State of California

By: \_\_\_\_\_

CAO: Rich

**BOARD OF SUPERVISORS AND COUNTY ELECTED OFFICIALS  
EXPENSE AND ETHICS POLICY**

**I. PURPOSE**

The purpose of this policy is to comply with the provisions of Assembly Bill 1234 (Salinas) concerning allowable reimbursement procedures and ethics training requirements. This policy is in addition to existing expense reimbursement procedures utilized by the County Auditor to reimburse members of the Board of Supervisors and County Elected Officials

**II. GENERAL POLICY**

- A. When reimbursement is otherwise authorized by statute, the county may reimburse members of the Board of Supervisors for actual and necessary expenses incurred in the performance of their official duties.
- B. The types of occurrences that qualify a member of the Board of Supervisors to receive reimbursement of expenses relating to travel, meals, lodging and other actual and necessary expenses include the following:
  - 1.) Communicating with representatives of regional, state and national government to discuss county related business.
  - 2.) Attending educational seminars designed to improve officials' skill and abilities to function as a County Supervisor.
  - 3.) Participating in local, regional, state and national organizations whose activities affect County's interests.
  - 4.) Meeting with individuals or group of individuals whose activities can or could affect County's interests.
  - 5.) Attending County events.
- C. All other expenditures require approval of the Board of Supervisors.
- D. If lodging is in connection with a conference or organized educational activity lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board of Supervisors at the time of booking. If the group rate is not available, the member of Board of Supervisors shall use comparable lodging.
- E. Members of the Board of Supervisors shall use government and group rates offered by the provider of transportation or lodging services when available.

- F. All expenses that do not fall within this policy and/or the existing procedures utilized by the County Auditor shall be approved by the Board of Supervisors, in a public meeting, before the expense is incurred, or ratified after the expense is incurred, when prior action is not possible due to the urgency of the requirement for the expense.
- G. The County Auditor shall provide expense report forms to be filed by the members of the Board of Supervisors for reimbursement for actual and necessary expenses incurred on behalf of the local agency in the performance of official duties.
  - 1.) The expense report form shall document that expenses meet these and all other applicable county policies and/or procedures for expenditure of public resources
  - 2.) Expense forms shall be submitted to the County Auditor no later than sixty (60) days after the expense has been incurred and shall be accompanied by the receipts for each expense.
  - 3.) Members of the Board of Supervisors shall provide a brief report on the meeting attended where the expense was incurred at the next regular Board meeting.
  - 4.) All documents related to reimbursable county expenditures are public records subject to disclosure under the California Public Records Act.

### III. PENALTIES

Penalties for misuse of public resources or falsifying expense reports in violation of expense reporting policies may include, but are not limited to, the following:

- A. The loss of reimbursement privileges.
- B. Restitution to the County
- C. Civil penalties for misuse of public resources pursuant to Government Code Section 8314.
- D. Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code.

### IV. ETHICS TRAINING

Each member of the Board of Supervisors and each elected county official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two (2) years.

- A. "Ethics laws" include, but are not limited to, the following:
  - 1.) Laws relating to personal financial gain by public servants, including but not limited to, laws prohibiting bribery and conflict-of-interest laws.

- 2.) Laws relating to claiming prerequisites of office including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.
  - 3.) Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
  - 4.) Laws relating to fair processes, including but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.
- B. Each member of the Board of Supervisors and each elected official in county service as of January 1, 2006, except for officials whose term of office ends before January 1, 2007, shall receive ethics training before January 1, 2007. Thereafter, each member of the Board of Supervisors and each elected official shall receive ethics training at least once every two (2) years.
- C. Each member of the Board of Supervisors and each elected county official who commences service with the County on or after January 1, 2006, shall receive ethics training no later than one year from the first day of service with the County. Thereafter, each member of the Board of Supervisors and each elected official shall receive ethics training at least once every two years.
- D. A member of the Board of Supervisors or elected county official who serves more than one local agency shall satisfy the requirement of this policy once every two years without regard to the number of agencies with which he or she serves.
- E. All qualified providers of training courses shall provide participants with proof of participation in the course.

It shall be the duty of the County Administrative Officer to maintain records indicating the dates the members of the Board of Supervisors and elected county official satisfied the requirements of this policy and the entity that provided the training. These records shall be maintained for at least five (5) years after the members of the Board of Supervisors and each elected county official receive the training. These records are public records subject to disclosure under the California Public Records Act.

BILL NUMBER: AB 1234 CHAPTERED  
BILL TEXT

CHAPTER 700  
FILED WITH SECRETARY OF STATE OCTOBER 7, 2005  
APPROVED BY GOVERNOR OCTOBER 7, 2005  
PASSED THE ASSEMBLY AUGUST 30, 2005  
PASSED THE SENATE AUGUST 29, 2005  
AMENDED IN SENATE AUGUST 22, 2005  
AMENDED IN SENATE AUGUST 15, 2005  
AMENDED IN SENATE JULY 13, 2005  
AMENDED IN SENATE JUNE 29, 2005  
AMENDED IN SENATE JUNE 21, 2005  
AMENDED IN SENATE JUNE 1, 2005  
AMENDED IN ASSEMBLY APRIL 5, 2005

INTRODUCED BY Assembly Member Salinas

FEBRUARY 22, 2005

An act to amend Sections 25008 and 36514.5 of, and to add Article 2.3 (commencing with Section 53232) and Article 2.4 (commencing with Section 53234) to Chapter 2 of Part 1 of Division 2 of Title 5 of, the Government Code, to amend Sections 6060 and 7047 of the Harbors and Navigation Code, to amend Sections 2030, 2851, 4733, 4733.5, 6489, 9031, 13857, 13866, and 32103 of the Health and Safety Code, to amend Section 1197 of the Military and Veterans Code, to amend Sections 5536, 5536.5, 5784.15, and 9303 of the Public Resources Code, to amend Sections 11908, 11908.1, 11908.2, 16002, and 22407 of the Public Utilities Code, and to amend Sections 20201, 21166, 30507, 30507.1, 34741, 40355, 50605, 55305, 56031, 60143, 70078, 71255, and 74208 of, and to add Section 20201.5 to, the Water Code, relating to local agencies.

LEGISLATIVE COUNSEL'S DIGEST

AB 1234, Salinas Local agencies: compensation and ethics.

Existing law provides for the establishment and operations of cities, counties, cities and counties, districts, and other local government agencies, the composition of their governing bodies, and the payment of governing body members for attending meetings and performing other duties, and prescribes conflicts of interest.

This bill would require a local agency that provides reimbursement for expenses to members of its legislative body to adopt a written policy on the duties for which legislative body members may receive compensation, other than meetings of the legislative body or an advisory body or attendance at a conference or organized educational activity. The bill would require such a governing body to adopt a written policy concerning what occurrences qualify a member to receive reimbursement of expenses for travel, meals, and lodging and would impose related requirements, including the filing of expense reports, which would be public records.

This bill would also require that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, all local agency officials, except a member whose term of office ends before January 1, 2007, in local agency service as of January 1, 2006, or thereafter

receive training in ethics, as specified. This bill would provide that if any entity develops criteria for the ethics training, then the Fair Political Practices Commission and the Attorney General shall be consulted regarding any proposed course content. This bill would specify, with respect to certain special districts, how a director's activities on a specific day are determined to be compensable and would make related changes.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 25008 of the Government Code is amended to read:

25008. Members shall be allowed their actual expenses in going to, attendance upon, and returning from state association meetings and their actual and necessary traveling expenses when traveling outside their counties on official business. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3.

SEC. 2. Section 36514.5 of the Government Code is amended to read:

36514.5. City council members may be reimbursed for actual and necessary expenses incurred in the performance of official duties. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3.

SEC. 3. Article 2.3 (commencing with Section 53232) is added to Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 2.3. Compensation

53232. For the purposes of this article, the following terms have the following meanings:

(a) "Governing body" means the board of supervisors in the case of a county or a city and county, the city council or board of trustees in the case of a city, and the board of directors or other governing body in the case of a special district.

(b) "Legislative body" has the same meaning as specified in Section 54952.

(c) "Local agency" means a city, county, city and county, charter city, charter county, charter city and county, or special district.

(d) "Meeting" has the same meaning as specified in subdivision (a) of Section 54952.2.

53232.1. (a) When compensation is otherwise authorized by statute, a local agency may pay compensation to members of a legislative body for attendance at the following occurrences:

(1) A meeting of the legislative body.

(2) A meeting of an advisory body.

(3) A conference or organized educational activity conducted in compliance with subdivision (c) of Section 54952.2, including, but not limited to, ethics training required by Article 2.4 (commencing with Section 53234).

(b) A local agency may pay compensation for attendance at occurrences not specified in subdivision (a) only if the governing body has adopted, in a public meeting, a written policy specifying other types of occasions that constitute the performance of official duties for which a member of the legislative body may receive payment.

(c) This section shall not apply to any local agency that pays compensation in the form of a salary to members of a legislative

body, including, but not limited to, those local agencies whose legislative bodies' compensation is subject to Section 36516 or 36516.1, subparagraph (B) or (C) of paragraph (2) of subdivision (a) of Section 21166 or Section 22840 of the Water Code, Section 11908.1 of the Public Utilities Code, Section 6060 of the Harbors and Navigation Code, or subdivision (b) of Section 1 or Section 5 of Article XI of the California Constitution.

53232.2. (a) When reimbursement is otherwise authorized by statute, a local agency may reimburse members of a legislative body for actual and necessary expenses incurred in the performance of official duties, including, but not limited to, activities described in Article 2.4 (commencing with Section 53234).

(b) If a local agency reimburses members of a legislative body for actual and necessary expenses incurred in the performance of official duties, then the governing body shall adopt a written policy, in a public meeting, specifying the types of occurrences that qualify a member of the legislative body to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses.

(c) The policy described in subdivision (b) may also specify the reasonable reimbursement rates for travel, meals, and lodging, and other actual and necessary expenses. If it does not, the local agency shall use the Internal Revenue Service rates for reimbursement of travel, meals, lodging, and other actual and necessary expenses as established in Publication 463, or any successor publication.

(d) If the lodging is in connection with a conference or organized educational activity conducted in compliance with subdivision (c) of Section 54952.2, including, but not limited to, ethics training required by Article 2.4 (commencing with Section 53234), lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of a legislative body at the time of booking. If the group rate is not available, the member of a legislative body shall use comparable lodging that is consistent with the requirements of subdivisions (c) and (e).

(e) Members of the legislative body shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.

(f) All expenses that do not fall within the adopted travel reimbursement policy or the Internal Revenue Service reimbursable rates as provided in subdivision (c), shall be approved by the governing body, in a public meeting before the expense is incurred, except as provided in subdivision (d).

(g) This section shall not supersede any other laws establishing reimbursement rates for local agencies.

53232.3. (a) If a local agency reimburses members of a legislative body for actual and necessary expenses incurred in the performance of official duties, then a local agency shall provide expense report forms to be filed by the members of the legislative body for reimbursement for actual and necessary expenses incurred on behalf of the local agency in the performance of official duties. Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel.

(b) Expense reports shall document that expenses meet the existing policy, adopted pursuant to Section 53232.2, for expenditure of public resources.

(c) Members of a legislative body shall submit expense reports within a reasonable time after incurring the expense, as determined by the legislative body, and the reports shall be accompanied by the receipts documenting each expense.

6

(d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

(e) All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1).

53232.4. Penalties for misuse of public resources or falsifying expense reports in violation of expense reporting polices may include, but are not limited to, the following:

(a) The loss of reimbursement privileges.

(b) Restitution to the local agency.

(c) Civil penalties for misuse of public resources pursuant to Section 8314.

(d) Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code.

SEC. 4. Article 2.4 (commencing with Section 53234) is added to Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 2.4. Ethics Training

53234. For the purposes of this article, the following terms have the following meanings:

(a) "Legislative body" has the same meaning as specified in Section 54952.

(b) "Local agency" means a city, county, city and county, charter city, charter county, charter city and county, or special district.

(c) "Local agency official" means the following:

(1) Any member of a local agency legislative body or any elected local agency official who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.

(2) Any employee designated by a local agency legislative body to receive the training specified under this article.

(d) "Ethics laws" include, but are not limited to, the following:

(1) Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.

(2) Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.

(3) Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.

(4) Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

53235. (a) If a local agency provides any type of compensation, salary, or stipend to a member of a legislative body, or provides reimbursement for actual and necessary expenses incurred by a member of a legislative body in the performance of official duties, then all local agency officials shall receive training in ethics pursuant to this article.

(b) Each local agency official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years.

(c) If any entity develops curricula to satisfy the requirements of this section, then the Fair Political Practices Commission and the Attorney General shall be consulted regarding the sufficiency and accuracy of any proposed course content. When reviewing any proposed course content the Fair Political Practices Commission and the Attorney General shall not preclude an entity from also including local ethics policies in the curricula.

(d) A local agency or an association of local agencies may offer one or more training courses, or sets of self-study materials with tests, to meet the requirements of this section. These courses may be taken at home, in-person, or online.

(e) All providers of training courses to meet the requirements of this article shall provide participants with proof of participation to meet the requirements of Section 53235.2.

(f) A local agency shall provide information on training available to meet the requirements of this article to its local officials at least once annually.

53235.1. (a) Each local agency official in local agency service as of January 1, 2006, except for officials whose term of office ends before January 1, 2007, shall receive the training required by subdivision (a) of Section 53235 before January 1, 2007. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.

(b) Each local agency official who commences service with a local agency on or after January 1, 2006, shall receive the training required by subdivision (a) of Section 53235 no later than one year from the first day of service with the local agency. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.

(c) A local agency official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.

53235.2. (a) A local agency that requires its local agency officials to complete the ethical training prescribed by this article shall maintain records indicating both of the following:

(1) The dates that local officials satisfied the requirements of this article.

(2) The entity that provided the training.

(b) Notwithstanding any other provision of law, a local agency shall maintain these records for at least five years after local officials receive the training. These records are public records subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1).

SEC. 6. Section 6060 of the Harbors and Navigation Code is amended to read:

6060. The commissioners shall serve without salary until the yearly gross income of the district, exclusive of taxes levied by the district, exceeds twenty thousand dollars (\$20,000) per year, when the board may, by ordinance, fix their salaries, which shall not exceed the sum of six hundred dollars (\$600) per month each.

In addition to any salary received pursuant to this section, the commissioners shall be allowed any actual and necessary expenses incurred in the performance of their duties. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3 of the Government Code.

8