

Attachment D

RESOLUTION NO.: 20-02

MONTEREY EDUCATIONAL RISK MANAGEMENT AUTHORITY

CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et. seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) which contains the terms of the standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Practices Commission are hereby incorporated by reference. This regulation and attached Appendix designating officials and employees and establishing disclosure categories shall constitute the conflict of interest code of the Monterey Educational Risk Management Authority (MERMA).

The Monterey Educational Risk Management Authority operates entirely within the geographical boundaries of Monterey County, with headquarters in Salinas, CA.

Individuals holding designated positions shall file their statements of economic interest electronically through the NetFile system at <http://netfile.com/filer>

Electronically filed statements are available for public inspection (Gov. Code Sec. 81008) via the County of Monterey, Clerk of the Board Public Portal at <https://ssl.netfile.com/pub/?aid=COM>

MONTEREY EDUCATIONAL RISK MANAGEMENT AUTHORITY

APPENDIX TO THE CONFLICT OF INTEREST CODE

<u>Designated Positions</u> ¹	<u>Disclosure Category</u>
Members Board of Directors	1,2,3,4 and 5
Executive Director	1,2,3,4 and 5
Accountants	1,2,3,4 and 5
Consultants ²	1

¹ The following positions are not covered by the conflict-of-interest code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

Treasurer

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Section 87200.

² Consultants are included in the list of designated positions. For purposes of this Code, "consultant" has the same meaning as set forth in 2 Cal. Code Regs., tit. 2, section 18700.3(a), as follows:

"Consultant" "means an individual who, pursuant to a contract with a state or local government agency:

- (1) Makes a governmental decision whether to:
 - (A). Approve a rate, rule, or regulation;
 - (B). Adopt or enforce a law;
 - (C) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
 - (D) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;
 - (E) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
 - (F) Grant agency approval to a plan, design, report, study, or similar item;
 - G) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(2) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18704(a) or (b) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Section 87302.”

Consultants to the Monterey Educational Risk Management Authority shall be subject to disclosure under Category 1, subject to the following limitations:

As to the consultants, the Executive Director may determine in writing that a particular consultant, although a “designated position”, is hired to perform a range of duties that is limited in scope and this is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

DISCLOSURE CATEGORIES:

Disclosure Category 1

Persons designated in the category must disclose business entities in which they have an investment, business position, or which are sources of income to them if such entities filed claims against the Monterey Educational Risk Management Authority or any of its members during the reporting period.

Disclosure Category 2

Persons designated in this category must disclose business entities in which they have an investment, business position, or which are sources of income to them if such entities are of the type in which the Monterey Educational Risk Management Authority is empowered to invest its funds, including financial institutions, but not limited to banks, savings and loan associations, and credit unions.

Disclosure Category 3

Persons designated in this category must disclose business entities in which they have an investment, business position, or which are sources of income to them if such entities are the type that contract with the Monterey Educational Risk Management Authority to supply goods, services, materials, supplies, or leased space.

Disclosure Category 4

Persons designated in this category must disclose investments and business positions in business entities and sources of income that are engaged in the business of insurance including but not limited to insurance companies, holding companies investing in insurance companies, insurance underwriting agencies, insurance brokers, adjusters, claims managers, or insurance agencies.

Disclosure Category 5

Persons designated in this category must disclose investments in real property located in the jurisdiction, including property located within a two-mile radius of any property owned or used by the Monterey Educational Risk Management Authority.