

# CONFLICT OF INTEREST IN SONOMA COUNTY

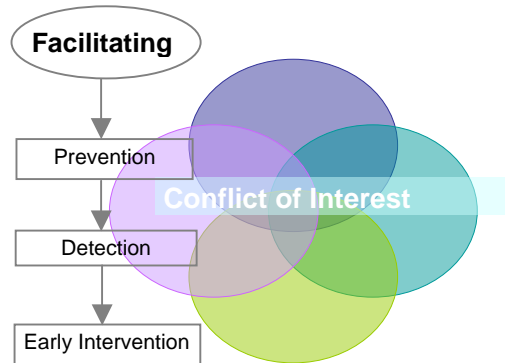
## Facilitating Prevention, Detection, and Early Intervention

### Summary

Conflict-of-interest violations by elected and appointed officials, including public employees, undermine the confidence and trust of government operations on the national, state and local levels.

The focus of this grand jury’s investigation was on conflict-of-interest violations of commissions, committees and boards in Sonoma County, including elected and appointed officials. This report presents recommendations for improvement in the areas of prevention, detection, and early intervention.

The investigation revealed that most Sonoma County elected officials, commissions, committees and boards act above reproach with good intentions to serve the public to the best of their ability. However, there were instances where conflicts of interest occurred. They included elected and appointed officials who neglected to file Statements of Economic Interests—disclose financial holdings—and/or disqualify themselves from making or influencing government decisions in which they had a financial interest.



A message to Sonoma County residents from the grand jury follows this report. It is intended to assist citizens who have conflict-of-interest concerns and enable them to become involved in reporting or resolving issues.

### Reason for Investigation

The grand jury received several complaints citing ethics violations and integrity failures by government officials. Because the conflict-of-interest issue appeared as a common thread of these complaints, it was decided to investigate further.

At the time of the grand jury’s investigation, a highly publicized case of a local appointed official having violated conflict-of-interest provisions of the Political Reform Act was settled by the California Fair Political Practices Commission. The FPPC, which oversees the Act, conducted an investigation and substantiated a nine-count violation resulting in a Stipulation, Decision and Order imposing maximum fines of \$24,000 against the official.

A subsequent review of FPPC public records, revealed nine other Sonoma County cases during the past seven years in which appointed and elected officials violated conflict-of-interest laws by either failing to file Form 700, disclose economic interests, or disqualify themselves from decisions in which they had a financial interest as required by law.

Of the ten cases, six were settled during the period 2004-2005. Additionally, most cases investigated took the FPPC several years to resolve, while potential/apparent conflict situations involving officials continued. The grand jury's analysis of cases revealed a lack of awareness and passive involvement at the city and county levels.

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In view of this information, the grand jury sought to identify weaknesses and, in turn, recommend changes to facilitate prevention, detection, and early intervention of violations that undermine the confidence and trust in our public officials.

### **Scope of Investigation**

The scope of the investigation encompassed elected and appointed officials within Sonoma County and its nine cities. There are 60 county committees, commissions and boards, and approximately 45 similar city entities. The sources of code violations were obtained through interviews, literature search, and document analysis (Also see, *Sources of Information*).

Investigation was based on review of more than 25 documents (laws, codes, and practices), and a screening of more than 100 articles from web information sources. In-depth analysis focused on 30 articles and 26 interviews with county, state, local officials and citizens.

**Note:** The grand jury did not undertake to identify/investigate suspected or possible wrongdoing, nor review individual Statement of Economic Interests (Form 700). Consequently, the magnitude of the problem remains unknown.

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### **Background**

Maintaining a high standard of integrity among our political officials, and avoiding conflict of interest, has been a part of our nation's history in both the public and private sectors. Recently, more vigorous prosecutorial actions and media coverage has raised the threshold of higher expectations of integrity in business and in government. Despite federal and state laws enacted to provide regulatory controls and enforcement, violations continue.

In California, Proposition 9 was voted into law in 1974 as the Political Reform Act (Act). The Fair Political Practices Commission (FPPC) was established and charged with the administration and enforcement of the following provisions of the Act:

- Conflict of Interest – Government Code, §§ 87100-87500
- Campaign contributions and expenditures – Government Code, §§ 84100-84511
- Lobbying disclosures – Government Code, §§ 86100-86300

The Statement of Economic Interests (Form 700) was established as part of the Conflict of Interest Government Code. The following are definitions of the form and process:

- Form 700 – Statement of Economic Interests - A disclosure requirement of the Act. Submitted by Designated Filer upon assuming/terminating office; yearly thereafter.
- Designated Filers – Certain state, county, city employees, and elected/appointed officials.  
Governing Body – For each county, the board of supervisors is the governing body.

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Conflict of Interest in Sonoma County (continued)

- Code Reviewing Body – State (FPPC), county (county counsel), and city (city attorney).
- Filing Clerks – Supply and log forms; forward to Filing Officer.
- Filing Officers – Receive, screen, and maintain Form 700 Statement of Economic Interests. Records are open to the public.

A general description of conflict of interest is that it occurs when a public official's private interests supersede his/her public obligations. For instance, a committee chairperson, who is also a shareholder in a company being considered for a contract involving public funds, neglects to self-disqualify from the decision-making process.

The Political Reform Act more specifically defines conflict-of-interest as follows:

**What is a Conflict of Interest?**

A public official, employee, unpaid member of a board, commission, committee, or consultant has a conflict of interest when all of the following occur:

- 1) Makes, participates in, or uses his/her official position to influence a government decision;
- 2) It is foreseeable that the decision will affect the official's economic interest;
- 3) The effect of decision on official's economic interest will be material;
- 4) The effect of decision on official's economic interest will be distinguishable from its effect on the public generally.

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An example on the **national level** is illustrative of the federal government's attempt to bring about reform:

- The Washington Post of February 2, 2005, reported, "The NIH (National Institutes of Health) Issues Strict Rules on Conflicts of Interest....This followed a year of internal and congressional investigations into allegations of conflict of interest involving NIH scientists and administrators. All of the more than 18,000 employees are to be subject to stringent new restrictions."

The NIH Director stated that he thought we needed to absolutely achieve the number one goal of preserving the public trust with no taint of conflict of interest or the appearance of conflict of interest.

On the **state level**:

- An appointed member of the California Transportation Commission participated in 14 decisions to approve allocation of funds for specific construction projects. The appointed member owned substantial interests in business entities. For failing to disclose 3,270 sources of over \$10,000 of income to each of his business entities, the penalty levied by the FPPC was \$165,000.

On the **local level**:

- In Sonoma County, a board member, committee chairperson/member, district director, and a commissioner were cited and fined by the FPPC in 2004-2005 for failure to submit timely Statements of Economic Interests, disclose financial holdings, and/or disqualifying themselves from voting on matters in which they had a financial interest.

It is generally considered that most infractions of the Act are inadvertent and unintentional, brought about by well-intentioned citizens with a desire to participate in and improve their surrounding community. Some of the questions the grand jury considered were:

1. How widespread are conflict-of-interest violations in Sonoma County?
2. How can these violations be prevented?
3. What means or mechanisms will enable detection?
4. How and by whom can early intervention occur?
5. Who has responsibility/accountability for taking action?
6. What is the likelihood that other instances of improper influence or conflicts of interest go unnoticed?

## Findings

### F1. Failure to Submit Statement of Economic Interests

The grand jury observed five individual cases identifying officials who did not file Statements of Economic Interests (Form 700) until repeatedly notified of non-compliance.

### F2. Failure to Disclose Economic Interests

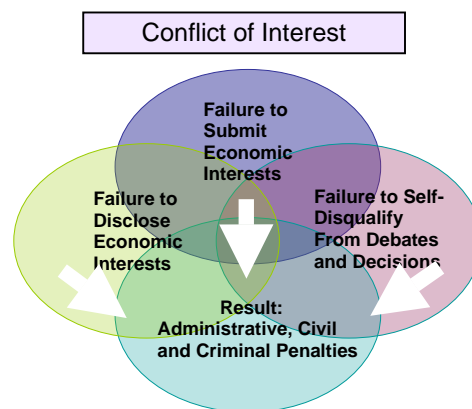
Three cases indicated failure to disclose economic interests; a fourth individual failed to report expenditures and sub-vendor payments.

### F3. Failure to Self-Disqualify from Debates and Decisions

Three cases listed individuals who did not self-disqualify from decisions in which they had a financial interest.

### F4. Ten violations in Sonoma County

In the past seven years, the FPPC has taken action in ten instances in Sonoma County for violations of the Political Reform Act, imposing fines totaling \$64,200 against officials. Nine of the cases were violations of the conflict-of-interest provisions, one case involved campaign finance filing requirements (Refer to following chart, *Ten Violations of the Political Reform Act – Sonoma County*).



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**F4.**

<i>Ten Violations of the Political Reform Act – Sonoma County</i>				
<i>Violation</i> (CCR = California Code of Regulations)	<i>Position/ Timeframe</i>	<i>Penalty</i>	<i>Dollar Amount Influenced</i>	<i>Business/ Personal Gain</i>
<ul style="list-style-type: none"> <li>▪ Failure to disclose economic interests</li> <li>▪ Failure to disqualify self</li> <li>▪ Participated in making or influencing government decisions</li> </ul> CCR: Sect: 87203, 87206, 87207, 87100	Appointed Official  7/22/99* 6/28/04**	\$24,000	\$1.585 million loan. (Bank loan to business client of official, same time as the official had substantial financial interest in the bank).	>\$450,000 FPPC#: 99/501***
<ul style="list-style-type: none"> <li>▪ Failure to disclose income</li> <li>▪ Participate in making government decisions when there is a financial interest</li> </ul> CCR: Sect: Sect: 87100	Elected Official  4/21/96* 1/5/98**	\$14,500	Approved city contracts resulting in over \$700,000 in revenue to entity in which official had a business relationship	\$98,400 FPPC#: 96/162***
<ul style="list-style-type: none"> <li>▪ Participate in making government decisions when there is a financial interests</li> </ul> CCR: Sect: 87100	Elected Official  4/21/96* 1/5/98**	\$3,000	n/a	>\$10,000 FPPC#: 96/162***
<ul style="list-style-type: none"> <li>▪ Campaign Financing</li> <li>▪ Failure to maintain records</li> <li>▪ Failure to report expenditures and sub-vendor payments</li> </ul> CCR: Sect: 84104 and 84211	Elected Official  n/a 10/1/98**	\$18,000	\$29,700 (failure to maintain records or report expenditures)	n/a
<ul style="list-style-type: none"> <li>▪ Failure to submit Statement of Economic Interests</li> </ul> CCR: Sect: 87300	Appointed Official 11/7/01 8/11/03**	\$1,000	n/a	n/a
<ul style="list-style-type: none"> <li>▪ Failure to file timely Statement of Economic Interests</li> </ul> CCR: Sect: 83700	Appointed Official 11/07/01* 11/04/04**	\$100	n/a	n/a
<ul style="list-style-type: none"> <li>▪ Failure to file timely Statement of Economic Interests</li> </ul> CCR: Sect: 87300	Appointed Official 1/26/04* 7/16/04**	\$100	n/a	n/a
<ul style="list-style-type: none"> <li>▪ Conflict-of-interest complaint Investigated</li> </ul> CCR: Sect: 87300	Appointed Official  2/16/01* 7/14/04**	Advisory Letter Issued	n/a	n/a
<ul style="list-style-type: none"> <li>▪ Failure to file timely Statement of Economic Interests – 3 successive years</li> </ul> CCR: Sect: 87300	Appointed Official  11/07/01* 3/21/05**	\$3,000	n/a	n/a
<ul style="list-style-type: none"> <li>▪ Failure to file timely Statement of Economic Interests – 2 successive years</li> </ul> CCR: Sect: 87203	Appointed Official  2/05/03* 3/21/05**	\$500	n/a	n/a

\*Date Case Opened \*\* Date of Disposition

\*\*\*Source: Fair Political Practices Commission – Official Records

**F4.a** Of the ten FPPC conflict-of-interest violations, the breakdown of referrals was:

<b>Sonoma County Complaint Referral – Origin</b>	
Anonymous Complaints .....	(4)
County Clerk Referrals .....	(3)
City Clerk Referral .....	(1)
FPPC – 20% Sample .....	(1)
Unknown .....	(1)

**F4.b** Twenty-two alleged violations not investigated by the FPPC (2000-2004):

<b>Sonoma County Reason Violation not Investigated</b>	
Insufficient Agency Resources ...	(9)
Insufficient Evidence .....	(5)
Complaints Unfounded .....	(4)
Minor Violations .....	(2)
Past Statute of Limitations .....	(1)
Mitigating Evidence.....	(1)

*The grand jury acknowledges the FPPC for Sonoma County data shown in both of the above tables.*

**F5. Lack of communication, notification, collaboration**

There appeared to be little communication, collaboration and/or notification between the FPPC and city/county agencies in investigation of conflict-of-interest cases. The FPPC doesn't formally notify city or county officials when investigating a complaint until administrative resolution. It is not unusual for officials to learn through the media and newspaper articles of administrative actions.

The above chart, "Reason Violation not Investigated" shows that of the 22 alleged conflict-of-interest violations, nine complaints were not investigated due to insufficient agency resources. Those nine cases could have been referred to the District Attorney's office for review and possible investigation. This would assure that all future cases are examined.

**F6. Enforcement jurisdiction unclear**

It was unclear to the grand jury how cases were prosecuted as criminal, civil, or administrative, or by whom this distinction was determined. The average citizen does not know who to contact if a conflict-of-interest violation becomes apparent.

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The Act designates the Sonoma County District Attorney (criminal cases) and the FPPC (administrative/civil cases) as first points of contact for conflict-of-interest complaints, depending upon whether the violation appears to be administrative or criminal in nature. Beyond this distinction, there is no further direction on filing a complaint.

Because the FPPC assumes primary responsibility for complaint analysis and enforcement, there are no procedures/protocols between the FPPC and the County District Attorney. Complaints are not analyzed for criminal prosecution, only administrative/civil.

The Code specifies which sections can be prosecuted as administrative, civil or criminal. The grand jury's interpretation of the three provisions of the code is shown below; however, precise interpretation requires clarification by legal authority, e.g. FPPC, County District Attorney, or City Attorney.

<i>Administrative/Civil Jurisdiction</i>	<i>Criminal Jurisdiction</i>
<u>Fair Political Practices Commission</u>  Prosecutes violations of the Political Reform Act designated as Administrative/Civil  Administrative – Hearing before an Administrative Law Judge  Civil – Trial before a Judge in the Superior Court  <u>Regulatory enforcement requires:</u> A preponderance of evidence	<u>County District Attorney, or Attorney General</u>  Prosecutes violations of the Political Reform Act designated as criminal  Trial before a Judge of the Superior Court   <u>Criminal prosecution requires:</u> Evidence beyond a reasonable doubt

**F7. Cases may take years to resolve**

Of the ten conflict-of-interest cases investigated by the FPPC, one was settled in six months. The remaining nine cases took from 18 months to five years to settle.

**F8. Lack of increased awareness and local action**

The county and city filing officers were effective in notifying the FPPC of individuals failing to file Form 700; however, they were not a source of complaints for failure of officials to disclose or disqualify themselves from decision-making. Such complaints appeared to be from other sources, not by colleagues, staff, or supervisors of those officials.

The grand jury found hesitancy on the part of city and county officials to initiate a referral either to the FPPC, or the County District Attorney when suspected misconduct was identified. Additionally, such cases are not considered to be a priority.



It appeared only publicized cases of violations have influenced city and county entities to recognize, respond, and deter future incidents. Following a series of reports appearing in the *Santa Rosa Press Democrat* newspaper, the City of Santa Rosa put policies and procedures in place that were above and beyond state requirements. However, in other Sonoma County jurisdictions, awareness and systemic improvements were not apparent.

**F9. Conflict of Interest and Campaign Financing**

The grand jury noted elected officials cited with conflict-of-interest violations resulting in settlement fines, were reported in the *Press Democrat* newspaper as intending to use campaign funds to pay off the FPPC fines. Government Code § 89513 (c) states that campaign funds cannot be used to pay or reimburse fines, penalties, judgments, or settlements, with the exception that if the FPPC action results in the respondent hiring an attorney, then payment of the attorney's fees, as well as the fine itself, can be paid with campaign funds. As a result, the fine creates no incentive to desist from further violations, since there is no financial hardship on the fined official, as long as the official has campaign funds (or contributors) available to pay the fine. (§§ 89513(c) - 89514).

**F10. Code of Ethics**

*Ethics – A philosophy or system of morals*

*A written system of standards of ethical conduct; principles intended to aid members of the field individually and collectively in maintaining a high level of professional conduct.*

The fundamental concept of a Code of Ethics, as related to conflict of interest, is that a public official's decision is based solely on what is best for the public--not the official, his/her friends, or owned businesses. A Code of Ethics aims at perception, as well as actuality. A public official should consider abstaining from participating on a matter if there appears to be a conflict.

A recent Humboldt County Grand Jury statewide survey found only 10 out of 41 respondent counties had established codes of ethics for officials and employees, but state agencies mandate the requirement. Although a number of California cities have adopted codes of ethics, only a few cities in Sonoma County have an established Code of Ethics. Also noted was one Santa Rosa official who voluntarily added ethics training as his personal effort to be above reproach, and set a standard for his employees.

**F11. Incompatible activities dilemma**

Professional expertise of elected and appointed members of committees, commissions or boards is valued because it is a public service offered by civic-minded individuals at little or no remuneration; however, these same individuals often have businesses or full-time occupations related to their public positions. Because an official should be wary of an actual conflict of interest, as well as the appearance of conflict of interest, the system itself is vulnerable.

**F12. Form 700, Statement of Economic Interests is complex, due to the Act**

The FPPC manages 18,000 Designated Filers and receives over 50,000 inquiries a year from state and local officials seeking assistance on how to understand and respond to the Statement of Economic Interests (Form 700) and other questions related to the Act. It was determined that the Form 700 is not user friendly because the Act itself is complex and not user friendly.

## **Conclusions**

The grand jury found conflict-of-interest violations occurred at all levels of government, whether deliberate and intentional, or inadvertent and unintentional. Because the FPPC has authority and responsibility under the Political Reform Act, too often the cities and counties defer to the FPPC, rather than taking responsibility, or collaborating in a mutually reinforcing effort to take action when identified (this specifically pertains to disclosure omission and self-disqualification failures). The cities or counties need to be proactive and collaborative in resolving conflict-of-interest situations. This method would result in timelier case resolutions and fewer violations.

Ultimately, it is a matter of personal responsibility--the ethics and integrity of the elected or appointed official, and is a view confirmed by a number of respondents interviewed by the grand jury. The Statement of Economic Interests (Form 700) is a tool driven by the law and starts the process for the Designated Filer. The form isn't a major point of vulnerability, except that it is difficult to understand due to the complexities of the Act itself.

The public has been active in detecting and alerting authorities of officials in conflicted situations. The grand jury highly encourages more public monitoring of our elected and appointed officials through regular attendance of public meetings, viewing televised meetings, and availing themselves of the opportunity of reviewing an official's Form 700, or county charters, all of which are public documents.

The grand jury concluded major weaknesses in the application of the system are:

- Failure to understand Form 700 and its requirements;
- Individuals not declaring all economic interests;
- Individuals failing to disqualify themselves from making or influencing decisions in which they have a financial interest;
- Lack of communication between the FPPC and the office of the County District Attorney;
- The loophole in the government code that allows fines to be paid with campaign finances.

### Opportunities for Improvement:

Filing/Monitoring: The most effectively managed provision of the Act is the Statement of Economic Interests (Form 700) reporting requirements to prevent influencing government decisions in which the person has an economic interest. All state, county, and cities maintain a Form 700 filing system.

The management of reporting is shared by individual agencies/organizations within the FPPC with forms monitored individually for completeness on the local level. They are not monitored for information relative to their particular committee, board, or commission association, i.e., the documents are supposed to serve as an identifying means so the public, and when necessary, the judicial system, has a reference point to determine whether violations occurred. Disclosing financial interests is a vulnerability in the system as it relies on Designated Filers' understanding of the disclosure requirements covered by §§ 87200-87210 of the Act.

Early Intervention: Cases are not detected or acted upon early. The individual committee, commission and board, along with the office of the district attorney, county counsel, and city attorneys, should take more proactive, organized roles to assure the preservation of the integrity of our government is of the highest priority--be it actual conflict of interest--or appearance thereof. A more effective coordinating procedure at the city and county levels to reinforce and support state effort is needed.

## Recommendations

### R1. Adopt an Incompatible Activities List

Each commission, committee, board and public agency should have their own Incompatibility Activities list as a supplemental resource. This list would assist the officials in understanding how to avoid conflict-of-interest issues, enhance the assurance of public trust--the integrity of officials--and political processes as well. The following is a sample of the type of list the grand jury recommends:



#### **Incompatible Activities – Sample List**

Each commission, committee, board and public agency should tailor this list to their own duties and responsibilities

1. Cannot have an interest in a contract made by the board, commission, or committee that one is involved with.
2. Cannot request, receive or agree to receive anything of value or other advantages in exchange for a decision.
3. Cannot influence decisions relating to potential business or prospective employers.
4. May not acquire property interests within redevelopment areas over which one has decision-making influence.
5. Cannot receive compensation from third parties for speaking, writing an article or attending a conference.
6. Cannot use public agency resources (money, travel expenses, staff time and agency equipment) for personal or political purposes.
7. Cannot participate in decisions that may affect (positively or negatively) their personal interests, interests of their immediate family or their business partners.

Excerpt from: League of California Cities – *Institute for Self-government*

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### R2. Adopt a Code of Ethics

Sonoma County and each city should establish and implement a Code of Ethics. All commissions, committees and boards, as well as elected and appointed officials, should review the Code of Ethics and attest to understanding the policy as it pertains to their position. Thereafter, the county and city officials should mandate periodic ethics training and testing, just as is required of federal and state employees. For establishing a Code of Ethics, the Attorney General's Office and the FPPC, have developed a web-based ethics training course. The California League of Cities also has information and guidelines.

**R3. Increase fines and penalties; prohibit use of campaign funds to pay penalties**

The grand jury recommends that local officials from the county and the nine cities contact their senate and assembly members to consider amending the Political Reform Act to address the following two issues:

**R3.a** Raise fines and penalties commensurate with the amounts realized from personal gain. The cost of penalties for conflict-of-interest violations are insufficient to deter violators, therefore, the fines should be significantly higher—the dollar amount ratio should be closer to the dollar amount gained.

**R3.b** The grand jury found several officials paid off their FPPC fines with campaign funds. The California Legislature should rescind and amend Government Code § 89513(c) and § 89514 to prohibit, rather than permit, campaign funds to be utilized to pay off government-imposed monetary penalties.

**R4. Institute regular, mandatory training**

- Provide Designated Filers with basic informational training.
- Increase utilization of FPPC for training of Form 700 Filing Officers and Clerks
- Require Code of Ethics training at the city and county level as similar to that as mandated by state agencies (available online).
- Require basic conflict-of-interest training for:
  - Incumbent elected and appointed officials
  - New appointees and elected officials

**R5. Re-file Form 700 on a material change**

Sonoma County administration and respective cities in Sonoma County should require all Designated Filers to file amendments to Form 700 with clerks of the county or city within 30 days of a material change. “Material Change” is defined in Government Code § 87103.

**R6. Prevent actual and appearance of conflict of interest**

The individual committee, commission, board, or public official should review whether an actual or appearance of conflict of interest exists. If an actual or appearance of conflict of interest exists, there should be a personal discussion with the official, suggesting abstention. If the individual cannot recognize an inherent or potential conflict situation and abstain, he/she should confer with their designated attorney, or the FPPC.

## **R7. Improve collaboration/cross reporting**

There should be closer collaboration between the Sonoma County District Attorney's office and the FPPC. The grand jury recommends a Memorandum of Understanding be proposed by the District Attorney to specify the respective responsibilities, including a provision for cross-reporting. Additionally, a formal chain of communication and referral protocol relative to assigning administrative/civil and criminal complaints should be developed.

Since investigation is the first step to an action, one of the offices has to provide the investigation resource, and each entity should know at what stage a case is being reviewed.

The rationale is to have the quickest action by the appropriate enforcement agency of the suspected violations, and, as mentioned in "Findings," nine cases were not investigated by the FPPC due to insufficient agency resources. In the future, such cases ought not to be omitted from investigation just because of insufficient resources at the state level.

### **Best Practices**

A number of "Best Practices" were noted and are included here for recognition:

- The *Santa Rosa Press Democrat* newspaper, for conflict-of-interest news reporting.
- The County Counsel's effort to close loopholes in the conflict-of-interest filing process.
- Cities that have their city attorney present at meetings where guidance can be given prior to there being a conflict-of-interest issue.
- The FPPC for responding to every call with a live person to answer Political Reform Act questions.
- The FPPC for providing an array of publications and training to inform and educate the public and elected/appointed officials.
- Citizen advocates who attend public meetings and become involved.
- The City of Santa Rosa for maintaining additional disclosure forms and other information the City of Santa Rosa requires. This was above and beyond state requirements.
- Cities of Windsor, Santa Rosa; the Cloverdale and Healdsburg Planning Commissions for identifying in their agendas and minutes, a "Conflict-of-Interest Declaration" or "Statement of Abstention."
- The Sonoma County Board of Supervisors for adopting a resolution in February, 2005 to expand Designated Filers and disclosure categories.
- The City of Sonoma for enacting a Code of Ethics for its officials and employees.
- The League of California Cities for providing continuing education, training and web-based resource information.

### **Required responses to Recommendations:**

Sonoma County Board of Supervisors – R3a, R3b

Sonoma County Board of Supervisors – R1, R2, R4, R5

Nine City Managers and City Councils: Petaluma, Rohnert Park, Santa

Rosa, Cotati, Healdsburg, Windsor, Cloverdale, Sebastopol, Sonoma – R1, R4, R5

City Managers and City Councils: Petaluma, Santa Rosa, Cotati, Healdsburg,

Windsor, Cloverdale, Sebastopol – R2

Sonoma County District Attorney - R7

## Sources of Information

1. The grand jury reviewed the following documents:
  - *A Guide to the Political Reform Act of 1974*, California's Conflict-of-interest Law for Public Officials, University of California
  - *Political Reform Act 2004*, Fair Political Practices Commission
  - FPPC Stipulations, Decisions and Orders and Admonishment letter
  - California Government Codes §§ 87100-87313 and §§ 56010-56081
  - *The Maddy Act*, California Government Code, §§ 54970-54975
  - *The Brown Act*, California Government Code, § 54950
  - *The Hatch Act*, under Title 5, United States Code, § 7321 et seq.
  - The California Land Conservation Act of 1965, commonly known as the *Williamson Act*, Government Code § 51200-51297
  - The State of California, *Little Hoover Commission Report*, dated July 12, 2004, entitled "Governing the Golden State, A Critical Path to Improve Performance and Restore Trust"
  - The State of California, *Little Hoover Commission Report*, dated May 3, 2000, entitled "Special Districts: Relics of the Past or Resources for the Future?"
  - San Diego County Grand Jury Report 2002-2003 (March 6, 2003), San Diego City Ethics Commission: "Can It Attain Its Purpose?"
  - Orange County Grand Jury Report 1998-1999
  - Orange County Sheriff-Coroner, Conflict-of-Interest Study
  - Humboldt County Grand Jury Report of 2003/4 (#2004-AF-01) *The Absence of Ethics Codes in Humboldt County*
  - Fair Political Practices Commission, publications:
    - "Adopting a Conflict-of-interest Code"
    - "Can I Vote?" - An Overview of the Conflicts Laws
    - "Where to Find Copies of Form 700 Filed by Public Officials"
    - "Your Resource for Advice, Education, Enforcement."
  - Municipal Codes:
    - City of Rohnert Park Municipal Code
    - City of Sebastopol Municipal Code
    - Town of Windsor Municipal Code
    - City of Petaluma Municipal Code
    - Santa Rosa City Code
    - Sonoma County Code
  - Over thirty articles from *The Press Democrat* newspaper (1998-2005)
  - More than one-hundred state and national articles
2. The grand jury interviewed the following persons:
  - State:
    - Fair Political Practices Commission: Chief, Technical Assistance Division; Senior Counsel, Enforcement Division; Enforcement Officer
  - County:
    - District Attorney, Deputy District Attorney, Staff attorney
    - Member, Board of Supervisors
    - Deputy County Counsel
    - Local Area Formation Commission (LAFCO): Executive and Assistant Executive officers
    - Public Defender
  - Cities:
    - Cotati: Former Mayor
    - Petaluma: City Attorney
    - Rohnert Park: City Clerk, Assistant City Manager, Assistant City Attorney
    - Santa Rosa: City Manager, City Attorney, Deputy City Attorney, Director of Community Development, Former Mayor, two former Planning commissioners.
  - Other Respondents:
    - Three Citizen Advocates

• **MESSAGE TO SONOMA COUNTY RESIDENTS  
FROM THE GRAND JURY**

We commend those individuals, past and present, who sought elective and appointive office on boards, committees, and commissions in city and county governments. They act as fiduciaries for our interests, putting in many hours of personal time at little or no remuneration. While we must commend those who offer their time and expertise in public service, we have a right to expect these individuals to fulfill their responsibilities with integrity and ethical conduct; that is, they cannot use their position of public trust to benefit themselves, their business interests, families, or colleagues.

We expect elected/appointed officials to recognize actual and apparent conflicts of interest. But, this does not always occur. Thus, it may fall on other parties, including informed citizens, to raise the issue. The key is an informed citizenry.

Issues that create conflict of interest can be complex. We elect officials to work on our behalf; however, our duty as citizens does not end at the voting booth. We must be ready to assist and monitor them by being sensitive to the issues they face, particularly if they are contributing their expertise and time to assist in decisions that improve our communities.

Being informed requires that you, as a citizen, pay attention to current issues. It requires study and analysis of positions of our elected and appointed officials, and may even require attendance at government meetings. Ultimately, it may require you to speak up if there is an actual or an appearance of a conflict of interest. The goal is to preserve the integrity of our governmental functions. The reward is a more responsive government and a more satisfying environment for all of us to live in.

We have set out information below that can help you, the citizens of Sonoma County, fulfill this goal should a situation arise. Complaints concerning violations of the conflict-of-interest provisions of the Political Reform Act should be made to the local District Attorney, or the Enforcement Division of the FPPC.

**Fair Political Practices Commission**

428 J Street, Suite 620, Sacramento, CA 95814.

**Phone:** 1-866-ASK-FPPC (1-866-275-3772)

**Website:** [www.fppc.ca.gov](http://www.fppc.ca.gov)

**FPPC Publications, Training and Education:**

- “Your Duty to File” – A basic overview of State Economic Disclosure Law
- “Can I Vote.”? An overview of public officials’ obligations
- “How Do I Get Advice from the FPPC?”
- Statement of Economic Interests – Form 700.
- Publication, “Your Resource for: Advice, Education, and Enforcement”
- “How to File a Violation of the Political Reform Act.
- “Violation Report Form.”
- “What happens after I file a complaint?”
- FPPC seminars for cities, counties, multi-county and state agencies

**League of California Cities – Institute for Local Self-Government - Website:** [www.ilsq.org](http://www.ilsq.org)

**Local City and County Attorneys’ offices:**

Sonoma County District Attorney.....	707-565-2311	Cotati .....	707-665-3623
Sonoma County Counsel.....	707-565-2421	Healdsburg .....	707-431-3317
Rohnert Park.....	707-588-2227	Windsor .....	510-351-4362
Petaluma.....	707-778-4362	Cloverdale .....	707-894-2521
Santa Rosa .....	707-543-3040	Sebastopol.....	707-823-7865
		Sonoma .....	707-938-3743