


Date: February 25, 2015

To: CSU Presidents

From: Lori Lamb 
Vice Chancellor
Human Resources

Subject: **Conflict of Interest –Annual Filing and Policy Updates**

Colleagues:

I am pleased to forward you information regarding the 2015 Conflict of Interest (COI) annual filing requirements and multiple policy updates pertaining to Conflict of Interest.

I encourage campuses to review the attached policies listed below:

- **[HR 2015-02: Revisions to the COI Filing Officers' Requirements](#)**
Updates the duties of the COI Filing Officers to bring the requirements from Executive Order 295 current.
- **[HR 2015-03: Ethics Regulations and COI Code Training](#)**
Updates the Ethics Training requirements and provides campuses with information needed to ensure compliance with ethics training requirements.
- **[HR 2015-04: New Requirement to Submit an Interim Designated Position List](#)**
Provides a new interim COI requirement to submit the 2014 Conflict of Interest Interim Designated Position List to Systemwide Human Resources by April 1, 2015.
- **[HR 2015-05: Principal Investigators – Nongovernmental](#)**
Provides revisions to the CSU COI Policy for Principal Investigators (PI), a designated position in the CSU COI Code. Human Resources and Business and Finance/Sponsored Programs Administration collaborated on this policy.
- **[HR 2015-06: 2015 COI Annual Filing](#)**
Details the 2015 COI annual filing requirements for employees (including select consultants) in designated positions, as well as those identified through the interim disclosure process. Annual forms must be filed by April 1, 2015.

Please let me know if you have any questions or concerns.

Warm regards,

Lori

Distribution: With Attachments:
Conflict of Interest Filing Officers (all)
Directors, Research and Sponsored Programs (HR 2015-05)

Without Attachment:
CSU Chancellor
All Campus Vice Presidents
AVPs/Deans of Faculty
Human Resources Officers

Procurement Officers
General Counsel
Trustees' Secretariat

Date: February 25, 2015 Code: HR 2015-02
To: CSU Presidents Supersedes: EO 295
Reference: HR 2010-01
HR 2015-04
HR 2015-05
HR 2015-06

Subject: Conflict of Interest – Revisions to the Conflict of Interest Filing Officers’ Requirements

Summary

This policy supersedes Executive Order 295 and provides updated requirements for the California State University (CSU) Conflict of Interest (COI) Filing Officers.

Action Item(s):

Information only – Revised Requirements for COI Filing Officers

This HR letter should be reviewed in its entirety by the COI Filing Officers and/or the campus designee responsible for COI Form 700 filing.

Affected Employees Groups(s)/Units:

Employees and consultants in designated positions and interim designated positions.

Introduction

This HR letter discusses changes to COI Filing Officers requirements. COI Filing Officers are responsible for overseeing the distribution, collection and storage of the annual economic disclosure statements (Form 700 – Statements of Economic Interest). These statements are required to be filed by officials and employees of the California State University whose positions are designated in the CSU Conflict of Interest Code. A summary of the revised requirements follow.

The campus President has the authority to designate a filing officer on the campus with whom campus-designated employees may file their disclosure statements. Such designations should be filed with your campus counsel, or Human Resources office, or other appropriate campus department as authorized by the campus President. Please ensure that your campus filing officer’s contact information is current with Systemwide Human Resources.

Background

The Political Reform Act of 1974 mandates CSU officials and employees in designated positions annually file economic disclosure statements (Form 700 – Statements of Economic Interest). Executive Order 295 was issued in 1978 pursuant an outdated requirement in § 43814 of Title 5 of the California Code of Regulation, which required the Chancellor to designate the filing officers with whom the disclosure statements must be filed.

This HR letter repeals Executive Order 295 and updates the COI filing officer designation criteria and their respective duties. The updated requirements are effective immediately, and are consistent with Fair Political Practices

Distribution:

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All Campus Vice Presidents
AVPs/Deans of Faculty
Human Resources Officers

Conflict of Interest Filing Officers
Procurement Officers
General Counsel
Trustees’ Secretariat

Commission (FPPC) regulations under Title 2, Division 6, CCR § 18115 (Duties of Filing Officers and Filing Officials – Statement of Economic Interests).

Filing Officer Designation Criteria

The designation of filing officers under the CSU Conflict of Interest Code has been updated with the following:

1. For officers or employees occupying designated positions on a campus of The California State University, the President of the campus or his or her designee shall be the filing officer.
2. For officers or employees occupying designated positions in the Chancellor's Office (CO) of The California State University, the Human Resources Director or designee in the Human Resources Office shall be the filing officer.
3. For members of the Board of Trustees, campus Presidents of The California State University, and CSU officials who manage public investments, the Trustees' Secretariat or designee shall be the filing officer.
4. For independent contractors who perform services comparable to a COI designated position in the Chancellor's Office or a campus of the California State University, the Director, Contract and Procurement Services or designee at the Chancellor's Office, or the campus Procurement Director, respectively, shall coordinate efforts with the respective filing officer to ensure that a Form 700 is on file.
5. For officers or employees on loan from another campus who occupy a designated position on a campus or at the Chancellor's Office, the temporary location must ensure that a Form 700 is on file at that respective campus or the Chancellor's Office.
6. For Principal Investigators, the campus president or assigned designee(s) shall ensure the Form 700-U is maintained in accordance with campus procedures. Refer to [HR 2015-05](#).

The filing officers shall have all authority and responsibility necessary to fulfill their functions as required by The California State University's Conflict of Interest Code, the Political Reform Act of 1974, and regulations adopted by the FPPC pursuant thereto.

Filing Officer Requirements Pursuant to Title 2, Division 6, CCR §18115 (a) and CSU Policy¹:

Filing officers who are responsible for Statement of Economic Interests shall:

1. Become familiar with the requirements of the Political Reform Act of 1974, implementing regulations, and guidelines issued by the FPPC.²

¹ These requirements also incorporate those stated in Government Code § 81008, 81009, 81010 and 91013 provided under the Additional Resources section.

² Systemwide HR provides annual filing updates and requirements in the COI Annual Filing policy letter. Refer to HR 2015-06 and subsequent updates.

2. Supply the necessary forms and manuals prescribed by FPPC.³ Ensure that the appropriate financial disclosure forms, schedules, and instructions are distributed to the officers and employees whose positions are designated in CSU's Conflict of Interest Code. Provide filers with a copy of their disclosure categories from CSU's Conflict of Interest Code.
3. Maintain a list of interim disclosure designated positions pursuant to [HR 2015-04](#) and subsequent updates. Pursuant to HR 2010-01, persons who fall under interim disclosure shall file under the broadest disclosure in the Code until the Code is amended. However, the campus/CO may set interim disclosure that is more tailored to (interim) positions with a limited range of duties. This determination shall include a description of the position's duties, and based upon that description, a statement of the extent of disclosure requirements. Campuses remain responsible for documenting their review process.
4. Ensure that all designated employees are aware and reminded of their reporting responsibilities under the Conflict of Interest Code.
5. Conduct a facial review on all statements and determine whether the proper statements have been filed and whether:
 - a) The cover sheet includes the name and address of the filer, the period covered and type of statement;
 - b) The summary page is completed, and the required schedules are attached as indicated;
 - c) All information is legible, and readable reproductions of the statement can be made;
6. Conduct a full documented review on at least 20 percent of the statements which are filed on time, at least half of which must be selected on a random basis, and on all statements which are filed late, to determine whether:
 - a) The summary page is completed correctly, and all schedules applicable to the filer are either attached or checked "no reportable interests".
 - b) The attached schedules include all required descriptive information for each financial interest.
 - c) Information contained on one schedule suggests that required information is omitted on either that schedule or another schedule.
7. Promptly notify the filer if a statement does not satisfy the requirements, and/or if the review of the schedules indicates that the filing is incomplete or incorrect in any material aspect.
8. Notify all persons who have failed to file the required statements.
9. Report apparent violations of the Political Reform Act to Human Resources and/or your campus counsel. An apparent violation exists when:
 - a) The filing officer knows or has reason to believe that the statement contains material inaccuracies or omissions;
 - b) A filer fails to file all or part of his statement or refuses to file all or part of his statement after reasonable notice has been provided by the filing officer.
10. Compile and maintain a current list of all statements filed with the office. Date stamp all statements.

³ Refer to HR 2015-06/COI Annual Filing policy letter and subsequent updates for forms and manuals.

11. Continue to monitor when assuming and leaving office statements should be filed.
12. Receive and maintain the filed statements as public records for the prescribed period;

Retain copies of original statements forwarded to the FPPC for four years, and
Original statements not forwarded to the FPPC are retained for seven years.

Make statements accessible to the public during your regular business hours. Requestors may remain anonymous. Statements must be made available within 2 business days and copies can be provided for \$0.10 per page.

13. Answer questions concerning reporting responsibilities and communicate with the appropriate departments (e.g. Human Resources, General Counsel) for further clarification as needed.
14. Have authority to impose or waive fines (\$10 per day) for the late filing of required statements pursuant to guidelines established by the FFPC.
15. Ensure adherence to CSU Ethics Training requirements.

Delegation of Filing Officer Duties

The COI Filing Officer is responsible for overseeing the scope of duties pertaining to COI functions and tasks, including the delegation of such tasks, as authorized by the President at that campus, or as authorized by the Human Resources Director at the Chancellor's Office. Attachment A provides a sample delegation letter.

Additional Resources

For reference purposes, the following regulation may be found on the FPPC website at:

- [Regulation 18115](#)

Additionally, Government Code § 81008, 81009, 81010 and 91013 referenced above may be found at:

- [Government Code § 81008-81010](#)
- [Government Code § 91013](#)

Questions regarding this HR policy letter should be directed to Systemwide Human Resources at (562) 951-4411. This HR memorandum is also available on the Human Resources Management's Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

LL/lb

Date

Campus Counsel
Human Resources Director

Dear _____ :

I have designated _____, as (**campus name**)'s Conflict of Interest (COI) Filing Officer in accordance with HR 2015-02, and its subsequent updates.

The COI Filing Officer is authorized to assign duties pertinent to this function as appropriate.

Sincerely,

Campus President

cc: Campus Counsel File
HR File