

The California State University
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Date: February 05, 2003

Code: HR 2003-03

To: CSU Presidents

From: Jackie R. McClain 
Vice Chancellor
Human Resources

Subject: 2003 CONFLICT OF INTEREST FILING PROCESS

The Political Reform Act, Government Code Sections 81000, et seq., requires California State University, as an agency, to adopt and promulgate conflict of interest (COI) codes. The CSU's COI code requires all employees in designated positions to file a Statement of Economic Interests. This memorandum serves as a reminder that all employees on your campus in a designated position must file Statements by April 1, 2003. It also requests changes to the code since last year's update. Finally, it reports the status of an amendment to the code and the Fair Political Practices Commission (FPPC) request for additional information.

Annual Filing Reminder

COI filing is a campus responsibility. Your campus COI filing officer should distribute Form 700 ("Statement of Economic Interests") to employees in designated positions as soon as possible. **Please note:** Approval of the CSU's COI code amendment submitted to the FPPC for approval October 2002 has been delayed. Consequently, any designated position list change submitted to us by your campus pursuant to last year's filing notice was not incorporated into CSU's COI code and is not reflected in the position list used for this year's filing. As a result, for the annual filing, campuses are to use the designated position list distributed February 20, 2002, via coded memorandum HR 2002-07. Employees in these designated positions must submit completed forms to the filing officer by April 1, 2003.

As a reminder, the **Chancellor's Office does not need to be notified when the filing process is completed.** The following information is included with your campus' conflict of interest filing officer's copy of this memo to assist in the annual filing process:

1. Handbook for State Agency Filing Officers and Filing Officials - Statement of Economic Interests (revised November 1997).

Distribution:

With Attachments: Conflict of Interest Filing Officers

Without Attachments:

Vice Presidents, Academic Affairs

Associate Vice Presidents/Deans, Faculty Affairs

Vice Presidents, Administration

Vice Presidents, Information Systems

Vice Presidents/Deans of Students

Business Managers

Human Resources Directors

Payroll Managers

General Counsel

Director, SOSS

2. 2002-2003 Form 700 Statement of Economic Interests (Schedules and Instructions). Filing Officers are required to review completed Statements of Economic Interests ensuring that a completed individual disclosure statement is received, and that the date is indicated in the official date stamp box located in the upper right hand corner of Form 700. (Please refer to the Handbook (attached) for further reviewing guidelines.) Copies can be reproduced locally for appropriate employees at your campus.
3. Principal Investigator's Statement of Economic Interests Form 700-U and Instructions for Statement of Economic Interests for Principle Investigators. *The Fair Political Practices Commission (FPPC) has revised Form 730-U and replaced it with the new Form 700-U to obtain consistency in form usage between the CSU and the University of California (UC) systems.* Please destroy any copies of Form 730-U you may have and begin using the new Form 700-U. Form 700-U should be made available to employees "with principal responsibility for a research project funded or supported, in whole or in part, by the contract or grant (or other funds earmarked by the donor for a specific research project, or for a specific researcher) from a non-governmental entity."
4. CSU COI Disclosure Categories and Related Schedules (Attachment A). The Attachment identifies CSU's seventeen (17) disclosure categories and highlights each category's potentially applicable Form 700 schedule(s) in bold print.
5. 2003 Designated Position List (Attachment B). This is the designated position list distributed February 20, 2002 via HR 2002-07. Use this list for this year's annual filing.

For your reference, also included is the updated Fact Sheet titled "Limitations and Other Restrictions on Gifts, Honoraria, Travel and Loans" which summarizes the major provisions concerning gifts, honoraria, travel and loans. *Note that effective January 1, 2003 through December 31, 2004, the aggregate limitation on gifts has been adjusted from \$320 to \$340 in a calendar year.*

The Handbook, Form 700, Form 700-U, and the Fact Sheet can be accessed electronically at Systemwide Human Resources' Web site at <http://www.calstate.edu/HRA/index.shtml> under Conflict of Interest. For general reference, the FPPC Web site is <http://www.fppc.ca.gov>.

CSU COI Designated Position List Update

In addition to the annual filing, campuses are to review carefully the designated position list submitted to us May 2002, to determine whether or not existing positions on campus require incorporation. Verify your campus list is complete in scope and accurately reflects current job titles and disclosure categories for warranted campus positions. If your campus submitted designated position list changes during last year's filing update process, they are reflected on Attachment C using strikeout to show deletions, and underline for additions. For campuses that did not submit a May 2002 update, please use Attachment B.

Additionally, for each designated position change (e.g., added position, job title change, eliminated position) your campus submits as part of the CSU COI code update, the FPPC requires submission of a position description and a "statement of reason" for the change.

The following chart provides an example of what is required.

Type of Change	Attach Job Description	Statement of Reason	Example of a Statement of Reason
1. New Position	√	√	“Newly created position that makes decisions regarding the purchase of equipment for the campus.”
2. Job Title Change (only)	N/A	√	“Job title change only – duties remain the same.”
Job Title Change (if duties and disclosure category(ies) also change)	√	√	“Job title changed with expanded duties to purchase supplies for the university.”
3. Disclosure Category Changes	√	√	“Duties added to include participation in decision making concerning campus master plan.”
4. Eliminated Positions	√ (Required only if position ceases to be designated, but still exists.)	√	“Position eliminated.” (If a job has been deleted from list because campus has determined the position no longer meets the COI filing criteria, an explanation must be provided in the Statement of Reason.)

Attachment D provides an outline of the format in which the information should be submitted. **Campus COI filing officers should submit new changes to its designated position list to Ms. Felice Bakre in this office by April 30, 2003.**

Code Amendment and FPPC Request for Additional Information

A CSU Code amendment was adopted by the Board of Trustees on July 16, 2002, and submitted for approval to the Fair Political Practices Commission (FPPC) on October 10, 2002. Approval of the CSU’s Code has been delayed. In order to complete this approval process, the FPPC has requested additional information regarding designated position list changes submitted. Campus Presidents were notified of this request for additional information in a memorandum dated January 31, 2003. Once the amendment process currently underway is satisfied, these changes will be incorporated for next year’s filing. Campuses will be notified when the process is completed.

Systemwide Human Resources will continue to operate in an advisory capacity and serve as liaison between the Fair Political Practices Commission and the campuses. Questions should be directed to Felice Bakre at (562) 951-4410. This document is also available on the Human Resources Administration’s Web page at: <http://www.calstate.edu/HRAdm/memos.shtml>.

JRMcC/fb

Attachments – COI Filing Officers only