RESOLUTION NO. 06-04-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PUBLIC AGENCIES SELF-INSURANCE SYSTEM ADOPTING A CONFLICT OF INTEREST CODE

WHEREAS, the Public Agencies Self-Insurance System ("PASIS") is required to adopt a Conflict of Interest Code pursuant to Government Code Section 87300; and

WHEREAS, the Fair Political Practices Commission ("FPPC") has adopted a regulation (2 Cal. Code Regs. §18730) which is a model conflict of interest code and requires certain local agency officials, employees, and consultants to file FPPC Form 700, statement of economic interests; and

WHEREAS, PASIS desires to adopt a Conflict of Interest Code, incorporating the FPPC Model Code by reference;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of PASIS:

1. A Conflict of Interest Code, in the form attached as Exhibit "A," is hereby tentatively adopted and promulgated.

2. The Conflict of Interest Code shall become effective immediately upon its approval by the San Diego County Board of Supervisors as the code-reviewing body.

APPROVED AND ADOPTED this 20th day of April, 2006.

AYES: Alpine, Bonita/Sunnyside, Lakeside, North County, Rancho Santa Fe, Rural, and San Miguel Fire Districts and City of San Marcos
NOES: 0
ABSENT: Borrego Springs Fire Protection District
ABSTAIN: 0

President, Board of Directors
Public Agencies Self-Insurance System

ATTEST:

Secretary, Board of Directors
Public Agencies Self-Insurance System

Approved and/or authorized by the Board of Supervisors of the County of San Diego
Date 02/07/07 Minute Order No. 12
THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors
By
Deputy Clerk

017.243075.1

CONFLICT OF INTEREST CODE
OF THE
PUBLIC AGENCIES SELF-INSURANCE SYSTEM

1. Standard Code of FPPC

The Political Reform Act of 1974 (Government Code § 81000 *et seq.*) requires each state and local government agency to adopt and promulgate a conflict of interest code. As a public agency, the Public Agencies Self-Insurance System ("PASIS") is therefore required to adopt such a code. The Fair Political Practices Commission ("FPPC") has adopted a regulation (2 Cal. Code of Regs. § 18730) which contains the terms of a model conflict of interest code, which can be incorporated by reference as an agency's code. After public notice and hearing, the regulation may be amended by the FPPC to conform to amendments in the Political Reform Act.

2. Adoption of Standard Code of FPPC

The terms of 2 California Code of Regulations section 18730 and any future amendments to it duly adopted by the FPPC are hereby adopted and incorporated herein by reference. This regulation and the Appendix attached hereto designating officials and employees and establishing disclosure categories shall constitute the Conflict of Interest Code of PASIS. This code shall take effect when approved by the Board of Supervisors for the County of San Diego, and shall thereupon supersede any and all prior codes adopted by PASIS.

3. Filing of Statements of Economic Interests

Pursuant to Section 4 of the model code set forth in 2 California Code of Regulations section 18730(b), designated employees set forth in the Appendix shall file statements of economic interests (Form 700) with the Secretary of PASIS. Upon receipt of the statements of the members of the Board of Directors, the Secretary shall make and retain copies and forward the originals of these statements to the Clerk of the Board of Supervisors for the County of San Diego. Statements for all other designated employees shall be retained by the Secretary.

APPROVED AND ADOPTED by the Board of Directors of PASIS on the _____ day of _____, 2006.

_____

_____

President,
Public Agencies Self-Insurance System

ATTEST:

_____

_____

Secretary,
Public Agencies Self-Insurance System

APPENDIX TO
CONFLICT OF INTEREST CODE OF
PUBLIC AGENCIES SELF-INSURANCE SYSTEM

Preamble

Any person designated in Section I of this Appendix who is unsure of any right or obligation arising under this Code may request a formal opinion or letter of advice from the FPPC or an opinion from PASIS's General Counsel. (Gov. Code § 83114; 2 CCR § 18730(b)(11).) A person who acts in good faith in reliance on an opinion issued to him or her by the FPPC shall not be subject to criminal or civil penalties for so acting, provided that all material facts are stated in the opinion request. (Gov. Code § 83114(a).)

Opinions rendered by General Counsel do not provide any statutory defense to an alleged violation of conflict of interest statutes or regulations. The prosecuting agency may, but is not required to, consider a requesting party's reliance on General Counsel's opinion as evidence of good faith. In addition, PASIS may consider whether such reliance should constitute a mitigating factor to any disciplinary action that PASIS may bring against the requesting party under Government Code section 91003.5.

I.

Designated Employees

Designated Employees	Categories Disclosed
Members of the Board of Directors	All
Risk Manager	All
Treasurer	All
General Counsel	All
Consultants[1]	All

[1] With respect to consultants, the Risk Manager may determine in writing that a particular consultant, although a "designated employee," is hired to perform a range of duties that is limited in scope and thus is not required to comply with the written disclosure requirements described in these categories. 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 Risk Manager's determination is a public record and shall be retained for public inspection by PASIS in the same manner as this Conflict of Interest Code. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

II.

Disclosure Categories

Category 1.

A designated employee in this category shall report all interests in real property, and investments in, and income from, business entities of the type to operate or provide any of the following:

Accounting or auditing services
Banks and savings and loans
Computer hardware or software, or computer services or consultants
Communications equipment or services
Entities or persons who have filed claims against PASIS or have claims pending against PASIS
Insurance brokers and agencies
Insurance adjusting, claims auditing or administration, or underwriting services
Office equipment or supplies
Personnel and employment companies and services
Printing or reproduction services, publications, and distribution
Securities, investment or financial services companies
Operation of self-insurance programs and risk management

Category 2.

A designated employee in this category shall disclose all business positions in, investments in, and income from any business of the type to provide personnel, services, supplies, material, machinery, or equipment to PASIS and is associated with the job assignment or position of the designated employee.

STATEMENT OF DUTIES OF EMPLOYEES OF AND CONSULTANTS TO PUBLIC AGENCIES SELF-INSURANCE SYSTEM

Members of the Board of Directors

The Board of Directors acts as the Public Agencies Self-Insurance System governing body. Members of the Board of Directors formulate general policy and programs of Public Agencies Self-Insurance System ("PASIS"), and oversees investment of PASIS funds, which it has not further delegated. Each member of the Board of Directors therefore is designated.

Risk Manager

The contract Risk Manager oversees the day-to-day operations of PASIS. He or she participates in the formulation of PASIS's general policies and programs, and implements policy on behalf of the Board of Directors. He or she therefore is designated.

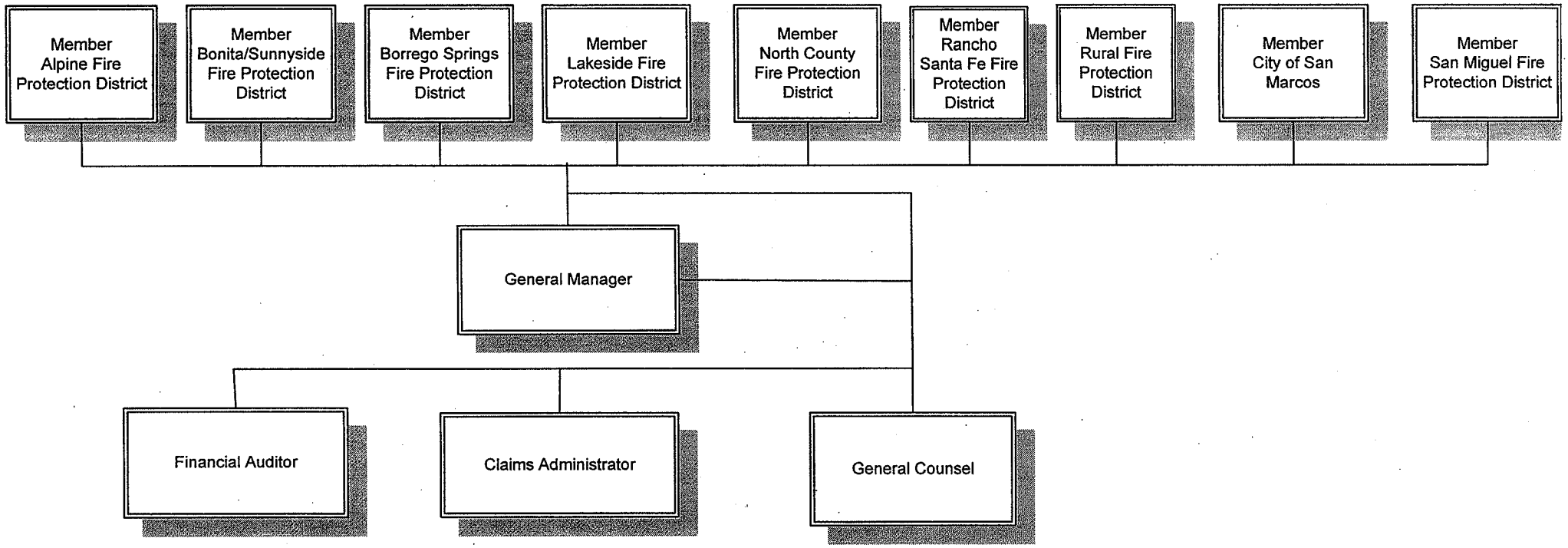
General Counsel

General Counsel, currently hired on a contract basis, advises PASIS on its day-to-day activities, including its relationships with the independent contractors who serve in a staff capacity to PASIS, and compliance with applicable laws and regulations. He or she participates in the formulation and implementation of the policies and programs of PASIS and therefore is designated.

Auditor

PASIS has contracted with one or more accounting firms to handle financial audits of PASIS's finances and investments. These firms implement decisions of the PASIS Board of Directors. Because these auditors' duties are restricted in the manner described herein, they do not participate in the formulation and implementation of the policies and programs of PASIS, and also do not "manage public investments" within the meaning of applicable regulations. Therefore, designation is not required.

Claims Administrator

PASIS has contracted with one or more claims administration companies to provide claims management services in self-insurance programs other than Worker's Compensation. These companies implement decisions of the PASIS Board of Directors. Because these administrators' duties are restricted in the manner described herein, they do not participate in the formulation and implementation of the policies and programs of PASIS, and also do not "manage public investments" within the meaning of applicable regulations. Therefore, designation is not required.

PASIS ORGANIZATIONAL CHART