



Clerk of the Board COUNTY OF TULARE AGENDA ITEM

BOARD OF SUPERVISORS

KUYLER CROCKER
District One

PETE VANDER POEL
District Two

AMY SHUKLIAN
District Three

EDDIE VALERO
District Four

DENNIS TOWNSEND
District Five

AGENDA DATE: March 26, 2019

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>

CONTACT PERSON: Melinda Benton PHONE: 636-5000

SUBJECT: Approval of Sierra View Medical Center Conflict of Interest Code

REQUEST(S):

That the Board of Supervisors:

Approve the new Conflict of Interest Code adopted by Sierra View Medical Center

SUMMARY:

The Political Reform Act, Administered by the State Fair Political Practice Commission (FPPC), requires local governmental agencies to adopt a Conflict of Interest Code and update it from time-to-time to reflect changes in decision-making positions within the Agency. This includes newly added positions, deleted positions, or changes in the title or decision-making duties assigned to positions. This also includes changes in disclosure categories for designated positions.

In addition, a local government agency is required to conduct a review of its Conflict of Interest Code every even numbered year. A local government agency includes a special district of any kind, school districts, or any local board, committee, commission or agency established by State of Federal statute that has a separate legal status. Pursuant to the Act, the Tulare County Board of Supervisors is the code-reviewing body for all local government agencies whose territorial boundaries are wholly in Tulare County, and has the responsibility to see that such agencies meet conflict of interest code requirements.

A Conflict of Interest Code is designated to cover members of boards, commissions, committees, districts and similar bodies, and administrative employees that make, or participate in making government decisions. The purpose of the Code is to prevent such officials from engaging in government decision-

SUBJECT: Approval of Sierra View Medical Center Conflict of Interest Code
DATE: March 26, 2019

making in which the official may have a personal financial interest. Officials designated in an agency's code are required to file a Form 700-Statement of Economic Interests upon appointment to a designated position, upon leaving the position and on a yearly basis while performing the official functions of that position. For this reason, positions designated in the local agency's code must also be assigned a disclosure category. Disclosure categories describe the types of personal financial interests that the official must disclose in his or her Form 700-Statement of Economic Interests.

In July 2018, written notices were sent to all local government agencies within Tulare County of their obligation to conduct a Biennial Review of the agency's Conflict of Interest Code as required by law. By law, the Board of Supervisors must approve all amended or new Conflict of Interest Codes.

The Sierra View Medical Center responded that they have adopted their respective Conflict of Interest Codes and have provided the County with the necessary supporting documents for review. These codes meet the requirements of the Political Reform Act and can be recommended to this Board for approval. Declaration by the representative of this special district confirming compliance with applicable requirements for adopting the agency's code are attached for your review.


FISCAL IMPACT/FINANCING:

There is no County cost associated with this request.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The approval of the Conflict of Interest Codes helps fulfill the Organization Performance initiative by ensuring that the County and the local agencies are in compliance with the law.

ADMINISTRATIVE SIGN-OFF:



Melinda Benton, Chief Clerk
Clerk of the Board

cc: County Administrative Office

Attachment(s) Attachment A- Sierra View Medical Center Conflict of Interest Code

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF APPROVAL OF)
SIERRA VIEW MEDICAL CENTER) Resolution No. _____
CONFLICT OF INTEREST CODE)

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

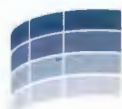
AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JASON T. BRITT
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

Approved the new Conflict of Interest Code adopted by Sierra View Medical Center



SIERRA VIEW

MEDICAL CENTER

February 28, 2019

Tulare County Board of Supervisors
Clerk of the Board of Supervisors
Melinda Benton
2800 W. Burrel Avenue
Visalia, CA 93291

Subject: 2018 Adoption of Conflict of Interest Code

Dear Ms. Benton –

Enclosed is the Conflict Interest Code for Sierra View Local Health Care District, adopted by the Board of Directors on January 22, 2019.

Sincerely,

Whitney Watts
Executive Assistant
Clerk to Board of Directors
Sierra View Local Health Care District
(559) 788-6101
wwatts@sierra-view.com

SUBJECT: CONFLICT OF INTEREST CODE (COMPLIANCE WITH THE POLITICAL REFORM ACT OF 1974)	SECTION:
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PURPOSE:

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 (FPPC) has adopted a regulation, Title 2, California Code of Regulations, section 18730, which contains the terms of a standard Conflict-of-Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of Title 2, California Code of Regulations, section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached appendices in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict-of-Interest Code of Sierra View Local Health Care District (SVLHCD). This policy reflects the law as of December 1, 2018 which is subject to updates and revisions. The information stated in this policy is a summary of applicable law and is intended to be a helpful guide, however may not entirely describe each possible circumstance or scenario that may occur.

POLICY STATEMENT:

In addition to the Conflict of Interest and Disclosure Code approved and adopted by the Board of Directors, attached hereto and made a part of this policy, all board members, senior management, leaders of the organized medical staff and employees of SVLHCD shall seek to promote, enhance and protect the best interests of SVLHCD and to avoid taking any actions which may be adverse to the best interest of SVLHCD or our patients.

AFFECTED AREAS/PERSONNEL: *INDIVIDUALS AS MAY BE DETERMINED BY THE BOARD OR CEO.*

DEFINITIONS:

For the purpose of this policy, the following definitions apply:

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this Conflict of Interest Code.

Disclosing member : The persons holding positions on Appendix A. It has been determined that these individuals make or participate in the making of decisions which may foreseeably have a material impact on economic interests.

Immediate Family member: For purposes of this Policy, an "immediate family member" of a disclosing member shall include spouse, parent, grandparents, grandchildren, daughter, son, step-daughter, step-son, siblings, step-parents, mothers and fathers-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person.

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GUIDELINES:

Under the Act, a disclosing member has a disqualifying conflict of interest in a decision if it is foreseeable that the decision will have a financial impact on his or her personal finances or other financial interests. In such cases, there is a risk of biased decision-making that could sacrifice the public's interest in favor of the disclosing member's private financial interests. To avoid actual bias or the appearance of possible improprieties, the disclosing member is prohibited from participating in the decision.

DISQUALIFYING FINANCIAL INTERESTS:

There are five types of interests that may result in disqualification:

- **Business Entity.** A business entity in which the disclosing member has an investment of \$2,000 or more in which he or she is a director, officer, partner, trustee, employee, or manager.
- **Real Property.** Real property in which the disclosing member has an interest of \$2,000 or more including leaseholds. (However, month-to-month leases are not considered real property interests.)
- **Income.** An individual or an entity from whom the disclosing member has received income or promised income aggregating to \$500 or more in the previous 12 months, including the disclosing member's community property interest in the income of his or her spouse or registered domestic partner.
- **Gifts.** An individual or an entity from whom the disclosing member has received gifts aggregating to \$470 or more in the previous 12 months.
- **Personal Finances.** The disclosing member's personal finances including his or her expenses, income, assets, or liabilities, as well as those of his or her immediate family.

DISQUALIFYING FINANCIAL IMPACT OR EFFECT:

If a decision may have a financial impact or effect on any of the foregoing interests, a disclosing member is disqualified from a decision if the following two conditions are met:

- The financial impact or effect is foreseeable, and
- The financial impact or effect is significant enough to be considered material.

Generally, a financial impact or effect is presumed to be both foreseeable and material if the financial interest is "explicitly" or directly involved in the decision. A financial interest is explicitly involved in the decision whenever the interest is a named party in, or the subject of a decision before the District.

SUBJECT: CONFLICT OF INTEREST CODE (COMPLIANCE WITH THE POLITICAL REFORM ACT OF 1974)	SECTION:
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If the interest is "not explicitly involved" in the decision, a financial impact or effect is reasonably foreseeable if the effect can be recognized as a realistic possibility and more than hypothetical or theoretical. A financial effect need not be likely to occur to be considered reasonably foreseeable.

However, for interests "not explicitly involved" in the decision, different standards apply to determine whether a foreseeable effect on an interest will be material depending on the nature of the interest. The FPPC has adopted rules for deciding what kinds of financial effects are important enough to trigger a conflict of interest. These rules are called "materiality standards," that is, they are the standards that should be used for judging what kind of financial impacts resulting from decisions are considered material or important.

There are too many materiality standards to adequately review all of them here. To determine the applicable materiality standard, or to obtain more detailed information on conflicts, a disclosing member may consult the FPPC's guide to [Recognizing Conflicts of Interest](#). Alternatively, the disclosing member shall inform the Compliance Officer (CO) or designee that he/she may require assistance from the District's counsel or the FPPC anytime the disclosing member has reason to believe a decision may have a financial impact or effect on his/her personal finances or other financial interests.

PROCEDURE:

- A. The Board of Directors of SVLHCD is vested with ultimate authority and responsibility to determine the applicability of this policy to any set of facts that may arise and to determine any steps that should be taken to correct a situation deemed not in the best interests of SVLHCD including, if deemed appropriate, disciplinary action.
- B. The CO or designee of SVLHCD will annually notify the individual holding one of the positions listed in Appendix A of the need to complete the Fair Political Practices Commission Form 700, maintained in Administration. The CO or designee will monitor and review all responses from recipients. If the CO or designee finds that the facts set forth in any particular response give rise to a potential conflict of interest contrary to this policy, the CO or designee will forward all information relating to any such potential conflict, together with any recommended course of action, to the CEO and the Board of Directors.
- C. Additionally, any individual in the described positions, in accordance with the Political Reform Act of 1974, is required to file a Conflict of Interest Statement within 30 days after assuming the position, annually during the month of March each year, and within 30 days of leaving the position. It will be the responsibility of the Human Resources Department to notify the CO when employees are hired or terminate their employment in these positions.
- D. The Conflict of Interest Code of SVLHCD is reviewed biennially and the Local Agency Biennial Notice is filed with the Board of Supervisors, County of Tulare.

REFERENCES:

- The Political Reform Act, Government Code section 81000 et seq
- Regulations of the Fair Political Practices Commission (Regulations 18110, et seq.)

SUBJECT:
**CONFLICT OF INTEREST CODE (COMPLIANCE
WITH THE POLITICAL REFORM ACT OF 1974)**

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- Title 2, CA Code of Regulations, section 18730

Appendix A: List of Designated Positions

Appendix B: Conflict of Interest Code Disclosure Categories

Appendix C: Conflict of Interest Code

SUBJECT:
CONFLICT OF INTEREST CODE (COMPLIANCE
WITH THE POLITICAL REFORM ACT OF 1974)

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SIERRA VIEW LOCAL HEALTH CARE DISTRICT
 APPENDIX A
 LIST OF DESIGNATED POSITIONS
 CONFLICT OF INTEREST CODE

Designated Position	Disclosure Categories
Board Member	Full Disclosure
Chief Executive Officer	Full Disclosure
Chief Financial Officer	Full Disclosure
Vice President of Patient Care Services	Full Disclosure (excluding interests in real property)
Vice President of Professional Services and Physician Recruitment	Full Disclosure
Vice President of Human Resources	Full Disclosure (excluding interests in real property)
Director of Financial Strategy and Contracts Administrator	General Contracting A
Admin Director of IT/Infrastructure/Project Management	General Contracting A
Director of Materials Management and Business Development	General Contracting A
Director of Environmental Services	General Contracting A
Director of Facilities	General Contracting A
Director of Pharmacy	General Contracting A
General Counsel	Full Disclosure
Consultant	Full Disclosure *

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest category in the code, subject to the following limitations:

The Chief Executive Officer or his or her designee may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description, a statement of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosures requirements. The CEO’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. (Gov. Code Section 81008.) See APPENDIX B – Conflict of Interest Code Disclosure Categories

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SIERRA VIEW LOCAL HEALTH CARE DISTRICT
APPENDIX B
CONFLICT OF INTEREST CODE
DISCLOSURE CATEGORIES

1. Full Disclosure

All interests in real property located entirely or partly within the District's jurisdiction or boundaries, or within two miles of this District's jurisdiction or boundaries or of any land owned or used by this District. Such interests include any leasehold, ownership interests or option to acquire such interest in real property.

All investments, business positions, and sources of income, including gifts, loans and travel payments. *Intended for board members and high-level decision-making employees with broad duties)*

2. Full Disclosure (excluding interests in real property)

All investments, business positions, and sources of income, including gifts, loans and travel payments.

3. General Contracting (two options)

- A. All investments, business positions, and sources of income, including gifts, loans and travel payments, from sources that provide, or have provided in the last two years, leased facilities, goods, supplies, materials, equipment, vehicles, machinery, services, or the like, including training or consulting services, of the type utilized by the District.

(Intended for employees whose duties and decisions involve contracting and purchasing for the entire District)

- B. All investments, business positions, and sources of income, including gifts, loans and travel payments, from sources that provide, or have provided in the last two years, leased facilities, goods, supplies, materials, equipment, vehicles, machinery, services, or the like including training or consulting services, of the type utilized by the employee's department or agency.

(Intended for employees whose duties and decisions involve contracting and purchasing for a specific department or agency of the District)

SUBJECT:

**CONFLICT OF INTEREST CODE (COMPLIANCE
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SIERRA VIEW LOCAL HEALTH CARE DISTRICT
APPENDIX C
CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code 81000 81000 *et seq.*) requires local government agencies to adopt and promulgate a conflict-of-interest code. This code is designed to ensure that board members and employees of the District do not engage in government decision-making in which the officer or employee may have a personal financial interest. In addition, board members and decision-making employees designated in the District's code are required to file periodic public statements disclosing their personal economic interests (Form 700).

The Fair Political Practices Commission has adopted a regulation that contains the terms of a model conflict-of-interest code. Therefore, the terms of Title 2, CA Code of Regulations, section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by this reference and, together with the attached APPENDIX A (DESIGNATED POSITIONS), and APPENDIX B (DISCLOSURE CATEGORIES), constitutes the Conflict of Interest Code of the District.

Persons serving in designated positions (APPENDIX A) shall file periodic disclosure statements (Form 700) with the District, as required by law and pursuant to notice from the District's filing officer. The disclosure statements shall be retained by the District for no less than seven years, and shall be made available for public inspection and reproduction upon request.

Adopted by Sierra View Local Health Care District:

Date: 1/22/19

Approved by Tulare County Board of Supervisors:

Date: _____