



## ***Form 700, Conflicts of Interest and Fair Political Practices***

### ***Summary***

The objective of this Grand Jury investigation was to review the Form 700 conflict of interest filing requirements for Mendocino County Grand Jury members.

### ***Background***

Grand Jurors have questioned whether the Form 700 filing requirement is an appropriate and necessary disclosure of potential conflict of interest. Initially, several Grand Jurors refused to sign Form 700; all eventually signed except two Jurors who were subsequently discharged from the 2004/05 Grand Jury by the Presiding Judge, upon advice from County Counsel, on April 26, 2005.

### ***Methodology***

The Grand Jury made visits to various county offices and had meetings and correspondence with the county Board of Supervisors, members of the Mendocino County Court Staff, the District Attorney's office, the County Counsel staff, the Clerk-Recorder's Office, the County collections office, the Presiding Judge, the California Grand Juror's Association, the Fair Political Practices Commission (FPPC), and private citizens.

### ***Findings***

1. Form 700 is a public document which discloses economic interest, and is required by Mendocino County Ordinance to be completed, signed and filed at the Clerk-Recorder's office.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department disagrees with this finding in part in that a Conflict of Interest Code is required by Government Code §§ 87300 et seq. A Conflict of Interest Code for the Grand Jury was adopted by the Mendocino County Grand Jury on March 10, 1989, and approved by the Mendocino County Board of Supervisors on March 21, 1989.

**Response (County Clerk-Recorder):** The Department disagrees in part with this finding as it is through an adopted Conflict of Interest Code or pursuant to state law that form 700's are required to be filed.

**Response (Board of Supervisors):** The Board disagrees with this finding in part in accordance with the response of County Counsel.



2. The Form 700 filing is required within 30 days of both assuming and leaving office. An annual statement update is also required by April 1st each year. Form 700 information can be found on the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department agrees with this finding.

**Response (County Clerk-Recorder):** The Department agrees with this finding.

**Response (Board of Supervisors):** The Board agrees with this finding.

3. Government Code §87100 covers conflict of interests matters for public officials. It outlines procedures which must be followed by an official on a matter of conflict before any discussion or vote is taken on the matter.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department disagrees with this finding in part because Government Code § 87100 only states that “no public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.” Government Codes §§ 87100 through 87103.6 outline what a conflict is and the procedures which must be followed by an official on a matter of conflict before any discussion or vote is taken on the matter.

**Response (County Clerk-Recorder):** The Department disagrees in part with this finding because it is Government Code §87100 along with many subsequent sections that outline procedures which must be followed.

**Response (Board of Supervisors):** The Board disagrees with this finding in part in accordance with the response of County Counsel.

4. Pursuant to Section 4 of the County Standard Code, “designated employees shall file statements of economic interests with the Mendocino County Clerk/Elections Department where they will be retained”.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department agrees with this finding in that the Mendocino County’s Conflict of Interest Code requires that designated employees shall file a statement of economic interest and that



these statements are retained by the Elections Division of the County Assessor-Clerk- Recorder Department.

**Response (County Clerk-Recorder):** The Department agrees with this finding.

**Response (Board of Supervisors):** The Board agrees with this response.

5. Grand Juries are considered local government agencies, and as such are required to file Form 700.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department agrees with this finding.

**Response (County Clerk-Recorder):** The Department lacks sufficient information to agree or disagree with this finding.

**Response (Board of Supervisors):** The Board agrees with this finding.

6. Form 700 filing is monitored by the California FPPC using the most recent legislation which became effective January 1, 2003.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department agrees with this finding.

**Response (County Clerk-Recorder):** The Department lacks sufficient information to agree or disagree with this finding.

**Response (Board of Supervisors):** The Board agrees with this finding.

7. The Mendocino County Grand Jury Procedures manual requires that every Grand Juror file Form 700 in accordance with the Grand Jury Conflict of Interest Code and County ordinance. The Mendocino County Grand Jury adopted their Conflict of Interest Code in compliance with the Political Reform Act of 1974, Gov. Code §87100, which was approved on March 21, 1989 by the Mendocino County Board of Supervisors.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department agrees with this finding.



**Response (County Clerk-Recorder):** The Department lacks sufficient information to agree or disagree with this finding.

**Response (Board of Supervisors):** The Board agrees with this finding.

8. Under current County ordinance, failure to file Form 700 is a misdemeanor.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department disagrees with this finding in part because it is state law that makes failing to file Form 700 a misdemeanor. The County Code simply adopts state law.

**Response (County Clerk-Recorder):** The Department disagrees in part with this finding because we believe it is state law that is incorporated within local conflict of interest codes that provides that failure to file a Form 700 is a misdemeanor.

**Response (Board of Supervisors):** The Board disagrees with this finding in part in accordance with the response of County Counsel.

9. The Form 700 filing requirement was not disclosed to potential jurors during the Grand Jury application process for the 2004/05 Grand Jury. The Form 700 filing requirement was disclosed to 2004/05 Grand Jurors on the afternoon of the swearing-in ceremony when jurors were impaneled.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department lacks sufficient information to either agree or disagree with this finding.

**Response (County Clerk-Recorder):** The Department lacks sufficient information to agree or disagree with this finding.

**Response (Board of Supervisors):** The Board lacks sufficient information to agree or disagree with this finding.

10. The Grand Juror application form has been amended by Court staff to include Form 700 filing requirement for all Grand Jurors.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department lacks sufficient information to either agree or disagree with this finding.



**Response (County Clerk-Recorder):** The Department lacks sufficient information to agree or disagree with this finding.

**Response (Board of Supervisors):** The Board lacks sufficient information to agree or disagree with this finding.

11. Correspondence from the office of the Mendocino County Clerk-Recorder stated that the "Government Code § 91013 imposes a \$10 per day fine up to a maximum of \$100 for the late filing of a Statement of Economic Interest. Persons who receive adequate notice of their filing requirement prior to the filing deadline and nevertheless file late, but who file within 30 days after receiving a reminder to file notification are eligible to have their fine reduced or waived if they have no prior history of filing late". The Clerk-Recorder's office may turn claims over to a collection agency. The collection agency may file a legal action to enforce payment of the fine and obtain a judgment to collect the fines.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department agrees with this finding.

**Response (County Clerk-Recorder):** The Department agrees with this finding.

**Response (Board of Supervisors):** The Board agrees with this finding.

12. The FPPC has the authority to levy additional fines upon a failure to file Form 700.

**Response (District Attorney):** No response received.

**Response (County Counsel):** The Department agrees with this finding.

**Response (County Clerk-Recorder):** The Department agrees with this finding.

**Response (Board of Supervisors):** The Board agrees with this finding.

13. There is no public mechanism other than Form 700 to determine possible conflicts of interest on the part of Grand Jurors.

**Response (District Attorney):** No response received.



**Response (County Counsel):** The Department disagrees with this finding in part because there may be other ways to discover if an individual has a conflict in a certain instance; however, Form 700 significantly helps in discovering such conflicts.

**Response (County Clerk-Recorder):** The Department lacks sufficient information to agree or disagree with this finding.

**Response (Board of Supervisors):** The Board lacks sufficient information to agree or disagree with this finding.

### ***Recommendations***

1. The Grand Jury recommends that no changes be made to the Form 700 filing requirements for Grand Jurors. (Findings 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13).

**Response (District Attorney):** No response received.

**Response (County Counsel):** The recommendation has been implemented in that the Department is not aware of any proposed changes to the requirement that Grand Jurors file Form 700.

**Response (County Clerk-Recorder):** The Department has no control over implementation of this recommendation.

**Response (Board of Supervisors):** This recommendation is implemented, as described by the County Counsel response.

2. The Grand Jury recommends that each Grand Jury Foreperson ensure timely filings of Form 700 by all Grand Jurors. (Findings 5, 6, 7, 8, 9, 10, 11, 12, 13).

**Response (District Attorney):** No response received.

**Response (County Counsel):** The recommendation should be implemented; however, the Department has no authority to require this recommendation be implemented. Under State law each Grand Juror is required to complete Form 700.

**Response (County Clerk-Recorder):** The Department has no control over implementation of this recommendation.

**Response (Board of Supervisors):** This recommendation should be implemented through the agency that is responsible for convening the Grand Jury.



County of Mendocino  
Grand Jury

Post Office Box 629  
Ukiah, CA 95482  
(707) 463-4320

***Response Required***

Mendocino County Board of Supervisors  
Mendocino County District Attorney  
Mendocino County Counsel

***Response Requested***

Mendocino County Clerk-Recorder