

**ALAMEDA COUNTY BOARD OF SUPERVISORS**

**\*\* MINUTE ORDER \*\***

*The following was action taken by the Board of Supervisors on January 23, 2007*

Approved as Recommended  Other

Unanimous  Carson  Lai-Bitker  Miley  Steele  Haggerty  4

Vote Key: N=No; A=Abstain; X=Excused

**Documents accompanying this matter:**

- Resolution(s) \_\_\_\_\_
- Ordinance(s) \_\_\_\_\_
- Contract(s) \_\_\_\_\_

File No. 21767  
Item No. 32

**Copies sent to:**

**Nancy Farber, Chief Executive Officer, Washington Hospital Healthcare System, 2000 Mowry Avenue, Fremont, CA 94538-1716**

**Special Notes:**



I certify that the foregoing is a correct copy of a Minute Order adopted by the Board of Supervisors, Alameda County, State of California.

ATTEST:  
Crystal Hishida Graff, Clerk of the Board  
Board of Supervisors

By: \_\_\_\_\_  
Deputy



2000 Mowry Avenue Fremont California 94538-1716 • (510) 797-1111  
www.whhs.com

December 26, 2006

Clerk, Board of Supervisors  
1221 Oak Street, Room 536  
Oakland, CA 94612

Re: 2006 Conflict of Interest Code  
Biennial Review

Enclosed please find the Conflict of Interest Code of the Washington Township Health Care District. Changes to the Code are listed below. The revised code was approved by the Board of Directors on December 13, 2006. Specific revisions to the code are:

1. Clarification of the definitions of those affected by the Code. Inserts the term "designated filer" for "official and/or employee".
2. Increases the monetary limits in several categories to reflect changes in the regulation.
3. Addition of detailed definitions of honoraria and gift as related to the Code.
4. Clarification of the provisions regarding travel payments and reimbursements.
5. Addition of a requirement for disqualification from decisions in the face of negotiations for prospective employment.
6. Description of Disclosure Categories.
7. Changes to the list of Designated Filers based on new positions and title changes.

Sincerely,

*Jen Hood, Assoc. Admin.*  
*Nancy Farber*

NANCY FARBER  
Chief Executive Officer

WASHINGTON HOSPITAL HEALTHCARE SYSTEM  
2000 MOWRY AVENUE  
FREMONT, CA 94538-1716  
(510) 797-1111  
FAX (510) 797-1112  
WWW.WHHS.COM

**CONFLICT OF INTEREST CODE**  
**OF**  
**WASHINGTON TOWNSHIP HEALTH CARE DISTRICT**

SECTION 1. PURPOSE.

Washington Township Health Care District (“District”) expects all who make, participate in making or in any way attempt to use their official position to influence a District decision, to do so in an impartial manner, free from the pressures and bias caused by their own financial interests. Those who hold the public trust must act, and appear to act, ethically.

With this in mind and in compliance with the Political Reform Act found at Government Code Sections 87100 et seq. and the Fair Political Practices Commission’s (“FPPC”) implementing regulations, found at Title 2 of the California Code of Regulations Sections 18100 et seq., (collectively, the "PRA"), District adopts this Conflict of Interest Code ("Code").

As described in more detail in the body of this Code, District expects “Designated Filers” and other public officials to do two things: (1) file a “Form 700” as specified on Appendix 1 and as instructed in the Form 700 instructions, and (2) in certain cases, to either disqualify themselves or to disclose the existence of certain conflicts of interests before making, participating in making or otherwise using their official position to influence a District decision.

This Code is additional to and is not intended to modify or abridge the provisions of the PRA, the FPPC regulations, or and any other applicable conflicts of interest laws. Except as may be otherwise stated, the terms of FPPC Regulation 18730 and any amendments to regulation 18730 are incorporated into this Code. This Code shall be interpreted in a manner consistent with FPPC regulation 18730.

SECTION 2. DEFINITIONS.

(A) **"Investment"** means any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership or other ownership interest owned directly, indirectly or beneficially by the public official, or his or her immediate family, if the business entity or any parent, subsidiary or otherwise related business entity has an Interest in Real Property in the jurisdiction, or does business or plans to do business in the jurisdiction, or has done business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under the PRA. No asset shall be deemed an investment unless its fair market value exceeds Two Thousand Dollars (\$2,000). The term "investment" does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in

a diversified mutual fund registered with the Securities and Exchange Commission under the Investment Company Act of 1940 or a common trust fund which is created pursuant to Section 1564 of the Financial Code, or any bond or other debt instrument issued by any government or government agency. Investments include a pro rata share of investments of any business entity, mutual fund or trust in which the individual or his or her immediate family owns, directly, indirectly or beneficially, a ten percent (10%) interest or greater.

(B) **"Interest In Real Property"** includes any leasehold, beneficial or ownership interest or an option to acquire such an interest in real property located in the jurisdiction owned directly, indirectly or beneficially by the public official, or his or her immediate family, if the fair market value of the interest is Two Thousand Dollars (\$2,000) or more. Interests In Real Property includes a pro rata share of interests in real property of any business entity or trust in which the individual or his or her immediate family owns, directly, indirectly or beneficially, a ten percent (10%) interest or greater. Jurisdiction includes property within two miles outside the boundaries of the District or within two (2) miles of any land owned or used by the District.

(C)(1) **"Income"** means, except as provided in subsection (2) hereof, a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in Income of a spouse. Income also includes an outstanding loan and a pro rata share of any Income of any business entity or trust in which the individual or his or her spouse owns, directly, indirectly or beneficially, a ten percent (10%) interest or greater. "Income," other than a gift, does not include income received from any source outside the jurisdiction and not doing business within the jurisdiction, not planning to do business within the jurisdiction, or not having done business within the jurisdiction during the two years prior to the time any statement or other action is required under the PRA.

(2) Income does not include:

- (i) Campaign contributions required to be reported under the PRA;
- (ii) Salary and reimbursement for expenses or per diem, and social security, disability, or other similar benefit payments received from a state or local government agency and reimbursement for travel expenses and per diem received from a bona fide nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code;
- (iii) Any devise or inheritance;

- (iv) Interest, dividends or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, payments received under any insurance policy, or any bond or other debt instrument issued by any government or government agency;
- (v) Dividends, interest or any other return on a security which is registered with the Securities and Exchange Commission of the United States government or a commodity future registered with the Commodity Futures Trading Commission of the United States government, except proceeds from the sale of these securities and commodities future;
- (vi) Redemption of a mutual fund;
- (vii) Alimony or child support payments;
- (viii) Any loan or loans from a commercial lending institution which are made in the lender's regular course of business on terms available to members of the public without regard to official status.
- (ix) Any loan from, or payments received on a loan made to, an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law; brother-in-law, sister-in-law, nephew, niece, uncle, aunt or first cousin, or the spouse of any such person, provided that a loan or a loan payment received from any such person shall be considered Income if he or she is acting as an agent or intermediary for any person not covered by this paragraph.
- (x) Any indebtedness created as part of a retail installment or credit card transaction if made in the lender's regular course of business on terms available to members of the public without regard to official status.
- (xi) Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a).
- (xii) Proceeds from the sale of securities registered with the Securities and Exchange Commission of the United States government or from the sale of commodities futures registered with the Commodity Futures Trading Commission of the United States government if the filer sells the securities or the commodities futures on a stock or commodities exchange and does not know or have reason to know the identity of the purchaser.

(D) "**Business Position**" means any business entity in which the filer is a director, officer, partner, trustee, employee or holds any position of management, if the business entity or any parent, subsidiary or otherwise related business entity has an Interest In Real Property in the jurisdiction, or does business or plans to do business in the jurisdiction or has done business in the jurisdiction at any time during the two (2) years prior to the date the Statement is required to be filed.

(E) "**Business Entity**" means any organization or enterprise operated for profit, including but not limited to a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation or association.

(F) "**Statement of Economic Interests**" or "**Statement**" or "**Form 700**" means the then current Form 700 Statement of Economic Interests provided by the FPPC.

(G) "**Member**" shall include, but not be limited to, salaried or unsalaried members of District committees, boards or commissions with decision making authority. A committee, board or commission possesses decision making authority whenever: (i) it may make a final District decision; (ii) it may compel a District decision, or it may prevent a District decision either by reason of an exclusive power to initiate the decision or by reason of a veto that may not be overridden; or (iii) it makes substantive recommendations that are, and over an extended period of time have been, regularly approved without significant amendment or modification by another public official or governmental agency.

(H) "**Consultant**" shall include any individual who either (1) pursuant to a contract with the District, makes a District decision, including any decision that would be made by a District official in the absence of the Consultant's contract with the District or (2) serves in a staff capacity and in that capacity participates in making governmental decisions; or performs the same or substantially the same functions as a position specified in the District's conflict of interest code.

(I) "**Immediate Family**" includes spouse and dependent children. The term "spouse" in turn includes registered domestic partners recognized by state law.

### SECTION 3. DESIGNATED FILERS OF FORM 700

The persons holding positions listed in Appendix 1 of this Code are, in addition to those identified by the PRA ("Designated Filers"), people who make or participate in the making of decisions which may foreseeably have a material effect on financial interests. This Code requires positions listed in Appendix 1 to disclose the particular financial interests specified for each position listed on Appendix 1 by completing Form 700 in the manner detailed in the Form 700 instructions.

This Code does not impose any disclosure obligation on any Designated Filers who are designated in a conflict of interest code for another agency, provided that all of the following apply:

(A) The geographical jurisdiction of this District is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under Article 2 of Chapter 7 of the PRA; and

(C) The filing officer is the same for both agencies.<sup>1</sup>

#### SECTION 4. PLACE OF FILING.

Designated Filers shall file the originals with the District's Chief Executive Officer or his or her designee (the "CEO"), who shall retain copies and forward the originals to the Alameda County Board of Supervisors.

#### SECTION 5. TIME OF FILING.

(A) Initial Statements. All Designated Filers shall file statements within 30 days after the effective date of this Code. Thereafter, each person already in a position when he or she is designated by an amendment to this Code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All Designated Filers who assume Designated Filer positions-after the effective date of this Code shall file statements within 30 days after assuming the positions. During this same 30 day period, and prior to filing such statements, all such persons shall attend an information session presented by the District which describes the contents and requirements of this Code and discusses the potential disqualifications applicable to the Designated Filer at issue.

(C) Annual Statements. All Designated Filers shall file statements no later than April 1.

(D) Leaving Office Statements. All Designated Filers who leave designated positions shall file statements within 30 days after leaving office.

---

<sup>1</sup> Designated Filers who are required to file Form 700s under any other agency's conflict of interest code, or under Article 2 for a different jurisdiction, may expand their Form 700 to cover reportable interests in both jurisdictions, and file copies of this expanded Form 700 with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded Form 700 filed in place of an original is signed and verified by the Designated Filer as if it were an original. See Government Code Section 81004.

SECTION 6. STATEMENTS FOR PERSONS WHO RESIGN PRIOR TO ASSUMING OFFICE.

Any Designated Filer who resigns within 12 months of initial appointment or election, or within 30 days of the date of notice provided by the filing officer to file an assuming office Statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office Statement.

(A) Any Designated Filer who resigns a position within 30 days of the date of notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointment power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the District or receive, or become entitled to receive, any form of payment by virtue of being appointed or elected to the position.

SECTION 7. CONTENTS OF AND PERIOD COVERED BY STATEMENTS OF ECONOMIC INTERESTS.

(A) Initial Statements. Initial Statements shall disclose any reportable Investments, Interests in Real Property and Business Positions held on the effective date of this Code or any amendment to this Code. In addition, income (including loans, gifts and travel payments) received during the 12 months prior to the effective date of this Code or any amendment to this Code is reportable.

(B) Assuming Office Statements. Assuming office Statements shall disclose any reportable Investments, Interests in Real Property and Business Positions held on the date of assuming office, and income (including loans, gifts, and travel payments) received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Annual Statements. Annual Statements shall disclose any reportable Investments, Interests in Real Property, Income (including loans, gifts, and travel) and Business Positions held or received during the period covered by the Form 700 provided, however, that the period covered by a Designated Filer's first annual statement shall begin on the effective date of this Code or any amendment of this Code, or the date of assuming office, whichever is later.

(D) Leaving Office Statements. Leaving office Statements shall disclose reportable Investments, Interests in Real Property, Income (including loans, gifts and



travel) and business positions held or received during the period between the closing date of the last Form 700 filed and the date of leaving office.

#### SECTION 8. MANNER OF REPORTING.

Form 700 shall contain at least the following information:

(A) Investment and Real Property Disclosure. When an investment or an Interest in Real Property<sup>2</sup> is required to be reported, the statement shall contain at least the following:

- (1) A statement of the nature of the investment or interest;
- (2) The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged; and
- (3) The address or other precise location of the real property; and
- (4) A statement whether the fair market value of the Investment or Interest in Real Property equals or exceeds Two Thousand Dollars (\$2,000), but does not exceed Ten Thousand Dollars (\$10,000), whether it exceeds Ten Thousand Dollars (\$10,000) but does not exceed One Hundred Thousand Dollars (\$100,000), whether it exceeds one hundred thousand dollars (\$100,000) but does not exceed one million dollars (\$1,000,000), or whether it exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal Income is required to be reported, the Statement shall contain:

- (1) The name and address of each source of Income aggregating Five Hundred Dollars (\$500) or more in value, or Fifty Dollars (\$50) or more in value if the Income was a gift, and a general description of the business activity, if any, of each source.
- 2) A statement whether the aggregate value of Income from each source, or in the case of a loan, the highest amount owed to each source, was at least five hundred dollars (\$500) but did not exceed one thousand dollars (\$1,000), whether it was in excess of one thousand dollars (\$1,000) but was not greater than ten thousand dollars (\$10,000), whether it was greater than ten thousand dollars (\$10,000) but not greater than one hundred thousand dollars

---

<sup>2</sup> For the purpose of disclosure only (not disqualification), an Interest in Real Property does not include the principal residence of the filer or any other property which the filer utilizes exclusively as the personal residence of the filer.

(\$100,000), or whether it was greater than one hundred thousand dollars (\$100,000).

(3) A description of the consideration, if any, for which the Income was received;

(4) In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made, a description of the gift, the amount or value of the gift, and the date on which the gift was received; and

(5) In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When Income of a Business Entity, including Income of a sole proprietorship, is required to be reported,<sup>3</sup> the Form 700 shall contain:

(1) The name, address, and a general description of the business activity of the business entity; and

(2) The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than Ten Thousand Dollars (\$10,000) during a calendar year.

(D) Business Position Disclosure. When Business Positions are required to be reported, the Designated Filer shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the Designated Filer's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office Statement, if an Investment or an Interest in Real Property was partially or wholly acquired or disposed of during the period covered by the Form 700, the Form 700 shall contain the date of acquisition or disposal.

(F) Update of Information. Designated Filers shall have an ongoing obligation to update information included in their Form 700. Any change in fact or circumstance which alters or affects the information reported in the most recently filed Form 700 shall be reported in writing to the CEO within 30 days of such change in fact or

---

<sup>3</sup> Income of a business entity is reportable if the direct, indirect or beneficial interest of the Official and the Official's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the Official.

circumstance. Notwithstanding the foregoing, Board members shall submit such written reports to the CEO within 30 days of the change in fact or circumstance or five days prior to the next Board meeting after such change, whichever occurs sooner.

#### SECTION 9. PROHIBITION ON RECEIPT OF HONORARIA.

(A) No Designated Filer shall accept any honorarium from any source if he or she would be required to report such honorarium on his or her Form 700.

(B) “Honorarium” means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. The term does not include: (1) Earned income for personal services which are customarily provided in connection with the practice of a bona fide business, trade, or profession, such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting, unless the sole or predominant activity of the business, trade, or profession is making speeches, (2) Any honorarium which is not used and, within 30 days after receipt, is either returned to the donor or delivered to the State Controller for donation to the General Fund, or in the case of a public official for local government agency, delivered to his or her agency for donation to an equivalent fund, without being claimed as a deduction from income for tax purposes.

(C) This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code Section 89506.

#### SECTION 10. TRAVEL PAYMENTS, ADVANCES AND REIMBURSEMENTS RELATED TO DISTRICT PURPOSE

(A) Payments, advances, or reimbursements, for travel, including actual transportation and related lodging and subsistence that is reasonably related to a District purpose and which the Designated Filer would be required to report on his or her Form 700, are not prohibited or limited if either of the following apply:

(1) The travel is in connection with a speech given by the Designated Filer, the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech, and the travel is within the United States;

(2) The travel is provided by a government, a governmental agency, a foreign government, a governmental authority, a bona fide public or private educational institution, as defined in Section 203 of the Revenue and Taxation Code, a nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or by a person domiciled outside the United States which substantially satisfies the requirements for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

(B) Gifts of travel not described in (A), supra, are subject to the limits on gifts as set forth in Government Code section 89503 and Section 11 below.

(C) For purposes of this section, a gift of travel does not include any of the following:

(1) Travel that is paid for from campaign funds, as permitted by Article 4 (commencing with Section 89510 of the Government Code), or that is a contribution.

(2) Travel that is provided by the District;

(3) Travel that is reasonably necessary in connection with a bona fide business, trade, or profession and that satisfies the criteria for federal income tax deduction for business expenses in Sections 162 and 274 of the Internal Revenue Code, unless the sole or predominant activity of the business, trade, or profession is making speeches.

(4) Travel that is excluded from the definition of a gift by any other provision of the PRA, FPPC regulations or this Code.

#### SECTION 11. PROHIBITION ON RECEIPT OF GIFTS

(A) No Designated Filer shall accept gifts with a total value of more than \$360 in a calendar year from any single source, if the Designated Filer would be required to report the receipt of gift on his or her Form 700 (subject to subparts (B), (C) and (D) below, gifts aggregating \$50 or more must be disclosed on Form 700). This gift limitation is subject to change by the FPPC on the 1<sup>st</sup> of January of each odd-numbered year. To ensure you have the correct limitation, make sure to carefully read the Form 700 instructions regarding gifts.

(B) (1) "Gift" means, except as provided in subsection (2) hereof, any payment that confers a personal benefit on the recipient, to the extent that consideration of equal or greater value is not received and includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status. Any person, other than a defendant in a criminal action, who claims that a payment is not a gift by reason of receipt of consideration has the burden of proving that the consideration received is of equal or greater value.

(2) The term "gift" does not include: (a) Informational material such as books, reports, pamphlets, calendars, or periodicals. No payment for travel or reimbursement for any expenses shall be deemed "informational material." (b) Gifts which are not used and which, within 30 days after receipt, are either returned to the donor or delivered to a nonprofit entity exempt from taxation under Section 501(c)(3) of

the Internal Revenue Code without being claimed as a charitable contribution for tax purposes. (c) Gifts from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin or the spouse of any such person; provided that a gift from any such person shall be considered a gift if the donor is acting as an agent or intermediary for any person not covered by this paragraph. (d) Campaign contributions required to be reported under Chapter 4 of this title. (e) Any devise or inheritance. (f) Personalized plaques and trophies with an individual value of less than two hundred fifty dollars (\$250).

(C) This section shall not prohibit or limit the following:

(1) Payments, advances, or reimbursements for travel and related lodging and subsistence permitted by Section 89506 of the Government Code and as set forth in Section 10 above.

(2) Wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value.

(D) The limitations in this section are in addition to the limitations on gifts in Government Code Section 86203.

#### SECTION 12. PROHIBITIONS (AND EXCEPTIONS) ON LOANS TO DESIGNATED FILERS.

(A) No Designated Filer shall, from the date of his or her election to office, appointment or hire through the date that he or she vacates office or terminates his or her employment, receive any personal loan from any other Designated Filer or employee of the District or from any other Designated Filer or employee over which the District has direction and control.

(B) No Designated Filer who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office or employment, receive a personal loan from any other Designated Filer or employee of the District or over which District has direction and control. This subdivision shall not apply to loans made to a Designated Filer whose duties are solely secretarial, clerical, or manual.

(C) No Designated Filer shall, from the date of his or her election or appointment to office or hire through the date that he or she vacates office or terminates employment, receive a personal loan from any person who has a contract with the District to which that Designated Filer has been elected or over which the District has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course

of business on terms available to members of the public without regard to the Designated Filer's status.

(D) No public official who is exempt from the state civil services system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the District to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the Designated Filer's status. This subdivision shall not apply to loans made to a Designated Filer whose duties are solely secretarial, clerical or manual.

(E) This Section shall not apply to the following:

(1) Loans made to the campaign committee of an elected officer or candidate for elective office;

(2) Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this Section;

(3) Loans from a person which, in the aggregate, do not exceed Two Hundred Fifty Dollars (\$250) at any given time; or

(4) Loans made or offered in writing before January 1, 1998.

### SECTION 13. REQUIRED LOAN TERMS.

(A) Except as set forth in subdivision (B) of this section, no Designated Filer shall, from the date of his or her election, appointment or hire through the date he or she vacates office or is otherwise unaffiliated with the District, receive a personal loan of Five Hundred Dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This Section shall not apply to the following types of loans:

(1) Loans made to the campaign committee of the elected officer;

(2) Loans made to the Designated Filer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this Section; or

(3) Loans made; or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

#### SECTION 14. WHEN LOANS BECOME GIFTS.

(A) Except as set forth in subdivision (B) of this section, a personal loan received by any Designated Filer shall become a "gift" for the purposes of this Section in the following circumstances:

(1) If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired;

(2) If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

(a) The date the last payment of One Hundred Dollars (\$100) or more was made on the loan; or

(b) The date upon which the debtor has made payments on the loan aggregating to less than Two Hundred Fifty dollars (\$250) during the previous 12 months.

(B) This Section shall not apply to the following types of loans:

(1) A loan made to the campaign committee of an elected officer or a candidate for elective office;

(2) A loan that would otherwise not be a "gift" as defined in the PRA;

(3) A loan that would otherwise be a "gift" as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due;

(4) A loan that would otherwise be a "gift" as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal

action, a creditor who claims that a loan is not a "gift" on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations;

(5) A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

#### SECTION 15. DISQUALIFICATION.

(A) No Designated Filer or other public official (defined to include every Designated Filer, Member, officer, employee or Consultant of the District) shall make, participate in making, or in any way attempt to use his or her position to influence the making of any District and/or Board decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the Designated Filer, or a member of his or her immediate family or on:

(1) Any Business Entity in which the Designated Filer or other public official has, or has had within the last 12 months, a direct or indirect investment<sup>4</sup> worth Two Thousand Dollars (\$2,000) or more;

(2) Any Real Property in which the Designated Filer or other public official has, or has had within the last 12 months, a direct or indirect interest worth Two Thousand Dollars (\$2,000) or more;

(3) Any source of Income from a Business Entity or otherwise, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status aggregating Five Hundred Dollars (\$500) or more in value provided to, received by or promised to the Designated Filer within 12 months prior to the time when the decision is made;

(4) Any Business Entity in which the Designated Filer or other public official is, or has been (a) a director, officer, partner, trustee, medical director, manager, administrator, or any other position in management within the last 18 months, or (b) an employee within the last 12 months;

(5) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating Three Hundred Sixty Dollars (\$360) or more provided to,

---

<sup>4</sup> For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent child of a public official, by an agent on behalf of a public official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or greater.



received by, or promised to the Designated Filer or other public official within 12 months prior to the time when the decision is made; or

(B) If a Designated Filer or other public official knows or has reason to know his or her making of, participation in the making or attempt to use his or her position to influence the making of any District and/or Board decision will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the Designated Filer, or a member of his or her immediate family, the Designated Filer shall disqualify him or herself. Disqualification from participation in the making of a governmental decision shall include without limitation: (a) the exclusion of the disqualified Designated Filer from that portion of any meeting during which discussions regarding the subject area of the conflicted issue take place; and (b) the prohibition of the Designated Filer's access to any writings, documents, statements, reports, letters, instructions, memoranda, notes, records, files, whether electronic or otherwise, or video or audio tapes pertaining to the subject area of the conflicted issue.

(C) Examples of "business entities" within the scope of the prohibition described in Section (A) above include, but are not limited to:

(1) Payors, including health maintenance organizations, that contract with the District or any affiliate (including joint venture partners) of the District, except those payors in which the District itself has an ownership interest;

(2) Provider organizations, including but not limited to independent practice associations, medical groups, and physician hospital organizations, that contract with or compete with the District or any affiliate (including joint venture partners) of the District; or

(3) Any other business entities that contract or compete with the District or any affiliate (including joint venture partners) of the District.

(D) Designated Filers or other public officials who have a conflict of interest based upon the terms of Section 15(A)(1) (*investment interest*), Section 15(A)(2) (*real properly interest*), Section 15(A)(4)(a) (*officer, director, etc.*), and/or Section 15(F) (*litigation*) shall be disqualified from participating in any strategic planning which in any way, directly or indirectly, relates to the issue on which the Designated Filer is conflicted. Disqualification from participation in strategic planning shall include without limitation: (a) the exclusion of the Designated Filer from that portion of any meeting during which strategic planning discussions take place; and (b) the prohibition of the Designated Filer's access to any writings, documents, statements, reports, letters, instructions, memoranda, notes, records or files, whether electronic or otherwise, pertaining to strategic planning.

(E) In addition to the prohibition of Section (A) above, no Designated Filer or other public official who is also a licensed physician, nurse or other professional medical

service provider shall make or participate in making any decision or participate in any discussion regarding:

(1) Medical staff issues: (a) if the Designated Filer's medical staff or other professional staff privileges at the District, or license to practice medicine, have been adversely affected (e.g., suspended, revoked or limited) within the last twelve (12) months; or (b) that may directly or indirectly affect the Designated Filer's financial interests, or which would otherwise create an appearance of impropriety; and/or

(2) Quality of care issues if: (a) the Designated Filer's medical staff or other professional staff privileges at the District, or license to practice medicine, have been adversely affected (e.g., suspended, revoked or limited) within the last twelve (12) months; (b) the Designated Filer is under investigation by a medical or other professional staff of the District; or (c) the Designated Filer has committed a reportable offense under Business and Professions Code Section 805 *et seq.* within the last five (5) years.

(F) In addition to the prohibition of Section (A) above, no Designated Filer or other public official shall make or participate in making any decision or participate in any discussion relating to a pending or threatened lawsuit, arbitration, mediation or other action against: (1) the District that has been filed by the Designated Filer or any member of his or her family, or any business entity in which the Designated Filer is a director, officer, partner, trustee, employee, holds any position of management or holds or has held a Business Position as defined by the PRA; or (2) the Designated Filer that has been filed by the District or an affiliate thereof.

(G) In addition to the prohibition of Section (A) above, no Designated Filer or other public official may make, participate in making, or use their official positions to influence, any governmental decision directly relating to any person with whom they are negotiating, or have any arrangement concerning, prospective employment.

#### SECTION 16. LEGALLY REQUIRED PARTICIPATION.

No Designated Filer or other public official shall be prevented from making or participating in the making of any decision to the extent that his or her participation is legally required for the decision to be made. The fact that the vote of a Designated Filer or other public official who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

In the event that participation of a conflicted Designated Filer or other public official is legally required, the non-conflicted public officials of the decision-making body shall select which disqualified public official(s) shall participate in the decision-making process. Such participation shall include participation in all discussions and deliberations preceding the making of such decisions.

The non-conflicted public officials shall select amongst disqualified public officials by determining which of them is disqualified under the fewest categories of disqualification set forth at Section 15. The disqualified public official who is subject to the fewest categories of disqualification shall participate in the decision and the decision-making process. If the selection process results in the selection of more than the required number of public officials needed to make the decision at issue, the disqualified public official who participates in the decision and the decision-making process shall be chosen by lot from the group of selected disqualified public officials.

Once an otherwise disqualified public official is selected based upon the process identified above, the disqualified public official shall similarly participate in future related decisions if there is a legal requirement to include a disqualified public official in the decision and decision-making process.

#### SECTION 17. DISTRICT CONTRACTS: DISQUALIFICATION.

In addition to the general disqualification provisions of Section 15, no Designated Filer or other public official shall make, participate in making, or use his or her position to influence any governmental decision directly relating to any contract where the Designated Filer or other public official knows or has reason to know that any party to the contract is a person with whom the Designated Filer (or other public official), or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or Interest in Real Property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value of One Thousand Dollars (\$1,000) or more.

#### SECTION 18. MANNER OF DISQUALIFICATION.

When a Designated Filer or other public official determines that he or she should not make a decision because he or she has a disqualifying interest in it, the determination not to act must be accompanied by disclosure of the disqualifying interest, except that disclosure of the exact street address of a residence is not required. In the case of the CEO, this determination and disclosure shall be made in writing to the President of the Board; and in the case of other Designated Filers and other public officials, this determination and disclosure shall be made in writing to his or her supervisor or superior. In the case of a member of the medical staff, this determination and disclosure shall be made in writing to the CEO. In the case of a Board member, this determination and disclosure shall be made part of the District's official record and, to the extent possible, the CEO shall attempt to identify any such disqualifying interests prior to the scheduling of any Board meetings to vote on or discuss such governmental decisions and shall identify such disqualifying interests in the agenda of such meeting.

SECTION 19. ASSISTANCE OF THE COMMISSION AND COUNSEL.

Any Designated Filer or other public official who is unsure of his or her duties under this Code may request assistance from the FPPC pursuant to the PRA, or from the District's attorney, provided that nothing in this Section requires the District's attorney to issue any formal or informal opinion.

SECTION 20. VIOLATIONS.

This Code has the force and effect of law. Designated Filers or other public officials violating any provision of this Code are subject to the administrative, criminal and civil sanctions provided in the PRA. In addition, a decision in relation to which a violation of the disqualification provisions of this Code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

SECTION 21. BOARD MEMBER AUTHORITY.

District Board members shall exercise authority with respect to the District and its affairs only when acting in their capacity as Board members and during Board meetings or meetings of Board-authorized committees, except the President of the Board who is expected to confer with the CEO regarding Board and committee agendas and other matters between Board meetings. Members of the Board are not authorized to independently exercise management authority with respect to the District or its affairs.

SECTION 22. ENFORCEMENT.

All provisions included in this Conflict of interest Code which are otherwise not included at 2 Cal. Code of Regs. Section 18730 of the California Code of Regulations represent either the District's interpretation of the minimum mandatory requirements set forth at 2 Cal. Code of Regs. Section 18730 or represent additional requirements over and above those minimum requirements which the District has elected to impose upon itself in accordance with Government Code Section 81013. Government Code Section 81013 allows government agencies, like the District, to impose additional conflict-of-interest requirements on any person so long as such additional requirements do not prevent an individual from complying with PRA. All conflict of interest requirements included in this Conflict of interest Code which exceed the minimum requirements as set forth at 2 Cal. Code of Regs. Section 18730 shall be considered and treated as District conflict of interest policy separate and apart from the minimum requirements set forth at 2 Cal. Code of Regs. Section 18730 and shall be subject to exclusive enforcement by the District.

## APPENDIX 1

### DESIGNATED FILERS

The “District Positions” identified below are the District’s Designated Filers. These District Positions involve the making or participation in the making of District decisions which may foreseeably have a material effect on the financial interests of the Designated Filers and consequently, require disclosure of the financial interests as indicated. All District Positions identified as Designated Filers for 2007 are Disclosure Category 1 and 2.

#### DISTRICT POSITIONS - 2007

Board of Directors  
Joint Powers Authority Board of Directors  
Development Corporation Board of Directors  
Chief Executive Officer  
Senior Associate Administrator  
Associate Administrator of Patient Care Services  
Associate Administrator of Operations & Support  
Associate Administrator of Ambulatory Care Services  
Chief of Ambulatory Care Services  
Chief of Community Support Services  
Chief of Compliance  
Chief Financial Officer  
Chief of Human Resources  
Chief Information Officer  
Chief of Medical Staff Affairs  
Chief of Patient Care Services  
Chief of Quality & Resource Management  
Chief of System Operations & Support  
Treasurer  
Senior Director of Cardiovascular Services  
Senior Director of Clinical Workforce Development  
Senior Director of Compliance/HIM  
Senior Director of Contract Services  
Senior Director of Construction Management  
Senior Director of Facilities Services  
Senior Director of Human Resources  
Senior Director of Information Systems  
Senior Director Quality & Resource Management  
Senior Director Strategic Management  
Controller  
Director of Accounting  
Director of Patient Accounting

Director of Community Outreach  
Director of Community Relations  
Director of Education  
Director of Environmental Services  
Director of Facilities Services  
Director of Health Information Management  
Director of Human Resources  
Director of Laboratory  
Director of Laundry  
Director of Managed Services Org  
Director of Materials Management  
Director of Medical Imaging  
Director of Off-Site Development  
Director of Perioperative Services  
Director of Pharmacy  
Director of Quality  
Director of Rehabilitation Services  
Director of Respiratory Care Services  
Director of Strategic Planning  
Director of Food & Nutrition Services  
Director of Volunteer Services  
Accounts Receivable Manager  
Applications Support Manager  
Assistant Director of Health Information Management  
Assistant Director of Pharmacy  
Assistant Director Volunteer Services  
Audio Visual Services Supervisor  
Billing and Collection Coordinator  
Budget Manager  
Buyers  
Case Management Manager  
Case Managers  
Central Registration Manager  
Clerical Manager, Radiology  
Clinic Managers  
Clinical Coordinator, Occupational Therapy  
Communications Specialist  
Continuing Care Coordinator  
Contract Staff  
Emergency Services Admin  
Executive Services Manager  
Facility Services Manager  
Food Services Production Manager  
Food Services Supervisor  
Health Promotion Manager  
Human Resources Systems Coordinator

Information Systems Coordinator  
Information Systems Consultant  
Legal Analyst  
Medical Director, Professional Resources  
Medical Social Worker Coordinator  
Medical Staff Services Manager  
Non-Invasive Cardiology Manager  
Nurse Managers  
Nursing Directors  
Nursing Supervisors  
Operations Coordinator – Library  
Patient Accounting Coordinator  
Patient Accounting Manager  
Periop Material Manager  
Processing & Distribution Manager  
Quality Advisor  
Radiation Oncology Center Manager  
Registration Coordinator, Clinic  
Rehabilitation Office Manager  
Reimbursement Manager  
Respiratory Care Manager  
Safety & Security Manager  
Senior Care Coordinator  
Service Line Coordinator  
Social Workers  
Spiritual Care Coordinator  
Staff Development Trainer  
Technical Manager, Medical Imaging  
Telecommunication Manager  
Transcription Coordinator

DISCLOSURE CATEGORIES:

1. Persons in this category shall disclose all Interests In Real Property within or not more than two miles outside the boundaries of the District or within two miles of any land owned, used or contemplated for use by the District.
2. Persons in this category shall disclose all Investments and Business Positions in any Business Entity and sources of Income (including gifts, loans and travel payments) of the type which, within the last two years, has contracted with the District to provide services, supplies, materials, machinery or equipment to the District.
3. Persons in this category shall disclose all Investment and Business Positions in any Business Entity and sources of Income (including gifts, loans and travel

payments) of the type which, within the last two years, has contracted with the District to provide services, supplies, materials, machinery or equipment to a department within the District in which the District position has any management responsibility.

\*Consultants are Designated Filers and shall disclose pursuant to the broadest Disclosure Category (both 1 and 2) subject to the Chief Executive Officer's written determination that a particular Consultant, although a "Designated Position," is hired to perform a range of duties that is limited in scope and thus not required to fully comply with the disclosure requirements of this section. The Chief Executive Officer's 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 Chief Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this Code.





# Washington Township Health Care District

2000 Mowry Avenue, Fremont, California 94538-1716 • (510) 797-1111

*Nancy Farber, Chief Executive Officer*

**Board of Directors**

*Patricia Danielson, RHIT  
Jacob Eapen, M.D.  
William F. Nicholson, M.D.  
Bernard Stewart, D.D.S.  
Michael J. Wallace*

## **ACTION ITEMS BOARD OF DIRECTORS December 13, 2006**

### **ACTION:**

### **STAFF RESPONSIBLE:**

- |  |                     |
|--|---------------------|
| 1. Approval of Medical Staff Credentialing Action Items                                | Albert Brooks, M.D. |
| 2. Approval of Proposed Changes to Medical Staff Manual, Thoracic Aneurysm Stent Graft | Albert Brooks, M.D. |
| 3. Approval of Proposed Changes to Department of Pediatrics Manual, Core B Privileges  | Albert Brooks, M.D. |
| 4. Approval of Proposed Addition to AHP Standards: Certified Nurse Midwives            | Albert Brooks, M.D. |
| 5. Approval of Upgrade to McKesson Blood Bank System                                   | Lee Herrmann        |
| 6. Approval of Revision to Conflict of Interest Code                                   | Kris La Voy         |

cc: Executive Staff  
Medical Staff Office  
Mary Lynn Lewis