(R-95-520) 284902

RESOLUTION NUMBER R-

ADOPTED ON _____NOV 141994

RESOLUTION ADOPTING REVISED CONFLICT OF INTEREST CODE FOR FINANCIAL MANAGEMENT DEPARTMENT.

WHEREAS, Government Code section 87306.5 requires biennial review of local conflict of interest codes every even-numbered year; and

WHEREAS, by Resolution No. 284140, adopted June 27, 1994, the City Council directed each City Department to make its biennial report and to update its conflict of interest code as necessary; and

WHEREAS, the Director of the Financial Management Department has determined that the Conflict of Interest Code for the Department should be revised to add designated positions and appropriate disclosure categories from the City's former Purchasing Department, Print Shop and Central Stores Operations, which are now under the direction of the Financial Management Department; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the revised Conflict of Interest Code of the Financial Management Department of The City of San Diego, including Appendix A in which employees are designated and Appendix B in which disclosure categories are set forth, is hereby approved. A copy of the Conflict of Interest Code as revised is attached hereto and on file in the office of the City Clerk as Document 284902 No. RR-

BE IT FURTHER RESOLVED, that pursuant to section (b)(4) of the Conflict of Interest Code, designated employees shall file their statements of Economic Interest ("SEI's") with the Department and upon receipt of the statements, the Director shall make and retain a copy and forward the original of these statements to the City Clerk.

BE IT FURTHER RESOLVED, that the revised Conflict of
Interest Code shall become effective upon the date of adoption of
this resolution.

BE IT FURTHER RESOLVED, that Resolution No. 280739, adopted on September 29, 1992, which amended the Purchasing Department's Conflict of Interest Code, is hereby rescinded, since the positions designated in that Code are now included in the Conflict of Interest Code for the Financial Management Department.

APPROVED: JOHN W. WITT, City Attorney

By

Cristie C. McGuire
Deputy City Attorney

CCM:jrl
09/26/94
Or.Dept:Fin.Mgmt.
R-95-520
Form=r+t

LOCAL AGENCY BIENNIAL REPORT

Government Code Section 87306.5 requires local agencies to submit to their code reviewing body a biennial report identifying changes in the code, or a statement that their code is not in need of amendment. Normally, such reports are to be submitted no later than October 1 of each even-numbered year. This year, the report is due no later than October 3, 1994, and is to be returned to your agency's respective code reviewing body (Section 82011). You may use this form or you may prepare your own report. When completed, submit this form, along with your Request for Council Action, to:

City Attorney's Office City of San Diego 202 "C" Street, MS 3A San Diego, CA 92101

NOTE: WE REQUEST YOU SUBMIT THIS BY SEPTEMBER 1, 1994.

This agency has reviewed its conflict of interest code and has determined that:

1)	Our agency's code accurately designates all positions which make or participate in the making of governmental decisions; that the disclosure assigned those positions accurately requires the disclosure of all investments, business positions, interests in real property and sources of income which may foreseeably be affected materially by the decisions made by those designated positions; and further that the code includes all other provisions required by Government Code Section 87302; or
2) <u>X</u>	Our agency's code is in need of amendment. We have determined that the following amendments are necessary (check applicable items):
	X Include new positions which must be designated
	X Make changes to the reportable sources of income, investments, business positions, or real property
	X Make changes to the positions assigned
	Change or add the provisions required by Govern- ment Code Section 87302
	Contact Person Name of Agency Mailing Address SAN DIEGO, CA 92101 Contact Person FINANCIAL MANAGEMENT 202 C STREET M.S. 8A SAN DIEGO, CA 92101
•	(Signature of Chief Executive Officer)

<u>Note</u>: Government Code Section 87306 requires that when an agency has determined that amendments are necessitated by changed circumstances, the amendments or revisions shall be submitted to the code reviewing body within 90 days.

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CONFLICT OF INTEREST CODE FOR FINANCIAL MANAGEMENT DEPARTMENT

(Regulations of the Fair Political Practices Commission, Title 2, Division 6 of the California Code of Regulations)

18730. Provisions of Conflict of Interest Codes

- Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.
- (b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:
- (1) Section 1. Definitions. The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

FILED_______GFFICE OF THE CITY CLERK

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- (2) Section 2. Designated Employees. The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.
- (3) Section 3. Disclosure Categories. This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- A) The geographical jurisdiction of this agency 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 Political Reform Act, Government Code Section 87200; and

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests:

Place of Filing. The code reviewing body shall instruct all
designated employees within its code to file statements of
economic interests with the agency or with the code reviewing
body, as provided by the code reviewing body in the agency's
conflict of interest code.²

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

See Government Code Section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

- (5) Section 5. Statements of Economic Interests: Time of Filing.
- (A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it 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 persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.
- (C) Annual Statements. All designated employees shall file statements no later than April 1.
- (D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.
- (5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office. Any person who resigns within 12 months of initial appointment, 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 person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:
- (1) File a written resignation with the appointing power; and
- 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 agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.
- (6) Section 6. Contents of and Period Covered by Statements of Economic Interests.
- (A) Contents of Initial Statements. Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

- (B) Contents of 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 or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.
- (C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.
- (D) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.
- (7) Section 7. Manner of Reporting. Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

- (A) Investments and Real Property Disclosure. When an investment or an interest in real property 3 is required to be reported, 4 the statement shall contain 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;
- 3. The address or other precise location of the real property;
- 4. A statement whether the fair market value of the investment or interest in real property exceeds one thousand dollars (\$1,000), exceeds ten thousand dollars (\$10,000), or exceeds one hundred thousand dollars (\$100,000).
- (B) Personal Income Disclosure. When personal income is required to be reported, 5 the statement shall contain:

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For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

Investments and interests in real property which have a fair market value of less than \$1,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

- 1. The se and address of each source of scome aggregating two hundred fifty dollars (\$250) 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 or a thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), or greater than ten thousand dollars (\$10,000);
- 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;
- 5. In the case of a loan, the annual interest rate and the security, if any, given for the loan.
- (C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported, ⁶ the statement shall contain:

Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or grear interest. In addition, the disclosure of persons who are clists or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

- The name, address, and a general description of the business activity of the business entity;
- 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).
- Business Position Disclosure. When business positions are required to be reported, a designated employee 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 employee'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 statement, the statement shall contain the date of acquisition or disposal.
- Section 8. State Agency Prohibition on Receipt of (8) Honoraria. No member of a state board or commission, and no designated employee of a state agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official. 284902

Subdivisions (b), (c), (d), and (e) of Government Code Section 89502 shall apply to the prohibitions in this section.

(8.1) Section 8.1 State Agency Prohibition on Receipt of Gifts of \$250 or More. No member of a state board or commission, and no designated employee of a state agency, shall accept gifts with a total value of more than two hundred fifty dollars (\$250) in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subsections (b), (c), (d), and (e) of Government Code Section 89504 shall apply to the prohibitions in this section.

- (9) Section 9. Disqualification. No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental 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 official or a member of his or her immediate family or on:
- (A) Any business entity in which the designated employee has a direct or indirect investment worth one thousand dollars (\$1,000) or more;

- (B) Any real property in which the designated employee has a direct or indirect interest worth one thousand dollars (\$1,000) or more;
- (C) Any source of income, 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 two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;
- (D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
- (E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$250 or more in value provided to; received by, or promised to the designated employee within 12 months prior to the time when the decision is made.
- (9.3) Section 9.3. Legally Required Participation. No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee 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.

- (9.5) Section 9.5. Disqualification of State Officers and Employees. In addition to the general disqualification provisions of Section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his r her immediate family has, within 12 months prior to the time ten 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 one thousand dollars (\$1,000) or more.
- (10) Section 10. Manner of Disqualification. When a designated employee determines that he or she should not make a governmental 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. In the case of a voting body, this determination and disclosure shall be made part of the agency's official record; in the case of a designated

employee who is the head of an agency, this determination and disclosure shall be made in writing to his or her appointing authority; and in the case of other designated employees, this determination and disclosure shall be made in writing to the designated employee's supervisor.

- (11) Section 11. Assistance of the Commission and Counsel. Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.
- (12) Section 12. Violations. This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000 91014. 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.

Note: Authority: Section 83112, Gov. Code Reference: Sections 87300-87302, 89503, and 89504, Gov. Code

History

- New section filed 4-2-80 as an emergency; effective upon (1) filing. Certificate of Compliance included.
- Editorial correction. (2)
- Amendment of subsection (b) filed 1-9-81; effective thirtieth (3) day thereafter.
- (4) Amendment of subsection (b) (7) (B) 1. filed 1-26-83; effective thirtieth day thereafter.
- Amendment of subsection (b) (7) (A) filed 11-10-83; effective (5) thirtieth day thereafter.
- (6)
- Amendment filed 4-13-87; effective thirtieth day thereafter. Amendment of subsection (b) filed 10-21-88; effective (7) thirtieth day thereafter.
- (8) Amendment filed 8-28-90; effective thirtieth day thereaft
- (9) Amendment filed 8-7-92; effective thirtieth day thereafte.
- (10) Amendment filed 2-5-93; effective upon filing.

APPENDIX A (Page 1 of 4)

POSITION	DUTIES	CATEGORY
Director	Directs the Financial Management Department; and assists the City Manager in the preparation and administration of the City's budget and financial programs.	1
Assistant Director	Assists the Director and acts in behalf of, when required; and plans, directs and administers the Annual Budget, Capital Improvements Program, and Financial Research and Analysis program.	1
Endowment Officer	Seeks gifts of funds, buildings, land and other items of market and historical value from private individuals, corporations, foundations and trusts.	4
Program/Project Managers or Management Assistants	Administers budget and directs work programs and projects; and provides assistance and staff to management, committees and task forces.	4
Budget and Revenue Supervisors	Supervises professional staff in budgetary, administrative and productivity studies and performs related work; confers with department officials and others in the solution of administrative, fiscal, organizational or productivity problems; reviews findings and recommendations of staff; forecasts and monitors expenditures and revenues; confers with officials in determining the economic effects of the City's fiscal and development decisions; and conducts long range financial planning.	4
Organizational Effectiveness Specialists	Plans, conducts and administers organizational development studies and training programs; coordinates the development of strategies and solutions to personnel and management problems Citywide; and assists in implementing new programs/procedures.	4

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POSITION	DUTIES	CATEGORY
Purchasing Agent	Plans, directs and administers the City's Purchasing Program; and directs solicitation of bids and issuance of contracts for construction, supplies, materials, equipment and non-professional services.	2
Assistant Purchasing Agent	Acts for the Purchasing Agent in his/her absence; and assists in bid solicitation and issuance of contracts.	2
Principal Buyer	Acts for Assistant Purchasing Agent in his/her absence; plans, assigns and supervises work of buyers in solicitation of bids for purchase of materials, supplies, equipment, and non-professional services; and plans and performs purchases of assigned commodities.	2
Senior Buyer	Plans and performs high value or complex purchases of equipment, materials, supplies and non-professional services.	2
Buyer	Purchases an assigned group of commodities including equipment, materials, supplies and non-professional services.	2
Buyer's Aide	Purchases an assigned group of relatively low value and less complex commodities including equipment, materials, supplies and non-professional services.	2

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POSITION	DUTIES	CATEGORY
Manager, Print Shop/ Central Stores	Plans, directs and coordinates the activities and operations of the City's Print Shop and Central Stores; administers the budget; estimates and monitors revenues; administers	3
	contractual printing services; conducts auctions and sale of surplus City property; interacts with vendors, all City departments, and the Mayor and City Council Offices to review requests for service and ensure customer satisfaction; and works closely with Financial Management staff to establish a fair and competitive rate structure.	
Printing Services Supervisor	Acts for Manager in his/her absence; schedules and coordinates a wide variety of printing services; analyzes printing job requisitions; assesses the feasibility of in-house production and recommends the use of outside vendors when appropriate; estimates costs of printing jobs; inspects work for quality control purposes; and maintains records related to operations.	3
Offset Press Supervisor	Decides whether City printing jobs are printed in-house or sent to outside vendors; places orders with preapproved firms for materials, supplies, and services on contract; and selects appropriate outside printers or service bureaus based on price and ability to meet job requirements, including deadlines.	3

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POSITION	DUTIES	CATEGORY
Graphic Design Supervisor	Plans, coordinates and directs graphic design activities and performs related work; coordinates with City departments to determine the level and type of graphic services required; coordinates with Print Shop to schedule and prioritize printing services; coordinates with vendors for contracted services; evaluates new graphic systems and equipment; and establishes production priorities.	3
Storekeeper III	Oversees day-to-day operations of Central Stores; plans, organizes, and directs receipt, inspection, storage and issuance of City stock items; arranges for disposal of City surplus by auction, bid sales or discard; processes City surplus for disposition; monitors adherence to policies and procedures; and may receive, inspect and issue stock.	3
Storekeeper I	Manages day-to-day activities of assigned storeroom; receives and inspects goods for proper quality and quantity; places orders with preapproved suppliers for stock items.	3
Inventory Control Supervisor	Supervises Citywide Inventory Control System and maintains system integrity, including accuracy of value and quantities on hand of all materials; supervises Central Stores accounts payable section, including liaison with Auditors and San Diego Data Processing Corporation; and arranges for disposal of City surplus by bid sales.	3
Consultants	Refer to the Disclosure Category section (Exhibit B) for consultants.	. 5

APPENDIX B (Page 1 of 2)

DISCLOSURE CATEGORIES

Category 1:

All reportable investments, business positions or interests in any bank, firm or business entity, all holdings of investment trusts, and all holdings or income of real property or mortgages thereon. All reportable income from any person, firm or entity which currently supplies or could foreseeably supply goods or services to the City of San Diego, or which receives goods or services from the City.

Category 2:

All reportable investments, business positions, interests in real property and income from any person, firm or entity which currently provides services, supplies, materials, machinery or equipment of the type utilized by the agency or could foreseeably supply goods or services, or which receives goods or services from the City.

Category 3:

All reportable investments, business positions or interests in real property and income from any person, firm, or entity, including any printing shop or supplier of printing supplies, materials or equipment that currently supplies or could foreseeably supply goods or services to the City of San Diego, which receives goods or services from the City, or which purchases surplus City property.

Category 4:

All reportable income from any person, firm or entity which currently supplies or could foreseeably supply goods or services to the City of San Diego or which receives goods or services from the City.

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DISCLOSURE CATEGORIES

Category 5:

Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation:

Department Director, Assistant Director, Purchasing Agent, Print Shop/Central Stores Manager, Program or Project Managers, Management Assistants or Supervisors may determine in writing a particular consultant, although "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent disclosure requirements. The Department Director's or Assistant Director'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.

The foregoing Conflict of Interest Code has been prepared by the
Financial Management Department after a fair opportunity was
offered to the employees of the department to present their views.
The Code is submitted to the City Council this day
of, 1994.
Patricia T. Frazier Financial Management Director
The above Conflict of Interest Code was approved by the Council of
the City of San Diego, acting as the code reviewing body pursuant
to the Political Reform Act of 1974, as amended by Resolution No. 284902 R, on

Charles G. Abdelnour City Clerk

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