

TITLE: Form 700 – Statement of Economic Interests Filing Requirements

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ROUTING
All Employees
All Locations

POLICY: Filing a Form 700 - Statement of Economic Interests (Form 700) is a state-mandated requirement for certain individuals working at any government agency in California. The requirement is part of the Political Reform Act (Act), enacted in 1974, which was passed by California voters to promote integrity in state and local government by helping agency decision makers avoid conflicts between their personal interests and official duties. Under the Act, these individuals are required to disclose certain financial interests on their Form 700 filings. California law requires those who hold designated positions to file a Form 700 when they first assume office, annually thereafter, and when they leave office. The Fair Political Practices Commission (FPPC) is the state agency that enforces the provisions of the Act and associated regulations.

MAJOR CHANGES: This is a new policy.

GUIDELINES: The following guidelines are provided to assist LAUSD officials and employees in complying with the Form 700 filing mandate:

A. Conflict of Interest Code

For every public agency, the Conflict of Interest Code (COI Code) is the formal name for the legal document that identifies who has to file a Form 700. The COI Code is comprised of three parts – the Main Body, Exhibit A, and Exhibit B. The **Main Body** or introductory page, cites state regulations and provisions that outline financial disclosure and conflict of interest reporting requirements for an agency. **Exhibit A** defines the different disclosure categories that can be assigned to a designated filing position. **Exhibit B** provides the actual list of designated filing positions.

Exhibit B is organized by Division. Within a Division, filers that are required to provide the greatest level of disclosure are listed first. For ease of understanding, we generally call Exhibit B by the informal name “List of Filer Positions.” We note that the name “Conflict of Interest Code” can be confusing because it suggests either that filers have conflicts of interest or that by filing, they avoid conflicts. Of course, neither suggestion is correct. It is a filer’s responsibility to ensure that they do not participate in LAUSD decision-making regarding a personal financial interest they have disclosed on their Form 700 to avoid participating in an actual financial conflict of interest.

LAUSD’s COI Code can be found on the Ethics Office website at:
<https://www.lausd.org/Page/20673>.

Disclosure Categories (Exhibit A)

Each position designated to file is assigned disclosure categories using a numeric system. Each number corresponds to a particular category of financial interests which must be disclosed. The broader the scope of decision-making assigned to a position, the more individuals in those positions may have to disclose.

Designated Filing Positions (Exhibit B)

Anyone holding a position which enables them to influence governmental or financial decisions for their agency may be subject to the Form 700 filing requirement. Specifically, an individual is required to file a Form 700 if the position he or she holds has been designated in the agency’s COI Code. State regulation specifies how an agency and county must make the determination for identifying designated employees and the corresponding types of disclosure required of those employee positions. As context, the range of positions statewide which are required to file a Form 700 include elected officials, commissioners, judges, agency attorneys, department and financial managers, outside consultants, contractors, etc. Like LAUSD, designated filing positions in other school districts include superintendents, principals and assistant principals.

B. Statement of Economic Interests – Form 700

The Form 700 is a legal document, a filer certifies “under penalty of perjury under the laws of the State of California that the foregoing is true and correct” regarding the information disclosed on their Form 700. It is

comprised of a “Cover Page” and “Schedules A-1, A-2, B, C, D and E.” All filers will complete, at a minimum, the Cover Page. Each schedule corresponds to a specific type of financial disclosure. Based on the level of disclosure assigned to your position and your personal financial interests, a filer must determine the schedules they are required to complete. Following is a list of schedules included in the Form 700:

- Schedule A-1: Investments (Ownership Interest <10%)
- Schedule A-2: Investments (Ownership Interest >10%)
- Schedule B: Real Property
- Schedule C: Income and Loans
- Schedule D: Gifts
- Schedule E: Travel Payments

The Ethics Office is available to assist filers with determining which schedules a filer is responsible for completing. Contact information for the Ethics Office can be found at the conclusion of this Bulletin.

C. Filing Timelines

As previously mentioned, there are three instances when a filer is required to file their Form 700:

Assuming Office

Assuming office statements must be filed no later than 30 days after assuming a position listed in LAUSD’s COI Code. This includes when a filer is new to LAUSD or when a current employee moves/promotes to a filing position.

Example:

Annie assumes a LAUSD COI Code filing position on January 1st, she has until January 31st to submit her Assuming Office Form 700 to the Ethics Office.

Annually

Generally, the Annual Form 700 is due on April 1st. Changes are made to the annual filing deadline to account for weekends and holidays in applicable years. The annual filing period covered is January 1 through December 31 of the previous calendar year to the filing deadline.

Example:

Designated filers have received notices to file their Annual Form 700 for 2025. The deadline to file is Tuesday, April 1, 2025. The filing period covered by the annual statement is January 1, 2024-December 31, 2024.

Leaving Office

Leaving office statements must be filed no later than 30 days after leaving LAUSD or a position listed in LAUSD's COI Code.

Example:

Tom is retiring from LAUSD after 30 years of service. His last day with LAUSD will be June 30th. Tom may file up to two weeks prior to June 30th, but must file no later than July 31st.

D. Filing the Form 700

Employees electronically file their Form 700 using the eDisclosure filing system. The website is located at:
<https://LAUSD.southtechhosting.com/eDisclosure/>

Employees access the system using their LAUSD single sign-on credentials. For Leaving Office filers, once a filer's LAUSD single sign-on credentials are deactivated they must contact the Ethics Office and provide a personal email address to regain access to the system.

E. Late Filing Fees and Referral for Non-Compliance

Any person who files a Form 700 after the deadline imposed by the Act may be liable for a late fine pursuant to Government Code Section 91013. LAUSD's Ethics Office can assess a fine of \$10 per day for each day a statement is late up to a maximum of \$100.

However, the Ethics Office is required to waive the late filing fee when either of the following apply:

- A person could not timely file the Form 700 due to the filer being seriously ill or hospitalized; or
- A person filed the late Form 700 and completed the FPPC's Political Reform Education Program (PREP) pursuant to Section 83116.7 for that late filing violation.

There is no provision in the Act to extend a filing deadline. However, a filer may request in writing that a fine for late filing be waived or reduced. The Ethics Office has the authority to fully or partially waive a fine if, on an impartial basis, it is determined that the late filing was not willful and that enforcement of the fine would not further the purposes of the Act

Waiver Requests

The Ethics Office will consider a request to waive the payment of a late fine if the request is based on "good cause." A waiver request may be made through LAUSD's electronic filing system. "Good cause" includes:

1. Incapacitation for Medical Reasons *
2. Hospitalization *
3. Accident Involvement *
4. Loss or Unavailability of Records *
5. Other Good Cause as Shown

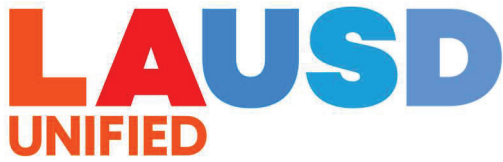
*May need to show documentation if requested.

Late fines will not be waived for reasons such as:

- Vacation
- Filer's busy season
- Spouse/assistant failed to file the form on behalf of the filer
- Filer needed additional time to gather information in order to file
- Filer is waiting for professional assistance from financial advisor/CPA/FPPC before filing
- First time filing late
- Filer did not receive a reminder to file his/her annual statement

Referral for Non-Compliance

If, after two late filing notifications, a filer fails to submit their relevant Form 700 (assuming/annual/leaving), the Ethics Office is required by law to refer the filer to the FPPC for "non-compliance." Violations of the Act can result in personal penalties assessed to the filer of up to \$5,000 per violation (Government Code Section 91005.5).



LOS ANGELES UNIFIED SCHOOL DISTRICT POLICY BULLETIN

AUTHORITY: This is a policy based on the requirements of the Political Reform Act (Government Code Sections 81000-91014) and FPPC Regulations (Title 2, Division 6, Sections 18104-18998 of the California Code of Regulations).

**RELATED
RESOURCES:** Fair Political Practices Commission website: <https://www.fppc.ca.gov/>

ASSISTANCE: Ethics Office
(213) 241-3330
Form700@lausd.net
AskEthics@lausd.net
<https://www.lausd.org/ethics>