



## *School Business Law Update*

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### FPPC RAISES GIFT LIMIT TO \$440

The Political Reform Act restricts and in some instances even prohibits the receipt of gifts by public officials if the aggregate value of gifts received from a single source during the calendar year exceeds the statutory amount, which is adjusted for inflation in odd-numbered years. The Fair Political Practices Commission, the agency charged with overseeing and enforcing the Act, recently determined that the gift limitation would be increased from \$420 to \$440 for calendar years 2013 and 2014.

Elected school and community college trustees, county superintendents of schools and members of county boards of education must observe this limitation with respect to any gifts, regardless of source, unless a statutory exemption applies. Public agency employees, on the other hand, are normally subject to the limitation only if they are designated as required to file Form 700 (Statement of Economic Interest) and if the agency's own conflict of interest code would require the reporting of a gift from that source. (Government Code section 89503)

Acceptance of a gift in excess of the statutory amount is not only a violation of the Act, it can prohibit the official from participating in any decision involving the donor. Board members and employees should refer to their local Conflict of Interest Codes for further details – for K-12 districts using CSBA templates, see Board Bylaw 9270.

The \$440 limitation applies to the acceptance of gifts. Lesser gifts will still have to be reported by board members and designated employees on Form 700, unless an exception applies, where the cumulative value exceeds \$50 during the calendar year from a single source.

As reported in a prior School Law Update, some gifts which incidentally benefit an individual may be exempt from these requirements if they meet specific criteria to be considered gifts to the agency. There are other exemptions in the law that may be applicable.

If you need further information on this topic, do not hesitate to contact our office.

— Grant Herndon

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*School Business Law Updates are intended to alert clients to developments in legislation, opinions of courts and administrative bodies and related matters. They are not intended as legal advice in any specific situation. Please consult legal counsel as to how the issue presented may affect your particular circumstances.*