



Administrative Regulations

Number AR2-4
Issue 3

Subject: Accounting Procedures for City Employees as Required by the Political Reform Act of 1974.

I. PURPOSE

The purpose of this administrative regulation is to establish standard policies and procedures to ensure compliance with the provisions of the Political Reform Act of 1974.

This regulation is intended to protect City personnel. Neither it nor the Political Reform Act of 1974 is intended to discourage or curtail communication with elected, agency or legislative officials.

II. SCOPE

This regulation is applicable to all City departments and offices responsible directly to the City Manager. It is also requested that elective offices and other independent offices and departments of the City comply with these procedures in the interest of administrative uniformity.

This regulation does not apply personally to the Mayor, City Council members, the City Attorney, the City Prosecutor or the City Auditor while acting in their official capacities. Further, the provisions of this regulation do not apply to contact by City employees with employees or officers of the federal government or with employees and officers of other local agencies or of states other than California for purposes other than attempting to influence the legislative or administrative actions of the State of California.

It is the responsibility of each department head to enforce the provisions of this regulation as they apply to the employees of his/her department.

III. AMENDMENT

The City Manager may amend the procedures and content set forth in this regulation as required.

IV. DEFINITION OF TERMS

The terms defined in Administrative Regulation 2-3 entitled "Procedures for Determination and Registration of City Employees as 'Lobbyists' under the Political Reform Act of 1974", shall be incorporated by reference for use in interpreting this regulation.

V. POLICY

As required by the Political Reform Act of 1974, the following must be reported by each City department to the Intergovernmental Relations Division on a quarterly basis:

- A. All reimbursable expenditures incurred by City employees in the course of attempting to influence legislative or administrative action must be accounted for on a departmental basis so that such expenditures can be included in the quarterly "Lobbyist Employer Report" filed by the City as required by Sections 86108 and 86109 of the Political Reform Act of 1974.

Accounting Procedures for City Employees as Required by the Political Reform Act of 1974.

It is also necessary to report the number of hours each employee spends attempting to influence legislative or administrative action. Such reports describing expenditures and employee hours spent engaged in the above activities are required even when affected employees are not registered as lobbyists as defined by Administrative Regulation 2-3.

B. All other departmental expenditures, costs and obligations incurred for the purpose of influencing legislative or administrative action must also be accounted for on a departmental basis for the purpose of including them in the quarterly "Lobbyist Employer Report" filed by the City. This report must include the gross wage cost of the hours each employee spends attempting to influence legislative or administrative action, unless the employee qualifies for the exception set forth in Section C below.

C. The wages of an employee who spends less than ten percent of compensated time attempting to influence legislative or administrative action need not be included in departmental reports to the Intergovernmental Relations Division. However, each department is required to closely monitor the activities of any employee whose hours spent in the activities specified above might potentially exceed ten percent of his/her total hours to enable responsible assurance and verification of the accuracy of its quarterly reports.

VI. PROCEDURES

A. Accounting Report

In order to complete the reports required by Section V above, each department, independent office, board or commission must complete Attachment No. 1 for expenditures to influence legislative or administrative action; and Attachment No 2 for personnel costs to influence legislative and administrative action. These forms must be returned to the Intergovernmental Relations Division by the 10th of the month following the quarter for which the expenses are being reported to enable the City to include this information in the quarterly "Lobbyist Employer Report".

B. Reportable Expenditures

All expenditures incurred by a City employee in any effort to influence legislative or administrative action must be reported under the provisions of the Political Reform Act of 1974. Any question regarding the appropriateness of reporting a specific type of expenditure should be referred to the Intergovernmental Relations Division.

VII. PENALTIES FOR NON-COMPLIANCE

Violation of any of the provisions of the Political Reform Act of 1974 is a misdemeanor. The Attorney General is responsible for prosecuting violations, and the City Attorney and the District Attorney of the city and county in which a violation occurs also have authority to prosecute. Persons convicted of violating any portion of the Act are disqualified for four years from serving as a lobbyist or running for elective office, in addition to other penalties which may be imposed.

In addition, to criminal penalties' the Act provides for numerous civil penalties, including monetary penalties and damages and injunctive relief from the courts. The Fair Political Practices Commission has primary responsibility for civil enforcement, but many of the civil penalties may be invoked by any person who resides in the State. Civil penalties may be imposed by the Fair Political Practices Commission or by the courts.

VIII. INTERPRETATION AND CLARIFICATION

In the event that any employee has a question regarding the interpretation or desires clarification of this administrative regulation or of any other regulation pertaining to the Political Reform Act of 1974, the Intergovernmental Relations Division should be contacted.

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Political Reform Act of 1974.

Examples which will provide clarification of this administrative regulation are included as Attachment 3.

Attachment No. 1 CITY OF LONG Beach Expenditures for the AR 2-4 _____ quarter, 19____
REPORT OF EXPENDITURES TO INFLUENCE LEGISLATIVE OR ADMINISTRATIVE ACTION
AS REQUIRED BY SECTION 86108 AND 86109 OF THE POLITICAL REFORM ACT OF 1974

Date of Expense	Name & Address of Person or Party Receiving Payment	Goods & Services Received	(If any)Elected State Official, agency Official, Legislative Official Benefiting	Description of Action Sought to be Influenced	Direct Payment No. & Date	Amount

Note 1: Expenses must be itemized

Note 2: This form must be completed and returned to the Intergovernmental Relations Division by the 10th of the month following the quarter for which expenses are being reported. I declare that this report is to the best of my knowledge true, correct and complete and that I have used all responsible diligence in its preparation.

Name, Title			
	(Department Head)		
Date:		Signature	

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Attachment No. 2 City of Long Beach Personnel Costs for AR 2-4 ____ quarter,
19__ Report of Personnel Costs to Influence Legislative Or Administrative ActionAs required by
the Political Reform Act of 1974

Employee Name	Hours spent Attempting to Influence Legislative or Administrative Action	Employee's Gross Monthly Wage	Description of Activity

Note 1: The wages of an employee who spends less than 10% of compensated time attempting to influence legislative or administrative action need not be reported.

Note 2: This form must be completed and returned to the Intergovernmental Relations Division by the 10th of the month following the quarter for which personnel costs are being reported. I declare that this report is to the best of my knowledge true, correct, and complete and that I have used all responsible diligence in its preparation.

Name, Title			
		(Department Head)	
Date:		Signature	

ATTACHMENT NO.
Administrative Regulation 2-4

EXAMPLES OF EXPENDITURES WHICH SHOULD BE REPORTED:

(1) On September 2nd, a City employee of Department X attends a luncheon with a legislator or his staff (not clerical) or a legislative advisor to the Governor to discuss a proposed bill that impacts the City. At this luncheon, the employee spends \$5 (\$4 lunch, \$1 parking) for which he fills out and submits a Direct Payment Form for reimbursement. These expenses must be reported to the Department for inclusion in the Department's report to the Intergovernmental Relations Division (Attachment No. 1). It must be part of the report submitted on or before October 10th so as to enable the City to include his information in its "Lobbyist Employer Report" filed on or before October 31st, covering all City expenses incurred during the third quarter of the year (July, August and September). The time spent in attendance at the luncheon and the gross wage value of that time must also be reported if this employee spent more than 10% of his compensated time attempting to influence legislative or administrative action (Attachment No. 2). Driving time would not be included.

(2) An employee of Department A travels to Sacramento for the purpose of appearing before a Committee of the State Legislature as a technical expert on a measure supported by the City. Because the Committee meets early in the morning he travels to Sacramento the prior evening. His expenses, which are reimbursable, included airfare (\$120 round trip), lodging (\$45), dinner and breakfast (\$22), and airport limousine (\$4). The employee files a Direct Payment for reimbursement. The expenses must be reported by the Department (Attachment No. 1). The time spent directly

preparing his testimony, waiting to testify, and testifying, must also be reported and valued out (Attachment No. 2). Travel time and preliminary research time is not included. (If payment for the airfare or the hotel had been made directly to the vendor by the City, the expenses must still be reported.)

(3) An employee of Department B travels to Sacramento to testify before the State Board of Transportation in regard to an application for funds submitted by the City for a local public transit project. The employee would not be required to report this activity, as his actions are not included within the definition of legislative or administrative action and do not include a rate-making proceeding. If the City employee had attempted to convince a state agency that the rules or criteria which that state agency uses to allocate funds should be changed, any expenses incurred in this connection would have to have been reported. It is only because the employee is dealing with the state agency in attempting to get additional funds for the City without attempting to alter a rule, regulation, or criteria that these expenditures are not reportable

(4) The Director of Department C travels to Sacramento to participate in two days of meetings regarding the drafting of legislation favorable to the City. The Legislature is not in session, but these meetings involve communication with legislative staff and agency officials of the state who may eventually draft legislation or propose administrative regulations. All expenditures which this individual incurs which are reimbursable by the City in connection with this trip are reportable. This includes his travel, meals, lodging, and any expense he incurred on behalf of the legislative or administrative staff which he met.

(5) The Director of Department D is an acquaintance of Assemblyman Jones. They have dinner together in Long Beach and the Director pays the cost for both of them. Since the dinner may have some beneficial effect for the City, the Director asks for reimbursement for the dinner. This expense must be reported on Attachment No. 1 so that it may be included in the City's report to the state. If the Director had not asked for reimbursement from the City, the expenses would not have been reportable.

(6) The City opposes a particular bill before the State Legislature and decides to enlist the help of other cities in opposing the bill. Employee Smith of Department E prepares a three-page report on the provisions of the bill that are objectionable to cities and a cover letter to accompany the report asking each city in the state to contact their respective legislators urging opposition to the bill: Employee Smith spends approximately 25% of his time in the City's employ attempting to influence legislative action. His hours spent preparing this report and cover letter and his gross wage are reportable on Attachment No. 2 because even though he was not attempting to influence legislative action directly he was urging others to attempt to influence legislative action.