

CITY OF MODESTO

TICKETS AND PASSES DISTRIBUTION POLICY

I. Purpose

This policy governs the distribution, use and reporting of tickets or passes to a facility, event, show or performance for an entertainment, amusement, recreational or similar purposes (the "Event") donated or given to the City. This policy is established in accordance with Section 18944.1 of the Fair Political Practices Commission ("FPPC") Regulations. Section 18944.1 sets forth the circumstances under which the City's distribution of tickets or passes to a City official for which no consideration of equal or greater value is provided by the public official does not result in a gift to the individual official or employee. Tickets or passes distributed and accounted for in compliance with this policy and Section 18944.1 will not be considered gifts to the City officials who make use of such tickets and passes.

This policy is subject to all applicable FPPC Regulations and the Political Reform Act. Nothing in this policy is intended to alter, amend or otherwise affect the obligations of City officials and employees under the Political Reform Act and implementing regulations or under the City's Supplemental Conflict of Interest Code set forth in Resolution No. ~~XXXXX~~ of the City Council of the City of Modesto.

II. Application of Policy

This Policy applies to tickets or passes that are A) gratuitously provided to the City by an outside source; or B) acquired by the City by purchase; or C) received by the City as consideration pursuant to the terms of a contract or because the City owns or controls the facility or venue at which the Event occurs or sponsors the Event.

III. Definitions

Unless otherwise expressly provided in this Policy, terms in this Policy shall have the same meaning as that ascribed to such terms in the Political Reform Act (Government Code Sections 81000 et seq., as may be amended from time to time) and the FPPC Regulations (Title 2, Division 6 of the California Code of Regulations, Sections 18110 et seq., as may be amended from time to time).

"City" shall mean the City of Modesto.

"City official" shall mean every elected member, officer, employee or consultant of the City of Modesto, as defined in Government Code Section 82048 and FPPC Regulation Section 18700. Such term shall include, without limitation, any City board or commission member or other appointed official or employee required to file an annual Statement of Economic Interests (FPPC Form 700).

"City venue" shall mean any facility owned, controlled or operated by the City of Modesto.

"Family" shall mean spouse, registered domestic partner, children and dependent children as defined in FPPC Regulation Section 18943.

"Ticket" shall mean "ticket or pass" and includes anything that provides an admission privilege to an event or function and for which similar tickets or passes are offered for sale to the public. If other benefits, such as food, beverages or other items, are provided to the City official at the event and such benefits are not included as part of the admission to the event, those benefits are not covered by this Policy.

IV. Procedures for Distribution

A. Tickets or passes received by the City from an outside source without designation as to the specific City official who may use the tickets shall be forwarded to the City Manager or designee. The City Manager or designee shall determine the face value of the tickets, the individuals who may use them and report their distribution as provided in Section VII.

B. Tickets or passes received by the City from an outside source(s) that are earmarked for use by a specific City official are considered gifts to the City official and are subject to the FPPC disclosure and reporting requirements applicable to gifts, unless one of the exemptions listed below applies.

C. For tickets or passes received by the City pursuant to the terms of a contract or because the City owns or controls the facility or venue at which the Event occurs or the City sponsors the Event, a City official may request use of these tickets or passes, or for distribution to an individual or organization outside the City, by completing Parts 3 and 4 of the FPPC Form 802 and submitting the request to the City Manager.

D. For tickets or passes purchased or acquired by the City for use by an elected City official, or for distribution to an individual or organization outside the City at the request of an elected City official, the City official shall be responsible for reporting the distribution of the tickets or passes on the Form 802.

E. The City Manager shall have the authority, in his or her sole discretion, to establish procedures for the distribution of tickets and passes in accordance with this Policy. All requests for tickets which fall within the scope of this Policy shall be made in accordance with the procedures established by the City Manager.

V. Exemption to the Policy

A. Ceremonial Role or Function. Tickets or passes provided to a City official to carry out his or her job duties or where the City official will perform a ceremonial role or function on behalf of the City at the Event are not considered gifts to the City official and are exempt from the disclosure and reporting requirements of this policy.

B. Income. Tickets or passes received by a City official who treats the tickets or passes as income consistent with federal and state income tax laws and the City report distribution of the tickets or passes as income to the City official on the FPPC Form 802 are otherwise exempt from this policy.

C. Reimbursement. Tickets or passes which the City official purchases or reimburses the City for the face value of the tickets or passes are exempt from this policy.

VI. Public Purpose

The distribution of any ticket by the City to, or at the behest of, a City official must accomplish a "public purpose" of the City. The public purposes to be accomplished by the distribution of tickets or passes by the City include, but are not limited to:

- A. To obtain oversight of facilities or events that have received City funding or support;
- B. To review facilities or events that may require City funding or support in the near future or to gather information about the operation of a facility similar to one presently or potentially operated by the City;
- C. To promote local and regional businesses, community programs, economic development and tourism within the City;
- D. To attend a community event in which the City is a participant;
- E. To attend an event, activity or program sponsored by the City;
- F. To promote intergovernmental relations, including but not limited to, attendance at an event with, or by, elected or appointed public officials from other jurisdictions, their staff and their guests;
- G. To promote public and private facilities available for City resident use;
- H. To support and/or show appreciation for community and nonprofit programs or services that benefit City residents;
- I. To encourage or recognize significant academic, athletic or public achievements by City students, residents or businesses;
- J. To reward City employees and community members for his or her exemplary service to the public;
- K. To promote City growth and development, including economic development and job creation opportunities;
- L. To promote open and accessible government by appearances or participation of City officials at business and community events;
- M. To promote employment retention, including enhancement of employee morale;
- N. To promote City recognition, visibility and/or profile on a local, state, national or worldwide scale;
- O. To comply with all written contracts where the City, as a form of consideration, has required that a certain number of tickets or suites be made available for City use.

VII. Prohibited Transfer of Ticket

A City official may not transfer any ticket distributed to him or her, pursuant to this Policy, to any other person, except to members of the City official's family or no more than one (1) guest solely for their attendance at the event.

VIII. Ticket Reporting and Disclosure Requirements

Tickets distributed by the City to a City official, or to an individual or organization outside the city at the behest of a City official pursuant to this policy, shall be documented in a completed FPPC Form 802. The completed Form 802 must be maintained as a public record, and it shall be forwarded to the FPPC for posting on its website.

Such postings shall include the following information and any other information that may be required by the FPPC:

- A. The name of the person receiving the ticket or pass;
- B. A description of the event;
- C. The date of the event;
- D. The face value of the ticket;
- E. The number of tickets provided to each person or organization;
- F. If the ticket was distributed at the behest of a City official, the name of the City official who made such behest; and
- G. A description of the public purpose(s) under which the distribution was made, or, alternatively, that the City official is treating the ticket as income.

The City may post the name of the department or other unit of the City and the number of tickets or passes provided to the department or other unit in lieu of posting the name of the individual employee as otherwise required in paragraph A above.

If the ticket or pass is distributed to an organization outside the City, the City shall post the name, address, description of the organization, and the number of tickets or passes provided to the organization in lieu of posting the names of each individual from the organization as otherwise required in paragraph A above.

IX. Alternatives to Policy

As an alternative to complying with Section IV through VIII of this Policy, a City official may either (A) ask that the City report the distribution of the ticket or pass as income to the City official and then treat the ticket or pass as income, consistent with applicable state and federal income tax laws, or (B) report the receipt of the ticket or pass on their Form 700, if the value of the ticket or pass is over \$50 and the aggregate value of tickets and passes from single source in a calendar year is \$460 or less.

X. Policy Limited to Just Tickets or Passes.

If other benefits, such as food, beverages or other items, are provided to the City official at the Event and they are not included as part of the admission to the Event, those benefits will need to be accounted for as gifts to the City official who receives them.