

CONFLICTS OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974 (GOVERNMENT CODE §§ 87100, ET SEQ.) AND GOVERNMENT CODE SECTION 1090

*This Policy Tool Kit contains three conflicts of interest codes. Board Policy #7A is drafted in compliance with the Corporations Code applicable to all California nonprofit corporations. Board Policy #7B is drafted in compliance with both the Political Reform Act (“PRA”) in the Government Code and the Corporations Code applicable to nonprofit corporations. There has been considerable debate as to the applicability of the PRA to charter schools. Though CSDC does not believe that the PRA governs charter schools, the Fair Political Practices Commission (the agency charged with enforcing the PRA) has opined that the PRA is applicable to charter schools. Thus, a charter school may want to act conservatively in adopting and maintaining a conflicts of interest code under the PRA. Additionally, charter schools may be bound to follow the PRA under the terms of their charter or their memorandum of understanding with the chartering authority. Board Policy #7C is drafted in compliance with Government Code section 1090, the PRA and the Corporations Code.*

*Most charter schools are operated as or by nonprofit corporations. The California Corporations Code also prescribes conflicts of interest rules for nonprofit corporations. Thus, this policy is drafted so that it is also compliant with the Corporations Code.*

*When drafting your conflict of interest policy under the PRA, it must do the following: 1) Provide reasonable assurance that all foreseeable potential conflict of interest situations will be disclosed or prevented; 2) Provide each affected person a clear and specific statement of his/her duties under the PRA; and 3) Adequately differentiate between designated employees with different powers and responsibilities. Govt. Code § 87309. This model policy is drafted to meet these requirements.*

*In addition, this policy is drafted to reflect the restrictions imposed by Government Code section 1090, which is the most restrictive of conflict codes in California.*

*Under Title 5, Section 11963.2 (“SB740 regulations”), a nonclassroom based charter school is REQUIRED to certify to the State Board of Education that it has adopted and implemented conflict of interest policies as a condition to filing a request for a funding determination. Thus, a nonclassroom based charter may want to adopt the conflicts of interest code modeled after the PRA or the Corporations Code, as appropriate.*

## I. Adoption

***Adoption Procedures for Charter Schools Operating in More than One County:*** *The California Code of Regulations provides for an elaborate procedure for the promulgation and adoption of a conflicts of interest code by local government agencies with jurisdiction in more than one county. These procedures are likely applicable to charter schools with schools in more than one county. If your school operates in more than one county, the board should adopt the policy under these procedures. This policy does not specifically address these procedures, which*

may be found at 2 C.C.R. § 18750.1.

**Initial Adoption of the Conflict of Interest Code for All Charters:** *A conflict of interest code must first be approved by the code reviewing body, which is defined as the county board of supervisors for schools operating wholly within one county. The school must submit a proposed conflict of interest code to the code reviewing body by the deadline established for the agency by that body. The deadline cannot be later than six months after it comes into existence. The code reviewing body has 90 days to review and either approve, revise or return it to the school.*

**Amendments to the Conflict of Interest Code for All Charters:** *The school must amend its conflict of interest code when change is necessitated by changed circumstances, including the creation of new positions that must be designated. Amendments shall be provided to the code reviewing body within 90 days after the changed circumstances necessitating the amendments have become apparent.*

**Review of Conflict of Interest Code for All Charters:** *The code reviewing body shall direct the school to review its conflict of interest code no later than July 1 of each even-numbered year. If a change in the code is necessitated by changed circumstances, the school shall submit an amended conflict of interest code. If no change is necessitated, the school must submit a written statement to that effect to the code reviewing body no later than October 1 of the same year.*

The Governing Board hereby adopts this Conflict of Interest Code (“Code”), which shall apply to all governing board members, candidates for member of the board, and all other designated employees of the [insert name of charter school] (“School”).

## II. Definitions

“Designated Persons” are officers and employees of the School who hold positions that involve the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest. The designated positions are listed in Exhibit “A” attached to this policy and incorporated herein by reference.

“Remote Interests in a Contract” are those interests identified in Government Code section 1091 and relate only to voting members on the Board of Directors and are referred to as “disqualifying interests” herein.

“Non-Interests in a Contract” are those interests identified in Government Code section 1091.5 and relate to directors, officers or employees of the School and are referred to as “disqualifying interests” herein. A copy of Government Code sections 1091 and 1091.5 are attached as Exhibit C to this policy.

### III. Disclosure Statements

#### A. Statement of Economic Interest, Form 700

Each designated employee, including governing board members and candidates, shall file a Statement of Economic Interest, Form 700 (“Statement”) at the time and manner prescribed below, disclosing reportable investments, interests in real property, business positions, and income required to be reported under the category or categories to which the employee’s position is assigned in Exhibit A.

An investment, interest in real property or income shall be reportable if the business entity in which the investment is held, the interest in real property, the business position, or source of income may foreseeably be affected materially by a decision made or by participation in the decision by the designated employee by virtue of his or her position. The specific disclosure responsibilities assigned to each position are set forth in Exhibit B.

#### Contents of Statements

**Initial Statements:** Initial Statements shall disclose any reportable investments, interests in real property, business positions held on the effective date of the Code and income received during the twelve (12) months prior to the effective date of the Code.

**Assuming Office Statements:** Assuming Office Statements shall disclose any reportable investments, business positions, interests in real property held on, and income received during the 12 months before the date of assuming office or the date of being appointed or nominated.

**Annual Statements:** Annual Statements shall disclose reportable investments, business positions, interests in real property and income held or received at any time during the previous calendar year or since the date the designated employee took office if during the calendar year.

**Leaving Office Statement:** Leaving Office Statements shall disclose reportable investments, business positions, interests in real property and income held or received at any time during the period between the closing date of the last statement required to be filed and the date of leaving office.

#### Timing of Filings

An initial Statement shall be filed by each designated person within 30 days after the effective date of the Code. Thereafter, each new designated employee shall file a Statement within 30 days after assuming office. Each designated employee shall file an annual Statement by April 1. Every designated employee who leaves office shall file a Statement within 30 days of leaving office.

## Statements Filed With the Charter School

All Statements shall be supplied by the Charter School on forms prescribed by the Fair Political Practices Commission. All Statements shall be filed with the Charter School. The Charter School's filing officer shall make and retain a copy and forward the original to the Charter School's code reviewing body.

### B. Common Director Disclosure Statement

At the commencement of an individual's term with the Charter School and at the beginning of each fiscal year, each Board member shall complete a Common Director Disclosure Statement and provide it to the Charter School identifying all organizations for which he/she is a board member, employee or committee member that are not otherwise disclosed in the Statement of Economic Interest. **[Note: This provision is not required by law, but provides an additional level of review for the Board to ensure that there are no conflicts of interest.]**

### IV. Disqualification

**Designated Persons:** No Designated Person, or their spouses and dependent children, may be financially interested in any contract made by them in their official capacity. Board Members are presumed to have made contracts in which they, or their spouses and dependent children have a financial interest. A Designated Person may not make, participate in making, or in any way use or attempt to use his/her official position to influence any Charter School decision which he/she knows or has reason to know he or she has a disqualifying financial interest. A Designated Person has a "disqualifying financial interest" if the decision will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the Designated Person or a member of his or her immediate family. A Designated Person must follow recusal provisions outlined below with respect to Remote Interests in Contracts and Non-Interests in Contracts:

**[Note: Making decisions includes the following actions: 1) Authorizing or directing any action; 2) Voting; 3) Appointing a person; 4) Obligating or committing his/her agency to any course of action; 5) Entering into any contractual agreement on behalf of the agency.]**

**[Note: Participating in making a decision includes the following actions, unless there is significant intervening substantive review: Providing information, an opinion or recommendation for the purpose of affecting the decision.] [Note: An official is attempting to use his/her official position to influence the decision if, for the purpose of influencing the decision, the official: 1) contacts or appears before any official in his/her agency or in an agency subject to the authority or budgetary control of his/her agency for the purpose of affecting the decision; or 2) contacts or appears before any official in any other government agency for the purpose of affecting the decision, and the public official acts or purports to act within his/her authority or on behalf of his/her agency in making**

contact.] [These prohibitions do not extend to ministerial actions; appearances as a member of the general public (d)(2); terms of employment (d)(3); public speaking (d)(4); academic decisions (d)(5); architectural and engineering documents (d)(6); other consulting services (d)(7).]

**Board Make-Up:** Not more than 49 percent of the persons serving on the Board of the Charter School may be Directors, or family members, that were compensated by the School for services rendered to it within the previous 12 months, whether as a full- or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a director as director. [Note: This section is included in accordance with the Corporations Code.] No Directors shall serve on the Board of the Charter School if that person has a current financial interest in any contract made by him or her in his or her official capacity on the board.

### **Manner of Disqualification**

**Common Directors, Persons with Remote Interests in Contracts and Non-Interests in Contracts:** When a Designated Person, other than a Board Member, determines that he/she should not make a decision because of a Remote or Non-Interest in a Contract, he/she should submit a written disclosure of the disqualifying interest to his/her immediate supervisor. The supervisor shall immediately reassign the matter to another employee and shall forward the disclosure notice to the Charter School Director, who shall record the employee's disqualification, and notify the Charter School Governing Board of the interest at its next meeting before the Governing Board discusses or votes on the item. In the case of the Charter School Director, this determination and disclosure shall be made in writing to the Governing Board.

Governing Board members shall orally disclose a disqualifying interest at the meeting during which consideration of the decision takes place. This disclosure shall be made following the announcement of the agenda item, but before the discussion or vote commences. This disclosure shall be made part of the Board's official record. The disqualified Board member shall then refrain from participating in the decision in any way, but may remain seated if desired.

If the decision is made during a closed session, the member's disqualification may be made orally during the open session before the body goes into closed session and shall be limited to a declaration that his/her recusal is because of a conflict of interest under Government Code section 87100. The declaration shall be made part of the official public record. The member shall not be present when the decision is considered in closed session or knowingly obtain or review a recording or any other non-public information regarding the decision.

The following must be confirmed in the affirmative prior to the Board's acceptance of a contract or transaction with a Designated Person with respect to a Remote or Non-Interest in a Contract: [Note: This section is included in accordance with the Corporations Code,

**although it is drafted slightly more restrictively than required as it relates to Common Directors.]**

- That the transaction is entered into for the benefit of the Charter School;
- That the transaction was fair and reasonable for the Charter School at the time it enters into the transaction;
- That after reasonable investigation under the circumstances, the Board determines, in good faith, that the Charter School could not have obtained a more advantageous arrangement with reasonable effort. Documentation of the results of the investigation shall be retained either in the Board minutes and/or in the school's financial files.

Disqualified Designated Persons shall not be counted toward achieving a quorum while the item is discussed. **[Note: The Corporations Code permits an interested director to be counted in determining whether a quorum is reached. This policy, however, is written to ensure compliance with the Political Reform Act, which does not allow this practice.]**

Adopted:

Amended:

EXHIBIT A  
Designated Positions

- I. Persons occupying the following positions are designated employees and must disclose financial interests in all categories defined in Exhibit B (i.e. categories 1, 2, and 3). **[Note: Government Code § 87302 requires that the conflict of interest code itself list the positions occupying “designated employee” status.]**
- A. Members of the Governing Board
  - B. Candidates for Member of the Governing Board
  - C. Members of Committees of the Governing Board<sup>1</sup>
  - D. Director of Charter School
  - E. Assistant Director
  - F. Chief Business Officer
  - G. Director of Personnel Services
  - H. Assistant Director of Personnel Services
  - I. Consultants<sup>2</sup>
  - J. Other Employees<sup>3</sup>
- II. Persons occupying the following positions are designated employees and must disclose financial interests defined in Category 1 of Exhibit B.
- A. Purchasing Manager
  - B. Assistant Business Officer

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<sup>1</sup> This category must be included if the committee has members that are not otherwise covered by the other identified categories and the committee possesses decision making authority. Decision making authority is present when the committee: a. may make a final decision; b. may compel a governmental decision or it may prevent a decision either by reason of an exclusion power to initiate the decision or by reason of a veto that may not be overridden; or c. makes substantial recommendations that are, and over an extended period have been, regularly approved without significant amendment or modified by another designated employee.

<sup>2</sup> A consultant will occupy a “designated position” when he/she is contracting with the agency to do the following: 1) Make a governmental decision wither to, among other things, (a) authorize the agency to enter into, modify or renew a contract provided it is the type of contract that requires agency approval; (b) grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract; (c) grant agency approval to a plan, design, report, study or similar item; or (d) adopt or grant agency approval of, policies, standards or guidelines for the agency or for any subdivision thereof; or 2) Serve in a staff capacity with the agency and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a designated position.

<sup>3</sup> “Other Employees” include any employee occupying a position that requires the employee to make a governmental decision that foreseeably and materially affects a personal financial interest, source of income, or a business position in a business entity.

C. Other Employees<sup>4</sup>

III. Persons occupying the following positions are designated employees and must disclose financial interests defined in Categories 2 and 3 of Exhibit B.

A. Information Systems Technician

B. Contractor

C. Other Employees<sup>5</sup>

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<sup>4</sup> “Other Employees” include any employee with authority to make purchases that may foreseeably and materially affect an investment and/or business position in business entities or who are in a position to influence a governmental decision that may foreseeably and materially affect an investment and/or business position in a business entity.

<sup>5</sup> “Other Employees include employees with authority to make purchases that may foreseeably and materially effect investments and business positions in business entities which provide services, supplies, materials, or equipment in which the employee has authority to purchase.



EXHIBIT B  
Disclosure Categories

Category 1 Reporting:

- A. Interest in real property which is located in whole or in part within the geographical service area of the School, including any leasehold, beneficial or ownership interests or option to acquire such interest in real property, if the fair market value of the interest is greater than \$2,000.

(Interests in real property of an individual include a business entity's share of interest in real property of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly, or beneficially, a ten percent interest or greater.)

- B. Investments in or income from persons or business entities (including gifts, loans and travel payments) which are contractors or sub-contractors which are or have been within the previous two-year period engaged in the performance of building construction or design within the geographical service area of the School.

- C. Investments in or income from persons or business entities engaged in the acquisition or disposal of real property within the geographical service area of the School.

(Investment includes any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership interest or other ownership interests.)

(Investments of any individual include a pro rata share of investments of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly or beneficially, a ten percent interest or greater.)

(Investment does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, or any bond or other debt instrument issued by any government or government agency.)

(No investment or interest in real property is reportable unless its fair market value exceeds \$2,000. No source of income is reportable unless the income received by or promised to the public official aggregates \$500 or more in value or \$50 or more in value if the income was a gift during the preceding 12-month reporting period.

Category 2 Reporting:

- A. Investments in or income from persons or business entities (including gifts, loans and travel payments) which manufacture or sell supplies, books, machinery or equipment of

the type utilized by the department for which the designated employee is Manager or Director. Investments include interests described in Category 1.

Category 3 Reporting:

- A. Investments in or income from persons or business entities (including gifts, loans and travel payments) which are contractors or sub-contractors engaged in the performance of work or services of the type utilized by the department for which the designated employee is Manager or Director. Investments include the interests described in Category 1.

## EXHIBIT C

### **Government Code § 1091. Remote interest of officer or member**

(a) An officer shall not be deemed to be interested in a contract entered into by a body or board of which the officer is a member within the meaning of this article if the officer has only a remote interest in the contract and if the fact of that interest is disclosed to the body or board of which the officer is a member and noted in its official records, and thereafter the body or board authorizes, approves, or ratifies the contract in good faith by a vote of its membership sufficient for the purpose without counting the vote or votes of the officer or member with the remote interest.

(b) As used in this article, “remote interest” means any of the following:

(1) That of an officer or employee of a nonprofit entity exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec. 501(c)(3)) or a nonprofit corporation, except as provided in paragraph (8) of subdivision (a) of Section 1091.5.

(2) That of an employee or agent of the contracting party, if the contracting party has 10 or more other employees and if the officer was an employee or agent of that contracting party for at least three years prior to the officer initially accepting his or her office and the officer owns less than 3 percent of the shares of stock of the contracting party; and the employee or agent is not an officer or director of the contracting party and did not directly participate in formulating the bid of the contracting party.

For purposes of this paragraph, time of employment with the contracting party by the officer shall be counted in computing the three-year period specified in this paragraph even though the contracting party has been converted from one form of business organization to a different form of business organization within three years of the initial taking of office by the officer. Time of employment in that case shall be counted only if, after the transfer or change in organization, the real or ultimate ownership of the contracting party is the same or substantially similar to that which existed before the transfer or change in organization. For purposes of this paragraph, stockholders, bondholders, partners, or other persons holding an interest in the contracting party are regarded as having the “real or ultimate ownership” of the contracting party.

(3) That of an employee or agent of the contracting party, if all of the following conditions are met:

- (A) The agency of which the person is an officer is a local public agency located in a county with a population of less than 4,000,000.
- (B) The contract is competitively bid and is not for personal services.
- (C) The employee or agent is not in a primary management capacity with the contracting party, is not an officer or director of the contracting party, and holds no ownership interest in the contracting party.
- (D) The contracting party has 10 or more other employees.
- (E) The employee or agent did not directly participate in formulating the bid of the contracting party.
- (F) The contracting party is the lowest responsible bidder.
- (4) That of a parent in the earnings of his or her minor child for personal services.
- (5) That of a landlord or tenant of the contracting party.
- (6) That of an attorney of the contracting party or that of an owner, officer, employee, or agent of a firm that renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker, if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract and if these individuals have an ownership interest of 10 percent or more in the law practice or firm, stock brokerage firm, insurance firm, or real estate firm.
- (7) That of a member of a nonprofit corporation formed under the Food and Agricultural Code or a nonprofit corporation formed under the Corporations Code for the sole purpose of engaging in the merchandising of agricultural products or the supplying of water.
- (8) That of a supplier of goods or services when those goods or services have been supplied to the contracting party by the officer for at least five years prior to his or her election or appointment to office.
- (9) That of a person subject to the provisions of Section 1090 in any contract or agreement entered into pursuant to the provisions of the California Land Conservation Act of 1965.
- (10) Except as provided in subdivision (b) of Section 1091.5, that of a director of, or a person having an ownership interest of, 10 percent or more in a bank, bank holding company, or savings

and loan association with which a party to the contract has a relationship of borrower or depositor, debtor or creditor.

(11) That of an engineer, geologist, or architect employed by a consulting engineering or architectural firm. This paragraph applies only to an employee of a consulting firm who does not serve in a primary management capacity, and does not apply to an officer or director of a consulting firm.

(12) That of an elected officer otherwise subject to Section 1090, in any housing assistance payment contract entered into pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f) as amended, provided that the housing assistance payment contract was in existence before Section 1090 became applicable to the officer and will be renewed or extended only as to the existing tenant, or, in a jurisdiction in which the rental vacancy rate is less than 5 percent, as to new tenants in a unit previously under a Section 8 contract. This section applies to any person who became a public official on or after November 1, 1986.

(13) That of a person receiving salary, per diem, or reimbursement for expenses from a government entity.

(14) That of a person owning less than 3 percent of the shares of a contracting party that is a for-profit corporation, provided that the ownership of the shares derived from the person's employment with that corporation.

(15) That of a party to litigation involving the body or board of which the officer is a member in connection with an agreement in which all of the following apply:

(A) The agreement is entered into as part of a settlement of litigation in which the body or board is represented by legal counsel.

(B) After a review of the merits of the agreement and other relevant facts and circumstances, a court of competent jurisdiction finds that the agreement serves the public interest.

(C) The interested member has recused himself or herself from all participation, direct or indirect, in the making of the agreement on behalf of the body or board.

(16) That of a person who is an officer or employee of an investor-owned utility that is regulated by the Public Utilities Commission with respect to a contract between the investor-owned utility and a state, county, district, judicial district, or city body or board of which the person is a member, if the contract requires the investor-owned utility to provide energy efficiency rebates or other type of program to encourage energy efficiency that benefits the public when all of the following apply:

(A) The contract is funded by utility consumers pursuant to regulations of the Public Utilities Commission.

(B) The contract provides no individual benefit to the person that is not also provided to the public, and the investor-owned utility receives no direct financial profit from the contract.

(C) The person has recused himself or herself from all participation in making the contract on behalf of the state, county, district, judicial district, or city body or board of which he or she is a member.

(D) The contract implements a program authorized by the Public Utilities Commission.

(c) This section is not applicable to any officer interested in a contract who influences or attempts to influence another member of the body or board of which he or she is a member to enter into the contract.

(d) The willful failure of an officer to disclose the fact of his or her interest in a contract pursuant to this section is punishable as provided in Section 1097. That violation does not void the contract unless the contracting party had knowledge of the fact of the remote interest of the officer at the time the contract was executed.

## § 1091.5. Interests not constituting an interest in a contract

(a) An officer or employee shall not be deemed to be interested in a contract if his or her interest is any of the following:

(1) The ownership of less than 3 percent of the shares of a corporation for profit, provided that the total annual income to him or her from dividends, including the value of stock dividends, from the corporation does not exceed 5 percent of his or her total annual income, and any other payments made to him or her by the corporation do not exceed 5 percent of his or her total annual income.

(2) That of an officer in being reimbursed for his or her actual and necessary expenses incurred in the performance of official duties.

(3) That of a recipient of public services generally provided by the public body or board of which he or she is a member, on the same terms and conditions as if he or she were not a member of the body or board.

(4) That of a landlord or tenant of the contracting party if the contracting party is the federal government or any federal department or agency, this state or an adjoining state, any department or agency of this state or an adjoining state, any county or city of this state or an adjoining state, or any public corporation or special, judicial, or other public district of this state or an adjoining state unless the subject matter of the contract is the property in which the officer or employee has the interest as landlord or tenant in which event his or her interest shall be deemed a remote interest within the meaning of, and subject to, the provisions of Section 1091.

(5) That of a tenant in a public housing authority created pursuant to Part 2 (commencing with Section 34200) of Division 24 of the Health and Safety Code in which he or she serves as a member of the board of commissioners of the authority or of a community development commission created pursuant to Part 1.7 (commencing with Section 34100) of Division 24 of the Health and Safety Code.

(6) That of a spouse of an officer or employee of a public agency in his or her spouse's employment or office holding if his or her spouse's employment or office holding has existed for at least one year prior to his or her election or appointment.

(7) That of a nonsalaried member of a nonprofit corporation, provided that this interest is disclosed to the body or board at the time of the first consideration of the contract, and provided further that this interest is noted in its official records.

(8) That of a noncompensated officer of a nonprofit, tax-exempt corporation, which, as one of its primary purposes, supports the functions of the body or board or to which the body or board has a legal obligation to give particular consideration, and provided further that this interest is noted in its official records.

For purposes of this paragraph, an officer is “noncompensated” even though he or she receives reimbursement from the nonprofit, tax-exempt corporation for necessary travel and other actual expenses incurred in performing the duties of his or her office.

(9) That of a person receiving salary, per diem, or reimbursement for expenses from a government entity, unless the contract directly involves the department of the government entity that employs the officer or employee, provided that the interest is disclosed to the body or board at the time of consideration of the contract, and provided further that the interest is noted in its official record.

(10) That of an attorney of the contracting party or that of an owner, officer, employee, or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker, if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract and if these individuals have an ownership interest of less than 10 percent in the law practice or firm, stock brokerage firm, insurance firm, or real estate firm.

(11) Except as provided in subdivision (b), that of an officer or employee of, or a person having less than a 10-percent ownership interest in, a bank, bank holding company, or savings and loan association with which a party to the contract has a relationship of borrower, depositor, debtor, or creditor.

(12) That of (A) a bona fide nonprofit, tax-exempt corporation having among its primary purposes the conservation, preservation, or restoration of park and natural lands or historical resources for public benefit, which corporation enters into an agreement with a public agency to provide services related to park and natural lands or historical resources and which services are found by the public agency, prior to entering into the agreement or as part of the agreement, to be necessary to the public interest to plan for, acquire, protect, conserve, improve, or restore park and natural lands or historical resources for public purposes and (B) any officer, director, or employee acting pursuant to the agreement on behalf of the nonprofit corporation. For purposes of this paragraph, “agreement” includes contracts and grants, and “park,” “natural lands,” and “historical resources” shall have the meanings set forth in subdivisions (d), (g), and (i) of Section 5902 of the Public Resources Code. Services to be provided to the public agency may include those studies and related services, acquisitions of property and property interests, and any activities related to those studies and acquisitions necessary for the conservation, preservation, improvement, or restoration of park and natural lands or historical resources.

(13) That of an officer, employee, or member of the Board of Directors of the California Housing Finance Agency with respect to a loan product or programs if the officer, employee, or member participated in the planning, discussions, development, or approval of the loan product or program and both of the following two conditions exist:

(A) The loan product or program is or may be originated by any lender approved by the agency.

(B) The loan product or program is generally available to qualifying borrowers on terms and conditions that are substantially the same for all qualifying borrowers at the time the loan is made.

(b) An officer or employee shall not be deemed to be interested in a contract made pursuant to competitive bidding under a procedure established by law if his or her sole interest is that of an officer, director, or employee of a bank or savings and loan association with which a party to the contract has the relationship of borrower or depositor, debtor or creditor.