|  |  |
| --- | --- |
| **A close up of a card  Description automatically generated** | **PDC F-1 Personal Financial Affairs Statement**  **Overview of reporting requirements | May 2, 2016** |

**Requirement in Charter School Law**

“Members of a charter school board must file personal financial affairs statements with the public disclosure commission.” (E2SSB 6194, Sec. 130.)

**Why We Have Financial Disclosure**

Filing reports that disclose financial interests and holdings is a means for the public to have tangible proof that officials are acting in the public interest and not for their private gain. Conversely, completing the reports gives officials an opportunity annually to review their holdings and be more sensitive to subjects that might pose an actual or perceived conflict of interest. In short, this form provides assurance that public officials are not profiting privately from their positions via a conflict of interest. Given the efforts that went into positioning our public charter schools as truly public, this amendment and requirement became impossible to avoid.

**Reporting Amounts and Values**

With a couple of exceptions, when reporting amounts or values you use the dollar code shown below, rather than showing actual or approximate dollar figures. **IMPORTANT NOTE**: You do not have to disclose specific values, just the value range, which should provide some additional comfort to required disclosers.

Dollar CodeAmount

A $1 to $4,499

B $4,500 to $23,999

C $24,000 to $47,999

D $48,000 to $119,999

E $120,000 or more

**Requests for Reporting Modifications**

The Public Disclosure Commission may suspend or modify the reporting requirements if it decides that the law works a "manifestly unreasonable hardship" on the filer and the modification "will not frustrate the purposes" of the disclosure law. If you believe your situation meets these two statutory tests and you can provide convincing arguments to that effect, you have the option of requesting a reporting modification. *It is unlikely that a charter school board member would meet these requirements.*

**Section-by-Section Summary**

Part 1: Income, Employment and Compensation

You must disclose for yourself, spouse or registered domestic partner, and dependents:

* Occupation, name of employer, and business address, and
* The names and addresses of other (non-employer) businesses and government agencies that compensated you, your spouse or registered domestic partner, or your dependent relatives $2,400 or more during the reporting period.

Part 2: Real Estate

You must disclose property located in Washington State with a value of over $12,000 that you or a family member bought, sold, or owned during the reporting period. Typically reported real estate includes homes, farms, vacation cabins, inherited property, leased property, rental property, unimproved land, and mineral rights.

Part 3: Other Assets and Financial Holdings

You must disclose:

* *Bank accounts > $24,000*. Report the name and address of each bank, savings and loan, credit union or other financial institution in which you or an immediate family member had an account over $24,000 at any time during the reporting period.
* *Insurance policies > $24,000*. Give the name and address of each insurance company where you or a family member had a policy with a cash or loan value of over $24,000 during the reporting period.
* *Other investments > $2,400*. This is the section in which you will show stocks, bonds, mutual funds, retirement plan (401k), etc. in which you or a family member had a financial interest worth over $2,400, including investments that were only held during a portion of the reporting period.
  + List each investment, stock, mutual fund, 401k plan, etc. if the investment decisions are self-directed. Itemize the holdings of investment accounts (e.g., individual stocks, securities, mutual funds, etc.) if you make the buy and sell decisions for the account.

Part 4: Creditors

Generally, this section requires you to report loans and other indebtedness, regardless of whether money is owed to an individual, a lending institution, other commercial businesses or your local, state or federal government. In this section, include only personal obligations of $2,400 or more that you or family members owed at any time during the reporting period. Don't include debts owed by a business you might own, unless you are personally liable for the repayment.

Credit card debts and revolving charge accounts are not reportable. Nor are "retail installment transactions" such as the purchase of an appliance on contract. Also, since you listed any outstanding mortgages and other real estate debts in Part 2, you need not repeat them here.

Part 5: Are You Done?

For many people, this is the end of the line. Others, however, will have to file the F-1 Supplement as well. The F-1 Supplement is used for disclosing the following information:

* Relationships that you and your family members had with businesses, organizations, associations, unions, governmental bodies and the like that could potentially impact the decisions you make as a public official.
* Any state-level lobbying you and your immediate family may have undertaken for compensation (other than in your official governmental capacity).
* Any reportable gifts of food and beverages costing over $50, travel or educational benefits you and/or your immediate family members received.

**PDC Resources**

* Personal Financial Affairs Disclosure Instructions available at:
  + <https://www.pdc.wa.gov/learn/publications/personal-financial-affairs-disclosure-instructions>
* Contacts at the PDC:
  + Chip Beatty (360) 586-0616 or Jennifer Hansen (360) 586-4560.