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## Policies and Procedures

No. 60

SUBJECT:

Board Approval: 07/16/09

TICKET DISTRIBUTION POLICY

PURPOSE:

To establish a policy as mandated by recent regulations promulgated by the Fair Political Practices Commission (FPPC), which requires that any distribution of tickets received by MTS be made pursuant to a written policy.

BACKGROUND:

Effective February 7, 2009, the FPPC amended California Code of Regulations section 18944.1, which governs the distribution of tickets received as gifts by public agencies and distributed to, or at the behest of, public officials. Section 18944.1 now requires that public officials report the value of the tickets or passes they receive from an agency in accordance with an officially adopted policy. This policy must state the public purpose to be accomplished by the distribution of tickets or passes. All tickets must be accounted for on a detailed reporting form. The Chief Executive Officer, or his or her designee, will be responsible for completing, verifying, and posting the forms on MTS's Web page.

POLICY:

### 60.1 DEFINITIONS

For purposes of this policy, the following definitions shall apply:

- a. "MTS" shall mean the Metropolitan Transit System and all of its subsidiaries.
- b. "FPPC" shall mean the California Fair Political Practices Commission.
- c. "Policy" shall mean and refer to this Ticket Distribution Policy.
- d. "MTS Official" shall mean every member, officer, employee, or consultant of MTS.
- e. "Ticket" shall mean admission to a facility, event, show, or performance for an entertainment, amusement, recreational, or similar purpose.

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.

- f. "Gift" shall mean any payment that confers a personal benefit on the recipient to the extent that consideration of equal or greater value is not received. The term gift shall not include limitations set forth in California Government Code section 82028(c).

## 60.2 TICKETS COVERED BY THIS POLICY

Tickets covered by this policy include those:

- a. Gratuitously provided to MTS by an outside source;
- b. Acquired by MTS purchase or as consideration pursuant to the terms of a contract for the use of an MTS venue, equipment, or services; or
- c. Distributed to MTS without consideration or compensation.

## 60.3 LIMITATIONS

This policy does not apply to:

- a. Tickets provided to MTS Officials by an outside source to an event at which the MTS Official performs a ceremonial role or function on behalf of MTS;
- b. Tickets for which the MTS Official pays MTS the face value of the ticket; or
- c. Tickets for which the MTS Official treats the ticket or pass as income consistent with applicable state and federal income tax laws, and MTS reports the distribution of the ticket or pass as income to the MTS Official in complying with FPPC Regulation section 18944.1(d).

## 60.4 PROVISIONS

MTS may distribute tickets under the following provisions:

- a. The Chief Executive Officer, or his or her designee, uses, or directs, the tickets to be used for one or more of the following public purposes. The public purpose to be accomplished must be identified with specificity and must not be a pretext to accomplish some other purpose. The following list is illustrative rather than exhaustive:
  - i. Promotion of public exposure to, and awareness of: new, upcoming, or existing MTS services or facilities;
  - ii. Promotion of special events to which MTS is a party;
  - iii. Promotion of MTS-sponsored events;
  - iv. Promoting business activity, growth, or development that helps MTS increase revenue;

- v. Promotion of MTS brand recognition, visibility, or profile on a local, state, national, or worldwide scale;
  - vi. Meeting and greeting residents and visitors to gain feedback on and make observations of the quality and awareness of MTS services or to gain insight into what MTS services and facilities that residents and visitors would like to see MTS make available;
  - vii. Promotion of open, visible, and accessible government by MTS Official participation and/or availability at an event;
  - viii. Attracting and retaining highly qualified employees for MTS service;
  - ix. Attracting or rewarding volunteer public service;
  - x. Promoting enhanced MTS employee performance or morale; or
  - xi. For the purpose of networking with other community and civic leaders at charitable events.
- b. Tickets distributed to an MTS Official pursuant to this policy shall not be transferred to any other person except to members of such MTS Official's immediate family (spouse and dependent children) solely for their personal use;
  - c. No person who receives a ticket pursuant to this policy shall sell or receive reimbursement for the value of such ticket;
  - d. The following disclosure requirements must be met: This policy and a Form 802 report (required by section 18944.1) shall be posted on MTS's Web site as required by that section. A Form 802 report shall be filled out for any tickets distributed under this policy and posted within 30 days of distribution. The Form 802 report or other report must contain the following information:
    - i. The name of the person receiving the ticket or pass—except if the ticket or pass is distributed to an organization outside of MTS, then MTS may 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;
    - ii. A description of the event;
    - iii. The date of the event;
    - iv. The face value of the ticket or pass;
    - v. The number of tickets or passes provided to each person;

- vi. If the ticket or pass is behest, the name of the MTS Official who behest the ticket or pass; and
- vii. A description of the public purpose under which the distribution was made or, alternatively, that the ticket or pass was distributed as income to the MTS Official.

Original Policy Adopted on 07/16/09