



KERN HEALTH SYSTEMS POLICY AND PROCEDURES			
Policy Title	Ticket Distribution Policy	Policy #	14.66-P
Policy Owner	Compliance	Original Effective Date	03-2025
Revision Effective Date		Approval Date	04/16/2025
Line of Business	<input checked="" type="checkbox"/> Medi-Cal <input type="checkbox"/> Medicare <input type="checkbox"/> Corporate		

I. PURPOSE

The purpose of this Ticket Distribution Policy (Policy) is to ensure that all tickets and/or passes that Kern Health Systems (KHS) receives from public and private entities and individuals are distributed in furtherance of governmental and/or public purposes as required pursuant to Fair Political Practices Commission (FPPC) Regulation Section 18944.1.

This Policy conforms to the requirements of Regulation 18944.1, and it increases the ability of KHS to distribute tickets to qualifying community organizations, in line with the actual distribution of tickets. It takes into consideration best practices for ticket distribution and reporting that are consistent with the previous and ongoing distribution of tickets.

II. POLICY

A. Tickets Covered by this Policy

1. Gratuitously provided to KHS by an outside source and distributed by the Ticket Coordinator to KHS Representatives; and
2. Purchased by KHS = and distributed by the Ticket Coordinator to KHS Representatives.

B. Limitations and Exclusions

1. This Policy shall only apply to KHS's distribution of Tickets to, or at the behest of, a KHS Representative. Consideration of equal or greater value shall be presumed if the Tickets are distributed pursuant to this Policy.
2. This Policy shall apply only to Tickets to entertainment, amusement, recreational, or similar events and functions that further a public purpose in accordance with title 2, section 18944.1, of the California Code of Regulations. Tickets that are distributed as provided in this policy will not result in a gift to the KHS Representative who receives the tickets.

3. This Policy shall apply only if:
 - a. The Ticket is not earmarked by the original source of the Ticket for use by the specific KHS Representative who uses the Ticket
 - b. The Ticket Coordinator accepts the Ticket on behalf of KHS
 - c. The Ticket is provided by the Ticket Coordinator to a KHS Representative or at the behest of a KHS Representative
 - d. The Ticket Coordinator determines in his/her sole discretion which Representative may use the Ticket
4. This Policy shall not apply to any other item of value provided to KHS or KHS Representative unless the item is provided to all members of the public with the same class of Ticket, such as food and beverages. Any other benefits may be reportable on the KHS Representative's Form 700 and be subject to state law and FPPC regulations related to gifts to public Representatives.
5. This Policy does not apply to up to two ticket(s) or other admission to political fundraising event or non-profit (501(c)(3) exempt organization fundraisers that are provided directly to the KHS Representative for use by the KHS Representative and one other guest and does not involve KHS. Such tickets or admissions are not considered gifts or income in accordance with FPPC Regulation 18946.4.
6. This Policy does not apply to any Ticket received by a KHS Representative that:
 - a. The KHS Representative treats as income consistent with applicable state and federal income tax laws and regulations and KHS reports the distribution of the Ticket as income to the KHS Representative; or
 - b. For which the KHS Representative pays the fair market value, or for which the KHS Representative reimburses the original source of the Ticket in accordance with FPPC Regulations, or for which the KHS Representative pays or reimburses KHS for the fair market value; or
 - c. Is a "gift" to the KHS Representative in accordance with FPPC Regulations whether or not the KHS Representative reports the gift on the KHS Representative's Form 700.
7. This Policy does not apply to a Ticket provided to a KHS Representative for his or her admission to an event at which the KHS Representative performs a ceremonial role or function on behalf of KHS. Such Tickets are exempt from disclosure or reporting requirements under FPPC Regulations in effect as of the date of the adoption of this policy.

A. Ticket Distribution for Public Purposes

The distribution of any Ticket by KHS to, or at the behest of, a KHS Representative shall further a public purpose as defined below, or as otherwise considered and approved by the KHS Board of Directors where not listed herein. KHS may accomplish one or more of the following public purposes through the distribution of Tickets to, or at the behest of, a KHS Representative:

1. Support or promotion of KHS.
2. Sponsorships of events, activities, or programs of KHS.
3. Support or promotion of local nonprofit health care related charitable organizations and foundations.
4. Sponsorships of events, activities, or programs of local nonprofit health care related charitable organizations and foundations.
5. Sponsorship, promotion, or increasing public exposure to and awareness of the KHS's mission to promote good health to the staff, members, providers, and community partners of KHS.
6. Sponsorships or promotion of special events in accordance with a KHS contract.
7. Representation or promotion of KHS recognition, visibility, and/or profile on local, state, or federal levels.
8. Recognizing or rewarding meritorious service of a KHS Representative or employee with a Ticket for their personal use, including to support general employee morale and retention, except if the KHS Representative is a member of the governing body, the chief administrative officer of the agency, political appointee, or department head.

B. Purchase of Tickets or Passes

KHS Representatives may request the Ticket Coordinator purchase up to two (2) tickets in accordance with the public purposes of this Policy for use by the KHS Representative, and an immediate family member (spouse or dependent child), or one other person.

C. Transfer, Sale, and Reimbursement Prohibitions

The transfer by any KHS Representative of any Ticket, distributed to such KHS Representative pursuant to this Policy, to any other person, except to one guest or members of the KHS Representative's Immediate Family for their personal use, is prohibited. No person receiving a Ticket pursuant to this Policy shall be permitted to sell, receive reimbursement for the value of, or further transfer any Ticket.

D. Return of Tickets

Any KHS Representative or any member of KHS Representative's Immediate Family, or any person or entity receiving a Ticket at the behest of any KHS Representative, may return any unused Ticket to the Ticket Coordinator for redistribution pursuant to this Policy, provided such Ticket(s) is/are returned prior to the event taking place. A KHS Representative is not required to report on Form 802 any Ticket returned pursuant to this Section prior to the event taking place. Any Ticket returned unused but after the event has taken place shall be deemed to have been used by the recipient and reported as such on Form 802.

E. Website Posting

This Policy and all completed FPPC Form 802s, or a summary of the information on the Form 802, shall be posted on KHS's website in a prominent fashion within thirty (30) days after the Ticket distribution.

F. Reporting

KHS shall report the distribution of a Ticket as required by title 2, section 18944.1, of the California Code of Regulations.

III. DEFINITIONS

TERMS	DEFINITIONS
Organization	Shall mean Kern Health Systems (KHS)
Organization Representative	Shall mean and refer to Kern Health System's "public Representatives" as that term is defined by Government Code Section 82048 and FPPC Regulation Section 18701, as these sections are amended from time to time.
FPPC	Shall mean the California Fair Political Practices Commission.
FPPC Regulations	Shall mean the regulations of the FPPC set forth in Title 2, Division 6, of the California Code of Regulations.
Immediate Family	Shall have the same meaning as set forth in Government Code Section 82029 as the same may be amended from time to time. As of the date of adoption of this Policy, the term "Immediate Family" is defined in Section 82029 as the Representative's spouse and dependent children.
Policy	Shall mean this Ticket Distribution Policy.
Fair Market Value	Shall mean "fair market value" as defined in title 2, section 18946, of the California Code of Regulations, as it now exists or as it may be amended in the future.
Ticket/Pass	Shall mean a "ticket or pass" as that term is defined in FPPC Regulation 18944.1, as amended from time to time, but which currently defines a "ticket or pass" as access, entry, or admission to a facility, event, show or performance for an entertainment, amusement, recreational, or similar purpose for which similar tickets or passes are sold to the public to view, listen to, or otherwise take advantage of the attraction or activity for which the ticket is sold. "Ticket" includes a "pass" as defined in this section, so that wherever this Policy uses the term "ticket," it means both tickets and passes. A ticket includes any benefits that the ticket provides.
Ticket Coordinator	Shall be Kern Health System's CEO or their designee who shall be the Agency Head responsible for implementing this policy, distributing tickets in accordance with this policy and completing and posting the FPPC Form 802.

IV. PROCEDURES

A. Applicability

1. A ticket not covered by this policy may be subject to separate disclosure requirements and the annual gift limit under the California Political Reform Act and related regulations. A KHS Representative who receives or behests a ticket not covered by this policy is solely responsible for determining, and complying with, all reporting

requirements and the annual gift limit applicable to such ticket.

2. This Policy applies only to the benefits that the KHS Representative receives from the ticket that are provided to all members of the public with the same class of ticket. If the KHS Representative receives benefits, such as food and beverages, that are not provided to all members of the public with the same class of ticket, then the KHS Representative shall treat those benefits as gifts unless the KHS Representative provides consideration of equal or greater value for the benefits.
3. The use of tickets is a privilege extended by KHS and not the right of any person to whom the privilege may from time to time be extended.

V. ATTACHMENTS

Attachment A: N/A

VI. REFERENCES

Reference Type	Specific Reference
Regulatory	California Code of Regulations Title 2 Sections 18944.1; 18942.3
Regulatory	California Code of Regulations Title 2, section 18946

VII. REVISION HISTORY

Action	Date	Brief Description of Updates	Author
Created	2025-03	The FPPC defines the term “gift” broadly; however, the term “gift” does not include informational materials such as “any goods or service that serves primarily to convey information and that is provided to the official for the purpose of assisting the official in the performance of official duties or the duties of the elective office the official seeks. Informational material may include: (a) Books, reports, pamphlets, calendars, periodicals, photographs, audio and video recordings, flash drives, Compact Disc Read-Only Memory (CD-ROMS), or Digital Versatile Disc Read-Only Memory (DVD ROMS) or other similar recordings, or free or discounted admission to informational conferences or seminars.” (FPPC regulation 18942.1(a).) Therefore, adopting a “Ticket Policy” provides guidance to address tickets distributed throughout the organization.	D.M. Compliance

VIII. APPROVALS

Committees Board (if applicable)	Date Reviewed	Date Approved
Choose an item.		

Regulatory Agencies (if applicable)	Date Reviewed	Date Approved
Choose an item.		

Chief Executive Leadership Approval *		
Title	Signature	Date Approved
Chief Executive Officer		
Chief Medical Officer		
Chief Operating Officer		
Chief Financial Officer		
Chief Compliance and Fraud Prevention Officer		
Chief Health Equity Officer		
Chief Legal and Human Resources Officer		
Deputy Chief Information Officer		
*Signatures are kept on file for reference but will not be on the published copy		



Policy and Procedure Review

KHS Policy & Procedure: 14.66-I Ticket Distribution Policy

Last approved version: N/A

Reason for Creation: The FPPC defines the term “gift” broadly; however, the term “gift” does not include informational materials such as “any goods or service that serves primarily to convey information and that is provided to the official for the purpose of assisting the official in the performance of official duties or the duties of the elective office the official seeks. Informational material may include: (a) Books, reports, pamphlets, calendars, periodicals, photographs, audio and video recordings, flash drives, CD-ROMS, or DVD ROMS or other similar recordings, or free or discounted admission to informational conferences or seminars.” (FPPC regulation 18942.1(a).) Therefore, adopting a “Ticket Policy” provides guidance to address tickets distributed throughout the organization.

Director Approval		
Title	Signature	Date Approved
Louis Iturriria Senior Director of Marketing & Member Engagement		
Jane MacAdam Director of Compliance & Regulatory Affairs		

Date posted to public drive: _____

Date posted to website (“P” policies only): _____