



CCCSD DIRECTORS COMPENSATION, EXPENSE REIMBURSEMENT AND REQUIRED ETHICS TRAINING POLICY

Document Type: District BOD Compensation, Expense Reimbursement & Ethics Training Requirements

Administering Entity: Board of Directors and General Manager

Date Approved: August 30, 2023, Ordinance 2023-10

Prior Amendment Date: September 21, 2022, Ordinance 2022-08

Approved By: Board of Directors

Indicative Time for Review: Biennial

Responsibility for Review: Board of Directors and General Manager

Purpose of Policy

To establish the criteria for the types of activities that constitute performance of official duties for which a CCCSD Director may receive payment and the expenses that qualify for reimbursement, the rate for such expenses and the procedure to receive reimbursement. To be in compliance with AB1234.

POLICY

This policy shall be in accordance with Section §20202 of Division 10 of the California Water Code that states: "In any ordinance (policy) adopted to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district above the amount of one hundred dollars (\$100.00) per day, the increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance (policy) is adopted."

“No ordinance (policy) adopted pursuant to this chapter shall authorize compensation for more than a total of 10 days in any calendar month” or in excess of \$500.00 (per Section §20202 Division 10 of the California Water Code and in Section 5784-5784.15 of the Public Resources Code).

Consistent with the above Water Codes and Ordinance 2022-08 the Directors may receive one hundred dollars (\$100.00) per day as a daily stipend for each day’s attendance at a regular monthly BOD meeting and twenty-five dollars (\$25.00) for standing committee meetings or for each activity attended by a Director as listed in Section A below and in Exhibit “A” attached. No more than two (2) additional activities will be compensated in a given month.

No other compensation outside the criteria in this policy shall be paid to Directors, unless first, a written amendment to this policy outlining other compensable activities is adopted in a public meeting.

There shall be no compensation for attending meetings or performing other duties for CCCSD on the same day as a Board of Directors (BOD) meeting prior to or following regular scheduled BOD meetings.

To conserve CCCSD resources and keep expenses within community standards for public officials, expenditures should adhere to the guidelines set forth in this policy.

The Board of Directors shall review biennial the existing compensation set forth herein and adjust accordingly, if necessary, with majority vote.

CCCSD DIRECTORS MAY BE COMPENSATED FOR THE FOLLOWING

A. Attendance of the following Activities

- 1) Attendance of the regular monthly BOD meetings;
- 2) Special Meetings of the BOD;
- 3) Standing Committee Meetings of the BOD;
- 4) Meetings of an advisory body;
- 5) Conferences and organized educational activities, including, but not limited to required training i.e., Ethics Training;
- 6) Performing required CCCSD business functions (i.e., signing checks).

B. Reimbursement for Expenses

- 1) Travel, meals, lodging

- 2) Directors will be reimbursed for actual telephone, cellular and fax expenses incurred on CCCSD business. Telephone and cellular bills must identify which calls were made on CCCSD business.
- 3) Directors will be reimbursed for internet access connection and/or usage fees away from home if internet access is necessary for CCCSD related business. Reimbursement will not exceed the actual amount charged by the out-of-town accommodation.
- 4) To the extent that actual costs incurred in the performance of official duties are reasonable and necessary but are not otherwise defined above, the Director may be entitled to reimbursement for expenses that meet the guidelines of this policy. In any event, a Director shall not be entitled to reimbursement for any expenses to the extent they exceed the cost generally available to the public.

Expenses that do not fall within the adopted travel policy or current IRS rates must be approved by the BOD, in a public meeting, before the expense is incurred by filing Exhibit "D" (except for lodging expenses at the group or government rate).

All travel expenses, even if otherwise eligible for reimbursement under this policy, must relate to a trip that has been approved in advance by the Board of Directors and under the direction of the Board of Directors.

C. Reimbursement Procedures

- 1) Exhibits "B" and/or "C" will be provided by CCCSD to the Directors and officers to file reimbursement requests.
- 2) The expense report must document expenses that meet the criteria in this policy.
- 3) Expense reports must be filed within sixty (60) days of incurrence and be accompanied by original receipts (unless claim is for IRS reimbursement rates only);
 - I. All expenditures, credit card expenses and expense reimbursement requests must be submitted on an expense report form provided by CCCSD.
 - II. If a request for reimbursement is not submitted within the specified timeframe, the form will not be processed for payment, subject to review for mitigating circumstances.
 - III. If receipts are not available for whatever reason, expenses may be submitted with an explanation. After review, if approved, undocumented expenses will be reimbursed in accordance with IRS guidelines.
 - IV. Expense reports must document that the expense in question met the requirements of this policy.
 - V. Inability to provide such documentation in a timely fashion may result in the expense being denied for reimbursement.

- 4) Directors must provide a brief report on the meeting attended at the expense of CCCSD at the next regular meeting of the BOD, and
- 5) Directors should keep in mind that expenditure may be subject to reporting under the Political reform Act and other laws. All CCCSD expenditures are public records subject to disclosure under the Public Records Act.
- 6) All expenses are subject to verification that they comply with this policy.

D. Penalties for Misuse of Public Resources

- 1) Loss of reimbursement privileges;
- 2) Restitution to the CCCSD and
- 3) Civil penalties and/or criminal prosecution for misuse of public resources.
- 4) No Shows and Late Cancellation. This is meant to address the failure to attend a conference or general meeting, after expenses have been incurred for that event. Such expenses may include conference fees, prepaid hotel and airline charges. It is the Director's responsibility to ensure that any prepaid fees are fully refunded to CCCSD as a cash refund or vendor credit that can be applied within the next twelve (12) months to future registration fees, travel or lodging. Vendor credits are acceptable only when it can be reasonably assumed that the CCCSD will need to use the particular credit within that time frame. An exception may be made for emergencies. A written explanation addressing the reason(s) for non-attendance shall be attached to the expense report and submitted for Board approval at a public meeting.

E. Ethics Training Required

- 1) Because the CCCSD provides for compensation and reimbursement of actual and necessary expenses incurred by the Directors and officers, they are subject to the required training in ethics.
- 2) A minimum of two (2) hours of approved ethics training every two years is required.
- 3) For the purposes of this policy, the legislative body is the BOD.
- 4) A Director is an elected or appointed official who receives any type of compensation, salary or stipend or reimbursement for expenses incurred in the performance of official duties.
- 5) Any officer or employee designated by the Board of Directors is subject to required ethics training.
- 6) Each director must receive the required ethics training no later than one year from the first day of service with the CCCSD.
- 7) A Director who services more than one local agency shall satisfy the ethics training requirement once every two years regardless of the number of local agencies with which he/she serves, unless a Certificate of Completion is provided to CCCSD.

8) Approved ethics courses may be taken at home, in person or on-line.

F. Ethics Law

- A. Laws related to personal financial gain by public servants;
- B. Laws relating to claiming prerequisites of office;
- C. Government transparency laws and
- D. Laws relating to fair processes (including but not limited to common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts and disqualification from participating in decisions affecting family members).

G. Maintenance of Records

The Secretary to the Board of Directors shall maintain records indicating the following:

- 1) The dates that the Directors, officers, and designated employees satisfied the requirements of this policy.
- 2) The entity that provided the training and,
- 3) Notwithstanding any provision of the law, the CCCSD shall maintain these records for at least five (5) years after the Directors and officers receive training. These records are public records subject to disclosure under the California Public Records Act.