



FALLBROOK PUBLIC UTILITY DISTRICT
MEETING OF THE PERSONNEL COMMITTEE

AGENDA

TUESDAY, AUGUST 14, 2018
2:30 P.M.

FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125

If you have a disability and need an accommodation to participate in the meeting, please call the Secretary at (760) 728-1125 for assistance so the necessary arrangements can be made.

Writings that are public records and are distributed during a public meeting are available for public inspection at the meeting if prepared by the local agency or a member of its legislative body or after the meeting if prepared by some other person.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL

PUBLIC COMMENT

II. ACTION / DISCUSSION

A. UPDATES TO THE ADMINISTRATIVE CODE: ARTICLE 2–BOARD OF DIRECTORS, ORGANIZATION OF; AND ARTICLE 12–EXPENSES INCURRED ON DISTRICT BUSINESS

Recommendation: That the Personnel Committee recommend approval of the proposed updates to Articles 2 and 12 of the Administrative Code to the Board.

B. UPDATES TO ACCOUNTING AND CUSTOMER SERVICE STAFFING

Recommendation: That the Personnel Committee recommend to the Board approving the proposed staffing changes, including the Senior Accountant job description and salary range, and the related changes to the organizational chart.

C. CONTRACT FOR PERSONNEL SUPPORT LEGAL SERVICES

Recommendation: For discussion only.

III. ADJOURNMENT OF MEETING

DECLARATION OF POSTING

I, Mary Lou West, Secretary of the Board of Directors of the Fallbrook Public Utility District, do hereby declare that I posted a copy of the foregoing agenda in the glass case at the entrance of the District Office located at 990 East Mission Road, Fallbrook, California, at least 72 hours prior to the meeting in accordance with Government Code § 54954.2(a).

I, Mary Lou West, further declare under penalty of perjury and under the laws of the State of California that the foregoing is true and correct.

August 10, 2018
Dated / Fallbrook, CA


Secretary, Board of Directors

M E M O

TO: Personnel Committee
FROM: Jack Bebee, Acting General Manager, JRB
DATE: August 14, 2018
SUBJECT: Updates to the Administrative Code: Article 2–*Board of Directors, Organization of*, and Article 12–*Expenses Incurred on District Business*

Purpose

To revise and update Article 2–*Board of Directors, Organization of* and Article 12–*Expenses Incurred on District Business* of the Administrative Code.

Summary

Staff has prepared proposed updates, as shown on the attached in redline, to Articles 2 and 12 of the Administrative Code. The changes are primarily to address two key components as follows:

1. Addition of a staff ethics policy section to Article 12; and
2. Incorporation of additional details for new Board member training into Article 2 with input from the Board President.

As part of the process of updating Articles 2 and 12, some other revisions are proposed, including:

1. Moving all Board of Director provisions from Article 12 to Article 2;
2. Updating the meal reimbursement sections for Directors and staff to reflect the General Services Administration (GSA) established rates, instead of set amounts that would have to be updated annually with inflation; and
3. Other miscellaneous clean-up to update both Articles.

Additionally, the changes are currently under legal review by General Counsel to verify there are no legal concerns with the proposed changes.

Recommended Action

That the Personnel Committee recommend approval of the proposed updates to Articles 2 and 12 of the Administrative Code to the Board.

Article 2. Board of Directors, ~~Organization of~~ Guidelines for

Sec. 2.1 Powers - Delegation.

All powers, privileges and duties vested in or imposed upon the District by law and the Public Utility District Act of the State of California shall be exercised and performed by the Board of Directors, except as such Board shall delegate executive, administrative, and ministerial powers to officers and employees of the District.

Sec. 2.2 Officers of Board of Directors.

Directors are elected by the registered voters of the District for overlapping four-year terms. All Directors of the Fallbrook Public Utility District are elected by subdistrict. All prospective Directors must sign an oath as to age, place of residence, occupation, and whether or not he is a qualified elector residing within the territory of the District for which he is appointed or elected.

Sec. 2.2.1 Election of Officers.

The Officers of the Board of Directors shall consist of a President and a Vice-President chosen by the members. Reorganization (election of officers) will be placed on the agenda in December of each year.

Sec. 2.2.2 Duties of President

The President shall preside over and conduct all meetings of the Board and hearings before the Board. In so doing, the ~~president~~President shall have the following powers and responsibilities:

- A. To follow the prepared agenda unless the Board concurs in any change.
- B. To determine all questions of order and parliamentary procedure, unless he or she chooses to submit any such question to the Board for decision.
- C. To maintain order and to enforce reasonable rules of decorum.
- D. To determine at meetings of the Board, other than public hearings, whether or not members of the public should be heard on particular issues or otherwise be permitted to address the Board.
- E. To set reasonable limits upon the length of time and the number of occasions on which a person may speak at public hearings as well as other meetings of the Board.
- F. To recognize Board members who may wish to be heard.
- G. To restate, where necessary, and to put to a vote all questions properly before the Board, and to announce the result of each vote.
- H. To terminate debate after there has been reasonable opportunity for full discussion of any issue and further debate would be needlessly repetitive or otherwise not useful, and where proper, to put the matter to a vote.

- I. To rule out of order any comment by Board members, staff or members of the public not germane to the issue then before the Board.
- J. To respond to inquiries by Board members relating to procedures, or to factual information, bearing upon the business before the Board.
- K. To establish standing or ad hoc committees of the Board, and to appoint the members thereof.
- L. To declare the meeting adjourned upon such vote by the Board, or when in his judgment any emergency or other cause requires adjournment.
- M. To authenticate by his signature all acts, orders, and other proceedings of the Board.

Sec. 2.2.3 Duties of Vice President.

The ~~vice-president~~Vice-President shall act if the ~~president~~President is absent or unable to act, and shall exercise all of the powers of the ~~president~~President on such occasion.

Sec. 2.3 Other Officers of the District.

The statutory officers are the General Manager, ~~Administrative Services~~Assistant General Manager/~~Treasurer~~Chief Financial Officer, and Secretary. The Board of Directors appoints the General Manager, who appoints Management Staff. Other officers may be appointed by the Board of Directors as needed.

Sec. 2.4 Employment of Professionals.

Sec. 2.4.1 General Counsel shall be appointed by the Board and shall be directly responsible to the Board. He ~~or she~~ shall provide legal advice and services as requested by the Board and shall assist the General Manager, ~~Administrative Services Manager/Treasurer~~, Assistant General Manager/Chief Financial Officer, Secretary, and department heads on legal problems which may arise in the administration of their respective duties. The ~~Attorney's~~General Counsel's compensation is subject to an annual review and signed agreement with the Board of Directors.

Sec. 2.4.2 The Auditor shall be employed and selected in such manner as the Board directs and shall receive for his services such compensation as the Board prescribes. The accounts of the District shall be examined at least once a year by a qualified Auditor, who shall report to the Directors the result of his examination.

Sec. 2.5 Time and Place of Board Meetings.

The regular meeting of the Board of Directors shall be held on the fourth Monday of each month, ~~at 4:00 p.m.~~ in the Board room of ~~said Board room of said the~~ Fallbrook Public Utility District, ~~located~~ at 990 East Mission Road, Fallbrook, California. The Board meeting ~~day and~~ time shall be changed from time to time as designated by the Board of Directors. If the regular meeting falls on a holiday, such regular meeting shall be held on the next business day, or such time as the Board may direct. The agenda shall be posted on the north wall of the entrance to the District ~~seventy two (72)~~and on the District's Internet Web site at least 72 hours in advance of the meeting.

Sec. 2.6 Special Meetings.

A special meeting may be ~~ordered called~~ at any time by the President of the Board of Directors, or by a majority of the members of the Board of Directors ~~constituting a majority of the votes entitled to be cast~~, by delivering ~~personally or by mail~~, written notice to each member of the Board of Directors and to each local newspaper of general circulation, ~~and~~ radio or television station requesting notice in writing. ~~Such and posting a notice must on the District's Internet Web site. The notice shall be delivered personally or by mail other means and shall be received at least twenty-four~~ 24 hours before the time of ~~such the~~ meeting as specified in the notice. The ~~order call and notice~~ shall specify the time and place of the special meeting and the business to be transacted, ~~or discussed~~. No other business shall be considered at ~~such these~~ meetings by the Board of Directors. The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

Sec. 2.7 Quorum.

A majority of the Board of Directors constitutes a quorum for the transaction of business.

Sec. 2.8 Actions.

The Board shall act only by Ordinance, Resolution, or motion and may act only on items on a pre-posted agenda. The ayes and noes shall be taken upon the passage of all ordinances, resolutions, or motions and entered upon the journal of the proceedings of the Board. No ordinance or resolution shall be passed or become effective without the affirmative votes of at least a majority of the Board. A roll call vote recorded pursuant to the Public Utility District Act in the minutes of the meeting shall be had if requested by any Director. When not requested, or ordered by the President, a roll call vote shall be dispensed with. "Emergency" items may be added to the agenda if it is determined that there is an emergency situation, or there is a need to take action on an item subsequent to the agenda being posted. A two-thirds vote of the Board is required to add emergency items to the agenda.

Sec. 2.9 Order of Procedure of Meetings.

Except as otherwise provided by law or ordinance, the business of the meetings of the Board of Directors and the order of procedure shall be as provided by Robert's Rules of Order, Revised. The President shall preside at all meetings of the Board, and in his absence, the Vice-President, and in the absence of both the President and the Vice-President, the presiding officer shall be selected by a majority vote of the members of the Board attending such a meeting. At the beginning of each meeting, the public shall be offered the opportunity to address the Board on any issue not on the agenda. Such matters shall not be acted upon without prior notice on future agendas. Any member of the audience who wishes to speak must fill out a speaker slip and present it to the Board Secretary prior to the meeting. Speakers may be limited to three (3) minutes, for both the public comment period and for any specific item on the agenda. After the initial three minutes are up, the Board may ask questions of the speaker.

Sec. 2.9.1 Guidelines for Conduct of Board Meetings.

In an effort to streamline and maintain control of the conduct at Board meetings, the following rules shall be implemented:

- A. The General Manager is responsible for presenting the agenda and all necessary background material and staff reports to the Board of Directors for their consideration.
- B. Any Board member can request that the General Manager place an item on the agenda for the next regular meeting.
- C. Any member of the public may request that the General Manager place an item on the agenda for the next regular meeting. At the General Manager's discretion, the item may, or may not, be placed on the agenda. If the General Manager declines, he will inform the requestor that they may speak at the next regular Board meeting during the public comment period and at that time, they may request that the Board member, or the full Board, place the item on the agenda for discussion.
- D. All background and necessary documents required to complete an agenda item must be submitted to the Board Secretary no later than 10 days prior to the Board meeting.
- E. All staff reports, other than the General Manager and San Diego County Water Authority (SDCWA) representative, will be in written format. Staff will only make oral presentations at the request of the Board.

Sec. 2.10 Consent Calendar.

The ~~eonsent-calendar~~Consent Calendar shall consist of items of a routine non-controversial nature for action by the Board of Directors and which require no discussion. All items appearing on the ~~eonsent-calendar~~Consent Calendar may be disposed of by a single motion.

Items shall be removed from the ~~eonsent-calendar~~Consent Calendar if any member of the Board of Directors or the public requests removal prior to a vote on a motion to approve the items on the ~~eonsent-calendar~~Consent Calendar. Such items shall be considered separately for action by the Board.

If an item is removed from the Consent Calendar, the following order of priority shall take place: (a) staff will first make its presentation and respond to questions from the Board of Directors; (b) the public may make comments and respond to questions from the Board of Directors; and (c) the Board will deliberate on the item.

Sec. 2.11 Minutes.

The minutes of the meetings of the Board of Directors shall be recorded and kept permanently by the Secretary in books maintained for that purpose entitled "Agendas, Minutes, and ~~Treasurer's Reports and Monthly~~ Reports". Unless otherwise expressly directed by the Board at the time of their adoption, the ordinances and resolutions adopted by the Board may be referred to in the minutes by number and title only, but the same shall be recorded in full in books kept for that purpose entitled "Ordinances" and "Resolutions" respectively.

Sec. 2.12 Directors' Compensation.

Directors of the Fallbrook Public Utility District shall receive per diem compensation of One Hundred Dollars (\$100.00) for each meeting of the Board. Per diem compensation shall be reviewed each January at a Board meeting. If the Board determines to proceed with a change, a public hearing will be noticed to receive public comment prior to any action being taken. Changes in compensation shall require the approval of the Board at an open meeting held at least 60 days prior to the effective date of the ordinance making the change and cannot exceed five (5) percent per each calendar year following the operative date of the last adjustment. [Cal. Public Utilities Code § 16002; Cal. Water Code § 20200 et seq.] Said meetings shall include regular, special, and adjourned meetings of the Board, and standing committee meetings.

Compensation for attendance and reimbursement for expenses at other occasions, events, or meetings related to District business, other than those listed below, shall be determined by the Board of Directors, in advance, on a case-by-case basis. Should an occasion arise between Board meetings that would be appropriate for a Board member to attend, prior to the event, the President can authorize such attendance with notification of the rest of the Board at the next regular meeting. Director fees may be increased as provided by law. Meetings which shall not require advance approval are:

- A. Association of California Water Agencies (ACWA) (semi-annual)
- ~~B. Water Agencies Association of San Diego County (quarterly)~~
- ~~C.B.~~ California Special District Association (CSDA), San Diego ~~chapter~~Chapter (quarterly)
- ~~D.C.~~ Council of Water Utilities (monthly)
- ~~E.D.~~ California Association of Sanitation Agencies (CASA) (semi-annual)
- ~~F.E.~~ Training Courses in CA Local Agency Ethics (AB 1234) and/or Sexual Harassment for Supervisors (AB 1825)
- ~~G.F.~~ Metropolitan Water District of Southern California (up to one per month)
- ~~H.G.~~ San Diego County Water Authority (up to one per month)
- ~~I.H.~~ Meetings between the Board President and the General Manager (up to twice per month)

Sec. 2.13 Board Packets.

Board packets are available for review at the District office on the Friday prior to a regular Board meeting after they have been made available to the Board of Directors. The general public may request and receive a copy of a full Board packet at no charge on the Friday preceding a regular Board meeting after 12:00 noon. Arrangements for review and pick-up shall be coordinated by the Secretary.

Sec. 2.14 Board Committees.

The Board currently has three (3) standing committees as follows:

- A. Fiscal Policy & Insurance Committee – This committee shall work with the General Manager and other officers of the District to review the annual audit, the annual financial statement before publication, budget, water rate structures and fees, investments, insurance, and other financial records and operations of the District.
- B. Personnel Committee – This committee is responsible for employer-employee relations, including negotiations with the FPUDEA and FMEA, all substantive changes in personnel policies, and annual review and salary recommendations of the General Manager.
- C. Water Resources Committee – This committee is responsible for the development of locally applicable conjunctive water use management options, assuring that all water quality standards are met with regulatory agencies, and to continue to provide a safe and reliable source of water for all district customers.

Sec. 2.15 Ethics Policy.

The respected operations of democratic government emphasize that elected officials be independent, impartial and responsible to the people. It requires that they conduct themselves in a manner above reproach. It also imposes an obligation of personal integrity that will foster public respect, confidence, and trust.

This Ethics Policy provides the following general guidelines and specific prohibitions to which elected District officials must conform in pursuit of their assigned duties and responsibilities.

- A. Disclosure of Closed Session Matters. No member of the District shall disclose to any person, other than members of the Board, General Manager, or other District staff designated by the General Manager to handle such matters of confidential District business, the content or substance of any information presented or discussed during a closed session meeting unless the District first authorizes such disclosure by the affirmative vote of three members.
- B. Disclosure of Confidential Communications. Except when disclosure is mandated by State or Federal law, no member of the District Board shall disclose confidential or privileged communications to any person other than members of the Board, General Manager, or other District staff designated by the General Manager to handle such matters, unless the Board of Directors first authorizes such disclosure by the affirmative vote of three members of the Board of Directors.
- C. Conduct During Negotiations/Litigation. The Board of Directors is authorized to provide direction to specifically identified negotiators in a legally constituted closed session on matters involving pending litigation, real estate negotiations and labor negotiations. If the Board of Directors, in closed session, provides such direction to its negotiators, all contact with the negotiating party or party's representative shall be limited to and made by those individuals designated to handle the negotiations. During a pending labor contract or discussion, no member of the District Board shall have any contact or discussion with the negotiating party or the party's representative regarding the subject matter of the pending negotiation. In addition, during litigation or real estate negotiations, no member of the District Board (unless they have been designated as a negotiator) shall have any contact or discussion with litigating or

negotiating party or the party's representative regarding the subject matter of the pending litigation or real estate negotiations.

Nothing in this section shall prohibit Board members from receiving written communications provided they are made available to all Board members and the General Manager on an equal basis.

- D. Ex Parte Communications. The purpose of this provision is to guarantee that all interested parties to any matter before the Board have equal opportunity to express and represent their interests. Ex parte communications are those communications members of the Board have with representatives of only one side of a matter outside the presence of other interested parties. A communication concerning only the status of a pending matter shall not be regarded as an ex parte communication. Any written or oral ex parte communication received by a member of the Board in matters where all interested parties are entitled to an equal opportunity for a hearing, shall be made a part of the record by the recipient.
- E. Violations and Penalties. Any perceived violation of this Ethics Policy by a member of the Board shall be referred to the Board President or the full Board of Directors for investigation, and consideration of any appropriate action warranted.

A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy; (b) injunctive relief; (c) referral of the violation to the Attorney General, District Attorney, Fair Political Practices Commission (FPPC), and/or the Grand Jury; or the specific actions available to the Board enumerated in greater detail in Sections 2.16.3 and 2.16.4.

Sec. 2.16 Comprehensive Code of Conduct.

The following is the Board-approved Code of Conduct for District Board Meetings:

Sec. 2.16.1 Purposes and Goals of Code of Conduct.

Effective policy leadership requires the Board to foster effective communication throughout the organization. Effective communication is necessary to encourage the delivery of safe, high quality water and sewer services, as well as compliance with ethical and legal imperatives. Effective communication occurs best in an atmosphere of mutual respect, in which board members, staff, and members of the public feel valued and free to express themselves. Effective communication requires thorough preparation for meetings, adherence to approved procedures for the conduct of meetings, including compliance with time limits and courteous conduct during debate and discussion. Effective communication requires an atmosphere free from threats, intimidation, abusive behavior, violence, harassment, and other dangerous or disorderly conduct.

The Board believes that at a minimum, its members should behave, on a voluntary basis, as if they are fiduciaries who are expected to honor the same duties of loyalty and care

expected of their peers who serve on the boards of public agencies. Board members should act professionally at all times.

This Code of Conduct is intended to describe: (1) minimum expectations for conduct at, and surrounding Board meetings; (2) how Board members are provided the resources needed for effective, informed governance; (3) rules for ensuring the fairness of proceedings; and to (4) prescribed consequences for misconduct which does not contribute to effective leadership of the FPUD, including declaring Board members ineligible for receipt of discretionary perquisites of office within the jurisdiction of the Board.

Sec. 2.16.2 Minimum Expectations for Conduct of Board Meetings.

- A. Once the Board has a quorum, the meeting should immediately commence. Time periods announced by the President for recesses shall be strictly observed.
- B. For each agenda item on which there is anticipated action, there should first be a motion and a second before any Board discussion is permitted, except that:
 - 1. Any Board member who must abstain from participation in a matter because of a legal conflict of interest shall ask the President for permission to announce the conflict; and
 - 2. Any Board member who has had any ex parte contacts with respect to an agenda item affecting the legal rights of a party appearing before the Board on a quasi-judicial matter shall ask the President for permission to describe the nature of those contacts so that the party may evaluate the potential partiality and appearance of fairness of the Board member's participation in decision-making regarding that matter. In case of doubt, a Board member shall err on the side of disclosure of the ex parte contacts.
- C. If there is no motion on an action item, or if a motion is made and there is no second, the President should move to the next agenda item without further comment from the Board members.
- D. For each agenda item that has received a motion and a second, the President should ask each member in turn as to whether that member wishes to speak on the item, starting with the maker of the motion.
- E. Each member will be recognized by the President and shall be allotted up to three minutes to speak to the motion, once recognized. Time for questions and answers addressed by a member to staff or to other Board members is included in the three minutes, unless the President grants an exception. Members who anticipate that this time will be insufficient shall, whenever feasible: (1) submit written statements at any time; (2) submit written questions to the President and General Manager at least 48 hours in advance of a regular meeting (see B, 2 above); or (3) request additional time.

Only the member who has been recognized may speak on the motion during that time. Time limits are to be managed by the Board President.

- F. When the member's time allotment has concluded, the President should immediately recognize the next member in turn to determine if he/she wishes to speak. When recognized, the member should start speaking and the prior speaker shall promptly yield the floor.
- G. Once the President has offered each member the opportunity to be heard, the President may offer a second round of comments. The President should again offer each member a three-minute opportunity to speak.
- H. Unless recognized by the President, Board members shall not address members of the public who come forward to speak, and should not enter into a dialogue or debate.
- I. Agenda materials are intended to provide answers to as many questions as possible regarding agenda items, prior to the Board meetings. Board members are expected to review the agenda materials thoroughly, prior to the Board meetings, and to timely request additional information or clarification in advance whenever feasible—generally at least 48 hours prior to any regular meeting. (See B, 2 above.) Questions from Board members at the meetings should be for the purposes of seeking clarification and/or additional information regarding particular agenda items and/or agenda materials.
- J. Board members should be courteous and respectful of all meeting participants, including the President. Board members shall comply with the legitimate orders of the President regarding the orderly conduct of the business before the Board.
- K. Conduct while attending Board meetings and other meetings and events related to the Board and Board committees, and while engaged in other Board-related business, which is unsafe, disruptive or which constitutes threats, intimidation, abusive behavior, violence, harassment, and other dangerous or disorderly conduct, willful disturbance of the meeting or which otherwise violates Cal Penal Code § 403, as shown in Appendix A, is prohibited.
- L. Board Members should attend every Board Meeting and remain for the entirety of each meeting. The Board President shall make an oral announcement of any departure from the meeting and the reason, if available.

Sec. 2.16.3 Breaches of Order at Meetings; Sanctions.

The Board has a responsibility to govern itself. The Board has a right to make and enforce rules to ensure the conduct of the public's business in an efficient and orderly manner, and without disruption by members of the public or members of the Board, up to and including ejection. At the same time, the public and

Board members shall be free to criticize the policies, procedures, programs and services of the organization, and the acts and omissions of the Board.

Notwithstanding any other policy of the Board, violations of this policy during a Board meeting may be enforced, as follows:

- A. The President shall call to order, by name, any person who is in violation of any of the rules of conduct established under this policy, which is committed in the immediate view and presence of the Board. The President shall request that person refrain from any further violation, warn that a repetition may violate Cal Penal Code § 403 and result in removal from the meeting, and may specifically state that any further violation may constitute contempt of the Board.
- B. If the person repeats the violation or proceeds to violate any other provision of this policy in the immediate view and presence of the Board (such as by refusing to yield the floor or otherwise disrupting proceedings), the President may call a recess of the meeting, stating that the reason for the delay is due to the misconduct of the Board member or other person. If following such recess, the Board member or other person persists in willfully interrupting the meeting such that order cannot be restored, the President, with the concurrence of the Board, shall order the disruptive Board member or other person removed from the meeting room by District or security personnel, or, as to Board members, may request a motion under paragraph C. If removal of a Board member is ordered, the Board member shall be entitled to adjourn to attend the balance of the meeting by telephone at the meeting location or other location consistent with the Brown Act, notwithstanding the provisions of any other Board policy.
- C. In the alternative, if a Board member repeats the violation or proceeds to violate any other provision of this policy in the immediate view and presence of the Board, or, following a return from recess of the meeting if called, the President may call for a motion holding the Board member in contempt. Such a motion shall take precedence over any other motion, and shall describe the action or actions constituting the violation of this policy. If such a motion is made and seconded, each Board member shall have an opportunity to discuss the motion in accordance with this policy. If the motion is passed, the Board member shall be advised by the President that he or she has been held in contempt. A second motion may then be made to prescribe the sanction or sanctions to be imposed, which may include, but shall not be limited to, one or more of the following:
 1. A statement of censure, identifying the misconduct;
 2. Removal of the offending Board member from membership on one or more Board committees, or, if chair of any committee, removal from that position, for a specified period, or if no period is specified, until the annual election of Board officers;

3. Removal of the offending Board member from holding any Board office currently held;
 4. Removal of the offending Board member from the meeting room and offering the member the right to adjourn to attend the balance of the meeting by telephone at the meeting location or another location consistent with the Brown Act; provided that the offending Board member may also be required to attend one or more future meetings by teleconference;
 5. A determination that no compensation shall be earned by the offending Board member for attendance at the meeting at which the contempt occurred;
 6. A determination that the offending Board member shall not be provided any defense or indemnity in any civil actions or proceedings arising out of or related to the member's misconduct or the agenda items whose consideration was willfully disrupted or prejudicially delayed by the misconduct, based upon the Board member's actual malice;
 7. Rendering the offending Board member ineligible to receive any advances or reimbursement of expenses to attend future conferences or meetings otherwise permitted;
 8. Referral of the matter to the County Grand Jury pursuant to Cal Gov Code § 3060, as shown in Appendix B.
- D. Following the outcome of a motion for sanctions, the President shall direct that the order of the Board be carried out by staff, the General Manager, and/or General Counsel, as appropriate.
- E. In the event violations of this Policy occur in a closed session, the President may suspend the closed session and return to open session for the purpose of commencing the enforcement process contemplated by this section. All proceedings under this section 2.16.3 shall occur in open session.

Sec. 2.16.4 Violations of Board Policies or Law Outside of Board Meetings.

- A. When a violation of a Board policy by a member of the Board is alleged to have occurred outside of a Board meeting, the President or any member of the Board may request that an item be placed on the agenda to consider what sanctions may be appropriate, if any. In such instances, evidence of the misconduct shall be presented by the requesting member. The Board member accused of misconduct shall have an opportunity to present evidence and respond to the allegations made. Formal rules of evidence shall not apply.

- B. After consideration of the evidence presented, the Board may take such actions as it may deem appropriate, including but not limited to those described in section C of this policy, other than section 2.16.3, paragraph C, 5.

Sec. 2.16.5 Sanctions.

- A. Discipline imposed on directors herein shall continue for successive election cycles; i.e., re-election of a director who has been disciplined shall have no effect on discipline imposed in a prior term of office.
- B. A director may apply for relief from discipline upon submitting proof of compliance with the requirements of the discipline notice, if appropriate. For example, if discipline was imposed for failure to attend director orientation with the general manager, the director would submit proof of attendance.

Sec. 2.16.6 Authority of Administration to Provide for Security.

- A. The District Administration is authorized and directed to develop and implement policies and procedures, engage employees or contractors to provide security, consistent with applicable law, to promote a secure and orderly environment for Directors, employees, staff, and members of the public. These policies and procedures will include a process for notifying the District Administration in the event that any person feels that he or she has been subjected to conduct which violates this Policy.
- B. The District Administration is authorized and directed to take lawful and appropriate action and to pursue lawful and appropriate remedies against any person found to have violated this Policy.

Sec. 2.16.7 Board Orientation and Training.

- A. Every Board member shall participate in an orientation and training to be offered by the District within 60 days of election, re-election to office, or assuming office, as a condition to receiving compensation or allowance of expenses.
- B. The required orientation and training shall be offered at times and places convenient to the Board member.
- C. The orientation and training for newly elected Board members shall include:

~~1. A tour of the facilities owned or operated by the District.~~

1. An explanation Attendance at the California Special District Association (CSDA) Special District Leadership Academy Conference or a half-day orientation by a third party trainer specialized in local governance. The training will include the following:

- a. Roles and responsibilities of Board policies, procedures, and committee structure members.
 - b. The role of staff and delivery the General Manager.
 - c. Attributes and characteristics of a highly effective Boards
 - d. The Boards role in setting direction for the District and in establishing financial accountability and transparency.
2. A copy of the current Board policies and procedures. Governing Documents, which shall be reviewed and acknowledged by the Director. The Board Governing Documents includes the following:
- a. District Background and Strategic Plan
 - b. CSDA Special District Board Member Handbook
 - c. Copy of this section of the Administrative Code
 - d. Ralph M. Brown Act
 - e. Copy of the Public Utility District Act
3. Briefings delivered by members of the management team regarding:
- a. District financial management and budgeting practices.
 - b. Review of the District Capital Improvement Program and a tour of the facilities owned or operated by the District.
 - c. The roles and responsibilities of each department.
4. A briefing with the District General Counsel regarding:
- ~~b.a.~~ Compliance laws and regulations, including conflict of interest rules under State and Federal law.
 - ~~e.a.~~ The roles and responsibilities of each department.
 - ~~d.b.~~ Legal responsibilities of Board members.
- D. This orientation and training shall supplement the training required by law under AB 1234.

E. It is also recommended that new Board members complete additional training during their first term which would include:

- a. Additional CSDA training, including additional Special District Leadership Academy Training and courses on financial oversight and governance
- b. Tours provided by MWD of the State Water Project and Colorado River Aqueduct systems
- c. San Diego County Water Authority Citizens Leadership Academy

Sec. 2.17 Directors Expenses Incurred on District Business.

Members of the Board of Directors attend regular, adjourned, or special meetings of the Board. In addition, they attend other District meetings, committee meetings, association meetings, and/or community functions or education seminars on behalf of the District. State statutes authorize District payments for meetings, reimbursement of expenses, and the provision of health and welfare benefits for active Directors. The District will compensate Directors a per diem for attendance at authorized meetings or functions and will reimburse Directors for reasonable expenses incurred while traveling on District business to include lodging, dining, transportation, and related incidentals.

2.17.1 Directors and Meetings.

As provided in Article 2, Section 2.12 of the District's Administrative Code, each Director shall receive per diem compensation for each day of attendance at meetings of the Board or for each day of service rendered as a Director by request or authorization of the full Board, not to exceed a total of ten (10) days in any calendar month. Attendance at meetings or functions shall be approved in advance by the Board of Directors of the District in order to be eligible for compensation and/or reimbursement. Director's claims for per diem amounts shall be made on a Director Per Diem/Meeting Form.

The District may pay compensation to District Board members for attendance at the following occurrences:

1. A meeting of the Board of Directors.
2. A conference or organized educational activity.
3. Any meeting related to District business with prior approval pursuant to Section 2.12.
4. Standing committee meetings and ad hoc committee meetings. These meetings, where practical, should be scheduled to correlate with other meetings at the District on the same day.

When travel arrangements require a day earlier arrival or a day later departure, Directors will not be eligible for the compensation; however, reasonable expenses associated with the extended stay will be reimbursed as specified below.

2.17.2 Prepayment of Otherwise Reimbursable Expenses.

A Director may request prepayment of registration, transportation, and lodging. Prepayments shall be limited to the Director's expenses only. No advances shall be made on travel expenses.

2.17.3 Reimbursement of Expenses.

Each Director shall be reimbursed for travel expenses to and from meetings or for any other authorized District business as follows:

1. Authorization.

Travel associated with the attendance of meetings or functions for Directors shall be approved in advance by the Board of Directors at a regular meeting with the item agendaed under "Advance Approval to Attend Meetings."

2. Transportation.

a. Air Transportation. The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares.

b. Automobile Transportation. Directors may use their personal vehicle. The District will reimburse Directors at the current rate/mileage as established by the Internal Revenue Service (IRS), plus tolls, parking, etc. provided, however, if air transportation is available, the total amount of expenses paid shall be limited to the cost of coach air travel between points traveled by personal vehicle. Gasoline, collision and liability insurance, and maintenance will be provided by the Director and is deemed covered in the rate/mileage reimbursement.

Directors using personal vehicles on District business must maintain a valid California driver's license and automobile insurance coverage required by the State of California or make arrangements for a driver who meets the above requirements. The Secretary will verify that Directors have valid driver's licenses. Directors will also be required to maintain automobile insurance coverage. Proof of such insurance shall be submitted to the Secretary upon renewal of the Director's individual automotive insurance policy. A current policy must be on file for a Director to be eligible for mileage reimbursement.

The District will provide a rental car when needed. Such rental car shall be a compact unless upgrades are offered at no additional cost to the District.

c. Miscellaneous Transportation. Whenever practicable bus, taxi, rail, shuttle, etc., transportation may be used in lieu of, or in conjunction with, transportation modes above.

2.17.4 Meals and Lodging.

Whenever travel requires meals, the meals shall be reimbursable provided the Director presents an itemized receipt along with the "Board Expense Reimbursement Form" for all meals. Reimbursements for expense items where a receipt has been lost will not be paid until the Board President has reviewed and approved the expense item. Meals are reimbursable based on the Meals and Incidental Expenses (M&IE) as updated by the U.S. General Services Administration:

1. Full Day Reimbursement. When a Director is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the

Director may be reimbursed for meal expenses at the rate provided by the M&IE per day. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.

2. Single Meal Reimbursement. When a Director requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate provided by the M&IE for breakfast, lunch, and/or dinner. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.

3. Partial Day Reimbursement. When a director will be traveling for a partial day or where a single meal is provided for by other sources, such as pre-paid registration, the maximum reimbursement amount shall at the rate provided by the M&IE per meal. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.

4. Taxes and Gratuities. The maximum meal reimbursement amounts are inclusive of, and assume expenses for, taxes and gratuities of up to 15%.

5. Lodging. The District will reimburse Directors or pre-pay accommodations in single rooms at conference facilities at the group rates, if available, or in close proximity when applicable. Or, in the absence of conference accommodations, normal single-room business, government, or commercial class accommodations may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would require the Director to leave home before 6:00 a.m. or return to home after 12:00 a.m., lodging for the night before or the night after will be reimbursable.

2.17.5 Entertainment.

The District will not cover expenses incurred for recreation or entertainment.

2.17.6 Incidental Expenses.

Unavoidable, necessary, and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

1. Telephone calls (business): Calls placed by the Director, to the District office, or for the purpose of conducting District business. Business related calls should be itemized on the "Board Expense Reimbursement Form."
2. Telephone calls (personal): One (1) brief personal call each day away from home, up to a \$5 maximum per day.
3. Telephone calls (local): Charges for local calls, for meal or transportation reservations, or for area information related to travel.

41. Reasonable transportation to local restaurants and to operational functions that are a part of conference events.

52. Reasonable gratuities, up to 15%, on reimbursable expenses.

63. Parking fees related to conference functions.

74. Fees for in-room high speed internet access for each day while registered at the hotel.

85. The following expenses are not reimbursable:

a) Alcoholic beverages

b) Parking or traffic violations

c) In-room services or movies

d) Laundry services

e) Expenses incurred by spouses, family members or guests.

2.17.7 Director's Responsibility.

Directors must submit a detailed "Board Expense Reimbursement Form" for reimbursement. Expense Reports must document that expenses meet the existing District policy. Claim forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all meal expenses and for any expense over ten dollars (\$10). Receipts are not required for non-meal individual expenses of ten dollars (\$10) or less. However, an explanation of the expenditure, the amount paid and the vendor's name is required. If a receipt required for reimbursement is lost, the lost receipt must be noted on the "Board Expense Reimbursement Form," presented to the Board President, and approved for reimbursement before any payment can be made. Claim forms should be submitted within 30 calendar days after the expense was incurred. Expense claims requiring reimbursement to the District, which are not reconciled within 30 calendar days, shall be deducted from the next month's reimbursement.

Expenses will not be reimbursed for meetings that have been pre-paid and not attended. Directors shall submit, in writing, for action at the next Board meeting the reason why they were not able to attend the meeting and why they should be excused. Directors will be required to reimburse the District for any pre-paid expenses for any unexcused absence. This reimbursement will be made by deduction from future expenditures.

When two or more Directors combine an expense on one receipt, the Director requesting reimbursement should indicate, on or attached to the Directors' "Board Expense Reimbursement Form," the identity of the other person(s) sharing expenses. This will facilitate appropriate allocation of expenses to each participant.

Expenses incurred by spouses, family members, or guests are the responsibility of the Director.

2.17.8 Reports.

Directors shall provide brief reports on meetings attended at the expense of Fallbrook Public Utility District at the next regular meeting of the District.

2.17.9 Penalties.

Penalties for misuse of District resources or falsifying expense reports in violation of expense reporting policies may include, but are not limited to, the following:

1. The loss of reimbursement privileges.
2. Restitution to the District.
3. Civil penalties for misuse of District resources pursuant to Govt. Code Sec. 8314.
4. Prosecution for misuse of District resources, pursuant to Sec. 424 of the Penal Code.

2.17.10 Ethics Training.

1. "District official" means the following:

- a. Any Director who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.
- b. Any employee designated by the District to receive the training specified under this article.

2. "Ethics Laws" include, but are not limited to, the following:

- a. Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.
- b. Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.
- c. Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
- 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.

- (1) If a District official provides any type of compensation, salary, or stipend to a member of a legislative body, or provides reimbursement for actual and necessary expenses incurred by a member of a legislative body in the performance of official duties, then all District officials shall receive training in ethics pursuant to this article.

- (2) Each District official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years.
- (3) If any entity develops curricula to satisfy the requirements of this section, then the Fair Political Practices Commission and the Attorney General shall be consulted regarding the sufficiency and accuracy of any proposed course content. When reviewing any proposed course content, the Fair Political Practices Commission and the Attorney General shall not preclude an entity from also including local ethics policies in the curricula.
- (4) The District or an association of the District may offer one or more training courses, or sets of self-study materials with tests, to meet the requirements of this section. These courses may be taken at home, in-person, or online.
- (5) All providers of training courses to meet the requirements of this article shall provide participants with proof of participation.
- (6) The District shall provide information on training available to meet the requirements of this article to its local officials at least once annually.
- a. Each District official in District service as of January 1, 2006, except for District Directors whose terms of office ends before January 1, 2007, shall receive the training required herein before January 1, 2007. Thereafter, each District official shall receive the training required herein at least once every two years.
- b. Each District official who commences service with the District on or after January 1, 2006, shall receive the training required herein no later than one year from the first day of service with the District. Thereafter, each District official shall receive the training required herein at least once every two years.
- c. A District official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.
- d. The District shall maintain records indicating both of the following:
- i. The dates that the District official satisfied the requirements of this article.
- ii. The entity that provided the training.
- e. Notwithstanding any other provision of law, the District shall maintain these records for at least five years after District officials receive the training. These records are public records subject to disclosure under the California Public Records Act.

Sec. 2.18 Gifts and Disclosure.

The California Political Reform Act of 1974 requires specified local government officials to periodically submit reports concerning sources of income or gifts as specified and has been amended to prohibit local elected office holders and designated

employees of government agencies from accepting any honorarium as defined, as well as gifts in excess of \$470.00 with certain exceptions.

The Political Reform Act requires an annual disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least \$100.00 for individual charges paid to any employee or member of the governing body of the District.

2.18.1 Annual Disclosure of Reimbursements.

The Fallbrook Public Utility District shall cause, at least annually, the disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100) for each individual charge for services or product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee paid to any employee or member of the Board of Directors of the Fallbrook Public Utility District. The Assistant General Manager/Chief Financial Officer shall implement procedures to track such disbursements and publish or print same at least annually by a date determined by the District and shall be made available for public inspection. All reimbursement requests received after January 1, 1995, which are \$100 or more shall be listed. Payments for benefits such as insurance, retirement, and car allowances shall not be reported.

2.18.2 Prohibition Against Acceptance of Honorarium.

No elected officeholder, elected or appointed member of the Board of Directors, or "designated employee" (as defined in the Conflict of Interest Code) of the Fallbrook Public Utility District shall accept any honorarium. An "honorarium" means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. Honorarium does not include earned income for personal services which are customarily provided in connection with the practice of a bona fide business, trade, or profession such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting unless the sole or predominant activity of the business, trade, or profession is making speeches. This prohibition does not extend to reasonable travel, admission, and the refreshments provided at an event where a Board member or designated employee gives a speech or otherwise actively participates.

2.18.3 Permissible Gifts May Not Exceed \$470.00.

No elected officeholder, elected or appointed member of the Board of Directors, or designated employee of the Fallbrook Public Utility District shall accept any gifts, from any single source, which is in excess of four hundred seventy dollars (\$470), in any calendar year, except reimbursement for actual travel expenses and reasonable subsistence in connection therewith. The Fair Political Practices Commission may further adjust this amount annually. Prohibited gifts include anything of value that is accepted, regardless of whether it is used. Excessive gifts should be returned within 30 days to avoid violating the law. The limitation on receipt of gifts does not exempt wedding, birthday, or other holiday gifts. The following are not "gifts" under this section: gifts from relatives, informational material (i.e., reports, pamphlets, calendars to keep officials informed), inheritances, and personalized plaques and trophies with an individualized value of less than \$470. Other gifts that are not used and are donated to charity within 30 days of receipt are not included.

2.18.4 Penalties for Violations.

The penalties for violating the restrictions on honoraria and gifts under the Political Reform Act constitute a criminal misdemeanor and may be punished by a fine of up to the greater of \$10,000 or three times the amount the violation received.

ARTICLE 2

Sec. 2.12 – Rev. 95

Sec. 2.5 - Rev. 2/97

Sec. 2.11 – Rev. 9/98

Sec. 2.13 – Rev. 12/98

Secs. 2.2, 2.9, 2.10, 2.14 – Rev. 2/04

Sec. 2.3 – Rev. 6/06

Sec. 2.14 – Board Committees added
– Rev. 8/08

Secs. 2.3, 2.4.1, 2.6, 2.12, 2.13 –
Rev. 12/09

Sec. 2.12 – Rev. 9/10

Sec. 2.12 – Rev. 8/12

Sec. 2.16 – Added 12/12

Sec. 2.15 – Rev. 1/13

Secs. 2.16.5, 2.16.6, 2.16.7 – Rev.
9/14

Sec. 2.2 - Rev. 2/27

Sec. 2.12 – Rev. 10/17

Secs. 2.2.2, 2.2.3, 2.3, 2.4.1, 2.5, 2.6,

2.10, 2.11, 2.12, 2.16.7, and add

2.17, 2.17.1, 2.17.2, 2.17.3, 2.17.4,

2.17.5, 2.17.6, 2.17.7, 2.17.8, 2.17.9,

2.17.10, , 2.18, 2.18.1, 2.18.2,

2.18.3, 2.18.4 – Rev. 9/18

Article 2. Board of Directors, Guidelines for

Sec. 2.1 Powers - Delegation.

All powers, privileges and duties vested in or imposed upon the District by law and the Public Utility District Act of the State of California shall be exercised and performed by the Board of Directors, except as such Board shall delegate executive, administrative, and ministerial powers to officers and employees of the District.

Sec. 2.2 Officers of Board of Directors.

Directors are elected by the registered voters of the District for overlapping four-year terms. All Directors of the Fallbrook Public Utility District are elected by subdistrict. All prospective Directors must sign an oath as to age, place of residence, occupation, and whether or not he is a qualified elector residing within the territory of the District for which he is appointed or elected.

Sec. 2.2.1 Election of Officers.

The Officers of the Board of Directors shall consist of a President and a Vice-President chosen by the members. Reorganization (election of officers) will be placed on the agenda in December of each year.

Sec. 2.2.2 Duties of President.

The President shall preside over and conduct all meetings of the Board and hearings before the Board. In so doing, the President shall have the following powers and responsibilities:

- A. To follow the prepared agenda unless the Board concurs in any change.
- B. To determine all questions of order and parliamentary procedure, unless he or she chooses to submit any such question to the Board for decision.
- C. To maintain order and to enforce reasonable rules of decorum.
- D. To determine at meetings of the Board, other than public hearings, whether or not members of the public should be heard on particular issues or otherwise be permitted to address the Board.
- E. To set reasonable limits upon the length of time and the number of occasions on which a person may speak at public hearings as well as other meetings of the Board.
- F. To recognize Board members who may wish to be heard.
- G. To restate, where necessary, and to put to a vote all questions properly before the Board, and to announce the result of each vote.
- H. To terminate debate after there has been reasonable opportunity for full discussion of any issue and further debate would be needlessly repetitive or otherwise not useful, and where proper, to put the matter to a vote.

- I. To rule out of order any comment by Board members, staff or members of the public not germane to the issue then before the Board.
- J. To respond to inquiries by Board members relating to procedures, or to factual information, bearing upon the business before the Board.
- K. To establish standing or ad hoc committees of the Board, and to appoint the members thereof.
- L. To declare the meeting adjourned upon such vote by the Board, or when in his judgment any emergency or other cause requires adjournment.
- M. To authenticate by his signature all acts, orders, and other proceedings of the Board.

Sec. 2.2.3 Duties of Vice President.

The Vice-President shall act if the President is absent or unable to act, and shall exercise all of the powers of the President on such occasion.

Sec. 2.3 Other Officers of the District.

The statutory officers are the General Manager, Assistant General Manager/Chief Financial Officer, and Secretary. The Board of Directors appoints the General Manager, who appoints Management Staff. Other officers may be appointed by the Board of Directors as needed.

Sec. 2.4 Employment of Professionals.

Sec. 2.4.1 General Counsel shall be appointed by the Board and shall be directly responsible to the Board. He or she shall provide legal advice and services as requested by the Board and shall assist the General Manager, Assistant General Manager/Chief Financial Officer, Secretary, and department heads on legal problems which may arise in the administration of their respective duties. The General Counsel's compensation is subject to an annual review and signed agreement with the Board of Directors.

Sec. 2.4.2 The Auditor shall be employed and selected in such manner as the Board directs and shall receive for his services such compensation as the Board prescribes. The accounts of the District shall be examined at least once a year by a qualified Auditor, who shall report to the Directors the result of his examination.

Sec. 2.5 Time and Place of Board Meetings.

The regular meeting of the Board of Directors shall be held on the fourth Monday of each month at 4:00 p.m. in the Board room of the Fallbrook Public Utility District located at 990 East Mission Road, Fallbrook, California. The Board meeting day and time shall be changed from time to time as designated by the Board of Directors. If the regular meeting falls on a holiday, such regular meeting shall be held on the next business day, or such time as the Board may direct. The agenda shall be posted on the north wall of the entrance to the District and on the District's Internet Web site at least 72 hours in advance of the meeting.

Sec. 2.6 Special Meetings.

A special meeting may be called at any time by the President of the Board of Directors, or by a majority of the members of the Board of Directors, by delivering written notice to each member of the Board of Directors and to each local newspaper of general circulation and radio or television station requesting notice in writing and posting a notice on the District's Internet Web site. The notice shall be delivered personally or by other means and shall be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the Board of Directors. The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

Sec. 2.7 Quorum.

A majority of the Board of Directors constitutes a quorum for the transaction of business.

Sec. 2.8 Actions.

The Board shall act only by Ordinance, Resolution, or motion and may act only on items on a pre-posted agenda. The ayes and noes shall be taken upon the passage of all ordinances, resolutions, or motions and entered upon the journal of the proceedings of the Board. No ordinance or resolution shall be passed or become effective without the affirmative votes of at least a majority of the Board. A roll call vote recorded pursuant to the Public Utility District Act in the minutes of the meeting shall be had if requested by any Director. When not requested, or ordered by the President, a roll call vote shall be dispensed with. "Emergency" items may be added to the agenda if it is determined that there is an emergency situation, or there is a need to take action on an item subsequent to the agenda being posted. A two-thirds vote of the Board is required to add emergency items to the agenda.

Sec. 2.9 Order of Procedure of Meetings.

Except as otherwise provided by law or ordinance, the business of the meetings of the Board of Directors and the order of procedure shall be as provided by Robert's Rules of Order, Revised. The President shall preside at all meetings of the Board, and in his absence, the Vice-President, and in the absence of both the President and the Vice-President, the presiding officer shall be selected by a majority vote of the members of the Board attending such a meeting. At the beginning of each meeting, the public shall be offered the opportunity to address the Board on any issue not on the agenda. Such matters shall not be acted upon without prior notice on future agendas. Any member of the audience who wishes to speak must fill out a speaker slip and present it to the Board Secretary prior to the meeting. Speakers may be limited to three (3) minutes, for both the public comment period and for any specific item on the agenda. After the initial three minutes are up, the Board may ask questions of the speaker.

Sec. 2.9.1 Guidelines for Conduct of Board Meetings.

In an effort to streamline and maintain control of the conduct at Board meetings, the following rules shall be implemented:

- A. The General Manager is responsible for presenting the agenda and all necessary background material and staff reports to the Board of Directors for their consideration.
- B. Any Board member can request that the General Manager place an item on the agenda for the next regular meeting.
- C. Any member of the public may request that the General Manager place an item on the agenda for the next regular meeting. At the General Manager's discretion, the item may, or may not, be placed on the agenda. If the General Manager declines, he will inform the requestor that they may speak at the next regular Board meeting during the public comment period and at that time, they may request that the Board member, or the full Board, place the item on the agenda for discussion.
- D. All background and necessary documents required to complete an agenda item must be submitted to the Board Secretary no later than 10 days prior to the Board meeting.
- E. All staff reports, other than the General Manager and San Diego County Water Authority (SDCWA) representative, will be in written format. Staff will only make oral presentations at the request of the Board.

Sec. 2.10 Consent Calendar.

The Consent Calendar shall consist of items of a routine non-controversial nature for action by the Board of Directors and which require no discussion. All items appearing on the Consent Calendar may be disposed of by a single motion.

Items shall be removed from the Consent Calendar if any member of the Board of Directors or the public requests removal prior to a vote on a motion to approve the items on the Consent Calendar. Such items shall be considered separately for action by the Board.

If an item is removed from the Consent Calendar, the following order of priority shall take place: (a) staff will first make its presentation and respond to questions from the Board of Directors; (b) the public may make comments and respond to questions from the Board of Directors; and (c) the Board will deliberate on the item.

Sec. 2.11 Minutes.

The minutes of the meetings of the Board of Directors shall be recorded and kept permanently by the Secretary in books maintained for that purpose entitled "Agendas, Minutes, and Reports". Unless otherwise expressly directed by the Board at the time of their adoption, the ordinances and resolutions adopted by the Board may be referred to in the minutes by number and title only, but the same shall be recorded in full in books kept for that purpose entitled "Ordinances" and "Resolutions" respectively.

Sec. 2.12 Directors' Compensation.

Directors of the Fallbrook Public Utility District shall receive per diem compensation of One Hundred Dollars (\$100.00) for each meeting of the Board. Per diem compensation shall be reviewed each January at a Board meeting. If the Board

determines to proceed with a change, a public hearing will be noticed to receive public comment prior to any action being taken. Changes in compensation shall require the approval of the Board at an open meeting held at least 60 days prior to the effective date of the ordinance making the change and cannot exceed five (5) percent per each calendar year following the operative date of the last adjustment. [Cal. Public Utilities Code § 16002; Cal. Water Code § 20200 et seq.] Said meetings shall include regular, special, and adjourned meetings of the Board, and standing committee meetings.

Compensation for attendance and reimbursement for expenses at other occasions, events, or meetings related to District business, other than those listed below, shall be determined by the Board of Directors, in advance, on a case-by-case basis. Should an occasion arise between Board meetings that would be appropriate for a Board member to attend, prior to the event, the President can authorize such attendance with notification of the rest of the Board at the next regular meeting. Director fees may be increased as provided by law. Meetings which shall not require advance approval are:

- A. Association of California Water Agencies (ACWA) (semi-annual)
- B. California Special District Association (CSDA), San Diego Chapter (quarterly)
- C. Council of Water Utilities (monthly)
- D. California Association of Sanitation Agencies (CASA) (semi-annual)
- E. Training Courses in CA Local Agency Ethics (AB 1234) and/or Sexual Harassment for Supervisors (AB 1825)
- F. Metropolitan Water District of Southern California (up to one per month)
- G. San Diego County Water Authority (up to one per month)
- H. Meetings between the Board President and the General Manager (up to twice per month)

Sec. 2.13 Board Packets.

Board packets are available for review at the District office on the Friday prior to a regular Board meeting after they have been made available to the Board of Directors. The general public may request and receive a copy of a full Board packet at no charge on the Friday preceding a regular Board meeting after 12:00 noon. Arrangements for review and pick-up shall be coordinated by the Secretary.

Sec. 2.14 Board Committees.

The Board currently has three (3) standing committees as follows:

- A. Fiscal Policy & Insurance Committee – This committee shall work with the General Manager and other officers of the District to review the annual audit, the annual financial statement before publication, budget, water rate structures and fees, investments, insurance, and other financial records and operations of the District.
- B. Personnel Committee – This committee is responsible for employer-employee relations, including negotiations with the FPUDEA and FMEA, all substantive

changes in personnel policies, and annual review and salary recommendations of the General Manager.

- C. Water Resources Committee – This committee is responsible for the development of locally applicable conjunctive water use management options, assuring that all water quality standards are met with regulatory agencies, and to continue to provide a safe and reliable source of water for all district customers.

Sec. 2.15 Ethics Policy.

The respected operations of democratic government emphasize that elected officials be independent, impartial and responsible to the people. It requires that they conduct themselves in a manner above reproach. It also imposes an obligation of personal integrity that will foster public respect, confidence, and trust.

This Ethics Policy provides the following general guidelines and specific prohibitions to which elected District officials must conform in pursuit of their assigned duties and responsibilities.

- A. Disclosure of Closed Session Matters. No member of the District shall disclose to any person, other than members of the Board, General Manager, or other District staff designated by the General Manager to handle such matters of confidential District business, the content or substance of any information presented or discussed during a closed session meeting unless the District first authorizes such disclosure by the affirmative vote of three members.
- B. Disclosure of Confidential Communications. Except when disclosure is mandated by State or Federal law, no member of the District Board shall disclose confidential or privileged communications to any person other than members of the Board, General Manager, or other District staff designated by the General Manager to handle such matters, unless the Board of Directors first authorizes such disclosure by the affirmative vote of three members of the Board of Directors.
- C. Conduct During Negotiations/Litigation. The Board of Directors is authorized to provide direction to specifically identified negotiators in a legally constituted closed session on matters involving pending litigation, real estate negotiations and labor negotiations. If the Board of Directors, in closed session, provides such direction to its negotiators, all contact with the negotiating party or party's representative shall be limited to and made by those individuals designated to handle the negotiations. During a pending labor contract or discussion, no member of the District Board shall have any contact or discussion with the negotiating party or the party's representative regarding the subject matter of the pending negotiation. In addition, during litigation or real estate negotiations, no member of the District Board (unless they have been designated as a negotiator) shall have any contact or discussion with litigating or negotiating party or the party's representative regarding the subject matter of the pending litigation or real estate negotiations.

Nothing in this section shall prohibit Board members from receiving written communications provided they are made available to all Board members and the General Manager on an equal basis.

- D. Ex Parte Communications. The purpose of this provision is to guarantee that all interested parties to any matter before the Board have equal opportunity to express

and represent their interests. Ex parte communications are those communications members of the Board have with representatives of only one side of a matter outside the presence of other interested parties. A communication concerning only the status of a pending matter shall not be regarded as an ex parte communication. Any written or oral ex parte communication received by a member of the Board in matters where all interested parties are entitled to an equal opportunity for a hearing, shall be made a part of the record by the recipient.

- E. Violations and Penalties. Any perceived violation of this Ethics Policy by a member of the Board shall be referred to the Board President or the full Board of Directors for investigation, and consideration of any appropriate action warranted.

A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy; (b) injunctive relief; (c) referral of the violation to the Attorney General, District Attorney, Fair Political Practices Commission (FPPC), and/or the Grand Jury; or the specific actions available to the Board enumerated in greater detail in Sections 2.16.3 and 2.16.4.

Sec. 2.16 Comprehensive Code of Conduct.

The following is the Board-approved Code of Conduct for District Board Meetings:

Sec. 2.16.1 Purposes and Goals of Code of Conduct.

Effective policy leadership requires the Board to foster effective communication throughout the organization. Effective communication is necessary to encourage the delivery of safe, high quality water and sewer services, as well as compliance with ethical and legal imperatives. Effective communication occurs best in an atmosphere of mutual respect, in which board members, staff, and members of the public feel valued and free to express themselves. Effective communication requires thorough preparation for meetings, adherence to approved procedures for the conduct of meetings, including compliance with time limits and courteous conduct during debate and discussion. Effective communication requires an atmosphere free from threats, intimidation, abusive behavior, violence, harassment, and other dangerous or disorderly conduct.

The Board believes that at a minimum, its members should behave, on a voluntary basis, as if they are fiduciaries who are expected to honor the same duties of loyalty and care expected of their peers who serve on the boards of public agencies. Board members should act professionally at all times.

This Code of Conduct is intended to describe: (1) minimum expectations for conduct at, and surrounding Board meetings; (2) how Board members are provided the resources needed for effective, informed governance; (3) rules for ensuring the fairness of proceedings; and to (4) prescribed consequences for misconduct which does not contribute to effective leadership of the FPUD, including declaring Board members

ineligible for receipt of discretionary perquisites of office within the jurisdiction of the Board.

Sec. 2.16.2 Minimum Expectations for Conduct of Board Meetings.

- A. Once the Board has a quorum, the meeting should immediately commence. Time periods announced by the President for recesses shall be strictly observed.
- B. For each agenda item on which there is anticipated action, there should first be a motion and a second before any Board discussion is permitted, except that:
 - 1. Any Board member who must abstain from participation in a matter because of a legal conflict of interest shall ask the President for permission to announce the conflict; and
 - 2. Any Board member who has had any ex parte contacts with respect to an agenda item affecting the legal rights of a party appearing before the Board on a quasi-judicial matter shall ask the President for permission to describe the nature of those contacts so that the party may evaluate the potential partiality and appearance of fairness of the Board member's participation in decision-making regarding that matter. In case of doubt, a Board member shall err on the side of disclosure of the ex parte contacts.
- C. If there is no motion on an action item, or if a motion is made and there is no second, the President should move to the next agenda item without further comment from the Board members.
- D. For each agenda item that has received a motion and a second, the President should ask each member in turn as to whether that member wishes to speak on the item, starting with the maker of the motion.
- E. Each member will be recognized by the President and shall be allotted up to three minutes to speak to the motion, once recognized. Time for questions and answers addressed by a member to staff or to other Board members is included in the three minutes, unless the President grants an exception. Members who anticipate that this time will be insufficient shall, whenever feasible: (1) submit written statements at any time; (2) submit written questions to the President and General Manager at least 48 hours in advance of a regular meeting (see B, 2 above); or (3) request additional time. Only the member who has been recognized may speak on the motion during that time. Time limits are to be managed by the Board President.
- F. When the member's time allotment has concluded, the President should immediately recognize the next member in turn to determine if he/she wishes to speak. When recognized, the member should start speaking and the prior speaker shall promptly yield the floor.

- G. Once the President has offered each member the opportunity to be heard, the President may offer a second round of comments. The President should again offer each member a three-minute opportunity to speak.
- H. Unless recognized by the President, Board members shall not address members of the public who come forward to speak, and should not enter into a dialogue or debate.
- I. Agenda materials are intended to provide answers to as many questions as possible regarding agenda items, prior to the Board meetings. Board members are expected to review the agenda materials thoroughly, prior to the Board meetings, and to timely request additional information or clarification in advance whenever feasible—generally at least 48 hours prior to any regular meeting. (See B, 2 above.) Questions from Board members at the meetings should be for the purposes of seeking clarification and/or additional information regarding particular agenda items and/or agenda materials.
- J. Board members should be courteous and respectful of all meeting participants, including the President. Board members shall comply with the legitimate orders of the President regarding the orderly conduct of the business before the Board.
- K. Conduct while attending Board meetings and other meetings and events related to the Board and Board committees, and while engaged in other Board-related business, which is unsafe, disruptive or which constitutes threats, intimidation, abusive behavior, violence, harassment, and other dangerous or disorderly conduct, willful disturbance of the meeting or which otherwise violates Cal Penal Code § 403, as shown in Appendix A, is prohibited.
- L. Board Members should attend every Board Meeting and remain for the entirety of each meeting. The Board President shall make an oral announcement of any departure from the meeting and the reason, if available.

Sec. 2.16.3 Breaches of Order at Meetings; Sanctions.

The Board has a responsibility to govern itself. The Board has a right to make and enforce rules to ensure the conduct of the public's business in an efficient and orderly manner, and without disruption by members of the public or members of the Board, up to and including ejection. At the same time, the public and Board members shall be free to criticize the policies, procedures, programs and services of the organization, and the acts and omissions of the Board.

Notwithstanding any other policy of the Board, violations of this policy during a Board meeting may be enforced, as follows:

- A. The President shall call to order, by name, any person who is in violation of any of the rules of conduct established under this policy, which is committed in the immediate view and presence of the Board. The President shall request that person

refrain from any further violation, warn that a repetition may violate Cal Penal Code § 403 and result in removal from the meeting, and may specifically state that any further violation may constitute contempt of the Board.

- B. If the person repeats the violation or proceeds to violate any other provision of this policy in the immediate view and presence of the Board (such as by refusing to yield the floor or otherwise disrupting proceedings), the President may call a recess of the meeting, stating that the reason for the delay is due to the misconduct of the Board member or other person. If following such recess, the Board member or other person persists in willfully interrupting the meeting such that order cannot be restored, the President, with the concurrence of the Board, shall order the disruptive Board member or other person removed from the meeting room by District or security personnel, or, as to Board members, may request a motion under paragraph C. If removal of a Board member is ordered, the Board member shall be entitled to adjourn to attend the balance of the meeting by telephone at the meeting location or other location consistent with the Brown Act, notwithstanding the provisions of any other Board policy.
- C. In the alternative, if a Board member repeats the violation or proceeds to violate any other provision of this policy in the immediate view and presence of the Board, or, following a return from recess of the meeting if called, the President may call for a motion holding the Board member in contempt. Such a motion shall take precedence over any other motion, and shall describe the action or actions constituting the violation of this policy. If such a motion is made and seconded, each Board member shall have an opportunity to discuss the motion in accordance with this policy. If the motion is passed, the Board member shall be advised by the President that he or she has been held in contempt. A second motion may then be made to prescribe the sanction or sanctions to be imposed, which may include, but shall not be limited to, one or more of the following:
 - 1. A statement of censure, identifying the misconduct;
 - 2. Removal of the offending Board member from membership on one or more Board committees, or, if chair of any committee, removal from that position, for a specified period, or if no period is specified, until the annual election of Board officers;
 - 3. Removal of the offending Board member from holding any Board office currently held;
 - 4. Removal of the offending Board member from the meeting room and offering the member the right to adjourn to attend the balance of the meeting by telephone at the meeting location or another location consistent with the Brown Act; provided that the offending Board member may also be required to attend one or more future meetings by teleconference;

5. A determination that no compensation shall be earned by the offending Board member for attendance at the meeting at which the contempt occurred;
 6. A determination that the offending Board member shall not be provided any defense or indemnity in any civil actions or proceedings arising out of or related to the member's misconduct or the agenda items whose consideration was willfully disrupted or prejudicially delayed by the misconduct, based upon the Board member's actual malice;
 7. Rendering the offending Board member ineligible to receive any advances or reimbursement of expenses to attend future conferences or meetings otherwise permitted;
 8. Referral of the matter to the County Grand Jury pursuant to Cal Gov Code § 3060, as shown in Appendix B.
- D. Following the outcome of a motion for sanctions, the President shall direct that the order of the Board be carried out by staff, the General Manager, and/or General Counsel, as appropriate.
- E. In the event violations of this Policy occur in a closed session, the President may suspend the closed session and return to open session for the purpose of commencing the enforcement process contemplated by this section. All proceedings under this section 2.16.3 shall occur in open session.

Sec. 2.16.4 Violations of Board Policies or Law Outside of Board Meetings.

- A. When a violation of a Board policy by a member of the Board is alleged to have occurred outside of a Board meeting, the President or any member of the Board may request that an item be placed on the agenda to consider what sanctions may be appropriate, if any. In such instances, evidence of the misconduct shall be presented by the requesting member. The Board member accused of misconduct shall have an opportunity to present evidence and respond to the allegations made. Formal rules of evidence shall not apply.
- B. After consideration of the evidence presented, the Board may take such actions as it may deem appropriate, including but not limited to those described in section C of this policy, other than section 2.16.3, paragraph C, 5.

Sec. 2.16.5 Sanctions.

- A. Discipline imposed on directors herein shall continue for successive election cycles; i.e., re-election of a director who has been disciplined shall have no effect on discipline imposed in a prior term of office.

- B. A director may apply for relief from discipline upon submitting proof of compliance with the requirements of the discipline notice, if appropriate. For example, if discipline was imposed for failure to attend director orientation with the general manager, the director would submit proof of attendance.

Sec. 2.16.6 Authority of Administration to Provide for Security.

- A. The District Administration is authorized and directed to develop and implement policies and procedures, engage employees or contractors to provide security, consistent with applicable law, to promote a secure and orderly environment for Directors, employees, staff, and members of the public. These policies and procedures will include a process for notifying the District Administration in the event that any person feels that he or she has been subjected to conduct which violates this Policy.
- B. The District Administration is authorized and directed to take lawful and appropriate action and to pursue lawful and appropriate remedies against any person found to have violated this Policy.

Sec. 2.16.7 Board Orientation and Training.

- A. Every Board member shall participate in an orientation and training to be offered by the District within 60 days of election, re-election to office, or assuming office, as a condition to receiving compensation or allowance of expenses.
- B. The required orientation and training shall be offered at times and places convenient to the Board member.
- C. The orientation and training for newly elected Board members shall include:
 - 1. Attendance at the California Special District Association (CSDA) Special District Leadership Academy Conference or a half-day orientation by a third party trainer specialized in local governance. The training will include the following:
 - a. Roles and responsibilities of Board members.
 - b. The role of staff and the General Manager.
 - c. Attributes and characteristics of highly effective Boards
 - d. The Boards role in setting direction for the District and in establishing financial accountability and transparency.
 - 2. A copy of the Board Governing Documents, which shall be reviewed and acknowledged by the Director. The Board Governing Documents includes the following:

- a. District Background and Strategic Plan
 - b. CSDA Special District Board Member Handbook
 - c. Copy of this section of the Administrative Code
 - d. Ralph M. Brown Act
 - e. Copy of the Public Utility District Act
3. Briefings delivered by members of the management team regarding:
- a. District financial management and budgeting practices.
 - b. Review of the District Capital Improvement Program and a tour of the facilities owned or operated by the District.
 - c. The roles and responsibilities of each department.
4. A briefing with the District General Counsel regarding:
- a. Compliance laws and regulations, including conflict of interest rules under State and Federal law.
 - b. Legal responsibilities of Board members.
- D. This orientation and training shall supplement the training required by law under AB 1234.
- E. It is also recommended that new Board members complete additional training during their first term which would include:
- 1. Additional CSDA training, including additional Special District Leadership Academy Training and courses on financial oversight and governance
 - 2. Tours provided by MWD of the State Water Project and Colorado River Aqueduct systems
 - 3. San Diego County Water Authority Citizens Leadership Academy

Sec. 2.17 Directors Expenses Incurred on District Business.

Members of the Board of Directors attend regular, adjourned, or special meetings of the Board. In addition, they attend other District meetings, committee meetings, association meetings, and/or community functions or education seminars on behalf of the District. State statutes authorize District payments for meetings, reimbursement of expenses, and the provision of health and welfare benefits for active Directors. The District will compensate Directors a per diem for attendance at authorized meetings or functions and will reimburse Directors for reasonable expenses incurred

while traveling on District business to include lodging, dining, transportation, and related incidentals.

2.17.1 Directors and Meetings.

As provided in Article 2, Section 2.12 of the District's Administrative Code, each Director shall receive per diem compensation for each day of attendance at meetings of the Board or for each day of service rendered as a Director by request or authorization of the full Board, not to exceed a total of ten (10) days in any calendar month. Attendance at meetings or functions shall be approved in advance by the Board of Directors of the District in order to be eligible for compensation and/or reimbursement. Director's claims for per diem amounts shall be made on a Director Per Diem/Meeting Form.

The District may pay compensation to District Board members for attendance at the following occurrences:

1. A meeting of the Board of Directors.
2. A conference or organized educational activity.
3. Any meeting related to District business with prior approval pursuant to Section 2.12.
4. Standing committee meetings and ad hoc committee meetings. These meetings, where practical, should be scheduled to correlate with other meetings at the District on the same day.

When travel arrangements require a day earlier arrival or a day later departure, Directors will not be eligible for the compensation; however, reasonable expenses associated with the extended stay will be reimbursed as specified below.

2.17.2 Prepayment of Otherwise Reimbursable Expenses.

A Director may request prepayment of registration, transportation, and lodging. Prepayments shall be limited to the Director's expenses only. No advances shall be made on travel expenses.

2.17.3 Reimbursement of Expenses.

Each Director shall be reimbursed for travel expenses to and from meetings or for any other authorized District business as follows:

1. Authorization. Travel associated with the attendance of meetings or functions for Directors shall be approved in advance by the Board of Directors at a regular meeting with the item agendaized under "Advance Approval to Attend Meetings."
2. Transportation.
 - a. Air Transportation. The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares.
 - b. Automobile Transportation. Directors may use their personal vehicle. The District will reimburse Directors at the current rate/mileage as established by the Internal Revenue Service (IRS), plus tolls, parking, etc. provided, however, if air

transportation is available, the total amount of expenses paid shall be limited to the cost of coach air travel between points traveled by personal vehicle. Gasoline, collision and liability insurance, and maintenance will be provided by the Director and is deemed covered in the rate/mileage reimbursement.

Directors using personal vehicles on District business must maintain a valid California driver's license and automobile insurance coverage required by the State of California or make arrangements for a driver who meets the above requirements. The Secretary will verify that Directors have valid driver's licenses. Directors will also be required to maintain automobile insurance coverage. Proof of such insurance shall be submitted to the Secretary upon renewal of the Director's individual automotive insurance policy. A current policy must be on file for a Director to be eligible for mileage reimbursement.

The District will provide a rental car when needed. Such rental car shall be a compact unless upgrades are offered at no additional cost to the District.

- c. Miscellaneous Transportation. Whenever practicable bus, taxi, rail, shuttle, etc., transportation may be used in lieu of, or in conjunction with, transportation modes above.

2.17.4 Meals and Lodging.

Whenever travel requires meals, the meals shall be reimbursable provided the Director presents an itemized receipt along with the "Board Expense Reimbursement Form" for all meals. Reimbursements for expense items where a receipt has been lost will not be paid until the Board President has reviewed and approved the expense item. Meals are reimbursable based on the Meals and Incidental Expenses (M&IE) as updated by the U.S. General Services Administration:

1. Full Day Reimbursement. When a Director is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the Director may be reimbursed for meal expenses at the rate provided by the M&IE per day. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.
2. Single Meal Reimbursement. When a Director requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate provided by the M&IE for breakfast, lunch, and/or dinner. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.
3. Partial Day Reimbursement. When a director will be traveling for a partial day or where a single meal is provided for by other sources, such as pre-paid registration, the maximum reimbursement amount shall at the rate provided by the M&IE per meal. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.
4. Taxes and Gratuities. The maximum meal reimbursement amounts are inclusive of, and assume expenses for, taxes and gratuities of up to 15%.

5. Lodging. The District will reimburse Directors or pre-pay accommodations in single rooms at conference facilities at the group rates, if available, or in close proximity when applicable. Or, in the absence of conference accommodations, normal single-room business, government, or commercial class accommodations may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would require the Director to leave home before 6:00 a.m. or return to home after 12:00 a.m., lodging for the night before or the night after will be reimbursable.

2.17.5 Entertainment.

The District will not cover expenses incurred for recreation or entertainment.

2.17.6 Incidental Expenses.

Unavoidable, necessary, and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

1. Reasonable transportation to local restaurants and to operational functions that are a part of conference events.
2. Reasonable gratuities, up to 15%, on reimbursable expenses.
3. Parking fees related to conference functions.
4. Fees for in-room high speed internet access for each day while registered at the hotel.
5. The following expenses are not reimbursable:
 - a. Alcoholic beverages
 - b. Parking or traffic violations
 - c. In-room services or movies
 - d. Laundry services
 - e. Expenses incurred by spouses, family members or guests.

2.17.7 Director's Responsibility.

Directors must submit a detailed "Board Expense Reimbursement Form" for reimbursement. Expense Reports must document that expenses meet the existing District policy. Claim forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all meal expenses and for any expense over ten dollars (\$10). Receipts are not required for non-meal individual expenses of ten dollars (\$10) or less. However, an explanation of the expenditure, the amount paid and the vendor's name is required. If a receipt required for reimbursement is lost, the lost receipt must be noted on the "Board Expense Reimbursement Form," presented to the Board President, and approved for reimbursement before any payment can be made. Claim forms should be submitted within 30 calendar days after the expense was incurred. Expense claims requiring

reimbursement to the District, which are not reconciled within 30 calendar days, shall be deducted from the next month's reimbursement.

Expenses will not be reimbursed for meetings that have been pre-paid and not attended. Directors shall submit, in writing, for action at the next Board meeting the reason why they were not able to attend the meeting and why they should be excused. Directors will be required to reimburse the District for any pre-paid expenses for any unexcused absence. This reimbursement will be made by deduction from future expenditures.

When two or more Directors combine an expense on one receipt, the Director requesting reimbursement should indicate, on or attached to the Directors' "Board Expense Reimbursement Form," the identity of the other person(s) sharing expenses. This will facilitate appropriate allocation of expenses to each participant.

Expenses incurred by spouses, family members, or guests are the responsibility of the Director.

2.17.8 Reports.

Directors shall provide brief reports on meetings attended at the expense of Fallbrook Public Utility District at the next regular meeting of the District.

2.17.9 Penalties.

Penalties for misuse of District resources or falsifying expense reports in violation of expense reporting policies may include, but are not limited to, the following:

1. The loss of reimbursement privileges.
2. Restitution to the District.
3. Civil penalties for misuse of District resources pursuant to Govt. Code Sec. 8314.
4. Prosecution for misuse of District resources, pursuant to Sec. 424 of the Penal Code.

2.17.10 Ethics Training.

1. "District official" means the following:
 - a. Any Director who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.
 - b. Any employee designated by the District to receive the training specified under this article.
2. "Ethics Laws" include, but are not limited to, the following:
 - a. Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.
 - b. Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for

personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.

- c. Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
- 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.
 - (1) If a District official provides any type of compensation, salary, or stipend to a member of a legislative body, or provides reimbursement for actual and necessary expenses incurred by a member of a legislative body in the performance of official duties, then all District officials shall receive training in ethics pursuant to this article.
 - (2) Each District official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years.
 - (3) If any entity develops curricula to satisfy the requirements of this section, then the Fair Political Practices Commission and the Attorney General shall be consulted regarding the sufficiency and accuracy of any proposed course content. When reviewing any proposed course content, the Fair Political Practices Commission and the Attorney General shall not preclude an entity from also including local ethics policies in the curricula.
 - (4) The District or an association of the District may offer one or more training courses, or sets of self-study materials with tests, to meet the requirements of this section. These courses may be taken at home, in-person, or online.
 - (5) All providers of training courses to meet the requirements of this article shall provide participants with proof of participation.
 - (6) The District shall provide information on training available to meet the requirements of this article to its local officials at least once annually.
 - (a) Each District official in District service as of January 1, 2006, except for District Directors whose terms of office ends before January 1, 2007, shall receive the training required herein before January 1, 2007. Thereafter, each District official shall receive the training required herein at least once every two years.
 - (b) Each District official who commences service with the District on or after January 1, 2006, shall receive the training required herein no later than one year from the first day of service with the District. Thereafter, each District official shall receive the training required herein at least once every two years.
 - (c) A District official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.

- (d) The District shall maintain records indicating both of the following:
 - i. The dates that the District official satisfied the requirements of this article.
 - ii. The entity that provided the training.
- (e) Notwithstanding any other provision of law, the District shall maintain these records for at least five years after District officials receive the training. These records are public records subject to disclosure under the California Public Records Act.

Sec. 2.18 Gifts and Disclosure.

The California Political Reform Act of 1974 requires specified local government officials to periodically submit reports concerning sources of income or gifts as specified and has been amended to prohibit local elected office holders and designated employees of government agencies from accepting any honorarium as defined, as well as gifts in excess of \$470.00 with certain exceptions.

The Political Reform Act requires an annual disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least \$100.00 for individual charges paid to any employee or member of the governing body of the District.

2.18.1 Annual Disclosure of Reimbursements.

The Fallbrook Public Utility District shall cause, at least annually, the disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100) for each individual charge for services or product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee paid to any employee or member of the Board of Directors of the Fallbrook Public Utility District. The Assistant General Manager/Chief Financial Officer shall implement procedures to track such disbursements and publish or print same at least annually by a date determined by the District and shall be made available for public inspection. All reimbursement requests received after January 1, 1995, which are \$100 or more shall be listed. Payments for benefits such as insurance, retirement, and car allowances shall not be reported.

2.18.2 Prohibition Against Acceptance of Honorarium.

No elected officeholder, elected or appointed member of the Board of Directors, or "designated employee" (as defined in the Conflict of Interest Code) of the Fallbrook Public Utility District shall accept any honorarium. An "honorarium" means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. Honorarium does not include earned income for personal services which are customarily provided in connection with the practice of a bona fide business, trade, or profession such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting unless the sole or predominant activity of the business, trade, or profession is making speeches. This prohibition does not extend to reasonable travel, admission, and the refreshments provided at an event where a Board member or designated employee gives a speech or otherwise actively participates.

2.18.3 Permissible Gifts May Not Exceed \$470.00.

No elected officeholder, elected or appointed member of the Board of Directors, or designated employee of the Fallbrook Public Utility District shall accept any gifts, from any single source, which is in excess of four hundred seventy dollars (\$470), in any calendar year, except reimbursement for actual travel expenses and reasonable subsistence in connection therewith. The Fair Political Practices Commission may further adjust this amount annually. Prohibited gifts include anything of value that is accepted, regardless of whether it is used. Excessive gifts should be returned within 30 days to avoid violating the law. The limitation on receipt of gifts does not exempt wedding, birthday, or other holiday gifts. The following are not "gifts" under this section: gifts from relatives, informational material (i.e., reports, pamphlets, calendars to keep officials informed), inheritances, and personalized plaques and trophies with an individualized value of less than \$470. Other gifts that are not used and are donated to charity within 30 days of receipt are not included.

2.18.4 Penalties for Violations.

The penalties for violating the restrictions on honoraria and gifts under the Political Reform Act constitute a criminal misdemeanor and may be punished by a fine of up to the greater of \$10,000 or three times the amount the violation received.

ARTICLE 2
Sec. 2.12 – Rev. 95
Sec. 2.5 - Rev. 2/97
Sec. 2.11 – Rev. 9/98
Sec. 2.13 – Rev. 12/98
Secs. 2.2, 2.9, 2.10, 2.14 – Rev. 2/04
Sec. 2.3 – Rev. 6/06
Sec. 2.14 – Board Committees added – Rev. 8/08
Secs. 2.3, 2.4.1, 2.6, 2.12, 2.13 – Rev. 12/09
Sec. 2.12 – Rev. 9/10
Sec. 2.12 – Rev. 8/12
Sec. 2.16 – Added 12/12
Sec. 2.15 – Rev. 1/13
Secs. 2.16.5, 2.16.6, 2.16.7 – Rev. 9/14
Sec. 2.2 - Rev. 2/27
Sec. 2.12 – Rev. 10/17
Secs. 2.2.2, 2.2.3, 2.3, 2.4.1, 2.5, 2.6, 2.10, 2.11, 2.12, 2.16.7, and add 2.17, 2.17.1, 2.17.2, 2.17.3, 2.17.4, 2.17.5, 2.17.6, 2.17.7, 2.17.8, 2.17.9, 2.17.10, , 2.18, 2.18.1, 2.18.2, 2.18.3, 2.18.4 – Rev. 9/18

APPENDIX A

CALIFORNIA CODES

PENAL CODE

SECTION 403-420.1

403. Every person who, without authority of law, willfully disturbs or breaks up any assembly or meeting that is not unlawful in its character, other than an assembly or meeting referred to in Section 302 of the **Penal Code** or Section 18340 of the **Elections Code**, is guilty of a misdemeanor.

APPENDIX B

CALIFORNIA CODES
GOVERNMENT CODE
SECTION 3060-3075

3060. An accusation in writing against any officer of a district, county, or city, including any member of the governing board or personnel commission of a school district or any humane officer, for willful or corrupt misconduct in office, may be presented by the grand jury of the county for or in which the officer accused is elected or appointed. An accusation may not be presented without the concurrence of at least 12 grand jurors, or at least eight grand jurors in a county in which the required number of members of the grand jury is 11.

Article 12. Expenses Incurred on District Business Staff, Guidelines for

~~Sec. 12.1 Directors.~~

~~Members of the Board of Directors attend regular, adjourned, or special meetings of the Board. In addition, they attend other District meetings, committee meetings, association meetings, and/or community functions or education seminars on behalf of the District. State statutes authorize District payments for meetings, reimbursement of expenses, and the provision of health and welfare benefits for active Directors. The District will compensate Directors a per diem for attendance at authorized meetings or functions and will reimburse Directors for reasonable expenses incurred while traveling on District business to include lodging, dining, transportation, and related incidentals.~~

~~12.1.1 Directors and Meetings.~~

~~As provided in Article 2, Section 2.12 of the District's Administrative Code, each Director shall receive per diem compensation for each day of attendance at meetings of the Board or for each day of service rendered as a Director by request or authorization of the full Board, not to exceed a total of ten (10) days in any calendar month. Attendance at meetings or functions shall be approved in advance by the Board of Directors of the District in order to be eligible for compensation and/or reimbursement. Director's claims for per diem amounts shall be made on a Director Per Diem/Meeting Form.~~

~~The District may pay compensation to District Board members for attendance at the following occurrences:~~

- ~~1. A meeting of the Board of Directors.~~
- ~~2. A conference or organized educational activity.~~
- ~~3. Any meeting related to District business with prior approval pursuant to Section 2.12.~~
- ~~4. Standing committee meetings and ad hoc committee meetings. These meetings, where practical, should be scheduled to correlate with other meetings at the District on the same day.~~

~~When travel arrangements require a day earlier arrival or a day later departure, Directors will not be eligible for the compensation; however, reasonable expenses associated with the extended stay will be reimbursed as specified below.~~

~~12.1.2 Prepayment of Otherwise Reimbursable Expenses.~~

~~A Director may request prepayment of registration, transportation, and lodging using the Staff Travel Authorization Form. Prepayments shall be limited to the Director's expenses only. No advances shall be made on travel expenses.~~

~~12.1.3 Reimbursement of Expenses.~~

~~Each Director shall be reimbursed for travel expenses to and from meetings or for any other authorized District business as follows:~~

- ~~1. Authorization.~~

~~Travel associated with the attendance of meetings or functions for Directors shall be approved in advance by the Board of Directors at a regular meeting with the item agendized under "Advance Approval to Attend Meetings."~~

~~2. Transportation.~~

~~a. Air Transportation. The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares.~~

~~b. Automobile Transportation. Directors may use their personal vehicle. The District will reimburse Directors at the current rate/mileage as established by the Internal Revenue Service (IRS), plus tolls, parking, etc. provided, however, if air transportation is available, the total amount of expenses paid shall be limited to the cost of coach air travel between points traveled by personal vehicle. Gasoline, collision and liability insurance, and maintenance will be provided by the Director and is deemed covered in the rate/mileage reimbursement.~~

~~Directors using personal vehicles on District business must maintain a valid California driver's license and automobile insurance coverage required by the State of California or make arrangements for a driver who meets the above requirements. The Secretary will verify that Directors have valid driver's licenses. Directors will also be required to maintain automobile insurance coverage. Proof of such insurance shall be submitted to the Secretary upon renewal of the Director's individual automotive insurance policy. A current policy must be on file for a Director to be eligible for mileage reimbursement.~~

~~The District will provide a rental car when needed. Such rental car shall be a compact unless upgrades are offered at no additional cost to the District.~~

~~c. Miscellaneous Transportation. Whenever practicable bus, taxi, rail, shuttle, etc., transportation may be used in lieu of, or in conjunction with, transportation modes above.~~

~~12.1.4 Meals and Lodging.~~

~~Whenever travel requires meals, the meals shall be reimbursable provided the Director presents an itemized receipt along with the Board Expense Reimbursement Form for all meals. Reimbursements for expense items where a receipt has been lost will not be paid until the Board President has reviewed and approved the expense item. Meals are reimbursable up to the following maximum rates:~~

~~1. Full Day Reimbursement. When a Director is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the Director may be reimbursed for meal expenses up to a maximum rate of \$47 per day. If the Director exceeds the maximum rate and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the maximum rate.~~

~~2. Single Meal Reimbursement. When a Director requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate of \$10 for breakfast, \$12 for lunch, and \$25 for dinner. If the Director exceeds the maximum rate and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the maximum rate.~~

~~3. Partial Day Reimbursement. When a director will be traveling for a partial day or where a single meal is provided for by other sources such as pre paid registration, the maximum reimbursement amount shall be \$22, when only dinner is not reimbursable, \$35 when only lunch is not reimbursable, and \$37 when only breakfast is not reimbursable. If the Director exceeds the maximum rate and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the maximum rate.~~

~~4. Taxes and Gratuities. The maximum meal reimbursement amounts are inclusive of, and assume expenses for, taxes and gratuities of up to 15%.~~

~~5. Lodging. The District will reimburse Directors or pre-pay accommodations in single rooms at conference facilities at the group rates, if available, or in close proximity when applicable. Or, in the absence of conference accommodations, normal single room business, government, or commercial class accommodations may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would require the Director to leave home before 6:00 a.m. or return to home after 12:00 a.m., lodging for the night before or the night after will be reimbursable.~~

~~12.1.5 Entertainment.~~

~~The District will not cover expenses incurred for recreation or entertainment.~~

~~12.1.6 Incidental Expenses.~~

~~Unavoidable, necessary, and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:~~

~~1. Telephone calls (business): Calls placed by the Director, to the District office, or for the purpose of conducting District business. Business related calls should be itemized on the Board Expense Reimbursement Form.~~

~~2. Telephone calls (personal): One (1) brief personal call each day away from home, up to a \$5 maximum per day.~~

~~3. Telephone calls (local): Charges for local calls, for meal or transportation reservations, or for area information related to travel.~~

4. ~~Reasonable transportation to local restaurants and to operational functions that are a part of conference events.~~
5. ~~Reasonable gratuities, up to 15%, on reimbursable expenses.~~
6. ~~Parking fees related to conference functions.~~
7. ~~Fees for in room high speed internet access for each day while registered at the hotel.~~
8. ~~The following expenses are not reimbursable:~~
 - a) ~~Alcoholic beverages.~~
 - b) ~~Parking or traffic violations.~~
 - c) ~~In room services or movies.~~
 - d) ~~Laundry services.~~
 - e) ~~Expenses incurred by spouses, family members or guests.~~

~~12.1.7~~ Director's Responsibility.

~~Directors must submit a detailed Board Expense Reimbursement Form for reimbursement. Expense Reports must document that expenses meet the existing District policy. Claim forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all meal expenses and for any expense over ten dollars (\$10). Receipts are not required for non-meal individual expenses of ten dollars (\$10) or less. However, an explanation of the expenditure, the amount paid and the vendor's name is required. If a receipt required for reimbursement is lost, the lost receipt must be noted on the Board Expense Reimbursement Form, presented to the Board President, and approved for reimbursement before any payment can be made. Claim forms should be submitted within 30 calendar days after the expense was incurred. Expense claims requiring reimbursement to the District, which are not reconciled within 30 calendar days, shall be deducted from the next month's reimbursement.~~

~~Expenses will not be reimbursed for meetings that have been pre-paid and not attended. Directors shall submit, in writing, for action at the next Board meeting the reason why they were not able to attend the meeting and why they should be excused. Directors will be required to reimburse the District for any pre-paid expenses for any unexcused absence. This reimbursement will be made by deduction from future expenditures.~~

~~When two or more Directors combine an expense on one receipt, the Director requesting reimbursement should indicate, on or attached to the Directors' Board Expense Reimbursement Form, the identity of the other person(s) sharing expenses. This will facilitate appropriate allocation of expenses to each participant.~~

~~Expenses incurred by spouses, family members, or guests are the responsibility of the Director.~~

~~12.1.8~~ Reports.

~~Directors shall provide brief reports on meetings attended at the expense of Fallbrook Public Utility District at the next regular meeting of the District.~~

~~12.1.9 Penalties.~~

~~Penalties for misuse of District resources or falsifying expense reports in violation of expense reporting policies may include, but are not limited to, the following:~~

- ~~1. The loss of reimbursement privileges.~~
- ~~2. Restitution to the District.~~
- ~~3. Civil penalties for misuse of District resources pursuant to Govt. Code Sec. 8314.~~
- ~~4. Prosecution for misuse of District resources, pursuant to Sec. 424 of the Penal Code.~~

~~12.1.10 Ethics Training.~~

~~1. "District official" means the following:~~

- ~~a. Any Director who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.~~
- ~~b. Any employee designated by the District to receive the training specified under this article.~~

~~2. "Ethics Laws" include, but are not limited to, the following:~~

- ~~a. Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.~~
- ~~b. Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.~~
- ~~c. Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.~~
- ~~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.~~

~~(1) If a District official provides any type of compensation, salary, or stipend to a member of a legislative body, or provides reimbursement for actual and necessary expenses incurred by a member of a legislative body in the performance of official duties, then all District officials shall receive training in ethics pursuant to this article.~~

~~(2) Each District official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years.~~

~~(3) If any entity develops curricula to satisfy the requirements of this section, then the Fair Political Practices Commission and the Attorney General shall be consulted regarding~~

~~the sufficiency and accuracy of any proposed course content. When reviewing any proposed course content, the Fair Political Practices Commission and the Attorney General shall not preclude an entity from also including local ethics policies in the curricula.~~

~~(4) — The District or an association of the District may offer one or more training courses, or sets of self-study materials with tests, to meet the requirements of this section. These courses may be taken at home, in-person, or online.~~

~~(5) — All providers of training courses to meet the requirements of this article shall provide participants with proof of participation.~~

~~(6) — The District shall provide information on training available to meet the requirements of this article to its local officials at least once annually.~~

~~a. — Each District official in District service as of January 1, 2006, except for District Directors whose terms of office ends before January 1, 2007, shall receive the training required herein before January 1, 2007. Thereafter, each District official shall receive the training required herein at least once every two years.~~

~~b. — Each District official who commences service with the District on or after January 1, 2006, shall receive the training required herein no later than one year from the first day of service with the District. Thereafter, each District official shall receive the training required herein at least once every two years.~~

~~c. — A District official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.~~

~~d. — The District shall maintain records indicating both of the following:~~

~~i. — The dates that the District official satisfied the requirements of this article.~~

~~ii. — The entity that provided the training.~~

~~e. — Notwithstanding any other provision of law, the District shall maintain these records for at least five years after District officials receive the training. These records are public records subject to disclosure under the California Public Records Act.~~

Sec. 12.21 Staff, Guidelines For Expenses Incurred on District Business.

Employees of the District are called upon to travel in conjunction with their job functions. Federal and State codes permit and provide guidance for reimbursement of expenses and compensation to employees while traveling on District business. The District will reimburse District staff for reasonable expenses incurred while traveling on District business to include lodging, meals, transportation, and related incidentals. The District will compensate non-exempt employees while traveling in accordance with District policy and applicable Memorandums of Understanding (MOUs).

12.21.1 Advances and Prepayment of Otherwise Reimbursable Expenses.

Employees may request prepayment of registration, transportation, and lodging and may request an advance upon expected costs for meals, fuel for District or rental vehicles, public ground transportation, and taxis using the Staff Travel Authorization Form. Prepayments and advances shall be limited to the employee's expenses only. Advances shall not exceed the total maximum allowable meal

reimbursement anticipated for the trip plus known costs of ground transportation. Advances should be requested in a timely manner to allow normal processing through accounts payable.

12.21.2

Reimbursement of Expenses.

Each employee shall be reimbursed for travel expenses incurred while traveling on authorized District business, as follows:

1. Accountability. Travel expenses shall be budgeted by staff as a part of the annual budget process. Any travel expenses approved with the budget shall be considered authorized for that fiscal year only. Before the District expends any funds for authorized travel that involves lodging or public transportation expenses, the employee must ~~obtain~~ complete a Staff Travel Authorization Form. The employee's Manager or Supervisor shall approve the authorization form. When a Manager is traveling, the ~~Manager must obtain approval from~~ the General Manager shall approve the authorization form.

2. Transportation. The District will pay for reasonable transportation costs. If for personal preference or for non-business related reasons the employee incurs additional travel expenses, the employee will be responsible for the additional expenses.

a. Air Transportation. The District will reimburse employee(s) or pre-pay costs for economy (coach) class airfares. The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares. Whenever possible, air reservations shall be made to permit travel during normal business hours.

b. Automobile Transportation. Whenever travel by vehicle is most cost effective or practical, staff shall endeavor to use a District vehicle. Staff must have a valid driver's license to operate a District vehicle. The District will reimburse employees for gasoline purchases with receipts while using a District vehicle; however, employees should ensure that the vehicle has sufficient fuel to reach the desired destination and return, or a full tank of fuel, before departing from the District offices. Employees must comply with the provisions of the District's Administrative Code Section 11.24 and 11.27 whenever an employee chooses to use a District vehicle while traveling.

Employees must obtain permission from their Manager or Supervisor before using a personal vehicle in conjunction with District business. In situations where employees use personal vehicles on District business, the employee must maintain a valid California Driver's License and at least the minimum automobile insurance coverage required by the State of California or make arrangements for a driver who meets the above requirements. Proof of current insurance coverage must be on file with the Safety and Risk Administrator. Employees may not be reimbursed for travel in a personal vehicle if either the license or insurance requirements are not met.

If a personal vehicle is used, the employee will be reimbursed at the current maximum allowable tax-exempt reimbursement rate provided by the IRS regardless of the actual operating costs of the vehicle. Employees who receive a monthly mileage allowance are not eligible to receive reimbursement for mileage.

c. Rental Car Transportation. The District will cover the expenses required for use of a rental car whenever approved prior to departure. The maximum reimbursement for rental cars shall be based on the rate provided for a compact car. Upgrades or additional cost features are the employee's responsibility.

d. Miscellaneous Transportation. Whenever practicable, bus, taxi, rail, shuttle, etc. transportation may be used in lieu of, or in conjunction with, the modes listed above.

12.21.3

Meals and Lodging.

Whenever travel requires meals, the meals are reimbursable provided the employee presents an itemized receipt along with the Staff Expense Reimbursement Form for all meals. ~~Reimbursements for expense items where a receipt has been lost will not be paid until the employee's Manager/Supervisor has reviewed and approved the expense item. Meals are reimbursable up to the following maximum rates~~ Meals are reimbursable based on the Meals and Incidental Expenses (M&IE) as updated by the U.S. General Services Administration:

1. Full Day Reimbursement. When an employee is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the employee may be reimbursed for meal expenses at the rate provided by the M&IE per day up to a maximum rate of \$47 per day. If an employee exceeds the ~~maximum rate provided by the M&IE~~ and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the maximum M&IE rate.

2. Single Meal Reimbursement. When an employee requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate provided by the M&IE for breakfast, lunch, and/or dinner of \$10 for breakfast, \$12 for lunch, and \$25 for dinner. If an employee exceeds the ~~maximum rate provided by the M&IE~~ and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE maximum rate.

3. Partial Day Reimbursement. When an employee will be traveling for a partial day or where a single meal is provided for by other sources such as pre-paid registration, the maximum reimbursement amount shall be at the rate provided by the M&IE per meal. \$22, when only dinner is not reimbursable, \$35 when only lunch is not reimbursable, and \$37 when only breakfast is not reimbursable. If an employee exceeds the maximum rate and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE maximum rate.

4. Taxes and Gratuities. The maximum meal reimbursement amounts are inclusive of and assume expenses for taxes and gratuities of up to 15%.

5. Lodging. The District will reimburse employees or pre-pay accommodations in single rooms at conference facilities or in close proximity when applicable. In the absence of conference accommodations, normal single-room business, government or commercial class accommodations may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would

require the employee to leave home before 6:00 a.m. or return to home after 12:00 a.m., lodging for the night before or the night after will be reimbursable. If staying overnight, an extra night, or over a weekend at a destination allows for a reduction of travel expenses and the cost of accommodations is less than the savings realized by the reduced transportation expenses, the District may pre-pay or reimburse the employee for the extra night's lodging. Only lodging expenses may be reimbursed in these situations.

12.21.4 Entertainment.

The District will not cover expenses incurred for recreation or entertainment.

12.21.5 Incidental Expenses.

Unavoidable, necessary, and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

- ~~1. Telephone calls (business): Calls placed by the employee, to the District office, or for the purpose of conducting District business. Business related calls should be itemized on the Staff Expense Reimbursement Form.~~
- ~~2. Telephone calls (personal): One (1) brief personal call each day away from home up to a \$5 maximum per day.~~
- ~~3. Telephone calls (local): Charges for local calls, for meal or transportation reservations, or for area information related to travel.~~
14. Reasonable transportation to local restaurants and to operational functions that are a part of conference events.
25. Reasonable gratuities, up to 15%, on reimbursable expenses.
36. Parking fees related to conference functions.
47. Fees for in-room high speed internet access for each day while registered at the hotel.
58. The following expenses are not reimbursable:-
 - a) Alcoholic beverages
 - b) Parking or traffic violations
 - c) In-room services or movies
 - d) Laundry services
 - e) Expenses incurred by spouses, family members or guests.

12.21.6 Compensation for Non-Exempt Employees.

Non-exempt employees traveling and staying overnight are normally authorized to work only the total number of hours they were regularly scheduled to work, exclusive of applicable travel time. However, all employees traveling and staying overnight are considered by the District to be on flexible schedules. During

flexible schedules, employees' starting time, meal period, rest periods, etc. are adjusted to accomplish work with minimal overtime.

Should business require a non-exempt employee to travel, function attendance and travel hours are compensable. These hours are considered regular work hours for purposes of calculating overtime. During any compensable hours an employee is subject to any and all provisions of Fallbrook Public Utility Personnel Regulations.

The following hours are compensable:

- a. Actual hours spent at meetings, conferences, or functions, excepting meals and special events of an entertainment nature held in conjunction with a function.
- b. Actual hours spent in transit, minus hours normally spent in travel between the employee's residence and the District. Any time spent in layover at a public transportation facility is also compensable as transit time unless the employee chooses to participate in recreational activities during the layover.

12.21.7

Employees' Responsibility.

In situations where an employee can use the Petty Cash procedures for reimbursement of travel expenses, the employee may submit a Petty Cash Form to be reimbursed. If expenses to be reimbursed are beyond the scope of the Petty Cash procedures, employees must submit a detailed Staff Expense Reimbursement Form. Petty Cash and Staff Expense Reimbursement Forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all expenses. If a receipt required for reimbursement is lost, the lost receipt must be noted on the Staff Expense Reimbursement Form and approved for reimbursement before any payment can be made. Claim forms shall be submitted within 14 calendar days after the expenses were incurred. Forms may be obtained through the Administrative Services Manager/Treasurer/Treasurer's office and are posted on the public network drive.

Expenses will not be reimbursed for meetings that have been pre-paid and not attended. Employees may be required to reimburse the District for any pre-paid expenses for any unexcused absence. The General Manager will determine if an absence from a pre-paid meeting is excused or unexcused.

When two (2) or more employees combine an expense on one receipt, the employee requesting reimbursement should indicate on the Staff Expense Reimbursement Form the identity of the other persons sharing expenses.

Expenses incurred by spouses, family members, or guests are the responsibility of the employee.

All reimbursements for expenses will be at the General Manager's discretion.

Sec. 12.2 Code of Conduct

Fallbrook Public Utility District relies on the ethical and responsible conduct of all employees. Even the appearance of unethical or irresponsible conduct can be damaging to the public's trust in the District. Employees are expected to conduct themselves fairly, honestly, in good faith, and in accordance with the highest ethical and professional standards and to comply

with applicable laws, regulations, contractual obligations, and District policies. The purpose of this Code of Ethics is to set a standard of conduct for all employees. Accordingly, the FPUD Board of Directors adopted this Code of Ethics to:

1. Provide an ongoing source of guidance to employees, in the performance of their duties and their day-to-day service to the District and citizens of Fallbrook; and
2. Promote and maintain a culture of ethics.

12.2.1 General Rule with Respect to Conflicts of Interest

A conflict of interest exists when you have a personal or professional interest that is, or appears to be, at odds with the best interests of the District. Employees shall not engage in or hold any direct or indirect interest in any business or transaction that may conflict with their official duties for the District. Further, employees should not engage in conduct that could reasonably give rise to the appearance of wrongdoing.

12.2.2 Acceptance of Gifts, Gratuities or Benefits

Employees shall not accept any gifts, gratuities, or benefits, which a reasonable person would believe is provided to the employee primarily because of his/her official position, if ANY of the following apply:

1. A reasonable person would believe it is intended or is likely to cause the employee to act in a preferential manner towards the donor;
2. A reasonable person would believe the employee is under an obligation to or influence of the donor;
3. The item consists of cash or anything easily convertible to cash (e.g., entertainment tickets), regardless of the amount or value; or
4. The value of the gift exceeds \$25 or the accumulation of the value of gifts from a single donor to the employee exceeds \$50 in a 12-month period.

For the purposes of this section, the terms gift, benefit and gratuity shall mean the transfer of cash, goods or services without reasonable and valuable consideration.

An employee shall disclose the nature of any benefit, gift or gratuity and all relevant circumstances to his or her supervisor, the General Manager, or his/her designee, in order to evaluate the reasonableness of any such benefit, gift or gratuity.

12.2.3 Actions and Conduct Designed to Build Public Confidence

employees shall be impartial and dedicated to the best interests of the District. They are required to conduct themselves, both inside and outside the District's service, so as not to cause doubt of their impartiality or dedication to the District's best interests.

Employees shall also avoid perceived conflicts of interest, which are actions that the public may consider evidence of preferential service or a lack of neutrality in dealing with work-related issues.

12.2.4 Use of Confidential Information

Employees shall not disclose confidential information acquired by or available to them in the course of their employment with the District or use such information for personal gain. This applies to improper disclosure within the organization as well as to the public.

12.2.5 Use of District Employment and Facilities for Private Gain

Employees shall not use, for private gain or advantage, their District time or the District's facilities, equipment or supplies, nor shall they use or attempt to use their position to secure unwarranted privileges or exemptions for themselves or others.

12.2.6 Contracts with the District

Employees shall not be involved in any way with any contract or sale in which they have a financial interest. This means that an employee shall not exercise any discretionary powers for, nor make any recommendations on behalf of or to the District with respect to any contract or sale involving the District if that employee is directly or indirectly financially interested in the contract or sale. This prohibition is not limited to the actual execution of a contract or sale; it covers the entire contracting process, including advising and participating in preliminary discussions, negotiations, compromises, reasoning, planning, drawing of plans and specifications and solicitation of bids.

12.2.7 Personal Investments

Employees shall not make personal investments which could create a substantial conflict between their private interests and the public interests. If an employee has a financial interest in a matter coming before him or her, or before the department in whichs/he is employed, s/he shall disqualify him or herself from any participation in the matter. Employees shall not make decisions or participate in decisions affecting projects that may affect (either positively or adversely) their personal property or that of their relatives or personal friends.

12.2.8 Behavior in the Workplace

Employees are responsible for conducting themselves professionally and lawfully in the workplace. Employees are expected to be aware of and conduct themselves in accordance with the following District documents and policies:

1. Administrative Code
2. Personnel Regulations
3. Drug/Alcohol-Free Awareness Program
4. Unlawful Discrimination and Harassment

Employees are expected to be committed to creating an environment that promotes fair treatment and respect for others. Employees are expected to treat one another and the general public in an honest and respectful manner.

No Code of Conduct can list all prohibited conduct. The following information, which is not all-inclusive, illustrates some examples of specifically prohibited conduct that may lead to disciplinary action, up to and including, termination, as either unsatisfactory work performance or work-related behavior, or gross misconduct, under District policy.

Respect for Persons

- a. Disorderly conduct, including, but not limited to, using discriminatory, abusive, or threatening language; fighting, provoking a fight, or attempting bodily harm or injury to another employee or to any other individual or threatening physical action or injury on District property or during District activities; or other conduct that threatens or endangers the health, safety, or well-being of any person.
- b. Violation of any District policy or law prohibiting harassment, discrimination, or retaliation.

Respect for Property

- a. Theft or willful negligent damage to District property.
- b. Tampering with or wantonly destroying District data, records, or other information; gaining unauthorized access to such information; disclosing confidential information; or otherwise misusing District data or information.
- c. Unauthorized use of District vehicles, mail services, identification and credit cards, telephones, computers, computer equipment, or other District equipment or materials. Computers and computer accounts are provided to employees to assist them in the performance of their jobs. Employees do not have a right to privacy in anything they create, send, or receive on a District computer. The District has the right to monitor, for business reasons, all aspects of any District computer system, including employee e-mail.

Standards of Safety

- a. The unlawful manufacture, distribution, dispensation, possession, or use of alcohol, illegal drugs, intoxicants, or controlled substances; abuse of prescription drugs while on duty; use of alcohol in a District vehicle, on or off District property; possession or use of alcohol while on duty; or reporting to work under the

influence of illegal drugs or alcohol or while unlawfully using controlled substances.

- b. Failure to comply with safety rules, regulations, or common safety practices.
- c. Failure to report an accident involving on-the-job injury or damage to District property.

Compliance with Laws and District Policies

- a. Falsification of District records.
- b. Behavior or conduct unacceptable to the District.
- c. Any violation of any law in the performance of duties or that affects the ability to perform duties satisfactorily.
- d. Fabrication, falsification, plagiarism, or other serious unethical or illegal deviations from accepted practices in proposing, conducting, reporting the results of or reviewing research of service activities, in violation of District policy or state or federal law or regulations.
- e. The access, use, or disclosure of a person's financial, personal, protected health information, or other confidential information without authorization or legal justification, in violation of District policies or law.

Work Performance

- a. Dishonesty
- b. Insubordination or refusal of an employee to follow instructions or to perform designated work or to comply with directives from their supervisor or the General Manager.
- c. Failure or refusal to maintain or obtain required licensure, certification, or registration.
- d. Instigating or participating in deliberate low productivity and/or interfering with another employee's work.

Standards of Attendance

- a. Unexcused Absence. An absence without proper advanced notification is considered an unexcused absence.

Ethical behavior, consistent with the foregoing Code of Ethics, is the responsibility of each employee. Employees are expected to report any good-faith concern that compliance violations might have occurred, including, but not limited to, the following: violations of state or federal law or regulations; fraud; misappropriation of resources; acts that endanger the health or safety of the public or employees; and mismanagement of programs, funds, and/or abuses of authority. Moreover, each employee is responsible for reporting ethical violations committed by fellow employees to a supervisor, the General Manager or the Human Resources Manager. Any employee who violates this Code will be subject to

disciplinary action in accordance with the applicable employee unit Memorandum of Understanding or District Personnel Regulations.

12.2.9 Ethics Training

All new employees will be required to complete an online ethics training course as part of their new-hire orientation process. In addition, the District will require all current employees to complete an online ethics-training course at least once every two years. In lieu of the online ethics-training course, the District may opt to provide an in-person ethics training.

Sec. 12.3 — Gifts and Disclosure.

~~————— The California Political Reform Act of 1974 requires specified local government officials to periodically submit reports concerning sources of income or gifts as specified and has been amended to prohibit local elected office holders and designated employees of government agencies from accepting any honorarium as defined, as well as gifts in excess of \$270.00 with certain exceptions.~~

~~The Political Reform Act requires an annual disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least \$100.00 for individual charges paid to any employee or member of the governing body of the District.~~

~~—— 12.3.1 ——— Annual Disclosure of Reimbursements.~~

~~————— The Fallbrook Public Utility District shall cause, at least annually, the disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100) for each individual charge for services or product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee paid to any employee or member of the Board of Directors of the Fallbrook Public Utility District. The Administrative Services Manager/Treasurer shall implement procedures to track such disbursements and publish or print same at least annually by a date determined by the District and shall be made available for public inspection. All reimbursement requests received after January 1, 1995, which are \$100 or more shall be listed. Payments for benefits such as insurance, retirement, and car allowances shall not be reported.~~

~~—— 12.3.2 ——— Prohibition Against Acceptance of Honorarium.~~

~~————— No elected officeholder, elected or appointed member of the Board of Directors, or "designated employee" (as defined in the Conflict of Interest Code) of the Fallbrook Public Utility District shall accept any honorarium. An "honorarium" means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. Honorarium does not include earned income for personal services~~

~~which are customarily provided in connection with the practice of a bona fide business, trade, or profession such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting unless the sole or predominant activity of the business, trade, or profession is making speeches. This prohibition does not extend to reasonable travel, admission, and the refreshments provided at an event where a Board member or designated employee gives a speech or otherwise actively participates.~~

~~————— 12.3.3 ————— Permissible Gifts May Not Exceed \$270.00.~~

~~————— No elected officeholder, elected or appointed member of the Board of Directors, or designated employee of the Fallbrook Public Utility District shall accept any gifts, from any single source, which is in excess of two hundred seventy dollars (\$270), in any calendar year, except reimbursement for actual travel expenses and reasonable subsistence in connection therewith. The Fair Political Practices Commission may further adjust this amount annually. Prohibited gifts include anything of value that is accepted, regardless of whether it is used. Excessive gifts should be returned within 30 days to avoid violating the law. The limitation on receipt of gifts does not exempt wedding, birthday, or other holiday gifts. The following are not "gifts" under this section: gifts from relatives, informational material (i.e., reports, pamphlets, calendars to keep officials informed), inheritances, and personalized plaques and trophies with an individualized value of less than \$270. Other gifts that are not used and are donated to charity within 30 days of receipt are not included.~~

~~————— 12.3.4 ————— Penalties for Violations.~~

~~————— The penalties for violating the restrictions on honoraria and gifts under the Political Reform Act constitute a criminal misdemeanor and may be punished by a fine of up to the greater of \$10,000 or three times the amount the violation received.~~

ARTICLE 12
Sec. 12.9 - Rev. 12/94
5/00 – Rev. in its entirety
Sec. 12.1.1; 12.1.4; 12.1.7;
12.1.8; 12.1.9; 12.1.10 – Rev.
12/05
Sec. 12.1.4 (2 & 3) and Sec.
12.2.3 (2 & 3) – Rev. 12/07
Sec. 12.1.1; 12.1.3; 12.2.2;
12.2.7 – Rev. 12/09
12.1.4, 12.1.6, 12.2.3, 12.2.5,
12.2.7 – Rev. 9/11
12.1.4 - Rev. 10/11
Sec. 12.1.1 – Rev. 10/17
<u>All Sections – Rev. 8/18</u>

Article 12. Staff, Guidelines for

Sec. 12.1 Expenses Incurred on District Business.

Employees of the District are called upon to travel in conjunction with their job functions. Federal and State codes permit and provide guidance for reimbursement of expenses and compensation to employees while traveling on District business. The District will reimburse District staff for reasonable expenses incurred while traveling on District business to include lodging, meals, transportation, and related incidentals. The District will compensate non-exempt employees while traveling in accordance with District policy and applicable Memorandums of Understanding (MOUs).

12.1.1 Advances and Prepayment of Otherwise Reimbursable Expenses.

Employees may request prepayment of registration, transportation, and lodging and may request an advance upon expected costs for meals, fuel for District or rental vehicles, public ground transportation, and taxis using the Staff Travel Authorization Form. Prepayments and advances shall be limited to the employee's expenses only. Advances shall not exceed the total maximum allowable meal reimbursement anticipated for the trip plus known costs of ground transportation. Advances should be requested in a timely manner to allow normal processing through accounts payable.

12.1.2 Reimbursement of Expenses.

Each employee shall be reimbursed for travel expenses incurred while traveling on authorized District business, as follows:

1. Accountability. Travel expenses shall be budgeted by staff as a part of the annual budget process. Any travel expenses approved with the budget shall be considered authorized for that fiscal year only. Before the District expends any funds for authorized travel that involves lodging or public transportation expenses, the employee must complete a Staff Travel Authorization Form. The employee's Manager or Supervisor shall approve the authorization form. When a Manager is traveling, the the General Manager shall approve the authorization form.
2. Transportation. The District will pay for reasonable transportation costs. If for personal preference or for non-business related reasons the employee incurs additional travel expenses, the employee will be responsible for the additional expenses.
 - a. Air Transportation. The District will reimburse employee(s) or pre-pay costs for economy (coach) class airfares. The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares. Whenever possible, air reservations shall be made to permit travel during normal business hours.
 - b. Automobile Transportation. Whenever travel by vehicle is most cost effective or practical, staff shall endeavor to use a District vehicle. Staff must have a valid driver's license to operate a District vehicle. The District will reimburse employees for gasoline purchases with receipts while using a District vehicle; however, employees should ensure that the vehicle has sufficient fuel to reach the desired destination and return, or a full tank of fuel, before departing from the District offices. Employees must comply with the provisions of the District's

Administrative Code Section 11.24 and 11.27 whenever an employee chooses to use a District vehicle while traveling.

Employees must obtain permission from their Manager or Supervisor before using a personal vehicle in conjunction with District business. In situations where employees use personal vehicles on District business, the employee must maintain a valid California Driver's License and at least the minimum automobile insurance coverage required by the State of California or make arrangements for a driver who meets the above requirements. Proof of current insurance coverage must be on file with the Safety and Risk Administrator. Employees may not be reimbursed for travel in a personal vehicle if either the license or insurance requirements are not met.

If a personal vehicle is used, the employee will be reimbursed at the current maximum allowable tax-exempt reimbursement rate provided by the IRS regardless of the actual operating costs of the vehicle. Employees who receive a monthly mileage allowance are not eligible to receive reimbursement for mileage.

- c. Rental Car Transportation. The District will cover the expenses required for use of a rental car whenever approved prior to departure. The maximum reimbursement for rental cars shall be based on the rate provided for a compact car. Upgrades or additional cost features are the employee's responsibility.
- d. Miscellaneous Transportation. Whenever practicable, bus, taxi, rail, shuttle, etc. transportation may be used in lieu of, or in conjunction with, the modes listed above.

12.1.3 Meals and Lodging.

Whenever travel requires meals, the meals are reimbursable provided the employee presents an itemized receipt along with the Staff Expense Reimbursement Form for all meals. Meals are reimbursable based on the Meals and Incidental Expenses (M&IE) as updated by the U.S. General Services Administration:

1. Full Day Reimbursement. When an employee is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the employee may be reimbursed for meal expenses at the rate provided by the M&IE per day. If an employee exceeds the rate provided by the M&IE and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE rate.
2. Single Meal Reimbursement. When an employee requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate provided by the M&IE for breakfast, lunch, and/or dinner. If an employee exceeds the rate provided by the M&IE and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE rate.
3. Partial Day Reimbursement. When an employee will be traveling for a partial day or where a single meal is provided for by other sources such as pre-paid registration, the maximum reimbursement amount shall be at the rate provided by the M&IE per meal. If an employee exceeds the maximum rate and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE rate.

4. Taxes and Gratuities. The maximum meal reimbursement amounts are inclusive of and assume expenses for taxes and gratuities of up to 15%.
5. Lodging. The District will reimburse employees or pre-pay accommodations in single rooms at conference facilities or in close proximity when applicable. In the absence of conference accommodations, normal single-room business, government or commercial class accommodations may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would require the employee to leave home before 6:00 a.m. or return to home after 12:00 a.m., lodging for the night before or the night after will be reimbursable. If staying overnight, an extra night, or over a weekend at a destination allows for a reduction of travel expenses and the cost of accommodations is less than the savings realized by the reduced transportation expenses, the District may pre-pay or reimburse the employee for the extra night's lodging. Only lodging expenses may be reimbursed in these situations.

12.1.4 Entertainment.

The District will not cover expenses incurred for recreation or entertainment.

12.1.5 Incidental Expenses.

Unavoidable, necessary, and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

1. Reasonable transportation to local restaurants and to operational functions that are a part of conference events.
2. Reasonable gratuities, up to 15%, on reimbursable expenses.
3. Parking fees related to conference functions.
4. Fees for in-room high speed internet access for each day while registered at the hotel.
5. The following expenses are not reimbursable:
 - a. Alcoholic beverages
 - b. Parking or traffic violations
 - c. In-room services or movies
 - d. Laundry services
 - e. Expenses incurred by spouses, family members or guests

12.1.6 Compensation for Non-Exempt Employees.

Non-exempt employees traveling and staying overnight are normally authorized to work only the total number of hours they were regularly scheduled to work, exclusive of applicable travel time. However, all employees traveling

and staying overnight are considered by the District to be on flexible schedules. During flexible schedules, employees' starting time, meal period, rest periods, etc. are adjusted to accomplish work with minimal overtime.

Should business require a non-exempt employee to travel, function attendance and travel hours are compensable. These hours are considered regular work hours for purposes of calculating overtime. During any compensable hours an employee is subject to any and all provisions of Fallbrook Public Utility Personnel Regulations.

The following hours are compensable:

1. Actual hours spent at meetings, conferences, or functions, excepting meals and special events of an entertainment nature held in conjunction with a function.
2. Actual hours spent in transit, minus hours normally spent in travel between the employee's residence and the District. Any time spent in layover at a public transportation facility is also compensable as transit time unless the employee chooses to participate in recreational activities during the layover.

12.1.7 Employees' Responsibility.

In situations where an employee can use the Petty Cash procedures for reimbursement of travel expenses, the employee may submit a Petty Cash Form to be reimbursed. If expenses to be reimbursed are beyond the scope of the Petty Cash procedures, employees must submit a detailed Staff Expense Reimbursement Form. Petty Cash and Staff Expense Reimbursement Forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all expenses. If a receipt required for reimbursement is lost, the lost receipt must be noted on the Staff Expense Reimbursement Form and approved for reimbursement before any payment can be made. Claim forms shall be submitted within 14 calendar days after the expenses were incurred. Forms may be obtained through the Administrative Services Manager/Treasurer/Treasurer's office and are posted on the public network drive.

Expenses will not be reimbursed for meetings that have been pre-paid and not attended. Employees may be required to reimburse the District for any pre-paid expenses for any unexcused absence. The General Manager will determine if an absence from a pre-paid meeting is excused or unexcused.

When two (2) or more employees combine an expense on one receipt, the employee requesting reimbursement should indicate on the Staff Expense Reimbursement Form the identity of the other persons sharing expenses.

Expenses incurred by spouses, family members, or guests are the responsibility of the employee.

All reimbursements for expenses will be at the General Manager's discretion.

Sec. 12.2 Code of Conduct.

Fallbrook Public Utility District relies on the ethical and responsible conduct of all employees. Even the appearance of unethical or irresponsible conduct can be damaging to the public's trust in the District. Employees are expected to conduct

themselves fairly, honestly, in good faith, and in accordance with the highest ethical and professional standards and to comply with applicable laws, regulations, contractual obligations, and District policies. The purpose of this Code of Ethics is to set a standard of conduct for all employees. Accordingly, the FPUD Board of Directors adopted this Code of Ethics to:

1. Provide an ongoing source of guidance to employees, in the performance of their duties and their day-to-day service to the District and citizens of Fallbrook; and
2. Promote and maintain a culture of ethics.

12.2.1 General Rule with Respect to Conflicts of Interest.

A conflict of interest exists when you have a personal or professional interest that is, or appears to be, at odds with the best interests of the District. Employees shall not engage in or hold any direct or indirect interest in any business or transaction that may conflict with their official duties for the District. Further, employees should not engage in conduct that could reasonably give rise to the appearance of wrongdoing.

12.2.2 Acceptance of Gifts, Gratuities or Benefits.

Employees shall not accept any gifts, gratuities, or benefits, which a reasonable person would believe is provided to the employee primarily because of his/her official position, if ANY of the following apply:

1. A reasonable person would believe it is intended or is likely to cause the employee to act in a preferential manner towards the donor;
2. A reasonable person would believe the employee is under an obligation to or influence of the donor;
3. The item consists of cash or anything easily convertible to cash (e.g., entertainment tickets), regardless of the amount or value; or
4. The value of the gift exceeds \$25 or the accumulation of the value of gifts from a single donor to the employee exceeds \$50 in a 12-month period.

For the purposes of this section, the terms gift, benefit and gratuity shall mean the transfer of cash, goods or services without reasonable and valuable consideration.

An employee shall disclose the nature of any benefit, gift or gratuity and all relevant circumstances to his or her supervisor, the General Manager, or his/her designee, in order to evaluate the reasonableness of any such benefit, gift or gratuity.

12.2.3 Actions and Conduct Designed to Build Public Confidence.

Employees shall be impartial and dedicated to the best interests of the District. They are required to conduct themselves, both inside and outside the District's service, so as not to cause doubt of their impartiality or dedication to the District's best interests.

Employees shall also avoid perceived conflicts of interest, which are actions that the public may consider evidence of preferential service or a lack of neutrality in dealing with work-related issues.

12.2.4 Use of Confidential Information.

Employees shall not disclose confidential information acquired by or available to them in the course of their employment with the District or use such information for personal gain. This applies to improper disclosure within the organization as well as to the public.

12.2.5 Use of District Employment and Facilities for Private Gain.

Employees shall not use, for private gain or advantage, their District time or the District's facilities, equipment or supplies, nor shall they use or attempt to use their position to secure unwarranted privileges or exemptions for themselves or others.

12.2.6 Contracts with the District.

Employees shall not be involved in any way with any contract or sale in which they have a financial interest. This means that an employee shall not exercise any discretionary powers for, nor make any recommendations on behalf of or to the District with respect to any contract or sale involving the District if that employee is directly or indirectly financially interested in the contract or sale. This prohibition is not limited to the actual execution of a contract or sale; it covers the entire contracting process, including advising and participating in preliminary discussions, negotiations, compromises, reasoning, planning, drawing of plans and specifications and solicitation of bids.

12.2.7 Personal Investments.

Employees shall not make personal investments which could create a substantial conflict between their private interests and the public interests. If an employee has a financial interest in a matter coming before him or her, or before the department in which s/he is employed, s/he shall disqualify him or herself from any participation in the matter. Employees shall not make decisions or participate in

decisions affecting projects that may affect (either positively or adversely) their personal property or that of their relatives or personal friends.

12.2.8 Behavior in the Workplace.

Employees are responsible for conducting themselves professionally and lawfully in the workplace. Employees are expected to be aware of and conduct themselves in accordance with the following District documents and policies:

1. Administrative Code
2. Personnel Regulations
3. Drug/Alcohol-Free Awareness Program
4. Unlawful Discrimination and Harassment

Employees are expected to be committed to creating an environment that promotes fair treatment and respect for others. Employees are expected to treat one another and the general public in an honest and respectful manner.

No Code of Conduct can list all prohibited conduct. The following information, which is not all-inclusive, illustrates some examples of specifically prohibited conduct that may lead to disciplinary action, up to and including, termination, as either unsatisfactory work performance or work-related behavior, or gross misconduct, under District policy.

Respect for Persons.

1. Disorderly conduct, including, but not limited to, using discriminatory, abusive, or threatening language; fighting, provoking a fight, or attempting bodily harm or injury to another employee or to any other individual or threatening physical action or injury on District property or during District activities; or other conduct that threatens or endangers the health, safety, or well-being of any person.
2. Violation of any District policy or law prohibiting harassment, discrimination, or retaliation.

Respect for Property.

1. Theft or willful negligent damage to District property.
2. Tampering with or wantonly destroying District data, records, or other information; gaining unauthorized access to such information; disclosing confidential information; or otherwise misusing District data or information.

3. Unauthorized use of District vehicles, mail services, identification and credit cards, telephones, computers, computer equipment, or other District equipment or materials. Computers and computer accounts are provided to employees to assist them in the performance of their jobs. Employees do not have a right to privacy in anything they create, send, or receive on a District computer. The District has the right to monitor, for business reasons, all aspects of any District computer system, including employee e-mail.

Standards of Safety.

1. The unlawful manufacture, distribution, dispensation, possession, or use of alcohol, illegal drugs, intoxicants, or controlled substances; abuse of prescription drugs while on duty; use of alcohol in a District vehicle, on or off District property; possession or use of alcohol while on duty; or reporting to work under the influence of illegal drugs or alcohol or while unlawfully using controlled substances.
2. Failure to comply with safety rules, regulations, or common safety practices.
3. Failure to report an accident involving on-the-job injury or damage to District property.

Compliance with Laws and District Policies.

1. Falsification of District records.
2. Behavior or conduct unacceptable to the District.
3. Any violation of any law in the performance of duties or that affects the ability to perform duties satisfactorily.
4. Fabrication, falsification, plagiarism, or other serious unethical or illegal deviations from accepted practices in proposing, conducting, reporting the results of or reviewing research of service activities, in violation of District policy or state or federal law or regulations.
5. The access, use, or disclosure of a person's financial, personal, protected health information, or other confidential information without authorization or legal justification, in violation of District policies or law.

Work Performance.

1. Dishonesty
2. Insubordination or refusal of an employee to follow instructions or to perform designated work or to comply with directives from their supervisor or the General Manager.

3. Failure or refusal to maintain or obtain required licensure, certification, or registration.
4. Instigating or participating in deliberate low productivity and/or interfering with another employee's work.

Standards of Attendance.

1. Unexcused Absence. An absence without proper advanced notification is considered an unexcused absence.

Ethical behavior, consistent with the foregoing Code of Ethics, is the responsibility of each employee. Employees are expected to report any good-faith concern that compliance violations might have occurred, including, but not limited to, the following: violations of state or federal law or regulations; fraud; misappropriation of resources; acts that endanger the health or safety of the public or employees; and mismanagement of programs, funds, and/or abuses of authority. Moreover, each employee is responsible for reporting ethical violations committed by fellow employees to a supervisor, the General Manager or the Human Resources Manager. Any employee who violates this Code will be subject to disciplinary action in accordance with the applicable employee unit Memorandum of Understanding or District Personnel Regulations.

12.2.9 Ethics Training.

All new employees will be required to complete an online ethics training course as part of their new-hire orientation process. In addition, the District will require all current employees to complete an online ethics training course at least once every two years. In lieu of the online ethics-training course, the District may opt to provide an in-person ethics training.

<p>ARTICLE 12</p> <hr/> <p>Sec. 12.9 - Rev. 12/94 5/00 – Rev. in its entirety Sec. 12.1.1; 12.1.4; 12.1.7; 12.1.8; 12.1.9; 12.1.10 – Rev. 12/05 Sec. 12.1.4 (2 & 3) and Sec. 12.2.3 (2 & 3) – Rev. 12/07 Sec. 12.1.1; 12.1.3; 12.2.2; 12.2.7 – Rev. 12/09 12.1.4, 12.1.6, 12.2.3, 12.2.5, 12.2.7 – Rev. 9/11 12.1.4 - Rev. 10/11 Sec. 12.1.1 – Rev. 10/17 All Sections – Rev. 9/18</p>

MEMORANDUM

B

TO: Personnel Committee
FROM: Lisa Chaffin, Human Resources Manager
DATE: August 14, 2018
SUBJECT: Accounting and Customer Service Staffing

Purpose

To obtain approval for staffing changes in accounting and customer service, to include a new Senior Accountant position and the proposed salary range to allow staff to open the recruitment in the near future.

Summary

Following the recent retirement of the Accounting Supervisor, staff evaluated the accounting and customer service department's current staffing and the existing and projected workload. In support of efforts to continue to improve these critical functions and their potential impact on the operations and management of the District, staff is recommending replacing the Accounting Supervisor with a Senior Accountant position.

The Senior Accountant would be required to possess an increased level of accounting experience and knowledge and the ability to apply advanced accounting principles in performing the wide range of professional accounting duties, including but not limited to completing complex and difficult analysis and reports.

While the Senior Accountant would continue to supervise accounting staff, customer service staff will report to the Assistant General Manager/CFO, with the two current Customer Service Specialists, as a lead-level position, responsible for coordinating customer service staff coverage, verifying staff work, providing input on staff performance and researching and resolving customer complaints, problem accounts and billing errors.

The proposed salary for Senior Accountant was established based on a review and analysis of market data for comparable positions (attached). While the Accounting Supervisor position was eligible for overtime compensation, the Senior Accountant position will be exempt from overtime compensation.

Previous Position (Salary Range/\$)	Proposed Position (Salary Range)	Max. Annual \$	12-Month Cost
Accounting Sup. (40/\$107,976)	Sr. Accountant (43)	\$116,256	\$8,280
	Sr. Accountant (44) - CPA	\$119,160	\$11,184

Recommended Action

Staff recommends that the personnel Committee recommends to the Board approving the proposed staffing changes, including the Senior Accountant job description and salary range and the related changes to the org chart.

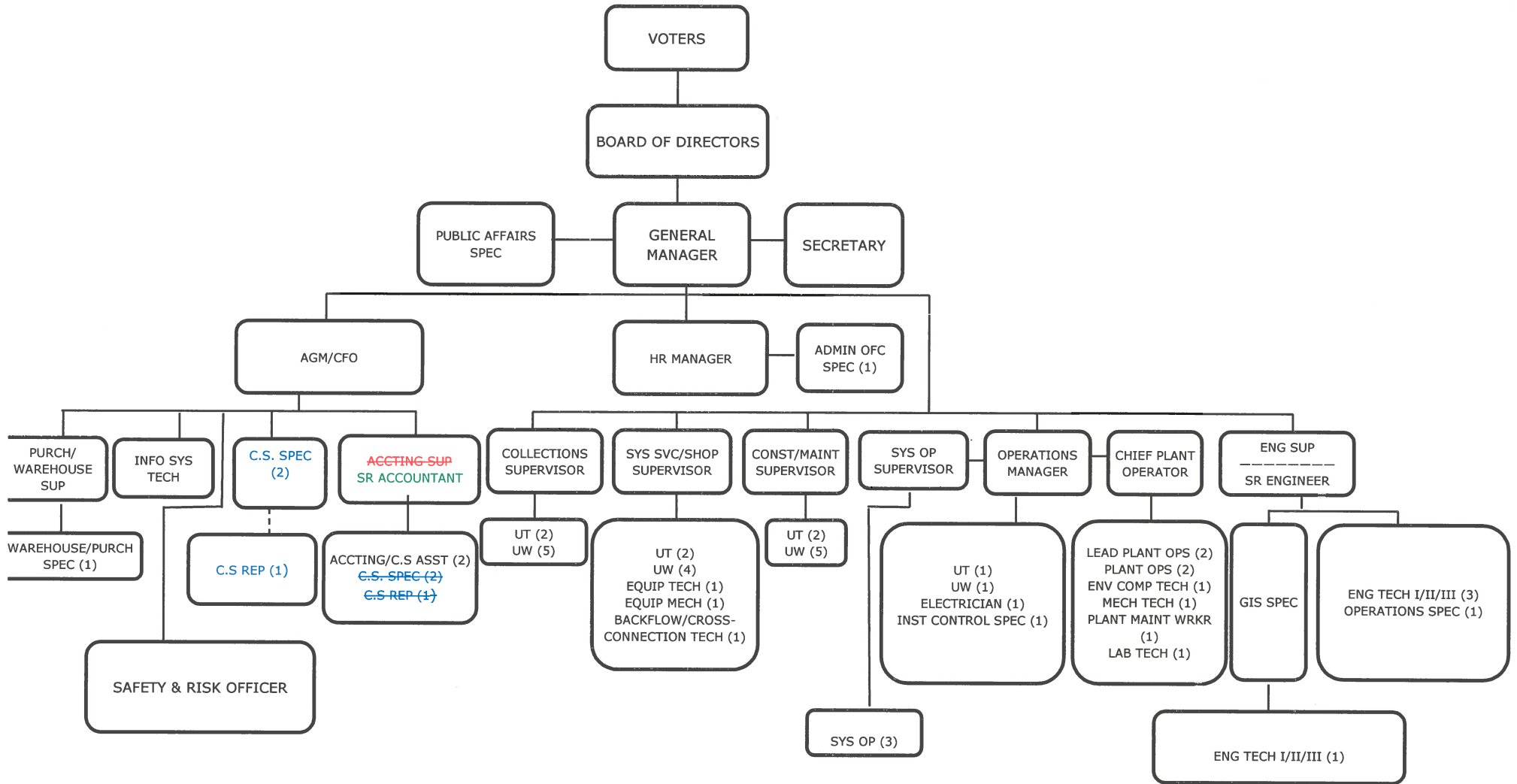
2018 SENIOR ACCOUNTANT SALARY SURVEY

<u>District</u>	<u>Position Title</u>	<u>CPA Requirement</u>	<u>Min Annual Salary</u>	<u>Max Annual Salary</u>
SD Water Authority	Accounting Sup.	CPA Desirable	\$ 94,404	\$ 126,965
Rancho Water	Accounting Sup.		\$ 89,629	\$ 120,083
SD Water Authority	Sr. Accountant	None	\$ 85,528	\$ 115,020
Olivenhein	Accounting Sup.	CPA Preferred	\$ 75,948	\$ 113,977
Ramona	Accounting Sup.	CPA Desirable	\$ 78,790	\$ 113,651
Padre Dam	Sr. Accountant	CPA Preferred	\$ 71,968	\$ 111,987
Western	Sr. Accountant	CPA Desired	\$ 76,941	\$ 110,061
Otay Water	Sr. Accountant	Active or Inactive CPA Required	\$ 88,016	\$ 110,019
Santa Fe	Sr. Accountant	None	\$ 82,394	\$ 107,132
Mean (Arithmetic Average)			\$ 82,624	\$ 114,322
Median (Middle of Data Set)			\$ 82,394	\$ 113,651
FPUD - Current	Accounting Sup. (Range 40)		\$ 86,424	\$ 107,973
FPUD - Proposed	Sr. Accountant - Range 43		\$ 93,084	\$ 116,256
	(Certified Management Accountant Preferred)			
	Sr. Accountant - Range 44		\$ 95,412	\$ 119,160
	(CPA Required)			
Rainbow	Finance Mgr.	None	\$ 127,992	\$ 173,940
Padre Dam	Accounting Mgr.	CPA Preferred	\$ 89,253	\$ 138,861



FALLBROOK PUBLIC UTILITY DISTRICT

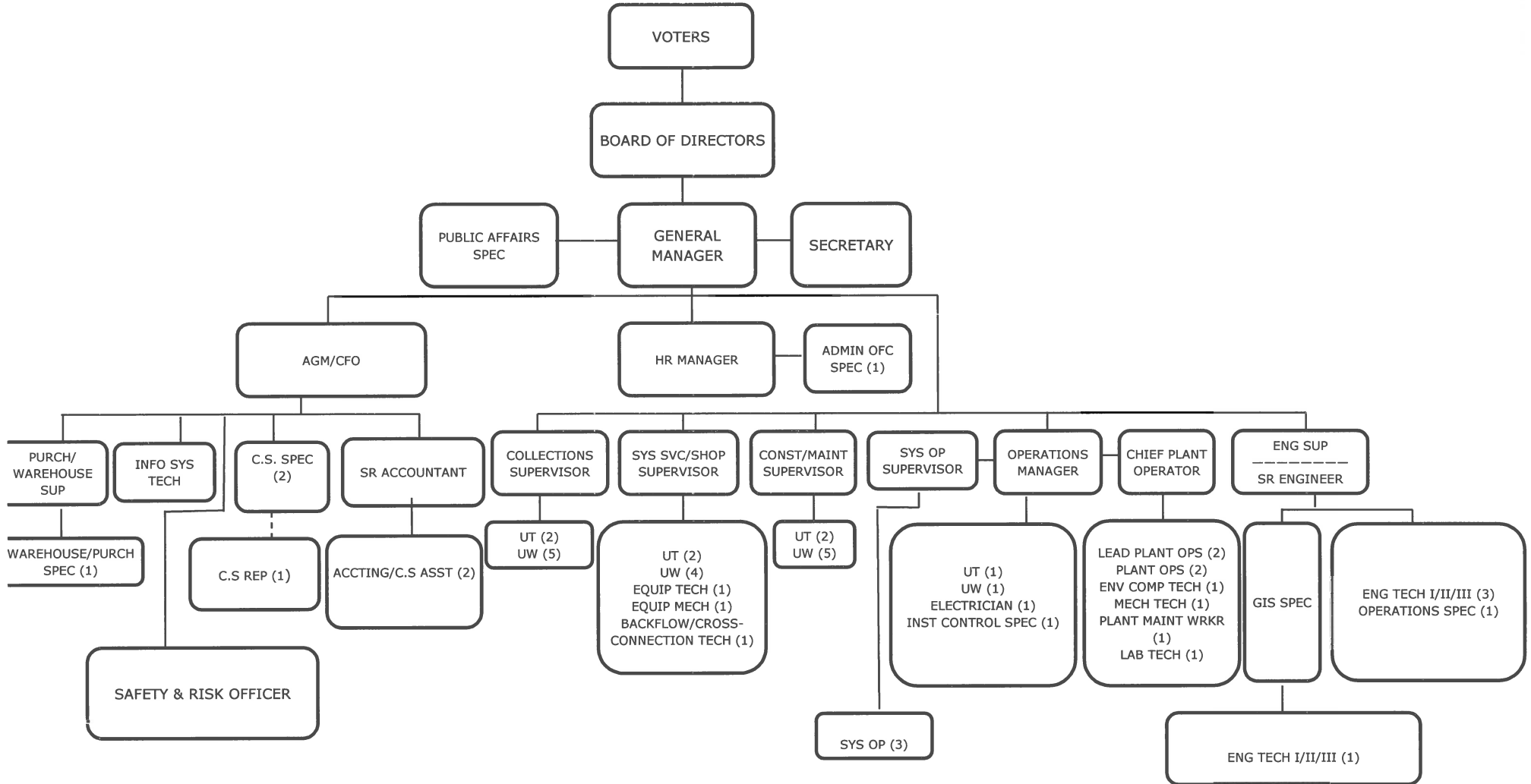
~~May 2018~~ August 2018



67 Total Positions

FALLBROOK PUBLIC UTILITY DISTRICT

August 2018



67 Total Positions

ACCOUNTING SUPERVISOR

SENIOR ACCOUNTANT

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Definition

Under direction of the [Assistant General Manager/CFO](#) ~~Administrative Services Manager/Treasurer~~ supervises accounting staff and performs a wide range of complex professional accounting duties, performs the analysis, preparation and maintenance of financial records and reports; makes complex and difficult accounting analyses and reports; and performs related duties as assigned. ~~to perform the varied and advanced accounting, auditing, payroll, and customer service utility billing functions in an automated environment.~~

Class Characteristics

Positions in this class are assigned duties which involve a variety of advanced, specialized, and technical accounting functions in a confidential designation. Incumbent acts with independence of action in the assigned areas of responsibility. Incumbent supervises the Accounting/Customer Service Assistants, ~~Customer Service Specialist and Customer Service Representatives~~ which requires the application of judgment in the selection and assignment of appropriate work methods and procedures, making assignments, setting priorities, training and reviewing work. The incumbent is responsible for preparing evaluations, recommending employment, recognizing employees and effectively recommending disciplinary action. Incumbent has considerable latitude in the selection of work methods and is expected to determine the appropriate procedures necessary to complete the project unless significant unanticipated problems are encountered. Work is not generally reviewed upon completion for final results. Incumbent is expected to refer matters which do not fit a general pattern to the ~~Administrative Services Manager/Treasurer~~ [Assistant General Manager/CFO](#) for instruction.

Examples of Duties

- ~~Provides day-to-day leadership and works with staff to ensure a high performance, customer service-oriented work environment that supports achieving the department's and the District's mission, objectives and values;~~

- Has functional responsibility for account record keeping work of advanced difficulty in areas such as maintenance of and posting to [and reconciling](#) the general ledger;

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- Manages the [Chart of Accounts](#), payroll, accounts payable/[receivable](#) and [customer service services/activities/utility billing](#);
- ~~Reconciles- Manages annual~~ payroll records and submits federal and state reports;
- Monitors and audits payroll, accounts payable and utility billing;
- Ensures compliance with State and Federal laws;
- Records bank deposits and withdrawals and keeps daily cash flow records;
- Approves accounts payable processors;
- Supervises the Accounting/Customer Service Assistant position;
- Prepares and analyzes monthly financial reports in accordance with advanced knowledge of generally accepted accounting standards;
- Develops and inputs journal entries;
- Responsible for direct deposit compliance with Automated Clearing House (ACH);
- Calculates quarterly workers' compensation premiums which are based on actual payroll and annual W-2's;
- Maintains and updates fixed assets [files/records](#);
- Prepares worksheets and assists with annual audit;

- Monitors and accounts for all projects administered by District on a "pass-through" basis;
- Participates in the development ~~and~~ administration [and monitoring](#) of the District's budget;

~~Prepares budget projections and analyses including those related to water production and sales and wastewater influent and treatment costs as they relate to sewer rates;~~

- Implements mid-year and year-end budget adjustments;

~~Prepares schedules, forms and instructions for annual budget development by District departments;~~

~~Reviews, analyzes, summarizes and compiles budget requests;~~

~~Serves as a resource to departmental staff in budget development and administration;~~

~~Prepares budget drafts and final budget in accordance with directives;~~

- Reconciles [on a monthly basis](#) cash, investments, [payroll, and accounts](#) receivable and payable ~~accounts~~;

~~Supports the development of the monthly treasurer's and budget status reports; Prepares cash flow and income statements;~~

~~Recommends and assists in the implementation of new or revised payroll, accounts payable accounting systems and customer service procedures and records;~~

- Develops work schedules for accounting, customer service cyclical billing, date driven reports and reconciliations;
- Coordinates with customer service personnel on billing issues and customer account issues including: liens, payment arrangements, consumption variances, year-end write offs, and refunds;
- Prepares and participates in annual workers' compensation premium and contract audit;

~~Maintains voluntary and involuntary database;~~

- Manages accounting for all special projects including FEMA claims;
- Prepares recycled water monthly and annual reporting to MWD and SDCWA;

~~Manages Watermaster accounting function including approving Watermaster accounts payable processors;~~

- Controls petty cash;
- Maintains records of departmental payroll-related information, ensuring proper reporting of leave usage; schedules vacation in accordance with personnel policies;
- Investigates vendors and new technology to improve work efficiency regarding department operations and procedures;
- Monitors compliance with sections of the District's Administrative Code referring to accounting and billing policies;

~~Relates relative laws and ordinances to Customer Services Representatives;~~

~~Recommends training for Customer Service Representatives;~~

~~Compiles varied reports and spread sheets;~~

- Researches accounting discrepancies and answers questions related to the discrepancies;
- Reconciles monthly bank statements;
- Maintains and updates accounting manuals as needed; and
- Performs related work as required.

Qualifications:

Knowledge of:

- ~~Principles and practices of general, fund, and governmental accounting including financial statement preparation and methods of financial control and reporting;~~
- ~~Principles and practices of cost and fixed asset accounting;~~
- ~~GAAP, GASB and GFOA accounting standards and requirements;~~
- ~~Internal control and audit principles and practices; principles and practices of municipal budgeting;~~
 - ~~Laws and ordinances relating to the financial administration of public agencies;~~
 - ~~Modern office equipment and procedures;~~
 - ~~Computer remote terminal and microcomputer operating methods and software applications related to automated account record keeping and Excel spreadsheets;~~
 - ◊ ~~Principles and practices of general and governmental accounting;~~
- Methods and techniques of financial report research and preparation;

~~Customer Service methods, services, procedures and recordkeeping;~~

~~Remote meter reading principles and practices;~~

- District Administrative Code as it relates to accounting ~~and customer service;~~
- Principles of supervision and training;

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- Advanced mathematics and statistics; Principles of budget preparation and control;
- ~~Common public relations courtesies, practices and techniques;~~
- Advanced methods and procedures used in financial record keeping;
- State and Federal payroll reporting regulations;
- CaPERS forms and reporting procedures;
- Advanced computer programs related to billing and financial record keeping;

Ability to:

- ~~Operate a computer and spreadsheet software;~~
- ~~Analyze and make sound recommendations on complex financial data and operations; plan and evaluate financial programs and make sound recommendations for improvement;~~
- ~~exercise sound independent judgment within general policy guidelines;~~
- Perform complex and advanced professional accounting work in the maintenance of District financial records;
- Supervise the activities of Accounting/Customer Service Assistant, ~~Customer Service Specialist and Customer Service Representatives;~~
- Prepare accurate financial reports;
- ~~Explain customer service billing procedures accurately and succinctly;~~
- ~~Exercise exceptional patience and tact in receiving and processing customer complaints;~~
- ~~Perform varied office support;~~
- Make advanced, accurate, mathematical, ~~and~~ statistical computations; ~~and~~ identify and reconcile errors;
- ~~Operate a computer remote terminal/microcomputer to enter and retrieve data;~~
- ~~Operate a typewriter keyboard with efficiency and accuracy;~~
- ~~Operate a 10-key by touch;~~
- ~~Speak clearly and distinctly;~~
- Understand and carry out oral and written instructions; and
- Establish and maintain effective relationships with those contacted in the course of work.

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Licenses and Certification

Possession of a valid and appropriate California driver's license.

Certified Management Accountant (CMA) preferred.

Certified Public Accountant (CPA) preferred. CPA required for entry at salary range 45

Training and Experience

Any combination of training, education and experience which demonstrates possession of the knowledge and abilities stated above and the ability to perform the duties of the position.

A typical qualifying entrance background:

Bachelor's degree in accounting, finance or closely related field with five years ~~current or progressively responsible professional accounting experience. experience in supervision in advanced account record keeping including first level responsibility for a significant set of records, such as accounts payable or payroll and advanced computerized bookkeeping, cost accounting, and Public Employees' Retirement System (PERS) reporting. At least two years of experience with customer service and utility billing principles and procedure. Supervisory experience is highly desirable.~~

Physical Demands

Sitting: Remains in seated position for up to 8 hours per day.

Lifting: Picks up boxes of computer paper up to 50 lbs.

Talking: Expresses ideas and shares information by means of spoken word in person and by telephone.

Hearing: Hears well enough to receive communication in person or by telephone.

Hands/Arms: Operates computer for up to 8 hours per day.

Vision: Reads written or video messages for up to 8 hours per day and operates vehicle.

SALARY RANGE: ~~49.43~~

~~44 - Certified Public Accountant (CPA)~~

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Board Approved Effective Date 2/15
Board Approved Revision Date

SENIOR ACCOUNTANT

Definition

Under direction of the Assistant General Manager/CFO, supervises accounting staff and performs a wide range of complex professional accounting duties, performs the analysis, preparation and maintenance of financial records and reports; makes complex and difficult accounting analyses and reports; and performs related duties as assigned.

Class Characteristics

Positions in this class are assigned duties that involve a variety of advanced, specialized, and technical accounting functions in a confidential designation. Incumbent acts with independence of action in the assigned areas of responsibility. Incumbent supervises the Accounting/Customer Service Assistants, which requires the application of judgment in the selection and assignment of appropriate work methods and procedures, making assignments, setting priorities, training and reviewing work. The incumbent is responsible for preparing evaluations, recommending employment, recognizing employees and effectively recommending disciplinary action. Incumbent has considerable latitude in the selection of work methods and is expected to determine the appropriate procedures necessary to complete the project unless significant unanticipated problems are encountered. Work is not generally reviewed upon completion for final results. Incumbent is expected to refer matters that do not fit a general pattern to the Assistant General Manager/CFO for instruction.

Examples of Duties

- Provides day-to-day leadership and works with staff to ensure a high performance, customer service-oriented work environment that supports achieving the department's and the District's mission, objectives and values;
- Has functional responsibility for account record keeping work of advanced difficulty in areas such as maintenance of and posting to and reconciling the general ledger;
- Manages the Chart of Accounts, payroll, accounts payable/receivable and utility billing;
- Manages payroll records and submits federal and state reports;
- Monitors and audits payroll, accounts payable and utility billing;
- Ensures compliance with State and Federal laws;
- Records bank deposits and withdrawals and keeps daily cash flow records;
- Approves accounts payable processors;
- Supervises the Accounting/Customer Service Assistant position;
- Prepares and analyzes monthly financial reports in accordance with advanced knowledge of generally accepted accounting standards;
- Develops and inputs journal entries;
- Responsible for direct deposit compliance with Automated Clearing House (ACH);
- Calculates quarterly workers' compensation premiums which are based on actual payroll and annual W-2's;
- Maintains and updates fixed asset records;
- Prepares worksheets and assists with annual audit;
- Monitors and accounts for all projects administered by District on a "pass-through" basis;

- Participates in the development, administration and monitoring of the District's budget;
- Implements mid-year and year-end budget adjustments;
- Reconciles on a monthly basis cash, investments, payroll, and accounts receivable and payable;
- Supports the development of the monthly treasurer's and budget status reports;
- Develops work schedules for accounting, customer service cyclical billing, date driven reports and reconciliations;
- Coordinates with customer service personnel on billing issues and customer account issues including: liens, payment arrangements, consumption variances, year-end write offs, and refunds;
- Prepares and participates in annual workers' compensation premium and contract audit;
- Manages accounting for all special projects including FEMA claims;
- Prepares recycled water monthly and annual reporting to MWD and SDCWA;
- Controls petty cash;
- Maintains records of departmental payroll-related information, ensuring proper reporting of leave usage; schedules vacation in accordance with personnel policies;
- Investigates vendors and new technology to improve work efficiency regarding department operations and procedures;
- Monitors compliance with sections of the District's Administrative Code referring to accounting and billing policies;
- Researches accounting discrepancies and answers questions related to the discrepancies;
- Reconciles monthly bank statements;
- Maintains and updates accounting manuals as needed; and
- Performs related work as required.

Qualifications:

Knowledge of:

- Principles and practices of general, fund, and governmental accounting including financial statement preparation and methods of financial control and reporting;
- Principles and practices of cost and fixed asset accounting;
- GAAP, GASB and GFOA accounting standards and requirements;
- Internal control and audit principles and practices; principles and practices of municipal budgeting;
- Laws and ordinances relating to the financial administration of public agencies;
- Modern office equipment and procedures;
- Methods and techniques of financial report research and preparation;
- District Administrative Code as it relates to accounting;
- Principles of supervision and training;
- Advanced mathematics and statistics; Principles of budget preparation and control;
- Advanced methods and procedures used in financial record keeping;
- State and Federal payroll reporting regulations;
- CalPERS forms and reporting procedures; and
- Advanced computer programs related to billing and financial record keeping.

Ability to:

- Operate a computer and spreadsheet software;
- Analyze and make sound recommendations on complex financial data and operations; plan and evaluate financial programs and make sound recommendations for improvement;
- exercise sound independent judgment within general policy guidelines;
- Perform complex and advanced professional accounting work in the maintenance of District financial records;
- Supervise the activities of Accounting/Customer Service Assistant;
- Prepare accurate financial reports;
- Make advanced, accurate, mathematical/statistical computations and identify and reconcile errors;
- Understand and carry out oral and written instructions; and
- Establish and maintain effective relationships with those contacted in the course of work.

Licenses and Certification

Possession of a valid and appropriate California driver's license.

Certified Management Accountant (CMA) preferred.

Certified Public Accountant (CPA) preferred. CPA required for entry at salary range 44.

Training and Experience

Any combination of training, education and experience that demonstrates possession of the knowledge and abilities stated above and the ability to perform the duties of the position. A typical qualifying entrance background:

Bachelor’s degree in accounting, finance or closely related field with five years of progressively responsible professional accounting experience. Supervisory experience is highly desirable.

Physical Demands

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Hands/Arms: Operates computer for up to 8 hours per day.

Vision: Reads written or video messages for up to 8 hours per day and operates vehicle.

SALARY RANGE: 43

44 - Certified Public Accountant (CPA)

Board Approved Effective Date 2/15
Board Approved Revision Date

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