

Policy No.: 47
Issue No.: 6
Effective Date: 11/09/20
Subject: Board Member Compensation, Reimbursement, and Ethics Training

Policy No. 47 – Board Member Compensation, Reimbursement, and Ethics Training

Purpose: To ensure compliance with AB1234 and to establish policies with respect to 1) Board member compensation, 2) Board member reimbursement, and 3) Board member ethics training.

Policy/Procedure:

1. COMPENSATION

A. Amount. The amount of Board member compensation by the District shall be determined in accordance with all applicable requirements to the California Water Code. The Board shall set the rate of such compensation for a day's service and shall set the maximum number of day's service for which a Board member may receive compensation each month from the District, by adoption of a separate ordinance.

B. Day's Service.

- **Meetings.** The term "day's service" is defined as attendance or participation of a Board member, in person or via teleconference, at a meeting with one or more other parties for the performance of official duties on behalf of the District. A "meeting" is defined as any meeting listed on Exhibit A, Category A. Where the meeting is a District Committee meeting, only appointed committee meeting members shall qualify for compensation.
- **Daily Limitation.** If a Board member attends or participates in multiple meetings in a single day, the Board member shall be eligible for compensation for only one meeting on that day.

C. Procedure. To receive compensation for attendance or participation at the meetings listed in Exhibit A, it is suggested that the Board member submit to the District's office staff a payment request on the Executive Director-approved Board Expense Report Form on a calendar-month basis at the first Board meeting following the end of the calendar month being reported. If the meetings listed by the Board member on the Expense Report satisfy this policy for expenditure of public resources, then the District's Executive Director is authorized to approve the payment request. If any of the meetings identified by the Board member on the Expense Report for the calendar month are not included in the list of pre-approved meetings listed in Exhibit A, or if the payment request fails to expressly comply with this policy, then the District's Executive Director shall include the payment

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request on the agenda for the next regular meeting, at which time the Board will consider approval.

- D. Report.** Board members shall provide brief reports on all meetings for which they receive compensation from the District at the next regular meeting of the Board. Reports may be made orally, in writing, or by reference to any minutes included in the agenda materials.

2. REIMBURSEMENT

The District shall reimburse Board members for reasonable costs incurred related to attendance or participation at approved meetings. Directors may pay all of their own business expenses and request reimbursement from the District on expense reports. Expenses may be paid directly by the District, provided there is prior approval by the Board of Directors.

Reimbursements for expenses are made only for those expenses which are individually itemized and explained. Receipts are required, including those for meals and taxi or bus fares. Directors will provide original receipts for all expenses whenever possible. Directors shall submit the completed and signed Expense Report every month. All applicable receipts and/or invoices shall be attached.

- A. Eligible Expenses.** Expenses eligible for reimbursement shall be limited to:

1) registration or tuition costs, or other charges for participation at the meeting; 2) transportation to and from the meeting, including airfare, car rental, or mileage for use of a Board member's own automobile, and other miscellaneous transportation costs (shuttle, taxi, parking, etc.); 3) lodging at the single-room rate; and 4) reasonable costs of meals, not including alcohol. (See Section 2.D)

B. Rates.

- Registration, Tuition, and Meeting Charges. Registration and related fees may be reimbursed or paid by the District for all authorized attendance.
- Transportation
 - Transportation to a conference, training, seminar, or meeting may be reimbursed or paid directly by the District.
 - To secure the most economical mode of transportation in keeping with availability, convenience, and propriety of the District, all meeting travel arrangements shall be made with the endorsement of the Executive Director.

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- o When air travel is the most appropriate method of transportation, coach class shall be utilized.
- o A private automobile may be used when necessary. Reimbursement for such use shall follow the guidelines in District policy involving the use of private vehicles on District business.
- o A rental car may be used when appropriate public transportation is unavailable or more expensive.

C. Lodging. Cost of overnight accommodations for conferences, training, seminars, or meetings may be reimbursed or paid directly by the District. The expense shall be limited to the reasonable cost of adequate accommodations as determined by the Executive Director and/or the Board of Directors. Costs which are deemed to be unnecessary, unrelated or excessive may not be reimbursed or paid. The cost of meals, entertainment, and lodging on a hotel billing shall be reported separately, according to the itemized receipt.

D. Meals. Except as otherwise provided, the guidelines for meal reimbursements, including tax and tip, shall be a maximum of \$75.00 per day. If the guidelines are exceeded, written justification must be attached to the expense claim form. Alcohol consumption will not be reimbursed.

E. Entertainment Expense. Entertainment Expense may be reimbursed or paid directly by the District for reasonable business entertainment expenses only when necessary to promote a specific public purpose of the District. All entertainment must be explained with the following details:

- date
- cost
- place (name and location)
- business purpose
- type of entertainment (e.g., lunch, dinner)
- business relationship of each person present: name, title, agency, company, etc.

Officers and employees entertain fellow officers and employees only when this is the most efficient way to accomplish a specific business purpose and only with prior approval of the Board of Directors or the Executive Director. In all cases, the officers and employees avoid excessive expenses. The employee of senior rank pays the expense.

District officers and employees do not entertain vendor representatives.

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F. Ineligible Expenses. Board members shall not be eligible for District reimbursement of any expenses incurred by any person traveling or attending a meeting as a guest of the Board member. No Board member shall be eligible for District reimbursement of any expense for personal services not related to District business.

G. Report. Board members shall provide brief reports on all meetings for which they receive compensation from the District at the next regular meeting of the Board. Reports may be made orally, in writing, or by reference to any minutes included in the agenda materials.

3. ETHICS TRAINING

A. Requirement. Under Assembly Bill 1234, District officials must receive training in ethics laws no later than one year from the first day of service with the District. Thereafter, each District official must receive such training at least once every two years.

B. Application.

- **District Official.** The term “District official” means all Board members and all executive staff of the District.
- **Ethics Laws.** The phrase “ethics laws” includes, but is not limited to, the following:
 - Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws;
 - 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;
 - Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws; and
 - 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.

C. Agency Responsibilities.

- **Records.** The Agency shall maintain records indicating the dates that the District officials satisfied the requirements of this policy and the entity

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that provided the training. 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.

- Notice. The District is required to provide information on training available to meet the requirements of this policy to its officials at least once every two years.

4. REVIEW OF POLICY ON ANNUAL BASIS.

Each year the Board shall review this Policy to determine its effectiveness and the necessity for its continued operation. The District's Executive Director shall report to the Board on the operation of this Policy, and make any recommendations deemed appropriate, including proposals to amend the Policy. Upon conclusion of its review, the Board may take any action it deems appropriate concerning this Policy. Nothing shall preclude the Board from taking action on the Policy at times other than upon conclusion of the annual review.

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EXHIBIT A

CATEGORY A – CBWCD Board Meetings and CBWCD Public Events

Category A includes meetings that are directly associated with CBWCD require no pre-approval and for which no additional reporting is required since minute action for these agency meetings meets the reporting requirement of AB 1234.

- CBWCD Board of Directors
- CBWCD Personnel Committee
- CBWCD Education Committee
- CBWCD Finance Committee
- CBWCD Chino Basin Recharge Committee
- Any Ad Hoc Committees formed by a vote of the Board of Directors
- Any District-sponsored and District-run events such as field trips, tours, Open House, Earth Day, etc.

CATEGORY B – Other Local Events

“Other Local Events” include events that do not require the purchase of a bus, plane, or train ticket to travel and/or overnight stays. They include, but are not limited to, events such as Council Meetings for cities within the District’s service area, community events hosted by cities or by local elected officials within the District’s service area, or meetings of local organizations such as Chambers of Commerce or service organizations, provided there is a reasonable expectation that a member’s attendance will directly advance or promote District goals or objectives.

A Director may be compensated and/or reimbursed for attending a local event provided the Director writes a 3-4 sentence justification for attendance, to be included in the “AB 1234 – Director Travel, Training, and Meeting Report” on the Consent Calendar. If any Director chooses to challenge compensation or reimbursement for attendance at a Category B meeting, the challenging Director may request the agenda item pertaining to that meeting be pulled from the Consent Calendar and voted on separately.

CATEGORY C – Meetings at Partner Organizations

At the beginning of each Fiscal Year, Board Members will vote on assignments for attendance at meetings of each organization listed below to ensure broad, diverse, and consistent District representation at such events. A primary and alternate will be chosen. If the primary and alternate members designated are both unable to

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attend, another member may be later designated for this purpose. At events considered to be of particular importance, multiple directors may be authorized to attend. Compensation and reimbursement for attendance at Category C meetings may be approved post-attendance on the Board's consent calendar.

- a. Association of California Water Agencies (ACWA)
- b. Association of San Bernardino County Special Districts (ASBCSD)
- c. California Groundwater Coalition (CGD)
- d. California Special Districts Association (CDSA)
- e. Cal Trust
- f. Chino Basin Watermaster
- g. Cucamonga Valley Water District
- h. Groundwater Recharge Coordinating Committee (GRCC)
- i. Inland Empire Utilities Agency (IEUA)
- j. Joint Powers Authority (JPIA)
- k. LAIF
- l. Local Agency Formation Commission (LAFCO)
- m. Metropolitan Water District (MWD)
- n. Monte Vista Water District
- o. Southern California Water Committee (SCWC)
- p. Southern California Storm Water Taskforce
- q. Southern California Recycled Water Taskforce
- r. Urban Water Institute (UWI)
- s. Water Education Foundation (WEF)

CATEGORY D – Events Requiring Travel

“Events Requiring Travel” include events that require the purchase of a bus, plane, or train ticket to travel and/or overnight stays. This includes, but is not limited to, conferences, training events, or tours hosted by ACWA, CDSA, or other organizations that CBWCD works with in carrying out the business of the District.

At all Events Requiring Travel, to be eligible for compensation for Days of Service Attendance, and reimbursement for attendance fees and reasonable expenses incurred, Board approval of a member's attendance must be obtained prior to registration and attendance.

Revision:

Issue No. 1 – 01-10-96 (Original Policy)

Issue No. 2 – 07-08-13 (Annual Review, Added Three Committees to Category A)

Issue No. 3 – 10-13-14 (Annual Review, Major Revision)

Issue No. 4 – 03-09-15 (Add WEF Membership to Category B)

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Issue No. 5 – 08-08-16 (Annual review; Category A amended to reflect committee changes; change in title)

Issue No. 6 – 11-09-20 (Amend Exhibit A)