

Chapter 9 Directors' Code of Conduct

Article 1 – Code of Conduct Policy

1.1 Policy Statement

The District is committed to upholding the highest ethical standards in all of its business and professional operations and relationships. We will carry out its mission with unquestionable ethics and integrity, the cornerstone of achieving and maintaining credibility and ensuring public trust. We owe this, and no less, to the public we serve.

The ability of the District to achieve its mission is directly dependent on the day-to-day choices we make and our actions while representing the District. We are accountable for creating and maintaining credibility and trust with our customers, dealing fairly and honestly with our suppliers, contractors and consultants, and avoiding actual or perceived conflicts of interest that may arise due to outside activities, employment and gifts.

1.2 Board Governance Process

The Board shall cultivate a governance process with focus on long-term vision, strategic leadership rather than the daily affairs of the District. The Board shall encourage diversity of viewpoints, act in consistency with defined Board and General Manager roles, and strive for collaboration rather than individual decisions.

Pursuant to Part 2, Chapter 1, Article 3.3, "Duties and Role of Board Officers," Directors do not have individual power or authority over the District. The power and authority lie with the full Board. The Board directs the General Manager and the General Manager directs staff.

The Board is encouraged to foster group responsibility and to strive for excellence in governance. Pursuant to Part 2, Chapter 1, Article 3.2, "General Duties of the Board of Directors," the Board shall

- a) Be the initiator of policy with long-term focus and impact;
- b) Use the expertise of individual Directors to enhance the ability of the Board as a body;
- c) Cultivate group responsibility;
- d) Regularly discuss and evaluate its performance as a body;
- e) Engage in Board media relations training to promote a united message; and

- f) Invest in Board development, ethics trainings, and conference and policy briefings to assure excellence in governance.

1.3 Core Values Upheld by the Board

While it is not essential that all Directors share the same set of personal values, it is necessary that all Directors align and support the set of District's core values that are chosen as the basis for organizational decisions. The District's core values will direct all actions of the Board. On May 26, 2015, the Board of Directors approved the following core values in the establishment and implementation of its policies and practices:

- a) Integrity – Directors will consistently adhere to high moral and ethical principles;
- b) Collaboration – Directors will cooperatively work together and with stakeholders to further the mission and goals of the District;
- c) Customer Service – Directors will professionally and responsively serve the needs of the District's customers;
- d) Fair, open, and responsive – Directors will engage the District's stakeholders and interact with them in a fair, open, and honest manner;
- e) Accountability – Directors will take responsibility for and be accountable for all the District's actions
- f) Innovation – Directors will encourage and value the introduction of new ideas and methods

1.4 Administration and Finance Committee

The Administration and Finance Committee is the committee that investigates and/or refers ethics complaints against Directors, officers and employees of the District and addresses compliance issues related to the Code of Conduct or the Conflict of Interest provisions of the Administrative Code.

The Administration and Finance Committee shall be comprised of three District Directors with the authority to recommend action to the Board. The General Manager, Director of Human Resources, Director of Administration and Board Services and District General Counsel will also be in attendance to provide administrative and legal support.

The District encourages good faith reporting of suspected violations of the Code of Conduct or the Conflict of Interest provisions of the Administrative Code. Until the District determines that an actual violation of these Codes has occurred, the alleged violator is presumed to be innocent of the violation. There shall be no

adverse consequences suffered by anyone making a good faith report of a suspected violation nor shall there be any adverse consequences suffered by anyone accused of violating these standards and subsequently found not to have violated these Codes.

The District has adopted a two part system to address ethical complaints against Directors, officers and employees of the District, as follows:

- 1) Members of the Board, staff, or members of the public who feel comfortable reporting potential ethical or conflict of interest issues may do so to the Administration and Finance Committee and feel assured that a fair, complete, and appropriate process will be used to determine if a violation has in fact taken place, and if so, that the appropriate disciplinary action will be taken.

Individuals who wish to pursue this process may contact the General Manager's Office or General Counsel. Any suspected or reported potential violations will be agendized at the next scheduled Administration and Finance Committee meeting. The Administration and Finance Committee may direct General Counsel to conduct an investigation. The Committee shall submit its findings involving Directors, along with any dissent, to the Board of Directors for action.

- 2) Individuals who wish to remain anonymous, who either require anonymity because of fear of retaliation, or simply lack trust in the ability of the District to execute an impartial process may report potential ethical or conflict of interest issues to the independent hotline.

Complaints received through the hotline will be directed to the independent investigating firm who shall: 1) determine if the nature of the complaint is such that it can be sent to the Administration and Finance Committee; or 2) the complaint requires investigation by the investigating firm. Upon completion of the investigation, the investigating firm may refer the issue to the Administration and Finance Committee or the Board, the Board President, the General Manager, the General Counsel, the Fair Political Practices Commission, the District Attorney's office or the U.S. Attorney's Office, as appropriate. If the investigating firm refers the issue to the Administration and Finance Committee, the Committee shall submit its findings involving Directors, along with any dissent, to the Board of Directors for action.

Any ethics violation alleged to have occurred on the part of the General Manager may be reported to General Counsel or the hotline. Any ethics violation alleged to have occurred on the part of General Counsel may be reported to the General Manager or the hotline. If a member of the Administration and Finance Committee is a subject of the charge or allegation, he/she shall excuse himself/herself from discussing or participating in the matter. Violations of the Administrative Code,

including its Conflict of Interest provisions, by officers or employees will be handled through existing disciplinary procedures for employees.

A Director who is subject to a finding of violation or non-compliance with the Code of Conduct shall, at the time the matter is referred to the Administration and Finance Committee or the investigating firm, be provided a copy of the material upon which the determination was based and have the opportunity to present any relevant information, data or facts in his or her own defense prior to the final determination.

Any Director who is dissatisfied with the final determination that a violation or non-compliance with the Code of Conduct occurred may appeal to the Board of Directors by providing written Notice to the Administration and Finance Committee or the investigating firm within five (5) business days of the decision.

After investigation, determination and any appeal to the Board, and, with the advice of the investigating firm, that substantial evidence exists indicating that a member of the Board is in non-compliance with this Code of Conduct or Administrative Code but not in violation of state law, the matter shall be referred to the Board, with notice to the Board member, with a recommendation for appropriate action, which can include, but is not limited to notification of a finding of non-compliance, issuance of a letter of reprimand, censure, loss of travel privileges, leadership positions, appointments to the Metropolitan Water District or other Boards. In the case that substantial evidence does exist indicating a violation of state or federal law the Board will refer the matter to the District Attorney's Office or the U.S. Attorney's Office for criminal charges, or to the Fair Political Practices Commission, as appropriate.

The Administration and Finance Committee and the investigating firm shall review and summarize all ethics complaints in a quarterly report to the Board of Directors. General Counsel shall receive a copy of all findings, reports and actions concerning complaints.

1.5 Board Training

a) Ethics Training

Each Director who commences service with the District shall receive at least two (2) hours of training in general ethics principles and ethics laws relevant to his or her public service no later than one (1) year from the first day of service with the District. Each Director shall receive ethics training at least once every two (2) years.

The District shall inform the Directors annually of ethics training opportunities. Group study or self-study ethics curricula developed by the District must be

approved by the Fair Political Practices Commission and the Attorney General and may include local ethics policies.

b) Sexual Harassment Prevention Training

In compliance with AB1825 which makes sexual harassment prevention training mandatory for elected officials, Directors will receive at least two (2) hours of sexual harassment prevention training every two (2) years and after six (6) months from the first day of taking office.

c) Brown Act and Parliamentary Procedure Training

Each Director shall receive Brown Act and Parliamentary procedure training at least once every two (2) years. Each Director who commences service with the District shall receive Brown Act and Parliamentary procedure training no later than six (6) months from the first day of service with the District.

d) New Board of Directors Training

Newly elected or appointed Directors shall receive at least one training on laws related to ethics, conflict of interest requirements, government transparency, open government, and fair government processes within the first six months of taking office. In addition, new Directors shall receive an orientation in the District's governance policies. This training is to be provided by the General Manager, his/her staff designee, or General Counsel.

e) Additional Annual Trainings

Directors shall participate in annual trainings, conferences and briefings with respect to understanding water and public service trends and developments in the Southern California region and at the state level, including Board governance and open government regulations.

Board members shall report during regular Board meetings on trainings, conferences and briefings that were funded by the District.

f) The Board President and Board Committee Chairs shall be offered and encouraged to receive training in the facilitation of meetings.

1.6 Oversight of Directors' Expenses

All expense claims and meeting compensation (per diem) are subject to the District's annual audit review to verify compliance with the Code of Conduct and applicable state laws and regulations.

1.7 Use of District Property and Equipment

A Director can be assigned selected District equipment for use on District business. No Director shall use or permit the use of District equipment, telephones, materials or property, including but not limited to the District's mascot and other outreach supplies for personal or political gain or profit. Outreach supplies may include posters, signage, table cloths, outreach promotional items, and equipment.

No Director shall request a District employee to perform services for their personal or political gain or profit. Each Director must protect and properly use any District asset within his or her own control, including information recorded on paper or in electronic form.

Directors of the District shall not use or alter the District logo, stationery or other facsimile thereof, for business or non-District business, including any solicitation or other political activity.

Directors should contact the General Manager's office for an overview of permissible uses of the District's mascot or other outreach supplies and equipment. Directors who wish to request the District's mascot or request outreach supplies should contact the External Affairs Department to submit a request in accordance to the process approved by the Board.

1.8 Employment

Employment decisions such as hiring, promoting, evaluating, compensation and terminating employees are based on qualifications for the position, ability and performance. Pursuant to Part 3, Chapter 1, Article 1, the General Manager shall have the authority in all matters of employment of District staff. Directors shall abstain from participating in any aspect of employment and personnel matters with the exception of matters pertaining to the General Manager.

All contact or communications with individuals interested in employment with the District should be referred to the Human Resources Department.

1.9 Confidential Information

From time to time, Directors have access to confidential information. With regards to this information:

- (a) A Director shall not use his or her position to obtain official information about any person or entity for any purpose other than the performance of official duties.
- (b) Unless specifically authorized in writing by the Board of Directors, a Director shall not intentionally, knowingly or recklessly disclose confidential information concerning the property, operations, policies or affairs of the

District including private information of any District personnel. This rule does not prohibit any disclosure that is no longer confidential by law or the confidential reporting of illegal or unethical conduct to authorities designated by law.

- (c) Pursuant to Government Code section 54963, a Director shall not disclose confidential information that has been acquired by being present in a closed session (refer to Part 2, Chapter 1, Article 4.6).

1.10 Conflict of Interest

- (a) A Director shall not make, participate in making or in any way attempt to use his or her official position to influence a District decision in which he/she has a financial interest.
- (b) A Director shall not make, participate in making or use his or her official position to influence any District decision directly relating to any contract where the Board member knows or has reason to know that any party to the contract is a person or entity with whom the Board member or any member of his or her family has engaged in any business transaction or transactions on terms not available to the public.
- (c) A conflict of interest may exist any time when a Director's position or decisions provide financial benefit or improper advantage. Directors will comply with the Political Reform Act, Government Code section 1090, et seq., and all other applicable statutes and regulations. To further protect the Directors, all potential contracting parties with the District shall be required to complete a conflict of interest questionnaire prior to the award.
- (d) A Director shall not, directly or indirectly, induce or attempt to induce any District employee:
 - (1) To participate in an election campaign, contribute to a candidate or political committee or engage in any other political activity relating to a particular party, candidate or issue;
 - (2) To refrain from engaging in any lawful political activity.
- (e) For a period of one year after the termination of official duties, a former Director shall not represent any person, group or entity in a lobbying type activity before the District Board or before District employees having responsibility for making recommendations to or taking any action on behalf of the District.

1.11 Award or Administration of Contracts

- (a) Application of Section: This Section shall pertain to matters involving the award or administration of contracts by the District.
- (b) No Director of the District or employee, officer or agent of the District shall participate in the selection, or in the award or administration of a contract or project funding if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:
 - (1) A Director or an employee, officer or agent of the District,
 - (2) Any member of his or her immediate family,
 - (3) His or her domestic or business partner, or
 - (4) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
- (c) A Director or an employee, officer or agent of the District will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub agreements. A Director or an employee, officer or agent of the District, however, may accept an unsolicited gift if the item is of nominal intrinsic value.
- (d) In the event that a Director fails to comply with the standards of conduct set forth in this Section 1.10 (a) through (c) and a conflict of interest is found, the Board reserves the right to nullify the vote of the Director with the conflict and/or revoke or rescind the contract entered into by the Board, unless otherwise prohibited by law, and the Director may be subject to discipline as provided in this Administrative Code.
- (e) If an employee, officer or agent of the District fails to comply with the standards of conduct set forth in this Section 1.10 (a) through (c), then the employee, officer or agent may be subject to discipline as provided in this Administrative Code.
- (f) If a contractor or its employee, officer or agent, or each of them, fails to comply with the standards of conduct set forth in this Section 1.10 (a) through (c), then the contractor may be rendered ineligible for any future contracting with the District.
- (g) If a subcontractor or their agents, or each of them, fails to comply with the standards of conduct set forth in this Section 1.10 (a) through (c), then the contractor or subcontractor may be rendered ineligible for any future contracting with the District.

1.12 Ex-Parte Communications

- (a) The District strives to ensure the protection of due process and fairness in its decision-making process. The District promotes transparency in its decision-making process and strives to ensure that all District decisions are made on the basis of information available to all District Board members and to the public. When Directors are making any contact with District employees or other District Directors, all parties must exercise sound judgment and caution to prevent an actual or implied impression that such contacts will result in preferential treatment of the prospective contractor.
- (b) Communication Blackout – No person or entity who has a potential new contract with the District, either for professional and other services or for the furnishing of any material, supplies, equipment or real estate to the District shall communicate directly or indirectly with a Director while that matter is pending before the District. Persons or entities that violate this policy will be disqualified from the procurement process. This communication blackout policy will be included in RFPs, RFQs, and related Districts materials to create disclosure and awareness of the policy.

All communications received by District Directors regarding contractual matters during the procurement process or pending review before the Board shall be reported to the General Manager. The General Manager shall designate a single point of contact within the District to whom prospective bidders, vendors and proposers are to direct questions and related communications. District Directors who are contacted shall make no representations regarding the pending contractual matter other than the communication will be forwarded to the General Manager.

- (c) All such communications requesting clarification or further information concerning the pending contractual matter shall be responded to by a District employee in a manner that ensures all other bidders, proposers, vendors or contractors receive identical responses.
- (d) All communications that are not handled as described above, are ex-parte communications which are prohibited. Board action that was the subject of the ex-parte communication may be revoked.

1.13 Participation in Political Activities

The District is subject to the Political Reform Act of 1974, as amended (the “Act”), and regulations of the Fair Political Practices Commission. The purpose of this section is to impose additional ethics requirements on the directors of the District as permitted by Section 81013 of the Act.

A. Definitions – For purposes of this section, the following definitions shall apply:

- (a) "Contribution" means a payment, a loan, an extension of credit, a forgiveness of a loan, a payment of a loan by a third party or an enforceable promise to make a payment, except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. An expenditure made at the behest of a candidate, committee or elected officer is a contribution to the candidate, committee or elected officer, unless full and adequate consideration is received for making the expenditure.

The term "Contribution" includes the purchase of tickets for events such as dinners, luncheons, rallies and similar fund-raising events; the granting of discounts or rebates not extended to the public generally or the granting of discounts or rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; and the payment of compensation by any person for the personal services or expenses of any other person if such services are rendered or expenses incurred on behalf of a candidate or committee without the payment of full and adequate consideration.

The term "contribution" further includes any transfer of anything of value received by a committee from another committee.

The term "contribution" does not include amounts received pursuant to an enforceable promise to the extent such amounts have been previously reported as a contribution. However, the fact that such amounts have been received shall be indicated in the appropriate campaign statement.

The term "contribution" does not include volunteer personal services or payments made by any individual for his or her own travel expenses if such payments are made voluntarily without any understanding or agreement that they shall be directly or indirectly repaid to him/her.

A loan or extension of credit shall be considered a contribution from the maker and guarantor of the loan and shall be subject to the contribution limitations of this policy except that such limitations shall not apply to loans or extensions of credit made to the candidate by a commercial lending institution in the lender's regular course of business on terms available to members of the general public for which the candidate is personally liable.

- (b) "Candidate." For the purposes of this section, a person shall be considered a "candidate" when the filing of a statement of intention to be a candidate is filed with the Los Angeles County Registrar Recorder. All limitations on contributions shall apply from that date.

- (c) "Person." For the purposes of this section, "person" shall mean an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, committee, or any other organization or group of persons acting in concert. "Person" shall also mean any spouse, child or other member of the immediate family of the person or entity making said contribution.
 - (d) "Pending." means the time period between the District issuing a Request for Proposal or other formalized solicitation for the provision of contracting, management or professional services or for the furnishing of any material supplies, equipment or real estate and the approval date by the Board.
 - (e) "Time Restrictions." No person or entity who has a potential new contract as set forth above in section D, has applied to perform services for the district, or is otherwise seeking or lobbying to engage in providing services or doing business with the district, or any person or entity doing business with the District shall contribute directly or indirectly to a Director or director-elect, or anyone running for the office of member of the Board of directors of the District during the period three (3) months prior to the date of election and up to and including the period three (3) months after the date of the election.
- B. Contributions Made on Behalf of Another – No person shall make a contribution on behalf of another, or while acting as the intermediary or agent of another, without disclosing to the recipient of the contribution both the person's, intermediary's or agent's own full name and street address, occupation and the name of the person's, intermediary's or agent's employer, if any, or the person's, intermediary's or agent's principal place of business if the person, intermediary or agent is self-employed; the recipient of the contribution shall also be made aware of the full name and street address and occupation and the name of the employer, if any, or principal place of business, if self-employed, of the actual contributor.
- C. Assumed Name Contributions – No contribution shall be made, directly or indirectly, by any person or combination of persons acting jointly in a name other than the name by which they are identified for legal purposes, nor in the name of another person or combination of persons. No person shall make a contribution in his or her or its name of anything belonging to another person or received from another person on the condition that it is used as a contribution.
- D. Political Contributions – No person or entity who has a potential new contract with the District, either for professional and other services or for the furnishing of any material, supplies, equipment or real estate to the District shall contribute directly or indirectly to a Director while that matter is pending before the District.
- E. Soliciting Political Contributions - Directors are prohibited from soliciting political contributions at District facilities or by using District resources.

- F. Use of District Property - Directors shall not use the District's official seal, or facsimile thereof, in any solicitation for political donations.

1.14 Review of Contracts

All contracts entered into by the General Manager under his authority pursuant to the Administrative Code shall be submitted to the Administration and Finance Committee on a quarterly basis.

1.15 Expense Reimbursement

Payment for travel and other expenses shall be allowed when reasonably necessary to represent the interests and objectives of the District. Business expenses shall normally be paid per the schedule described in this section.

1.16 Expense Limits

Expenditures for lodging, meals, transportation and other activities should provide for a reasonable level of comfort and convenience, but sound judgment shall be exercised to ensure reasonable cost to the District. Reasonable cost will vary depending on locality. All travel arrangements, including airfare, lodging, and train, should be made through a District employee, with pre-payment, whenever possible, especially for conference fees. District employees will work to ensure that travel arrangements are conducted using government or conference rates, whenever possible.

When reimbursement is permitted, Directors will be reimbursed only up to the actual and necessary expenses incurred in performance of their official duties. Expenses in excess of \$20.00 require receipts for reimbursement. For reimbursable expenses of \$20.00 or less, a written explanation is required if receipts are not available.

1.17 Travel Authorization

Actual and necessary travel expenses may be incurred in connection with official representation of the District in order to:

- (a) Attend seminars, conferences, hearings or other meetings directly related to the business of the District;
- (b) Interview persons, inspect facilities or exchange professional information;
- (c) Participate in other activities, as approved by the Board requiring expenditures for travel, meals and lodging that are necessary and in the best interests of the District.
- (d) Each Director shall be permitted a budget not-to-exceed \$7,000 per fiscal year to attend conferences or seminars to carry out the duties described in section 1.3 Board Training. . Attendance or expenses which would exceed

the permitted budget shall require District Board approval prior to attending or registering for said seminar or conference.

1.18 Authorized Expenses

A. Expenses in General

Authorized expenses normally include lodging, meals, common carrier fares, rental of automobiles, tips (not to exceed 20% of the cost of food or service), trip cancellation insurance costs and parking fees.

A Director may not submit a claim to the District for reimbursement of an expense reimbursed by another party.

B. Lodging/Overnight Travel

Lodging should only be obtained when outside of the local area (Los Angeles and Orange Counties) or in extenuating circumstances with prior approval by the Board in a public meeting. Lodging shall be obtained at the most economical rate reasonably available. Government rates should be utilized, if available. Use of conference headquarters hotels is encouraged. Lodging in connection with a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(b) shall not exceed the maximum group rate published by the group or activity sponsor, provided that lodging at the group rate is available.

Costs associated with travel will be the Director's personal responsibility. The Director will submit expenses for reimbursement and only those charges deemed eligible for reimbursement will be reimbursed. Personal and other incidentals (movies, snack bar fees, personal phone calls, etc.) will not be charged to the District. It is the responsibility of the individual traveling to pay for personal and other incidentals and to obtain the hotel folio for reimbursement submittal purposes at the time of check out from the hotel. Business center charges such as faxes, email, etc. are reimbursable if necessary to the performance of official District duties and the business purpose is documented. Business calls to District facilities will be reimbursed in full.

C. Business Meals

Reimbursement for meal expenses shall be provided by the District only upon full compliance with the requirements of the provisions of this section.

1. Only costs associated with conducting business that are reasonably necessary to further the interest of or benefit the purposes or objectives of the District will be reimbursed.

2. Directors should make every effort to hold meeting at the District's headquarters to limit unnecessary expenses.
3. A meal receipt must be accompanied by an itemized account of charges or the bill/statement, and must include the cost of meals and non-alcoholic beverages from the restaurant or food establishment where the meeting/meal was conducted, and shall include a description of the business purpose (i.e. the topics covered which relate to District business) of the meeting.
4. A meal furnished by a District Director to a person who is not a District representative will be reimbursed if the business conducted is reasonably necessary to further the interest of or benefit the purposes or objectives of the District.
5. Reimbursement of costs of meals provided to third parties and District contractors are prohibited. The District defines third parties as spouses, family, friends, or persons not doing business with the District.
6. When claiming reimbursement for meals the names of individuals doing business with the District must be provided. At the time of submitting meal expenses, Directors need to submit a personal check for costs incurred for third parties. Separate receipts should be requested, whenever possible, for third parties not doing business with the District.
7. Meals that occur in the local service area between District representatives (i.e. between Directors or between Directors and employees) are prohibited from being reimbursed unless there is a business necessity to conduct the meeting during the breakfast, lunch, or dinner hours. A brief explanation of the business necessity must accompany the itemized meal receipt when submitting for reimbursement.

The one exception to the rule is when district representatives (2 or more) are at a conference and one receipt includes the cost for all District representatives.

8. All meals for which expenses are incurred while traveling shall be reimbursed at the daily maximum rate of \$85 per District representative. Meal reimbursement is intended to cover the incremental expense of having to eat out while traveling. It is not intended to cover the entire cost of the meal. Hence, the daily maximum meal allowance includes the meal, non-alcoholic beverages and tips. When the cost of meals is included in a

registration fee, separate reimbursement for the covered meal is not allowed.

D. Attendance at Conferences/Business Meetings

Directors shall be entitled to reasonable expenses incurred and per diem for traveling to attend approved conferences, beginning one day prior to the start of the conference/business meetings and no later than one day following the conclusion of the conference. Travel to and from conference/business meetings in Los Angeles and Orange Counties is not normally reimbursed except under extenuating circumstances.

E. Transportation

Use of air travel, train, rental car or private car shall be selected on the basis of the most reasonable and appropriate method, taking into consideration distance, time and total costs to the District.

The following types of travel expenditures while on District business are allowable:

- a) Travel by private automobile –The Director must possess a valid California driver's license and carry automobile insurance. Each Director shall provide proof of a valid California driver's license and proof of insurance to the Human Resources Department which shall be reviewed and updated annually. The District shall register for the California Department of Motor Vehicle's Motor Vehicle Record pool for purposes on confirming ongoing compliance. It is the responsibility of Director to practice safe and defensive driving. Any damages to the vehicle or service repairs are of a personal nature and shall not be reimbursed by the District. Mileage reimbursement will be based on the vehicle (i.e., the owner of the vehicle will be reimbursed and not the passengers). All Directors who drive on behalf of or for District business or purposes shall comply with the driver's license and insurance requirements section as set forth in this Section. Any Director not in compliance with the requirements set forth above shall not drive on behalf of or for District business or purposes and will be ineligible to receive automobile or transportation allowance or mileage reimbursement unless the Director cannot meet such requirements due to a qualifying disability.

Automobile or Transportation Allowance – District Directors may receive a monthly automobile or transportation allowance. The automobile or transportation allowance is provided to reimburse Directors for his/her reasonable and necessary automobile or alternative transportation expenses, which include the cost of vehicle acquisition/lease, maintenance and repairs, insurance and gasoline costs for vehicle use or for the reasonable cost of obtaining alternate means of transportation for District business or purposes. Directors who may be unable to

drive due to a qualifying disability may use the automobile or transportation allowance for alternative transportation expenses as long as medical certification is provided on an annual basis. An appointed Water Purveyor shall not be eligible to receive this allowance.

- b) The automobile or transportation allowance amount is \$397 per month. Expenses incurred for use of private automobile for travel within Los Angeles County is covered by the director's car allowance. Mileage incurred for travel beyond these limitations is reimbursable at the standard IRS mileage reimbursement rate. The auto or transportation allowance amount may be increased by the Consumer Price Index (CPI)-Fuel percentage for the previous 12-month period or the increase in the Internal Revenue Service (IRS) mileage rate, whichever is higher.
- c) To process mileage reimbursement, eligible Directors must submit a mileage reimbursement form within two (2) months of incurring the mileage expense. Mileage reimbursement forms must identify the destination, purpose, and date of meeting. Documentation verifying the miles traveled such as Google maps or MapQuest directions must accompany the mileage reimbursement form. Parking will be reimbursed upon presentation of the original receipt.
- d) Automobile or transportation allowance and mileage reimbursement are contingent on annual verifications of valid driver's license, automobile insurance, and an acceptable driving record. Suspension of the automobile or transportation allowance and mileage reimbursement will occur for an indefinite period of time until the requirements set forth are met again.
- e) Air travel – Travel shall be in coach class or equivalent service, unless the Board determines some physical problem or exceptional circumstance warrants travel in a higher class. Exceptional circumstances may include special accommodations necessitated by a medical or physical condition or prolonged travel in excess of four hours. If a Director wishes to drive rather than fly to a destination, he/she may do so subject to all requirements set forth in this Section. In the event that trip cancellation protection insurance is purchased, all proceeds paid from any claim shall be paid or reimbursed to the District.
- f) Train Travel – Train travel shall be in coach class or equivalent service, unless the Board determines some physical problem or exceptional circumstance warrants travel in a higher class. Exceptional circumstances may include special accommodations necessitated by a medical or physical condition or prolonged travel

in excess of four hours. If a Director wishes to drive rather than to travel by train to a destination, he/she may do so subject to all requirements set forth in this Section. In the event that trip cancellation protection insurance is purchased, all proceeds paid from any claim shall be paid or reimbursed to the District.

- g) Rental vehicles – When rental vehicles are used, the least expensive, appropriate vehicle is to be used. The District’s standard classes of rental car are compact or mid-size models, unless district-related business requires a larger car. Limousines or chauffer/driver rentals are prohibited.

The Director is responsible for all out-of-pocket expenses in excess of the District’s recommendation that are not approved in advance by the Board.

Directors who wish to rent a vehicle for conference travel, shall rent vehicle with their personal credit card and will seek reimbursement in accordance with this policy. Rental vehicles must be rented under the Director’s name and can only be driven by the Director. The length of the rental vehicle shall be limited to the day before the conference starts and to the next day after the conference ends. Business hours for vehicle rental pick up and drop off will also be taken into consideration under this policy.

Gas is reimbursable only for rental vehicle expenses. The Director should refuel the car prior to returning it to the rental agency to avoid excessive gasoline charges. Rental vehicle insurance is an authorized expense. Any Director involved in an accident while driving a rental car must immediately report the incident to the rental agency and the General Manager.

F. Authorized Expenses for Metropolitan Representatives

All transportation costs incurred by the District’s Metropolitan Water District of Southern California (“Metropolitan”) representatives, for travel done on behalf of Metropolitan, shall be reimbursed by Metropolitan.

The District’s Metropolitan representatives, who are not District Directors, are not entitled to an automobile allowance from the District.

G. Incoming Directors

Directors who have been elected but have not been sworn in shall be reimbursed for reasonable and prudent travel and conference expenses incurred while on District business, under the same requirements as sworn Directors, with the approval of the current Board.

1.19 Unauthorized Expenses

Items of a personal nature are not reimbursable including: movies, entertainment, premium television services, personal phone calls, alcoholic beverages, dry-cleaning, spas, gyms, barber, magazines, shoeshine, travel insurance which insures the individual (not trip cancellation protection insurance), purchase of clothing or toiletries, loss of tickets, fines or traffic violations or other items of a personal nature.

If unauthorized expenses have been paid by the District, the Director will be responsible for immediate reimbursement to the District either by personal check or a payroll deduction.

1.20 Reimbursement of Expenses

All claims shall be submitted to the District for review within two (2) months after the expense is incurred. Claims submitted after two (2) months, must be approved by the Board of Directors.

- a) Claims shall be submitted on forms supplied by the District. Such forms must include a description of the expense, names (if appropriate), date incurred and a description of the business purpose of the expense.
- b) For meal reimbursements, meal receipts must be accompanied by an itemized account of charges, and the names of the guests when claiming reimbursement for meals that include guests. Separate receipts should be requested, whenever possible, for personal guests not doing business with the District.
- c) Expenses incurred by a District Director but prepaid by the District or charged on a District credit card must be listed on the expense claim form and noted as paid by the District.
- d) Receipts that are not submitted with the instructions set forth will not be reimbursed and will be returned for corrections.

1.21 Cash Advances and Credit Card Usage

- e) District Directors shall not be issued District credit cards.
- f) The District will not make cash advances.

1.22 Communication Allowance

District Directors may receive a communications allowance of \$200 per month. The District's Metropolitan representatives who are not District Directors shall not receive this allowance. An Apointed Water Purveyor shall not be eligible to receive this allowance.

This monthly amount reflects the necessary cost to cover the following equipment and services:

- All-in-one printer, copier and scanner,
- cellular phone,
- computer and monitor,
- dedicated phone line,
- fax machine,
- printer,
- software, and
- wireless communication and Internet.

District Directors will receive a flat monthly communications allowance. The monthly payment shall be in-lieu of the payment or reimbursement for any telephone calls, Internet fees, equipment or media.

1.23 Compensation to Directors for Attendance at Meetings

It is the policy of the District to compensate its Directors for the time they dedicate to advancing the projects and activities of the District. Directors shall be compensated for each day's attendance at meetings of the Board and committees thereof, or for each day's work at direction of the Board, not exceeding a total of 10 days in any calendar month. Such amount may be established by ordinance or resolution. Directors will also be reimbursed for authorized travel and other expenses when on official duty or when acting on behalf of Board. (For Metropolitan Water District Representatives, please refer to the Directors' Code of Conduct.)

"Meetings" are defined as meetings of the Board, committee meetings and such other meetings and events as reasonably necessary to further the interests of the District, subject to Board approval. The District will pay each Director per diem for each day's attendance at approved meetings as set forth below and reimburse expenses.

The amount of compensation to Directors may be increased each March pursuant to Ordinance No. 01-24 by the Consumer Price Index (CPI) percentage for the previous 12-month period or five percent (5 percent), whichever is less.

1.24 Number of Meetings

- g) Each Director shall be compensated (a per diem) in the amount established by Ordinance 01-24 for each day's attendance at

approved meetings of the District and conferences as described below, not exceeding a total of 10 meetings in each calendar month. Directors are prohibited from receiving compensation for more than one meeting in the same day.

- h) Each Representative of the Metropolitan Water District of Southern California ("Metropolitan") appointed by the District, and who is not a District Director shall be compensated (a per diem) in the amount established by Ordinance 01-24 for no more than 10 Metropolitan meetings or conferences in each calendar month, as described below.
- i) Each District Director who is also appointed by the Board as a Metropolitan Representative shall be compensated (a per diem) in the amount established by resolution for each day's attendance at approved meetings of the Board and the Metropolitan Board and conferences as described above, not exceeding a total of 20 days in each calendar month. However, no more than 10 meetings per month for any one District are allowed. Each person who represents the District on the Metropolitan Board shall attend Metropolitan committee and Board meetings and their Board's committee and Board meetings and such other meetings as are reasonably necessary to adequately represent the interests of the District to which they have been appointed.
- j) Each Director who is also appointed by the Board as a Metropolitan Representative shall not receive more than the amount established by Ordinance 01-24 for each day's attendance at approved meetings. Directors are prohibited from receiving compensation for more than one meeting in the same day, even when such Director attends a Metropolitan and any of their approved Board meetings.

1.25 Approved Ad Hoc and Non-District Meetings

Each Director of the District is authorized to receive compensation for attendance at meetings of organizations of which the District is a member, pays dues or is determined by the Board to be important to further the interests of the District. These organizations are listed in Exhibit "C" attached hereto and incorporated herein.

For all conferences and meetings except meetings of the District and Committees, Directors who attend must make brief oral or written reports to the other Board members at the next scheduled District Board meeting.

The following meetings shall be assigned by the Board President to individual Directors who will receive compensation for attendance at such meetings:

- k) ACWA Joint Powers Insurance Authority/Region 8.

- l) District ad hoc committee meetings.

1.26 Metropolitan Water District Representatives Approved Meetings

The District's Metropolitan representatives, who are not District Directors, are authorized to attend the meetings and events listed below on behalf of the District and for which compensation (a per diem) will be paid by the District unless otherwise compensated by Metropolitan:

- m) Board and committee meetings of the Metropolitan Water District
- n) Board meetings of the Central Basin Municipal Water District
- o) District sponsored inspection trips of Metropolitan Water District facilities
- p) Presentations made to outside agencies on behalf of Metropolitan Water District
- q) Association of California Water Agencies – Semi-Annual Conference
- r) Colorado River Water Users Association – Annual Conference
- s) Southern California Water committee meetings
- t) Scheduled meetings with the Metropolitan Water District of Southern California staff
- u) General Manager-approved meetings with District employees
- v) General Manager-approved meetings with Special Counsel

1.27 Non-Compensable Meetings

The following are examples of non-compensable meetings that are not necessary to represent the interests of the District. Such non-compensable meetings include, but are not limited to the following:

- w) Canceled Board and Committee meetings due to a lack of quorum;
- x) Service club meetings where a Director is not making a presentation on behalf of the District;
- y) Meetings a Director has with other elected officials or their representatives, which are not reasonably necessary to represent District interests;

- z) Informal or non-scheduled meetings with District employees;
- aa) Meetings with other Directors;
- bb) Meetings with vendors/contractors;
- cc) Informal or non-scheduled meetings with the Metropolitan Water District of Southern California staff;
- dd) Purely social or ceremonial events not pre-approved by the Board;
- ee) Parades, festivals, holiday events, retirement dinners; and
- ff) Meetings with a partisan and/or non-partisan political organization, candidate or staff.

1.28 Extraordinary or Emergency Meetings

If a need arises for a Director to attend or participate in a meeting not covered by this policy, and for which timely approval by the District Board or District Administration and Finance Committee is not practical, the Director must seek review and recommendation from the Administration and Finance Committee at the earliest possible date, followed by Board approval at the next scheduled Board meeting.

1.29 Rules of Conduct at Board Meetings

As emphasized in earlier Board Meetings section:

- (a) Board members shall conduct themselves in a respectful manner at all times during Board and Committee meetings, and act civilly when engaging with the public, staff or fellow Directors.

1.30 Submittal and Review of Per Diem and Expense Claims

For all meetings, Directors can submit claims for per diem compensation on forms provided by the District within two (2) months of the attendance date of meeting. Claims received after two (2) months require Board approval prior to payment. The entries on this form shall clearly document each Director's attendance of the meeting, the purpose of each meeting, the location and the names and affiliations of other parties who were in attendance.

Each form is to be submitted to the District for processing. Upon receipt of the form, it will be reviewed to ensure that the claims adhere to the policies outlined above. Any claims submitted that do not fall under this policy's guidelines will be forwarded to the District Administration and Finance Committee for review prior to payment. The Administration and Finance Committee will review all Directors' expenses monthly, during their regularly scheduled Administration and Finance Committee meeting.

Director's per diem and other expenses should be submitted to the District as provided per the District's schedule and will be processed for payment for the following Wednesday. Directors may choose payment via direct deposit or check.

1.31 Public Awareness and Outreach

The District recognizes the importance of promoting water awareness, conservation and education. Accordingly, the District is authorized to initiate or participate in non-political public awareness activities.

Such activities shall include events of a non-political nature, including educational events, community issues forums, community festivals, environmental events, senior citizen forums and others which do not entail political, partisan, and/or religious participation, but which serve as outlets of information related to water issues and which may bring about institutional recognition for the District.

The District is not a charitable organization, and thus is refrained from engaging in activities that do not meet the criteria as described in the policy below.

1.32 Outreach Guidelines

A. Introduction and Purpose

An important goal of the District's outreach strategy is the promotion of water issues and to increase awareness of District programs, projects and policies. The District produces various events (District Hosted Events) designed to promote water issues and to increase awareness of District programs, projects and policies. The District supports certain organizations and events on an annual basis as identified in its budget. The District recognizes there are other organizations that organize, produce, or host events which offer opportunities for the District to promote water issues and to increase awareness of District programs, projects and policies. Such public events are considered "Non-District Sponsored Events."

Sponsorships made by the District to support events hosted by organizations in the service area should promote discussion of water issues from a local, regional, statewide or national perspective and/or provide the opportunity to increase awareness of District programs, projects and policies. The District provides support for community water awareness programs and projects, water-related education outreach programs, and public policy water conferences.

B. Budgeted and Pre-Approved Sponsorships

The District approves on an annual basis, through its budgetary process, participation in and sponsorship of certain water related events, conferences, and programs, which bear a direct relationship to the District's operations and activities.

C. District Hosted Events

The District may produce events to promote water issues and to increase awareness of District programs, projects and policies, provided that such events are not political, partisan and/or religious in nature. The District may also partner on regional events.

D. Requirements for Non-District Sponsored Events

The General Manager or Director of External Affairs (in accordance with the District's Procurement Policy) may decide to sponsor or authorize participation in Non-District Sponsored Events provided that such events: (1) provide the opportunity to promote water issues or increase awareness of District programs, projects and policies; (2) are not political, partisan and/or religious in nature; 3) are open to the community; and 4) meet the requirements as defined by this policy.

The requesting party must complete the District's Community Outreach Application (Application) and provide clearly defined reasons for District participation in the Non-District Sponsored Event, including details about how the Non-District Sponsored Event promotes water issues or provides an opportunity to increase awareness of District programs, projects and policies.

The Non-District Sponsored Event must have a staff member present and include at least one of the following criteria:

- a. A speaking opportunity for a District representative; or
- b. A District booth or table at the event to distribute District information or promotional items to promote District awareness

Verification of a speaking event or hosting of a booth for the Non-District Sponsored Event must include supporting documentation (i.e. a flyer) and submitted to the Director of External Affairs at the time the application is submitted at least 30 days in advance.

The District will only issue payment through checks paid directly to host organizations which meet these guidelines. No cash disbursements will be made for events covered by these guidelines. Invoices for such payments must be submitted at least 30 days prior to the requested event.

E. Proposed Expenditures

A pre-determined amount approved in every fiscal year budget is available to pay sponsorship or participation fees for designated Non-District Sponsored Events. Any expenditure made for Non-District Sponsored Events must be related to the promotion of water issues or increase awareness of the District's programs, projects and policies.

F. Restrictions

Collateral or promotional materials will not qualify for Non-District Sponsorship. Expenditures for outreach should not exceed \$200 per event per fiscal year. Sponsorship per organization is dependent upon available funds in budget.

1.33 Code of Conduct Enforcement and Sanctions

A Director who is subject to a finding of violation or non-compliance with the Code of Conduct or other section of the Administrative Code shall be reported to the Administration and Finance Committee, which in turn can make recommendations to the Board. The sanction imposed should depend upon the severity of the violation and may be progressive unless the violation is determined to be so egregious as to warrant more severe action as an initial sanction.

While the Board does not have the power to remove any Director from office, the Board, by a majority vote, may take other action as deemed appropriate, including:

- a) Public or private censure by the Board;
- b) Disqualification from participation in any discussion or vote on the matter related to the violation;
- c) Removal of the Director from one or more committee appointments or designated MWD representative appointment; and
- d) Any other sanction determined by the Board of Directors to be appropriate and reasonable based upon the nature of the violation that is permissible under the law.

EXHIBIT “A” Conflict of Interest and Disclosure Code

CATEGORY 1

Persons in this category shall disclose all interests in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Persons are not required to disclose a residence, such as a home or vacation cabin, used exclusively as a personal residence; however, a residence in which a person rents out a room or for which a person claims a business deduction may be reportable.

CATEGORY 2

Persons in this category shall disclose all investments and business positions.

CATEGORY 3

Persons in this category shall disclose all income (including gifts, loans and travel payments) and business positions.

CATEGORY 4

Persons in this category shall disclose all business positions, investments in, or income (including gifts, loans and travel payments) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned this disclosure category.

CATEGORY 5

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information, advice, recommendations or counsel to the agency which could affect financial interests shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by the General Manager of the agency. (See footnote in Exhibit “B” for clarification.)

EXHIBIT “B” Designated Positions/Disclosure Categories

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Directors	1, 2, 3
General Manager	1, 2, 3
General Counsel	1, 2, 3
Accounting Manager	2, 3
Assistant Engineer	4
Director of Administration & Board Services	4
Finance Director	2, 3
Education & Grant Manager	4
Engineering and Operations Manager	1, 4
Director of Human Resources	2, 3
Director of Technology	1, 4
Director of External Affairs	4
Public Information Officer	4
Conservation Manager	4
Water Resources Manager	4
Contracts & Procurement Analyst	4
Chief Engineer	1, 4
Consultants/New Positions*	5

EXHIBIT “B” (Cont’d)

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The General Manager or his or her designee may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager or his or her designee’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

Exhibit “C” District Approved Meetings

1. Central Basin Municipal Water District Board meetings
2. District Committee meetings
3. Prescheduled and calendared meetings with the General Manager through District Board and Administrative Services
4. General Manager-approved and scheduled meetings with District staff
5. Meetings formally requested by General Counsel pertaining to legal matters of the District
6. Meetings formally requested by Special Counsel pertaining to legal matters of the District
7. City Council and other community meetings within the District’s service area to discuss water policy or projects related to the District’s mission
8. Meetings with local, state or federal elected officials to discuss water policy or projects related to the District’s mission
9. Meetings with District purveyors to discuss water policy or projects related to the District’s mission
10. District events or events which are sponsored by the District
11. American Water Works Association
12. Association of California Water Agencies — Region 8 Board meetings and Semi-annual Conferences
13. Association of California Water Agencies/Joint Powers Insurance Authority meetings and Conferences
14. Association of Metropolitan Water Agencies
15. California Association of Sanitation Agencies
16. California Contract Cities Association – Annual Conference, Seminars and business meetings
17. California Special Districts Association
18. California Urban Water Conservation Council

19. California Water Awareness Campaign
20. Central Basin Water Association
21. Central Basin Water Rights Panel
22. Chambers of Commerce meetings within the District's service area
23. Colorado River Water Users Association
24. Compton Creek Mosquito Abatement District
25. Gateway Cities Council of Governments
26. Gateway Water Management Authority
27. Greater Los Angeles Gateway County Integrated Regional Water Management
28. Independent Cities Association
29. League of California Cities
30. Local Agency Formation Commission
31. Long Beach Water Commission
32. Los Angeles County Board of Supervisors
33. Los Angeles County Flood Control District
34. Los Angeles County Sanitation District
35. Los Angeles & San Gabriel River Watershed Council
36. Metropolitan Water District (MWD) of Southern California – Board meetings, committee meetings, and inspection trips of MWD facilities
37. National Association of Latino Elected and Appointed Officials
38. National League of Cities
39. National Water Research Institute
40. National Water Resources Association

41. Public Officials for Water & Environmental Reform
42. San Gabriel River Discovery Center Authority – Board meetings and Committee meetings
43. San Gabriel River Watermaster Board meetings
44. San Gabriel Valley Protective Association
45. Southeast Water Coalition
46. Southern California Water Committee meetings
47. Upper San Gabriel Valley Municipal Water District – Board meetings and Committee meetings
48. Urban Water Institute, Inc.
49. Water Education for Latino Leaders – Conferences and Workshops
50. Water Education Foundation
51. Water Replenishment District of Southern California – Board meetings and Committee meetings
52. WaterReuse Association – Conferences, meetings, and Board meetings
53. WaterReuse Foundation
54. West Basin Municipal Water District - Board meetings and Committee meetings
55. West Basin Water Association

Exhibit “D” Description of Committee Functions

COMMITTEES (NOTE: The following are “Standing Committees”, which have either: 1) a continuing subject matter jurisdiction or 2) a meeting fixed by charter, ordinance, resolution or other formal action of the legislative body. Standing committees comprised of less than a quorum of the governing body are covered by the Brown Act.)

WATER RESOURCES & GOVERNMENTAL AFFAIRS COMMITTEE

The Water Resources and Governmental Affairs Committee studies, advises and makes recommendations with regard to the following:

- Policies, sources, and means of importing water required by the District;
- Reviews the water rates and conditions governing the sales and exchanges of water;
- Policies regarding the sale and delivery of water for optional uses;
- Policies regarding allocation of water standby charge, or availability of service revenue requirements among member public agencies;
- Water standby or availability of service charges within the District;
- Policies regarding annexation and the requirements, procedures, terms, and conditions for annexation;
- Energy matters relating to water supply;
- Policies regarding water conservation, reclamation, reuse, and underground storage of water and the use thereof.
- Ensuring that the residents within the District boundaries, the member agencies and cities within the area, and other agencies that the District activities involve have an understanding of, and support the measures and programs that are necessary for the District to continue to provide adequate service and meet the water supply needs of its communities;
- Selection of local and state government services consultants; making recommendations for effective governmental relations with state, federal, and local legislators;
- Selection of outreach consultants when new project will impact the service area constituents;
- Review of promotional items, bottled water distribution, and publications;
- Reviewing both inside and outside communications efforts of the District, including media and public relations;
- Review of education and conservation programs; and
- Review special event planning.

ENGINEERING AND OPERATIONS COMMITTEE

The Engineering and Operations Committee studies, advises and make recommendations with regard to the following:

- Reviews plans, specifications, and bids;
- The initiation, scheduling, contracting, and performance of construction programs and work, and the equipment or materials to be used, replace, disposed of, or salvaged;

- The operation, protection, and maintenance of the plants and facilities required for the production, exchange, sale, storage, treatment, and delivery of water and power for the storage and treatment of water; and for the distribution of electrical energy to the pumping plants; and
- The providing of storage and distribution facilities and connections for the delivery of water.

ADMINISTRATION & FINANCE COMMITTEE

The Administration and Finance Committee studies, advises and makes recommendations with regard to the following:

- The form of the District's organization and the flow of authority and responsibility;
- Periodic independent reviews and studies of the organization, the classification of positions, job duties, salaries, and salary ranges;
- Relations between the District and its employees including all matters affecting wages, hours, pension plans, and other employee benefits, and other terms and conditions of employment;
- Areas of special concern to the District and its employees, including, but not limited to, equal employment opportunity, affirmative action, and work rules pertaining to the health and safety of employees;
- Policies and rules regarding the employment, discipline and discharge of District employees;
- Selection of management personnel consultants and the determination of the scope of their assignments; and
- Individuals to serve in positions requiring Board approval.
- Addresses compliance issues related to the Code of Conduct or the Conflict of Interest provisions of the Administrative Code;
- Preparation of budgets;
- Sale of bonds and borrowing and repayment of monies;
- Disposition and investment of funds;
- Authorization of appropriations;
- The determination of revenues to be obtained through the sale of water, water standby charges or availability of service charges, and the levying of taxes;
- The financial impact and requirements of policies concerning annexation;
- The financial aspects of the District's risk management program;
- Questions pertaining to insurance coverage and self-insurance;
- The selection of auditors and financial and insurance consultants, and the determination of the scope of their assignments, and the selection of attorneys to act as bond counsel; and
- Form and contents of accounts, financial reports, and financial statements.

Additionally, the Administration and Finance Committee investigates and/or refers ethics complaints against Directors, officers and employees of the District, and addresses Auditors' periodic and annual reports.