SPECIAL MEETING OF THE ADMINISTRATIVE COMMITTEE
OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BOULEVARD, LAKEWOOD, CALIFORNIA 90712
2:00 P.M., TUESDAY, JULY 29, 2008

AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as "For information" may also be the subject of an "action" taken by the Board or a Committee at the same meeting.

1. DETERMINATION OF QUORUM

2. PUBLIC COMMENT

   Staff Recommendation: Approve as submitted.

4. ADMINISTRATIVE CODE REVISIONS – AMENDMENT TO CHAPTER 6 OF
   THE WRD ADMINISTRATIVE CODE RELATING TO POLICY AND
   PROCEDURES FOR DIRECTORS’ COMPENSATION
   Staff Recommendation: Approve Resolution No. 08-819, adopting policy and
   procedures pertaining to Directors’ Compensation amending Chapter 6 of the
   Administrative Code to reflect same.

5. ADMINISTRATIVE CODE REVISIONS – AMENDMENT TO CHAPTER 7 OF
   THE WRD ADMINISTRATIVE CODE RELATING TO POLICY AND
   PROCEDURES FOR REIMBURSEMENT OF EXPENSES FOR MEMBERS OF
   THE BOARD OF DIRECTORS AND DISTRICT EMPLOYEES
   Staff Recommendation: Approve Resolution No. 08-820, adopting policy and
   procedures pertaining to reimbursement for expenses incurred by Directors and
   District employees in performance of official duties; thereby amending Chapter 7
   and partially repealing Chapter 13 of the Administrative Code.

6. DEPARTMENT REPORT
   Staff Recommendation: For information.

7. DIRECTOR’S REPORTS, INQUIRIES AND REVIEW OF DIRECTIONS TO
   STAFF

8. ADJOURNMENT

Posted by Abigail C. Andom, Deputy Secretary, July 23, 2008.
MINUTES OF JUNE 10, 2008
SPECIAL MEETING OF THE ADMINISTRATIVE COMMITTEE
OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

A special meeting of the Administrative Committee of the Board of Directors of
the Water Replenishment District of Southern California was convened on
June 10, 2008 at 10:00 a.m. at the District Office, 4040 Paramount Boulevard,
Lakewood, California. Due to a lack of a quorum, the meeting recessed and
reconvened at 3:21 p.m. Chairperson Lillian Kawasaki called the meeting to
order and presided thereover. Deputy Secretary Abigail C. Andom recorded the
minutes.

1. DETERMINATION OF QUORUM
   Attendees included:
   Committee: Directors Lillian Kawasaki and Rob Katherman
   Staff: Scott Ota, Jenna Shaunessy,
          District Counsel Jamie Casso

2. PUBLIC COMMENT
   None.

3. APPROVAL OF THE MINUTES OF THE MEETING OF
   MARCH 27, 2007
   The minutes were approved as submitted.

4. ADMINISTRATIVE CODE REVISIONS – AMENDMENT TO
   CHAPTER 7 OF THE WRD ADMINISTRATIVE CODE RELATING
   TO POLICY AND PROCEDURES FOR REIMBURSEMENT OF
   EXPENSES FOR MEMBERS OF THE BOARD OF DIRECTORS
   AND DISTRICT EMPLOYEES
   Discussion followed on proposed changes to Chapter 7. The
   Committee recommended the item be agendized for Board
   approval at the June 20, 2008 Board meeting.

5. ADMINISTRATIVE CODE REVISIONS – DISTRICT POLICY
   PERTAINING TO FACILITIES USE AGREEMENT, PERTINENT
   FEES, AND RESERVATION FORMS
   The item was deferred to the next Committee meeting.

6. ADMINISTRATIVE CODE REVISIONS – AMENDMENT TO
   CHAPTER 12 OF THE WRD ADMINISTRATIVE CODE
   RELATING TO ELECTRONIC MEDIA/INTERNET POLICY
   Discussion followed on proposed changes to Chapter 12. The
   Committee recommended the item be agendized for Board
   approval at the June 20, 2008 Board meeting.
7. **DEPARTMENT REPORT**  
None.

8. **DIRECTOR’S REPORTS, INQUIRIES AND REVIEW OF DIRECTIONS TO STAFF**  
None.

9. **ADJOURNMENT**  
With no other business to come before the Committee, the meeting was adjourned.

__________________________
Chairperson

ATTEST:

__________________________
Director
DATE: JULY 29, 2008

TO: ADMINISTRATIVE COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: ADMINISTRATIVE CODE REVISIONS – AMENDMENT TO CHAPTER 6 OF THE WRD ADMINISTRATIVE CODE RELATING TO POLICY AND PROCEDURES FOR DIRECTORS’ COMPENSATION

SUMMARY
The attached Resolution No. 08-819, if adopted, will amend Chapter 6 of the Administrative Code, relating to Director’s Compensation.

The Administrative Committee at its December 10, 2007 and March 6, 2008 meetings evaluated the District’s current policy relating to Director’s compensation and directed staff to work with District Counsel in drafting changes discussed at the meeting for consideration by the Board.

The Board at its June 20, 2008 meeting reviewed the item and recommended action be deferred until additional input was received from other Board members. Additionally, the Board requested that recommended changes be sent directly to District Counsel. As of the date of this packet’s mailing, no additional comments have been received.

FISCAL IMPACT
None.

STAFF RECOMMENDATION
Approve Resolution No. 08-819, adopting policy and procedures pertaining to Directors’ Compensation amending Chapter 6 of the Administrative Code to reflect same.
RESOLUTION NO. 08-819

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
AMENDING CHAPTER 6 OF THE ADMINISTRATIVE CODE
RELATING TO DIRECTORS’ COMPENSATION

WHEREAS, Water Code Sections 20201 and 60143 provide for and authorize payment of compensation to Board of Directors of the Water Replenishment District of Southern California (“District”) for attendance of meetings; and

WHEREAS, the proposed amendments to Chapter 6, entitled “Directors’ Compensation” of the Administrative Code were considered by the Administrative Committee at its December 10, 2007, March 6 and March 27, 2008, and July 24, 2008 meetings; and

WHEREAS, the Administrative Committee, after review and consideration, recommended the approval of this Resolution relating to compensation of the District’s Board of Directors; and

WHEREAS, the Board of Directors of the District desires to establish a clear policy and procedure relating to payment of compensation to Directors.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT DOES RESOLVE AS FOLLOWS:

1. Chapter 6, entitled “Directors’ Compensation”, of the District’s Administrative Code, is hereby amended to read in its entirety as follows:

6. DIRECTORS’ COMPENSATION

This Chapter shall be known as the Directors’ Compensation Policy (“Policy”). Each member of the Board of Directors shall be compensated for attendance at Meetings (as defined below) at the rates, and up to the maximum number of days per month, as approved by the Board and permitted under Water Code Sections 20201 and 60143 or any successor statute; provided, however, that a Board Member shall not receive compensation for more than one meeting per day and no more than ten (10) meetings per calendar month. Directors are prohibited from receiving compensation for more than one (1) meeting in the same day. Any increases in compensation shall be made pursuant to state law.
6.1 Definitions of “Meetings” For Purposes of Compensation

For purposes of the Policy, “Meetings” mean any congregation of a majority of the members of the Board of Directors, at the same time and place, to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the District Board or for the purpose of transacting business pertinent to the interest of the District. For purposes of compensation pursuant to this Policy, “Meetings” are limited to the following:

a) Regular and special meetings of the Board of Directors.

b) Meetings of the Standing Committees of the District, as set by a resolution of the Board of Directors.

c) Meetings of Ad Hoc Committees.

d) Meetings where the Director represents the District in furtherance of the District's mission, goals and business purpose.

e) Meetings approved by the Board of Directors.

6.2 Compensation

Each Director shall be compensated in the amount established for each day's attendance at meetings of the District and for each day's service rendered in representing the interests of the District, not exceeding a total of ten (10) days in each calendar month, so long as a Director is not compensated for more than one (1) meeting in the same day.

6.3 Brief Report to Board Members for Meetings Attended at District’s Expense

With the exception of regular, special, standing and ad hoc Committees, Board Directors shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board immediately following the meeting attended at District’s expense. Report may be made orally or in writing. If more than one Board member attends such meeting, the report from one of the members that mentions the other’s presence is sufficient. Reports shall be made in compliance with state law.
PASSED, APPROVED AND ADOPTED THIS _____ day of _____ 2008 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

______________________________
Robert Katherman, President

ATTEST:

______________________________
Willard H. Murray, Jr., Secretary

______________________________
DATE
6 DIRECTORS’ COMPENSATION

This Chapter shall be known as the Directors’ Compensation Policy (“Policy”). Each member of the Board of Directors shall be compensated for attendance at Meetings of the Board (as defined below) at the rates, and up to the maximum number of days per month, as approved by the Board and permitted allowed under Water Code Sections 20201 and 60143 and Water Code Section 20201 or any successor statute; provided, however, that a member of the Board Member shall not receive compensation for greater than one meeting per day and no more than ten (910) meetings per calendar month. Directors are prohibited from receiving compensation for more than one (1) meeting in the same day. Any increases in compensation shall be made pursuant to state law, ordinance and following public hearings noticed according to law.

6.1 Definitions of “Meetings” of the Board—For Purposes of Compensation Defined

For purposes of this Policy, “Meetings of the Board” mean any congregation of majority of the members of the Board of Directors, at the same time and place, to hear, discuss or deliberate upon any time that is within the subject matter jurisdiction of the District Board for or for the purpose of refers to a gathering of members of an organization for the purpose of transacting business pertinent to the interest of the District. For purposes of compensation pursuant to this under this Policy, “Meetings of the Board” are limited to the following:

a) Regular and special meetings of the Board of Directors.

b) Meetings of the Standing Committees of the District, as set by a resolution of the Board of Directors.

c) Meetings of Ad Hoc Committees.

d) Meetings where the representative of the District speaks in furtherance of the District’s mission, goals and business purpose, at other organization when representative is designated by the Board—The Board may designate one or more of its members as representatives to other organizations. Only those designated representatives shall be entitled to compensation for attendance at meetings of such organizations. The designation of representatives to the organizations shall be by Board action initiated by the External Affairs Committee at the commencement of each fiscal year, or as necessary. Authorization for compensated attendance at meetings of the designated organization by the designated representative during the fiscal year shall not require individual Board action. The External Affairs Committee shall from time to time review the status of representation.
Each Director shall be compensated in the amount established for each day’s attendance at meetings of the District and for each day’s service rendered in representing the interests of the District, not exceeding a total of ten (10) days in each calendar month.

e) Meetings approved by the Board of Directors, President.

6.2 **Compensation**

Each Director shall be compensated in the amount established for each day’s attendance at meetings of the District and for each day’s service rendered in representing the interests of the District, not exceeding a total of ten (10) days in each calendar month, so long as a Director is not compensated for more than one (1) meeting in the same day.

6.3 **Brief Report to Board Members for Meetings Attended at District’s Expense**

With the exception of regular, special, standing and ad hoc Committees, Board Directors shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board immediately following the meeting attended at District’s expense. Report may be made orally or in writing. If more than one Board member attends such meeting, the report from one of the members that mentions the other’s presence is sufficient. Reports shall be made in compliance with state law.
DATE:        JULY 29, 2008

TO:          ADMINISTRATIVE COMMITTEE

FROM:        ROBB WHITAKER, GENERAL MANAGER

SUBJECT:     ADMINISTRATIVE CODE REVISIONS – AMENDMENT TO CHAPTER 7 OF
THE WRD ADMINISTRATIVE CODE RELATING TO POLICY AND
PROCEDURES FOR REIMBURSEMENT OF EXPENSES FOR MEMBERS OF
THE BOARD OF DIRECTORS AND DISTRICT EMPLOYEES

SUMMARY
The attached Resolution No. 08-820, if adopted, will amend Chapter 7 and integrate that
portion of Chapter 13, of the Administrative Code relating to reimbursement of expenses for
members of the Board of Directors and District employees.

The Administrative Committee at its December 10, 2007, March 27, 2008 and June 10, 2008,
meetings evaluated the District’s current policy relating to the reimbursement of expense for
members of the Board and District employees and directed staff to work with District Counsel
in drafting changes discussed at the meeting for consideration by the Board.

The Board at its June 20, 2008 meeting reviewed the item and recommended action be
defferred until additional input was received from other Board members. Additionally, the
Board requested that recommended changes be sent to District Counsel. As of the date of this
packet’s mailing, no additional comments have been received.

The underlined text indicates additions and the strike through text indicates deletions to the
Administrative Code.

FISCAL IMPACT
None.

STAFF RECOMMENDATION
Approve Resolution No. 08-820, adopting policy and procedures pertaining to reimbursement
for expenses incurred by Directors and District employees in performance of official duties;
thereby amending Chapter 7 and partially repealing Chapter 13 of the Administrative Code.
RESOLUTION NO. 08-820

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
AMENDING CHAPTER 7 OF THE ADMINISTRATIVE CODE
RELATING REIMBURSEMENTS OF EXPENSES
FOR MEMBERS OF THE BOARD OF DIRECTORS
AND DISTRICT EMPLOYEES

WHEREAS, members of the Board of Directors ("Board") of the Water Replenishment District of Southern California ("District") and District employees perform official duties that require travel; and

WHEREAS, the official duties that involve travel include training, conferences, meetings with legislators and regulators, and meetings with staff and officials of surrounding communities regarding matters of mutual importance; and

WHEREAS, the performance of such official duties facilitates the efficient and satisfactory completion of District’s business and promotes a good relationship between the District and surrounding communities, the state government, and the federal government; and

WHEREAS, members of the District’s Board and District employees incur expenses related to the performance of official duties, which may take place both within and outside of the District’s boundaries; and

WHEREAS, members of the Board use technologies such as cellular phones and Internet service to facilitate the performance of their official duties; and

WHEREAS, the California Water Code and Government Code permit the District to reimburse employees and members of the Board for actual and necessary expenses incurred in the performance of official duties; and

WHEREAS, the District’s Board has adopted a resolution authorizing reimbursement for the members of the board for expenses incurred in the performance of official duties; and

WHEREAS, Assembly Bill 1234 (2005) ("AB 1234") requires board of directors for water districts, prior to providing reimbursement to members of the District’s Board, adopt a policy regarding the reimbursement for expenses incurred by members of legislative bodies in the performance of official duties; and
WHEREAS, the District's current policy is substantially in conformance with AB 1234, however, the District desires to revise its policy to more closely reflect the requirements of AB 1234; and

WHEREAS, this Resolution amending Chapter 7 and repealing that portion of Chapter 13, pertaining solely to reimbursement of expenses, is intended to: (a) satisfy the pertinent requirements of AB 1234 relating to reimbursement of expenses of members of legislative bodies; (b) set forth a reimbursement policy applicable to employees; and (c) establish other requirements related to travel expenses paid by the District; and

WHEREAS, the proposed amendments were considered by the Administrative Committee at its December 10, 2007, March 6 and March 27, 2008, June 10, 2008, and July 24, 2008 meetings; and

WHEREAS, the Administrative Committee, after review and consideration, recommended the approval of this Resolution.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT DOES RESOLVE AS FOLLOWS:

1. That portion of Chapter 13, entitled “Expenses”, of the District's Administrative Code, pertaining solely to reimbursement of expenses incurred by members of the Board and District employees in performance of official duties is hereby repealed.

2. Chapter 7, entitled “Directors' Expenses”, of the District's Administrative Code, is hereby amended to read in its entirety as follows:

7 REIMBURSEMENTS OF EXPENSES FOR MEMBERS OF THE BOARD OF DIRECTORS AND DISTRICT EMPLOYEES

7.1 PURPOSE

The purpose of this policy is to ensure that the reimbursement of members of the District Board (also referred to as “Board”) and District management, staff (collectively referred to as "employees" or "District employees") for expenses incurred in the performance of official duties complies with California Water Code and Government Code, including the recently enacted Assembly Bill 1234, which adds Sections 53232.2 et seq. to the Government Code, to establish a reimbursement policy applicable to Board of Directors and District employees, and to establish other requirements related to travel, lodging and educational expenses paid by the District.
7.2 EXPENSES

In the conduct of District business, employees and members of the Board of Directors may incur expenses, subject to budgeted funds being available, adequate supporting documentation and required approvals, in accordance with the following:

a) Expenses outlined in this Chapter of the Administrative Code and Procurement Policies and Procedures;

b) Expenses that further the District’s mission concerning replenishment and quality of water in the Central and West Coast Groundwater Basins, including but not limited to, expenses directly incurred in connection with a program or capital project of the District, activities that facilitate relations or working arrangements with other government or private sector personnel that are important to the District’s mission, activities that enhance awareness and education of the District’s functions, and activities that promote the attraction and retention of high quality employees of the District.

c) Reimbursement of actual and necessary expenses incurred in performance of official duties as a member of the Board of Directors and District employees.

Each member of the Board of Directors is encouraged to participate in those outside activities and organizations, which in the judgment of the Board, furthers the interests of the District. The actual and necessary expenses incurred by Board members in connection with such activities are reimbursable in accordance with the expense reimbursement policy set forth in this Chapter.

7.2.1 Board Vehicle Allowance

Other than the President of the Board, Each Director may receive a vehicle allowance of Three Hundred and Eight Dollars ($308.00) per month provided they attend at least one meeting, as defined in Chapter 6, within the month. The President of the Board may receive a vehicle allowance of Four Hundred Dollars ($400.00) per month provided the President attends at least one meeting, as defined in Chapter 6, within the month. Alternatively, all Directors may choose to receive reimbursement for actual mileage incurred during any given month at the current IRS rate for business mileage reimbursement. The option to receive the monthly vehicle allowance or be reimbursed for actual mileage incurred during a month shall be at the sole discretion of each Director and shall be determined monthly.
7.2.2 Dues to Professional Organizations

Members of the Board of Directors shall receive reimbursement for reasonable dues required for membership in such professional organizations as listed in a resolution approved by the Board of Directors and provided that membership in such professional organizations is actual and necessary for performance of District official's duties.

7.2.3 Cash Advances and Credit Card Usage

With the exception of Chief Financial Officer, who shall make advance reservations and payments for lodging, traveling and conferences as permitted by this Chapter, members of the Board of Directors and District employees shall not be issued nor have in their possession District credit cards. The District will not make any cash advances. (Payment directly to third-parties for conference registration, airfare, hotel or other authorized expenses is not considered cash advances.)

7.2.4 Board Communications Allowance

Members of the Board of Directors may receive a communications allowance in such amount and upon such conditions as may from time to time be determined by the Board. The monthly communications allowance amount for members of the Board of Directors is Three Hundred Dollars ($300.00). This amount covers the following equipment and services, which are necessary for the conduct of official District business or to carry out official duties as a member of the Board of Directors:

i. Mobile Telephone, PDAs or similar mobile communication devices (subject to two-year replacement schedule and limited to the amount of direct compensation only);

ii. Mobile Telephone service;

iii. Computer software;

iv. Computer, monitor, all-in-one printer, fax machine, copier and scanner (subject to four-year replacement schedule);

v. Internet service;

vi. Dedicated phone line; and

vii. Printer and fax supplies
Directors may elect to receive a flat monthly communications allowance. Such monthly payment shall be in lieu of the acquisition by the Director of any telephone, electronic media or other equipment and for the payment or reimbursement for any telephone call, internet fees or similar expenditures. Directors who desire to receive the monthly communications allowance shall elect to do so by January 1 of each calendar year. Directors who do not make such an election by that date may seek reimbursement of any communications related expenses actually incurred by the Director in connection with District business in accordance with the general procedures for reimbursement of expenses set forth in this Administrative Code and subject to fiscal capital amount of Three Thousand Six Hundred Dollars ($3,600.00). Any requested reimbursement in excess of this amount shall require prior approval by the Board of Directors.

Members of the Board of Directors who elect to receive the monthly communications allowance shall be required to provide written verification on an annual basis that they have obtained appropriate mobile telephone service, and Internet service. Each Director shall, at his or her sole discretion, select the provider of the services and equipment covered by the communications allowance.

Any communications equipment purchased by the District for a Director prior to the effective date of Resolution No. 03-664 that is replaced through use of the communications allowance shall be returned to the District.

7.2.5 Educational Expenses

Members of the Board of Directors and District employees may receive reimbursement for education expenses of the Director or employee if the expenses are actually incurred in the performance of official duties and are necessary to the performance of those duties. The District will reimburse for the costs of necessary books and tuition incurred by the Director or employee while attending a seminar, conference or a course directly related to the officials’ performance of his or her official duties. Examples of courses necessary to Director’s or employee’s performance of official duties may include governmental courses, communication courses and other courses necessary to improve Director’s or employee’s skill, knowledge, information levels and ability to perform their official tasks and better serve constituents. The Director or employee shall be reimbursed in the following manner: one half of the total cost of educational expenses at the time he or she registers for the course and the remaining one half of the total
cost the time he or she successfully passes the educational course. For the purposes of reimbursement of educational expenses, the minimum passing grade is "C" or its equivalent. If the Director or employee leaves the District voluntarily within 12 months of completion of such education courses, the Director or employee is not eligible for educational reimbursement and the educational reimbursement amount will be deducted from final compensation.

In the event a Director or employee is required to enroll and attend a review course for purposes of receiving a license or a continuing education course or seminar for the purpose of maintaining a license, e.g., membership in the State Bar, certificate for engineering services or certified public accountant, the District may reimburse the cost of such courses, seminars or examinations upon presentation by the Director or employee of their successful completion of the licensing examination or receipt of the certificate of completion of the continuing education seminar. Only those licenses or completion of continuing education seminars that are actual and necessary for the Director or employee to perform their official District duties shall be reimbursed.

7.2.6 Lodging Expenses

For the purpose of lodging, "local area" means a 40-mile radius from either one's residence or the District office, whichever is further. Within the discretion of the Board President, a Director may stay overnight at a site less than a 40-mile radius from the residence or the District office. If the Director desiring to stay overnight at such a site is the Board President, that Director shall obtain prior approval from the Board Treasurer. Otherwise, no requests for lodging or reimbursement claims for expenses incurred within the "local area" shall be approved by the Finance Committee.

Members of the Board of Directors and employees should arrange for lodging expenses to be paid in advance by the District. If government or group rates are offered by the provider of lodging services, such rates must be used when available. If government or group rates are not available, the most economical rate reasonably available must be used. For lodging in connection with a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(b), such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board of Directors or
employee at the time of booking. If the group rate is not available for lodging in connection with a conference or organized educational activity, then comparable lodging shall be booked at the most economical rate reasonably available.

It is the responsibility of the individual traveling to pay for personal incidentals, such as movies, snack bars fees and other travel expenses, as listed in the “Non-Reimbursable Expenses” section of this Chapter, prior to checking out of the hotel. Business center charges such as faxes, email, etc, are reimbursable if actual and necessary to the performance of official duties and the business purpose for business center services is documented. Business calls to District facilities will be paid in full.

Unless otherwise authorized by the Finance Committee, no reimbursement will be approved for lodging for greater than one night before or for any nights after an event outside of the "local area."

7.2.7 Business Meals

"Local area" in this section has the same definition as in the Lodging Expenses policy above.

When a member of the Board Directors or District employee is outside of the local area on District business for an entire day, such member or employee may receive up to One Hundred Dollars ($100.00) per day for meals, including gratuities, as follows:

- Breakfast: $20.00
- Lunch: $35.00
- Dinner: $45.00

When member of the Board of Directors or an employee is outside of the local area on District business for portions of a day, such member or employee shall receive compensation for those meals that occur during the portion of the day that the individual is outside the local area.

The meal compensation for events and meetings outside of the "local area" shall only be received for meals on the day immediately before the beginning of the event which the member of the Board of Directors or an employee is attending, the days when the event is occurring and the day immediately following the conclusion of that event. Meal expenses include the cost of meals and non-alcoholic beverages.
Further, where meal costs are included in airfare or in the event registration fees, the compensation received shall be reduced by the amounts indicated above.

Authorized personnel and Directors may, in lieu of per diem reimbursement, receive reimbursement for actual meal costs, including tips, if such costs are less than the permitted per diem amount.

The per diem amounts set forth above are provided for members of the Board Director or employee's meals while out of the local area on District's business.

A meal receipt must be accompanied by an itemized account of charges, and include a description of the business purposes of the meal and the names of the guests, when claiming reimbursement for meals that include guests. A meal furnished by a member of the Board of Directors to a person who is not a District representative will be reimbursed only if the meal is necessary to promote District policies and the Finance Committee subsequently approves the request for reimbursement. Meals charged to the hotel, where the member of the Board of Directors or an employee is staying must include a receipt accompanied by an itemized account of the charges, a description of the business purpose of the meal and the names of the people present, if any. A line item on the hotel invoice or bill for “room service” shall not be sufficient because there is not itemized account of charges.

In calculating the amount to be reimbursed to the member of the Board of Directors or an employee, the Finance Committee shall reduce each Director's or employee's meal total by that meal's per diem rate.

7.2.8 Attendance at Conferences and Business Meetings

Directors and employees may be reimbursed for reasonable expenses incurred and per diem for traveling to approved conferences, beginning one day prior to the start of the conference/business meetings or no later than one day following the conclusion of the conference, not both. Pursuant to this section, employees must request the approval of the General Manager at least 10 days in advance of incurring the expense.

Members of the Board of Directors and employees should arrange for conference and organized educational activity registration fees to be paid in advance of the conference by the District. If such
advance arrangements cannot be made due to lack of advance
warning or other extenuating circumstances, as approved by
General Manager or designee, members of the Board of Directors
and employees may be reimbursed for the actual cost of a
conference or organized educational activity registration fee.

7.2.9 Travel and Transportation Expenses

Actual expenses for ground transportation to and from airports and
while attending to District business shall also be reimbursed.
Ground transportation shall include taxi, bus, train standard
automobile rental and any other reasonable mode of transportation.

The District's policy concerning reimbursement for travel expenses
varies depending whether the destination is within or outside the
"local area" and whether an individual receives or elects to receive
a vehicle allowance. For purposes of this Policy, "local area"
includes all of Los Angeles and Orange Counties, and those
portions of Riverside and San Bernardino Counties located south of
the San Gabriel Mountains and/or west of the San Bernardino
Mountains.

Members of the Board of Directors who do not elect to receive
a monthly vehicle allowance pursuant to Section 7.2.1 of this
Chapter and all employees who do not receive a monthly
vehicle allowance may be reimbursed for travel outside the
"local area," including travel by personal automobile instead of
by air travel.

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

i. Attend seminars, conferences, hearings, or other meetings
directly related to the business of the District;

ii. Interview persons, inspect facilities, or exchange
professional information; and

iii. Participate in other activities, as approved by the Board of
Directors, requiring expenditures for travel, meals and
lodging that are necessary and in the best interest of the
District.

If government or group rates are offered by provider of
transportation, such rates must be used when available. If group or
government rates are not offered or available, reimbursement shall
be limited to expenses not exceeding 14-day advanced purchase
round trip standard coach airfare, plus ground transportation or when available, if group or government rates are offered, such rates shall be used.

Use of air, 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:

i. **Travel by Private Automobile** — The driver must possess a valid California driver's license and carry automobile insurance. Any damages to the vehicle or service repairs are of a personal nature, and will not be reimbursed by the District.

Mileage reimbursement will be based on the vehicle (i.e., the owner of the vehicle will be paid and not the passengers). Mileage reimbursement shall be at the prevailing IRS established rate. Mileage will not be reimbursed to Directors who receive auto allowances for local travel. Parking will be reimbursed upon presentation of the original receipt.

If a traveler wishes to drive rather than fly to a destination, he/she may do so. The District will reimburse the lesser of the mileage rate to and from the site or the amount of the airline coach fare.

For local travel, the IRS rate for mileage will apply. When traveling either by car or plane outside the area is reasonable, the lesser of mileage or airfare will apply. The amounts reflected on receipts will be reimbursed for business meals while traveling.

ii. **Air Travel** — If government or group rates are offered by the provider of air travel services, such rates must be used when available. If no government or group rates are offered or available, 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.

iii. **Rental Vehicles** — When rental vehicles are used, government or group rates must be used if offered by the
provider of rental services and available. If no government or group rate is offered or available, an inexpensive, appropriate vehicle is to be used.

a) The District will budget up to $3,000 for each of the five Directors to attend the annual legislative trips to Washington D.C. and Sacramento, California;

b) The District will also budget $7,500 for each Director to cover all other District travel;

c) There will be a 10% contingency fund set aside for use at the discretion of the Board President;

d) The budget will be adjusted by the change in the consumer price index each year.

7.2.10 Non-Reimbursable Expenses

Members of the Board of Directors and employees shall not obligate the District and shall not receive reimbursement for any of the following unallowable expenses:

i. Gifts;

ii. Entertainment;

iii. Alcoholic beverages;

iv. Goods and services for personal use;

v. Fines and penalties incurred by an employee;

vi. Memberships in social organizations, dining clubs, or country clubs;

vii. Advance payments for goods or services, except as generally required;

viii. Moving expenses, unless pre-approved as part of a written employment contract with a new employee;

ix. Travel related expenses incurred by or on behalf of spouse, companion, family member or a guest;

x. Certain travel costs, including but not limited to first-class airfare, hotel suites, luxury vehicle rental, movie
rental fees, replacement of fees for keys, fees assessed for damage to lodging premises, premium television services, excess baggage, dry-cleaning;

xi. Theater tickets;

xii. Sporting event fees;

xiii. Fines or traffic violations; and

xiv. Any expenses incurred by the spouse, companion and/or family member of District Director or employee.

7.3 Directors' Expenses: Finance Committee Approval and Expense Report Forms

At its regularly scheduled monthly meeting, the District's Finance Committee shall approve or reject all requests and claims for reimbursement by members of the Board of Directors.

The requests for reimbursements must be submitted on Expense Report Forms provided by the District. **The Expense Report Forms shall be accompanied by itemized receipts documenting each expense, provide description of the expense, date incurred, name(s) of attendee(s) (if any), and description of the District business purpose. Additionally, Expense Report Forms shall document that expenses meet the requirements, rates and policies as set forth in this Chapter.**

The Finance Committee shall meet once per month to consider such claims and requests as are submitted. Receipts must support claims and requests as submitted to the Finance Committee or other documentation the Finance Committee deems acceptable.

If a claim or request is submitted to the Finance Committee with documentation the Committee deems inadequate, or without documentation, or expenses in excess of the rates and policies provided in this Chapter, which were not approved by the Board of Directors, at a public hearing prior to incurring of the expense, that claim or request shall be rejected. A claim or request initially rejected can be appealed to the Board of Directors.

Requests for reimbursement must be submitted within 90 days of the date the expense was incurred. Specifically excluded from this time limit are expenses incurred for medical, dental, eye care, or other expenses that require processing by an insurance or benefit provider or an expense where backup documentation was delayed beyond the control
of the Director. Any reimbursement for a non-excluded expense submitted after 90 days must be approved by the Board of Directors.

7.4 Staff Expenses: General Manager Approval

The General Manager or the Chief Financial Officer, acting as an agent of the General Manager, shall approve or reject all requests and claims for reimbursement by staff and shall report such approval/rejection to the Finance Committee at its monthly meeting. Any expenses in excess of the rates specified in this Chapter, shall be approved by the Board at a public meeting prior to incurring of the expense.

Claims must be submitted on forms supplied by the District, typically referred to Expense Report Forms. The Expense Report Forms shall be accompanied by itemized receipts documenting each expense, provide description of the expense, date incurred, name(s) of attendees (if any), and description of the District business purpose. Additionally, Expense Report Forms shall document that expenses meet the requirements, rates and policies as set forth in this Chapter.

If a claim or request is submitted to the General Manager or Chief Financial Officer with documentation he or she deems inadequate, or without documentation, expenses in excess of the rates provided in this Chapter, which were not approved by the Board of Directors at a public hearing prior to incurring the expense, that claim or request shall be rejected. A claim or request initially rejected can later be submitted for approval if it is supported by adequate documentation at such later time.

Requests for reimbursement must be submitted within 90 days of the date the expense was incurred. Specifically excluded from this time limit are expenses incurred for medical, dental, eye care, or other expenses that require processing by an insurance or benefit provider or an expense where backup documentation was delayed beyond the control of the employee. Any reimbursement for a non-excluded expense submitted after 90 days must be approved by the Board of Directors.

7.5 Board of Directors Approval of Expenses

7.5.1 Expenses in Excess of the Rates of This Chapter

Pursuant to Government Code Section 53232.2, any expenses in excess of the rates and policies specified in this Chapter, shall be approved by the Board of Directors, at a public meeting before such expense is incurred.
7.5.2 Other Expenses
All other actual and necessary expenses incurred in the performance of official duties that are not described in this Chapter, shall not be reimbursed unless approved by the Board of Directors, at a public hearing before the expense is incurred. Members of the Board of Directors or employees shall be responsible for any expenses incurred in excess of the rates set forth in this Chapter and which were not approved by the Board at a public hearing prior to incurring the expense.

7.5.3 Claims Submitted After 90 days
Claims for reimbursement submitted after 90 days of incurring the expense, must be approved by the Board of Directors.

7.5.4 Government Code Section 53065.5 Report
Pursuant to Government Code Section 53065.5, the District, in an annual, semi-annual or quarterly report, shall disclose any expense reimbursement paid to a District Director or employee for any individual expenditure exceeding One Hundred Dollars ($100.00).

7.6 Brief Report to Board Members
Members of the Board of Directors shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board of Directors immediately following the event for which reimbursement is sought. Reports may be made orally or in writing. If more than one member of the Board of Directors attends the event, the report from one of the members that mentions the other's presence is sufficient.

7.7 Special Provisions
Where a member of the Board of Directors or other person is entitled to receive reimbursement for expenses from another employer or entity, the sum of total reimbursement from both the District and the other employer or entity shall not exceed actual expenses incurred.

All exempt District personnel attending a conference or other event outside of the District's service area shall receive no additional salary for travel during a non-scheduled workday.

7.8 No Shows and Late Cancellations
This section applies when a member of the Board of Directors or employee fails to attend a conference or general business meeting, after incurring expenses for that event, including but not limited to conference fees, prepaid hotel charges, and airline charges. If a Director or
employee is unable to attend a planned trip, including a conference, seminar or general business meeting, it is the Director's or employee’s responsibility to ensure that any prepaid fees are refunded to the District. For any fees not fully refunded, the Director or employee shall attach a written explanation to the Expense Reimbursement Form addressing the reason(s) he or she was unable to attend.

The cancellation, charges or registration fees shall be deducted from the Director's or employee’s compensation, unless the Board of Directors approves the payment of the cancellation, charges or registration fees incurred by the Director or employee, when he or she was unable to attend the scheduled event for any of the following reasons: illness, medical, family or other similar emergency.

7.9 Consultants Reimbursement Policy

The District shall not reimburse any contractor and/or consultant nor shall any consultant and/or contractor bill the District for any business meals with, including but not limited to, lobbyists, attorneys and District officials and/or official of other public agencies. This section shall apply to consultant contracts entered into after ________, 2008.

7.10 Reimbursement Policy Violations

Pursuant to Government Code Section 53232.4, violations of the reimbursement and expense policies, as set forth in this Chapter, including falsifying expense reports may result in any or all of the following: (1) loss of reimbursement privileges; (2) demand for restitution to the Districts; (3) civil penalties for misuse of public resources pursuant to Government Code Section 8314; (4) prosecution for misuse of public resources pursuant to Penal Code Section 424. Additionally, violations of the reimbursement and expense policies may result in any other applicable state and federal penalties, including criminal prosecution.

PASSED, APPROVED AND ADOPTED THIS 20th day of June 2008 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

Robert Katherman, President

ATTEST:

Willard H. Murray, Jr., Secretary

DATE
7. DIRECTORS’ EXPENSES

The purpose of this policy is to ensure that the reimbursement of members of the District Board (also referred to as “Board”) and District management, staff (collectively referred to as "employees" or "District employees") for expenses incurred in the performance of official duties complies with California Water Code and Government Code, including the recently enacted Assembly Bill 1234, which adds Sections 53232.2 et seq. to the Government Code, to establish a reimbursement policy applicable to Board of Directors and District employees, and to establish other requirements related to travel, lodging and educational expenses paid by the District.

Each member of the Board is encouraged to participate in those outside activities and organizations, which in the judgment of the Board, further the interests of the District. Expenses incurred by Board members in connection with such activities are reimbursable in accordance with the expense reimbursement policy set forth elsewhere in this Code.

7.1 Board Vehicle Allowance

Other than the President of the Board, each Director may receive a vehicle allowance of Three Hundred and Eight Dollars ($308) per month provided they attend at least one Board meeting, as provided in Chapter 6, within the month. The President of the Board may receive a vehicle allowance of Four Hundred Dollars ($400) per month provided the President attends at least one Board meeting within the month. Alternatively, all Directors may choose to receive reimbursement for actual mileage incurred during any given month at the current IRS rate for business mileage reimbursement. The option to receive the monthly vehicle allowance or be reimbursed for actual mileage incurred during a month shall be at the sole discretion of each Director and shall be determined monthly. [BOD 11/16/2005]

7.2 Dues to Professional Organizations

Members of the Board of Directors shall receive reimbursement for reasonable dues required for membership in such professional organizations as listed in a resolution approved by the Board of Directors and provided that membership in such professional organizations is actual and necessary for performance of District official’s duties.

Subject to review and approval by the Finance Committee, Board members shall receive reimbursement for reasonable dues required for membership in professional organizations related to District business.

7.3 Use of District Credit Cards

With the exception of the Chief Financial Officer, who shall make advances reservation and payments for lodging, traveling and conferences as permitted by this Chapter, members of the Board of Directors and District employees shall not be issued nor have in their possession District credit cards. The District will not make any cash advances. (Payment directly to third-parties for conference registration, airfare, hotel or other authorized expenses is not considered cash advances.) Each Board Member, the General Manager and the Assistant General
Manager, and those employees as determined by the General Manager may be supplied with a credit card issued in the District’s name. Such credit cards shall only be used for official District business. Credit card expenses shall be reasonable and necessary to the furtherance of District business. The Finance Committee shall periodically review credit card statements. Each credit card holder shall, as a portion of their periodic expense report, provide documentation regarding the District purpose of each credit card expenditure, including the business purpose for the expenditure and the identity of those in attendance for meals and other expenses incurred on behalf of others. Any amount charged to a District credit card that is disallowed by the Finance Committee for any reason (including, but not limited to, the fact that the amount was for personal expenses, was undocumented or was unapproved) shall be deducted from compensation to be paid to the card holder whose card was utilized. Additionally, all credit card bills and supporting receipts are to be submitted for payment, in accordance with the general procedures for reimbursement of expenses set forth in this Administrative Code, otherwise the card shall be confiscated from the cardholder.

7.4 Board Communications Allowance

Members of the Board of Directors may receive a communications allowance in such amount and upon such conditions as may from time to time be determined by the Board. The current monthly communications allowance amount for members of the Board of Directors is Three Hundred Dollars ($300.00). This amount at monthly amount covers the following equipment and services which are necessary for the conduct of official District business or to carry out official duties as a member of the Board of Directors:

a) Mobile Telephone, PDAs or similar mobile communication devices (subject to two-year replacement schedule and limited to the amount of direct compensation only): Cellular Phone

b) Mobile Telephone cellular service;

c) Fax Machine

d) Computer software;

e) Monitor, all-in-one printer, fax machine, copier and scanner (subject to four-year replacement schedule);

f) Software

g) All-in-one printer, copier and scanner (such equipment subject to four-year replacement schedule)

h) Internet service;

i) Dedicated phone line;

j) Printer and fax supplies;

Directors may elect to receive a flat monthly communications allowance. Such monthly payment shall be in lieu of the acquisition by the Director of any telephone, electronic media or other equipment and for the payment or reimbursement for any telephone call, internet fees or similar expenditures.
Directors who desire to receive the monthly communications allowance shall elect to do so by January or March 1 of each calendar year. Directors who do not make such an election by that date may seek reimbursement of any communications related expenses actually incurred by the Director in connection with District business in accordance with the general procedures for reimbursement of expenses set forth in this Administrative Code and subject to fiscal capital amount of Three Thousand Six Hundred Dollars ($3,600.00). Any requested reimbursement in excess of this amount shall require prior approval by the Board of Directors.

Members of the Board of Directors who elect to receive the monthly communications allowance shall be required to provide written verification on an annual basis that they have obtained appropriate mobile telephone service, and Internet service. To present any documentation for payment of that sum other than to verify on an annual basis that they have obtained an appropriate telephone and Internet service. Each Director shall, at his or her sole discretion, select the provider of the services and equipment covered by the communications allowance.

Any communications equipment purchased by the District for a Director prior to the effective date of Resolution No. 03-664 that is replaced through use of the communications allowance shall be returned to the District.
EXPENSES

In the conduct of District business, employees and members of the Board of Directors shall incur expenses, subject to budgeted funds being available, adequate supporting documentation, and required approvals, according to the following:

a) Expenses outlined in this Chapter of the Administrative Code and Procurement Policies and Procedures.

b) Expenses that further the District's mission concerning replenishment and quality of water in the Central and West Coast Groundwater Basins, including but not limited to, expenses directly incurred in connection with a program or capital project of the District, activities that facilitate relations or working arrangements with other government or private sector personnel that are important to the District's mission, activities that enhance awareness and education of the District's functions, and activities that promote the attraction and retention of high quality employees of the District.

c) Reimbursement of actual and necessary expenses incurred in performance of official duties as a member of the Board of Directors and District employees.

13.1 Non-Reimbursable Expenses

Members of the Board of Directors and employees shall not obligate the District and shall not receive reimbursement for any of the following expenses are specifically unallowable expenses:

a) i. Gifts

b) ii. Entertainment

c) iii. Alcoholic beverages

d) iv. Goods and services for personal use

e) v. Fines and penalties incurred by an employee

f) vi. Memberships in social organizations, dining clubs, or country clubs

g) vii. Advance payments for goods or services, except as generally required

h) viii. Moving expenses, unless pre-approved as part of a written employment contract with a new employee

i) ix. Travel related expenses incurred by or on behalf of a spouse or companion, family member or a guest
x. Certain travel costs, including but not limited to first-class airfare, hotel suites, luxury vehicle rental, movie rental fees, replacement of fees for keys, fees assessed for damage to lodging premises, premium television services, excess baggage, dry-cleaning;

x.i. Theater tickets;

xi. Sporting event fees;

xii. Fines or traffic violations; and

xiv. Any expenses incurred by the spouse, companion and/or family member of the District Director or employee.

a) Repetitive seminars or educational courses on the same topic or issue and repetitive courses that provide training on a specific subject to a particular class of persons (e.g., training for persons new to the areas of water or special districts):

Employees and Board Members shall not obligate the District and shall not receive reimbursement for any of the unallowable expenses listed above.

13.2 Reimbursable Expenses

This Policy applies to all Board Members, management, staff, legal counsel, and any other authorized parties who may submit claims for reimbursement of amounts expended on the District’s behalf.

13.2.1 General Principles

The following general principles apply to the District’s reimbursement of amounts expended on the District’s behalf:

— All expenses shall be reasonable and necessary.

— The most economical mode and class of transportation consistent with scheduling requirements shall be utilized. In the event a more expensive mode or class of transportation is utilized, the reimbursable amount shall be limited to the cost of the most economical mode or class of transportation available, not to exceed the cost of coach airfare.

— Expenditure for food and lodging shall be moderate and reasonable.

— All reimbursements must be approved pursuant to the provisions of this Code.

— Approval Process for Reimbursable Expenses

— Claims shall be submitted on forms supplied by the District. Such forms shall include a description of the
expense, names (if appropriate), date incurred, and a description of the business purpose of the expense.

13.2.2 Directors' Expenses: Finance Committee Approval and Expense Report Forms

At its regularly scheduled monthly meeting, the District's Finance Committee shall approve or reject all requests and claims for reimbursement by members of the Board of Directors.

The requests for reimbursements must be submitted on Expense Report Forms provided by the District. The Expense Report Forms shall be accompanied by itemized receipts documenting each expense, provide description of the expense, date incurred, name(s) of attendees (if any), and description of the District business purpose. Additionally, Expense Report Forms shall document that expenses meet the requirements, rates and policies as set forth in this Chapter.

The Finance Committee shall meet once per month to consider such claims and requests as are submitted. Receipts must support claims and requests as submitted to the Finance Committee or other documentation the Finance Committee deems acceptable.

If a claim or request is submitted to the Finance Committee with documentation the Committee deems inadequate, or without documentation, or expenses in excess of the rates and policies provided in this Chapter, which were not approved by the Board of Directors, at a public hearing prior to incurring of the expense, that claim or request shall be rejected. A claim or request initially rejected can be appealed to the Board of Directors.

43.2.3 For each expense less than $25, submission of documentation the Finance Committee deems acceptable shall be sufficient for purposes of this section. At the discretion of a Director, supporting receipts for each expense less than $25 may be submitted with the documentation. If a claim or request is submitted to the Finance Committee with documentation the Committee deems inadequate, or without documentation, that claim or request shall be rejected. A claim or request initially rejected can later be submitted for approval if it is supported by adequate documentation at such later time.

Requests for reimbursement must be submitted within 90 days of the date the expense was incurred. Specifically excluded from this
time limit are expenses incurred for medical, dental, eye care, or other expenses that require processing by an insurance or benefit provider, or an expense where backup documentation was delayed beyond the control of the Director. Any reimbursement for a non-excluded expense submitted after 90 days must be approved by the Board of Directors.

13.2.3 Staff Expenses: General Manager Approval
The General Manager or the Chief Financial Officer, acting as an agent of the General Manager, shall approve or reject all requests and claims for reimbursement by staff and shall report such approval/rejection to the Finance Committee at its monthly meeting. Any expenses in excess of the rates specified in this Chapter, shall be approved by the Board at a public meeting prior to incurring of the expense.

Claims must be submitted on forms supplied by the District, typically referred to Expense Report Forms. The Expense Report Forms shall be accompanied by itemized receipts documenting each expense, provide description of the expense, date incurred, name(s) of attendees (if any), and description of the District business purpose. Additionally, Expense Report Forms shall document that expenses meet the requirements, rates and policies as set forth in this Chapter.

Receipts must support claims and requests as submitted to the General Manager or Chief Financial Officer or other documentation the General Manager or Chief Financial Officer deems acceptable. For each travel related expense less than $25, submission of documentation the General Manager or Chief Financial Officer deems acceptable shall be sufficient for purposes of this section. At the discretion of staff, supporting receipts for each travel related expense less than $25 may be submitted with the documentation.

13.2.4 If a claim or request is submitted to the General Manager or Chief Financial Officer with documentation he or she deems inadequate, or without documentation, expenses in excess of the rates provided in this Chapter, which were not approved by the Board of Directors at a public hearing prior to incurring the expense, that claim or request shall be rejected. A claim or request initially rejected can later be submitted for approval if it is supported by adequate documentation at such later time, that claim or request shall be rejected. A claim or request initially rejected can later be submitted for approval if it is supported by adequate documentation at such later time.
Requests for reimbursement must be submitted within 90 days of the date the expense was incurred. Specifically excluded from this time limit are expenses incurred for medical, dental, eye care, or other expenses that require processing by an insurance or benefit provider, or an expense where backup documentation was delayed beyond the control of the employee. Any reimbursement for a non-excluded expense submitted after 90 days must be approved by the Board of Directors.  [BOD-7/20/06]

13.2.4 Travel and Transportation Expenses

Actual expenses for ground transportation to and from airports and while attending to District business shall also be reimbursed. Ground transportation shall include taxi, bus, train standard automobile rental and any other reasonable mode of transportation. The Board of Directors should pre-approve requests for out of state travel. The Board may retroactively approve out of state travel based on difficult or unexpected circumstances.

The District’s policy concerning reimbursement for travel expenses varies depending whether the destination is within or outside the “local area” and whether an individual receives or elects to receive a vehicle allowance. For purposes of this Policy, “local area” includes all of Los Angeles and Orange Counties, and those portions of Riverside and San Bernardino Counties located south of the San Gabriel Mountains and/or west of the San Bernardino Mountains. Except for travel within the “local area,” by Board Members or other District employees entitled to a monthly car allowance pursuant to this Code, all Board Members, officers and employees of the District shall be entitled to a mileage reimbursement for authorized use of their privately-owned vehicles in the conduct of District business at the current maximum allowable per mile rate established by the Internal Revenue Service.

In the case of travel to a location outside of the “local area,” including travel by personal automobile instead of by air travel, reimbursement shall be limited to expenses for the Board Member, officer or employee not exceeding 14-day advanced purchase round-trip standard coach airfare, plus ground transportation.

Members of the Board of Directors who do not elect to receive a monthly vehicle allowance pursuant to Section 7.2.14 of this Chapter code and all employees who do not receive a monthly vehicle allowance may be reimbursed for travel outside the “local area,” including travel by personal automobile instead of by air
travel. Reimbursement shall be limited to expenses not exceeding 14-day advanced purchase round-trip standard coach airfare, plus ground transportation.

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

Attend seminars, conferences, hearings, or other meetings directly related to the business of the District;

Interview persons, inspect facilities, or exchange professional information; and

Participate in other activities, as approved by the Board of Directors, requiring expenditures for travel, meals and lodging that are necessary and in the best interest of the District.

If government or group rates are offered by provider of transportation, such rates must be used when available. If group or government rates are not offered or available, reimbursement shall be limited to expenses not exceeding 14-day advanced purchase round trip standard coach airfare, plus ground transportation or when available, if group or government rates are offered, such rates shall be used.

Use of air, 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:

i. Travel by Private Automobile –The driver must possess a valid California driver's license and carry automobile insurance. Any damages to the vehicle or service repairs are of a personal nature, and will not be reimbursed by the District.

Mileage reimbursement will be based on the vehicle (i.e., the owner of the vehicle will be paid and not the passengers). Mileage reimbursement shall be at the
prevailing IRS established rate. Mileage will not be reimbursed to Directors who receive auto allowances for local travel. Parking will be reimbursed upon presentation of the original receipt.

If a traveler wishes to drive rather than fly to a destination, he/she may do so. The District will reimburse the lesser of the mileage rate to and from the site or the amount of the airline coach fare.

For local travel, the IRS rate for mileage will apply. When traveling either by car or plane outside the area is reasonable, the lesser of mileage or airfare will apply. The amounts reflected on receipts will be reimbursed for business meals while traveling.

ii. Air Travel – If government or group rates are offered by the provider of air travel services, such rates must be used when available. If no government or group rates are offered or available, 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.

iii. Rental Vehicles – When rental vehicles are used, government or group rates must be used if offered by the provider of rental services and available. If no government or group rate is offered or available, an inexpensive, appropriate vehicle is to be used.

Actual expenses for ground transportation to and from airports and while attending to District business shall also be reimbursed. Ground transportation shall include taxi, bus fare or standard automobile rental. No reimbursement shall be provided for charges incurred due to the inclusion of personal loss insurance coverage i.e., loss damage waiver, supplemental liability, personal effects, uninsured or underinsured motorist) in a car rental agreement.

a) The District will budget up to $3,000 for each of the five Directors to attend the annual legislative trips to Washington D.C. and Sacramento, California;

b) The District will also budget $76,500 for each Director to cover all other District travel;
c) Due to increased travel needs, the travel budget for the Board President and the members of the External Affairs Committee will be $9,000;
d) There will be a 10% contingency fund set aside for use at the discretion of the Board President;

-13.2.5e) The budget will be adjusted by the change in the consumer price index each year. [BOD-3/46/05]

13.2.5 Lodging
For the purpose of lodging, "local area" means a 40-mile radius from either one's residence or the District office, whichever is further.

Within the discretion of the Board President, a Director may stay overnight at a site less than a 40-mile radius from the residence or the District office. If the Director desiring to stay overnight at such a site is the Board President, that Director shall obtain approval from the Board Treasurer. Otherwise, no requests for lodging or reimbursement claims for expenses incurred within the "local area" shall be approved by the Finance Committee.

Members of the Board of Directors and employees should arrange for lodging expenses to be paid in advance by the District. If government or group rates are offered by the provider of lodging services, such rates must be used when available. If government or group rates are not available, the most economical rate reasonably available must be used. For lodging in connection with a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(b), such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board of Directors or employee at the time of booking. If the group rate is not available for lodging in connection with a conference or organized educational activity, then comparable lodging shall be booked at the most economical rate reasonably available.

Additionally, lodging shall only be paid for the length of the conference. Any additional days a member of the Board of Directors or employee wishes to stay at or near the conference site will be paid by the member of the Board of Directors or employee and shall not be reimbursed by the District.
It is the responsibility of the individual traveling to pay for personal incidentals, such as movies, snack bars fees and other travel expenses, as listed in the "Non-Reimbursable Expenses" section of this Chapter, prior to checking out of the hotel. Business center charges such as faxes, email, etc. are reimbursable if actual and necessary to the performance of official duties and the business purpose for business center services is documented. Business calls to District facilities will be paid in full.

13.2.6 Expenses will be allowed for adequate and reasonably-priced lodging when necessary for the conduct of District business. When lodging is required in conjunction with a conference or similar function, whenever possible, lodging shall be at the conference location at the reduced rate provided by the conference, if applicable. In all cases, reasonable attempts shall be made to obtain reduced rates for lodging (i.e., government rates for domestic lodging as published by the U.S. General Services Administration.

Unless otherwise authorized by the Finance Committee, no reimbursement will be approved for lodging for greater than one night before or for any nights after an event outside of the "local area."

13.2.6 Business Meals-Reimbursements

"Local area" in this section has the same definition as in the Lodging Expenses Overnight Accommodations-policy above.

When a member of the Board of Directors member or other-District employee is outside of the local area on District business for an entire day, such member or employee may receive up to the Board Member or employee may receive One Hundred Dollars ($100.00) per day for meals, including gratuities, as follows:

Breakfast: $20.00
Lunch: $35.00
Dinner: $45.00

When member of the -a Board of Directors member or other-District employee is outside of the local area on District business for portions of a day, such the Board-member or employee shall receive compensation for those meals that occur during the portion of the day that the individual is outside the local area.
Authorized personnel and Directors may, in lieu of per diem reimbursement, receive reimbursement for actual meal costs, including tips, if such costs are less than the per diem amount.

The meal compensation for events and meeting outside of the "local area"—discussed in Subsection (1) above, shall only be received for meals on the day immediately before the beginning of the event which the member of the Board of Directors or an member- or employee is attending, the days when the event is occurring and the day immediately following the conclusion of that event. **Meal expenses include the cost of meals and non-alcoholic beverages.**

Further, where meal costs are included in airfare or in the event registration fees, the compensation received shall be reduced by the amounts indicated above.

The per diem amounts discussed above are provided for the members of the Board of Directors or Member- or other employee's meals while out of the local area on District's business.

43.2.6.6A meal receipt must be accompanied by an itemized account of charges, and include a description of the business purposes of the meal and the names of the guests, when claiming reimbursement for meals that include guests. A meal furnished by a member of the Board of Directors to a person who is not a District representative will be reimbursed only if the meal is necessary to promote District policies and the Finance Committee subsequently approves the request for reimbursement. Meals charged to the hotel, where the member of the Board of Directors or an employee is staying must include a receipt accompanied by an itemized account of the charges, a description of the business purpose of the meal and the names of the people present, if any. A line item on the hotel invoice or bill for “room service” shall not be sufficient because there is not itemized account of charges.

In calculating the amount to be reimbursed to the Board member or employee, the Finance Committee shall reduce each meal's total by that meal's per diem rate.

13.3 Special Provisions
Where a member of the Board of Directors or other person is entitled to receive reimbursement for expenses from another employer or entity, the sum of total reimbursement from both the District and the other employer or entity shall not exceed actual expenses incurred.

All exempt District personnel attending a conference or other event outside of the District’s service area shall receive no additional salary for travel during a non-scheduled workday.
7.2.5 Educational Expenses

Members of the Board of Directors and District employees may receive reimbursement for education expenses of the Director or employee if the expenses are actually incurred in the performance of official duties and are necessary to the performance of those duties. The District will reimburse for the costs of necessary books and tuition incurred by the Director or employee while attending a seminar, conference or a course directly related to the officials’ performance of his or her official duties. Examples of courses necessary to Director’s or employee’s performance of official duties may include governmental courses, communication courses and other courses necessary to improve Director’s or employee’s skill, knowledge, information levels and ability to perform their official tasks and better serve constituents. The Director or employee shall be reimbursed in the following manner: one half of the total cost of educational expenses at the time he or she registers for the course and the remaining one half of the total cost the time he or she successfully passes the educational course. For the purposes of reimbursement of educational expenses, the minimum passing grade is “C” or its equivalent. If the Director or employee leaves the District voluntarily within 12 months of completion of such education courses, the Director or employee is not eligible for educational reimbursement and the educational reimbursement amount will be deducted from final compensation.

In the event a Director or employee is required to enroll and attend a review course for purposes of receiving a license or a continuing education course or seminar for the purpose of maintaining a license, e.g., membership in the State Bar, certificate for engineering services or certified public accountant, the District may reimburse the cost of such courses, seminars or examinations upon presentation by the Director or employee of their successful completion of the licensing examination or receipt of the certificate of completion of the continuing education seminar. Only those licenses or completion of continuing education seminars that are actual and necessary for the Director or employee to perform their official District duties shall be reimbursed.
7.2.8 **Attendance at Conferences and Business Meetings**

Directors and employees may be reimbursed for reasonable expenses incurred and per diem for traveling to approved conferences, beginning one day prior to the start of the conference/business meetings or no later than one day following the conclusion of the conference, not both. Pursuant to this section, employees must request the approval of the General Manager at least 10 days in advance of incurring the expense.

Members of the Board of Directors and employees should arrange for conference and organized educational activity registration fees to be paid in advance of the conference by the District. If such advance arrangements cannot be made due to lack of advance warning or other extenuating circumstances, as approved by General Manager or designee, members of the Board of Directors and employees may be reimbursed for the actual cost of a conference or organized educational activity registration fee.

7.5 **Board of Directors Approval of Expenses**

7.5.1 **Expenses in Excess of the Rates of This Chapter**

Pursuant to Government Code Section 53232.2, any expenses in excess of the rates and policies specified in this Chapter, shall be approved by the Board of Directors, at a public meeting before such expense is incurred.

7.5.2 **Other Expenses**

All other actual and necessary expenses incurred in the performance of official duties that are not described in this Chapter, shall not be reimbursed unless approved by the Board of Directors, at a public hearing before the expense is incurred. Members of the Board of Directors or employees shall be responsible for any expenses incurred in excess of the rates set forth in this Chapter and which were not approved by the Board at a public hearing prior to incurring the expense.

7.5.3 **Claims Submitted After 90 days**

Claims for reimbursement submitted after 90 days of incurring the expense, must be approved by the Board of Directors.
7.5.4 Government Code Section 53065.5 Report

Pursuant to Government Code Section 53065.5, the District, in an annual, semi-annual or quarterly report, shall disclose any expense reimbursement paid to a District Director or employee for any individual expenditure exceeding One Hundred Dollars ($100.00).

7.6 Brief Report to Board Members

Members of the Board of Directors shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board of Directors immediately following the event for which reimbursement is sought. Reports may be made orally or in writing. If more than one member of the Board of Directors attends the event, the report from one of the members that mentions the other's presence is sufficient.

7.8 No Shows and Late Cancellations

This section applies when a member of the Board of Directors or employee fails to attend a conference or general business meeting, after incurring expenses for that event, including but not limited to conference fees, prepaid hotel charges, and airline charges. If a Director or employee is unable to attend a planned trip, including a conference, seminar or general business meeting, it is the Director’s or employee’s responsibility to ensure that any prepaid fees are refunded to the District. For any fees not fully refunded, the Director or employee shall attach a written explanation to the Expense Reimbursement Form addressing the reason(s) he or she was unable to attend.

The cancellation, charges or registration fees shall be deducted from the Director’s or employee’s compensation, unless the Board of Directors approves the payment of the cancellation, charges or registration fees incurred by the Director or employee, when he or she was unable to attend the scheduled event for any of the following reasons: illness, medical, family or other similar emergency.

7.9 Consultants Reimbursement Policy

District shall not reimburse any contractor and/or consultant nor shall any consultant and/or contractor bill the District for any business meals with, including but not limited to, lobbyists, attorneys and District officials and/or official of other public
agencies. This section shall apply to consultant contracts entered into after 2008.

7.10 Reimbursement Policy Violations

Pursuant to Government Code Section 53232.4, violations of the reimbursement and expense policies, as set forth in this Chapter, including falsifying expense reports may result in any or all of the following: (1) loss of reimbursement privileges; (2) demand for restitution to the Districts; (3) civil penalties for misuse of public resources pursuant to Government Code Section 8314; (4) prosecution for misuse of public resources pursuant to Penal Code Section 424. Additionally, violations of the reimbursement and expense policies may result in any other applicable state and federal penalties, including criminal prosecution.