

## ORANGEVALE RECREATION & PARK DISTRICT

### OPERATIONAL POLICIES & PROCEDURES MANUAL – Revised April 2016

#### 17. EXPENSE AND USE OF PUBLIC RESOURCES POLICY

##### 17.1 Purpose

The purpose of this Expense and Use of Public Resources Policy is to ensure that District resources are only used when there is substantial benefit to the District. Such benefits include the following: (a) the opportunity to discuss the District's concern with local, state and federal officials; (b) participating in regional, state and national organizations whose activities affect the District; (c) attending educational seminars and training sessions designed to improve skill and information levels of District Board members and employees; and (d) promoting public service and morale by recognizing such public service.

The purpose of this policy is to provide guidance to District Board members and employees on the use and expenditure of District resources, as well as the standards against which those expenditures will be measured.

This policy is intended to supplement the definition of "actual and necessary expenses" for purposes of state law relating to permissible uses of public resources, and to supplement the definition of "necessary and reasonable expenses" for purposes of federal and state income tax laws.

##### 17.2 Authorized Expenses

District funds, equipment (including computers and fax machines), supplies (including letterhead), titles and staff time must only be used for authorized District business. The following types of expenses generally constitute authorized expenses provided the other requirements in this Policy are satisfied:

- A. Communicating with representatives of regional, state and national government on District issues;
- B. Attending educational seminars including statutorily required ethics training designed to improve skill and information levels for Board members and employees of the District;
- C. Participating in regional, state and national organizations whose activities affect the District's operations and facilities;
- D. Recognizing public service to the District (for example, thanking a long-time employee with a retirement gift or celebration of nominal value and cost);
- E. Attending District and/or county events that affect District services and/or facilities;

F. Travel expenses of those District Board members and employees authorized to attend and/or participate in any of the foregoing.

G. All other expenditures require approval by the District's Board of Directors prior to being incurred.

H. Examples of personal expenses that the District will not reimburse include but are not limited to the following:

1. The personal portion of any trip;
2. Political or charitable contributions or events;
3. Family expenses, including a spouse's expenses when accompanying a Board member or employee on District related business including expenses related to children or pets;
4. Entertainment expenses, including theatre, movies (either in room or at the theatre), sporting events (including gym, massage and/or golf related expenses), or the expenses of other cultural events; personal automobile expenses other than on a mileage basis, including but not limited to repairs, traffic citations, insurance, gasoline, or maintenance expenses; and
5. Personal losses incurred while on District business.

Any questions regarding the propriety of a particular type of expense should be resolved by the Board of Directors before the expense is incurred.

### 17.3 Expense Reimbursement

The purpose of this policy is to prescribe the manner in which District employees and directors may be reimbursed for expenditures related to District business.

Whenever employees or directors of the District incur "out-of-pocket" expenses for item(s) or service(s) appropriately relating to District business as verified by valid receipts, said expended cash shall be reimbursed after the employee or director has submitted an authorized Employee Expense Form with the receipts attached thereto. The employee's supervisor and the District Administrator shall sign each Employee's Expense Forms. The Chairperson of the Board shall sign the Expense Form of the District Administrator and other Board members. Expense Forms submitted by the Chairperson of the Board shall be signed by the Vice Chairperson of the Board and the District Administrator. All Expense Forms submitted by District employee or Board member shall include an explanation of the District-related purpose for the expenditures. All employees and directors must first receive prior written approval for any such expenses in excess of fifty (\$50) dollars in order to be reimbursed for said expenses. All employees and Board members requesting expense reimbursement from the District shall only use the District provided form of Expense Form. All such Expense Forms must be submitted within a reasonable time after the expense which is the subject of the reimbursement request has been

incurred, but in any event not more than 30 days after incurring the expense. Any expenses specified on an Expense Form for which no receipts are submitted will not be reimbursed.

#### 17.4 Travel Expense Reimbursement

District employees and directors are eligible to receive reimbursements from the District for travel, meals, lodging and other reasonable and necessary expenses for attending any of the activities described in this policy on behalf of the District.

##### A. Rates of Reimbursement

Reimbursement rates for travel, meals and other reasonable and necessary travel expenses shall coincide with the rates set by the Internal Revenue Service in IRS Publication No. 463 or its successor publications.

1. If lodging is in connection with a conference, seminar, or other organized educational activity, such reimbursable lodging cost will not exceed the maximum group rate published by the conference or activity sponsored. If the published group rate is unavailable, directors and employees shall be reimbursed for comparable lodging at either the government rate offered by the lodging provider, or IRS rates, whichever are less.

2. If government or group rates are offered by the provider of transportation, those rates shall be used for reimbursement when available.

3. Reimbursement of any and all travel expenses for purposes other than those specified in Section 406.2, or at a rate other than the applicable IRS, government, or maximum group rate must be approved by the Board of Directors in a public meeting prior to the expenses being incurred. Any such expenses that do not receive prior approval from the Board of Directors in a public meeting prior to the expense being incurred shall not be eligible for reimbursement.

##### B. Reports to Board of Directors

All Board members who attend meetings, conferences, educational seminars, or events for which travel expenses are reimbursed by the District shall provide a brief report to the Board of Directors on the substance of such meetings, conferences, educational seminars and events at the next regular board meeting scheduled after the conclusion of the meeting, conference, seminar or event attended.

##### C. Expense Documents as Public Records

All documents related to reimbursement by the District of travel and other expenses for Board members and employees are public records and subject to

inspection and/or copying at the request of the public pursuant to the provisions of the California Public Records Act (Gov. Code § 6250 et seq.).

D. Transportation Expenses

The most economical mode and class of transportation reasonably consistent with scheduling needs must be used, using the most direct and time efficient route. In the event that a more expensive transportation form or route is used, the cost borne by the District will be limited to the cost of the most economical, direct, efficient and reasonable transportation form.

Automobile miles are reimbursable at current IRS rates presently in effect on the date of travel. These rates are designed to compensate the driver for gasoline, insurance, maintenance and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable.

E. Lodging Expenses

Lodging expenses are only reimbursed when travel on District business reasonably requires an overnight stay. The lodging in connection with activities other than a conference, for which lodging costs should not exceed the group rate published by the conference sponsor, lodging costs will be reimbursed at the government rate offered by the lodging provider, or the IRS per diem rates for lodging, whichever is less.

F. Meals

Meal expenses and associated gratuity should be moderate, taking into account community standards and the prevailing restaurant cost of the area. The District will reimburse no more than the IRS per diem rates for meals and incidental expenses, which include adjustments to higher cost locations.

G. Telephone/Fax/Cellular Phones

Board members and employees will be reimbursed for actual telephone and fax expenses incurred on District business. Telephone bills should identify which calls were made on District business. For cellular calls when the Board member or employee has a particular number of minutes included in his or her plan, the Board member or employee can identify the percentage of calls made on District business.

H. Airport Parking

Long-term parking should be used for travel exceeding twenty-four (24) hours, and parking reimbursement will be limited to long term parking rates if travel exceeds twenty-four (24) hours.

### 17.5 Cash Advance Policy

From time to time it may be necessary for a Board member or employee to request a cash advance to cover anticipated expenses while traveling and doing business on the District's behalf. Such request for an advance should be submitted to the District Administrator fourteen (14) days prior to the need for the advance with the following information:

- A. The purpose for the expenditures;
- B. The benefit of such expenditures to the District;
- C. The anticipated amounts of the expenditures; and
- D. The dates of the expenditures.

In no event will the amount of the cash exceed the amount of the recommended Internal Revenue Service per diem for the area being traveled to.

Any unused cash advance must be returned to the District within two (2) business days of the return of the Board member or employee, along with a District Expense Report and receipts documenting how the advance was spent in compliance with this policy.

### 17.6 Credit Card Use Policy

The District does not issue credit cards to individual Board members. Management employees are issued District credit cards for selected District expenses.

District authorized employees may use the District's credit card for such purposes as airline tickets and hotel reservations by following the same procedures for cash advances. Receipts documenting expenses incurred on the District's credit card and compliance with this policy must be submitted with a District Expense Report within five (5) business days of use of the card.

The District credit card may not be used for personal expenses.

### 17.7 Audits of Expense Reports

All expenses are subject to verification and audit in order to ensure compliance with this policy.

### 17.8 Compliance with Laws

District Board members and designated employees should be aware that receipt of reimbursement of some travel expenditures from the District may be subject to reporting to the Fair Political Practices Commission under the Political Reform Act and other laws on FPPC Form 700. The Political Reform Act generally requires travel expense reimbursement on District business to be reported as either income or as a gift on the official's Form 700.

## 17.9 Violation of This Policy

Misuse of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:

- A. Loss of reimbursement privileges;
- B. Restitution to the District;
- C. The District reporting the expenses as income to the Board member or employee to state and federal tax authorities;
- D. Civil penalties for misuse of public resources at One Thousand Dollars (\$1,000) per day for the duration of the infraction plus three times the value of the unlawful use (Gov. Code § 8314);
- E. Criminal prosecution for misuse of public resources, the penalties for which include incarceration and disqualification from holding office in California.

## 17.10 Compensation of Board Members

- A. Consistent with Public Resource Code Section 5784.15 et seq., each District director receives a daily meeting stipend of \$100 per day for each day's attendance at meetings as defined in this policy, not to exceed two (2) days of service and/or meetings per month. Such compensation is in addition to any reimbursement for meals, lodging, travel and expenses consistent with this policy.
- B. Meetings and Service Subject to Daily Stipend

To be entitled to a daily stipend under this policy, the event in question must constitute one of the following:

1. A meeting of the District Board within the meaning of Government Code Section 54952.2(a);
2. A meeting of an advisory District committee, whether a standing committee or an ad hoc committee, within the meaning of Government Code Section 54952.2(b);
3. A conference within the meaning of Government Code Section 54952.2(c) of the following organizations:
  - a. California Special Districts Association;
  - b. California Association of Recreation and Park Districts;
  - c. California Parks and Recreation Society.

4. A meeting of any multi-jurisdictional governmental body on which the District director services as the District's designated representative;

5. An organized educational activity conducted in accordance with Government Code Section 54952.2(c) including but not limited to ethics training required by Government Code Section 53234;

6. Any meeting attended or service provided on a given day at the formal request of the District's Board of Directors and for which the District Board approves payment of a daily meeting stipend prior to the date of the meeting or provided service.

### C. Ethics Training

As a condition to receiving either a daily meeting stipend or expense reimbursement, and as required by law, all Board members shall receive two (2) hours of training in general ethics principles and ethics laws relevant to public service within one (1) year of election or appointment to the Board of Directors, and thereafter at least once every two (2) years pursuant to Government Code Sections 53234 and 53235.2. This policy also applies to all staff members that the Board of Directors designates.

1. All ethics training shall be provided by entities who have consulted with the California Attorney General and the Fair Political Practices Commission.

2. Directors shall obtain a Certificate of Participation after completing the ethics training. District staff shall maintain records indicating both the dates the director completed the ethics training and the name of the entity that provided the training. These records shall be maintained for at least five years after directors receive the training, and are public records subject to disclosure under the California Public Records Act.

3. District staff shall provide the Board of Directors with information on available training that meets the ethics training requirements of this policy at least once every year.

4. Ethics training may consist of either material offered by the Fair Political Practices Commission, or other ethics training programs approved by the California Attorney General and the Fair Political Practices Commission. Ethics training may be taken at home, in person or online.



## 17.11 Policy Regarding Training, Education and Conferences

Members of the Board of Directors and designated employees are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operations. Attendance at such educational conferences or professional meetings is considered a part of an official's performance of their official duties for the District. Therefore, there is no limit as to the number of directors attending a particular conference or seminar when their attendance is beneficial to the District.

A. It is the policy of the District to encourage both development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation in professional organizations, and attendance at local, state and national conferences associated with the interests of the District. All reimbursement of actual and necessary expenses, including travel expenses, shall be pursuant to the policies set forth in this Section 17. Attendance by directors or designated employees at seminars, workshops, courses, professional organization meetings, and conferences shall be approved by the Board of Directors prior to incurring any reimbursable costs.

B. A director shall not attend a conference or training event for which there is an expense to be reimbursed by the District if such conference or event occurs after said Board member has announced his or her pending resignation, or if such conference or event occurs after an election in which it has been determined that such Board member will not return to his or her seat on the Board of Directors. A director shall not attend a conference or training event when it is felt that there is no significant benefit to the District.

C. Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the District, directors will be required to either prepare a written report for distribution to the Board, or make a verbal report during the next regular Board meeting of the Board of Directors after the conclusion of the seminar, workshop, or conference attended. Said report shall detail what was learned at the session that will be of benefit to the District. Material from these sessions and the report of the attending directors shall be retained in the District's office to be included in the District's library for the future use of other directors and staff.

## 17.12 Guidelines Regarding Use of Public Funds Supporting Legislation and Ballot Measures

### A. Information, Not Advocacy; Explanation Not Promotion

1. The District is prohibited from spending money to support or oppose ballot measures placed before the electorate. It is permissible, however, for the District to expend District funds for informational purposes to provide the public with a "fair presentation" of the facts relating a ballot measure which directly concerns the

District. It is also permissible for the District to formally adopt a position on a ballot measure or legislation and educate the public on the measure, its impact on the District, and the basis for the District's position.

2. If public funds or District equipment or facilities are used to provide information regarding a proposed ballot measure or legislation, the information provided by the District must be accurate and balanced and represent supporting as well as opposing views. It is permissible for the District to formally adopt a position on proposed legislation or a ballot measure. When the District has formally adopted a position on proposed legislation or a ballot measure, the District may respond to a request from the public, the media or some other source to explain the District's position without being obligated to present all possible views on the issue.

3. Directors and employees of the District retain their free speech guarantees to express their personal viewpoints on any proposed legislation or ballot measure. The right of free speech is not forfeited because of any association with the District. Therefore, District employees and Board members may express their personal opinion on ballot measures and proposed legislation and urge the support or opposition to proposed legislation or a ballot measure in a public forum, so long as no District funds are expended, including no District reimbursement of Board or employee expenses incurred making such a presentation. Whenever District funds or facilities are involved in any way in the activity of an employee or director with respect to proposed legislation or a ballot measure, that employee or Board member will be deemed to be acting as a representative of the District and will be required to limit his or her comments to a balanced, factual presentation containing supporting as well as opposing views.

#### B. Permissible Activities

1. Expend public funds for the purpose of formulating and drafting proposed legislation or a proposed initiative, and securing appropriate sponsors;

2. Adopt a formal position in support of or in opposition to proposed legislation or a ballot measure at a meeting of the Board of Directors of the District.

3. The District may initiate a presentation or information piece regarding proposed legislation or a ballot measure, and may notify the public, the media and others of the District's position through news releases, bulletins or other vehicles at District expense that are informational and balanced but do not advocate a yes or no vote, or

contain language which indicates that the District is “taking sides” with respect to the proposed legislation or ballot measure.

4. The District may expend District funds, without taking a formal position on any proposed legislation or ballot measure, to initiate, prepare, or distribute factual, balanced information on a proposed legislation or a ballot measure to the public and other organizations, which material should represent both pro and con viewpoints in a fair manner.

5. District Board members and employees may respond to inquiries from the media, the public or other organizations about the impact of a measure on the District as long as such response is factual and does not advocate a position.

6. District Board members and employees may participate or sponsor forums or debates on proposed legislation or a ballot measure at District expense if all views are represented at such forum or debate.

7. Upon request, District Board members and employee are free to explain their personal views on proposed legislation or a proposed ballot measure.

#### C. Prohibited Activities

1. The District in no event can expend District funds to purchase such items as bumper stickers, posters, advertising, or television or radio “spots” as well as the dissemination and public expense of campaign literature prepared by private proponents or opponents of legislation or a ballot measure, or otherwise spend District money to clearly advocate a yes or no vote on any ballot measure.

2. The District may not use District funds to contribute to a campaign supporting or opposing any ballot measure.

3. The District may not expend District funds or utilize any District facilities or equipment such as photocopy machines, facsimile machines, computer e-mail, or office supplies or staff time in connection with any activity designed to support or oppose a ballot measure, or attempt to influence voters to qualify a ballot measure, including utilizing District funds to gather signatures for a ballot measure.

