



California Association of
Local Agency Formation Commissions

CALAFCO

SUPPORTING SUSTAINABLE
COMMUNITY GROWTH

Policies & Procedures

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Mission Statement

The mission of the California Association of Local Agency Formation Commissions (CALAFCO) is to promote efficient and sustainable government services based on local community values through legislative advocacy and education.

SECTION 1. Organizational Structure and Responsibilities¹

1.1 Governance

The California Association of Local Agency Formation Commissions (CALAFCO) is governed by a 16 voting member² Board of Directors (Board) elected by regions as described in the CALAFCO’s Bylaws. The Bylaws establish four (4) regions for the purpose of electing members of the Board (Board Members) and the four CALAFCO regional officers elected pursuant to Section 1.2 (Regional Officers).

The counties in each of the four regions shall consist of the following:

<p>Northern Region Butte Colusa Del Norte Glenn Humboldt Lake Lassen Mendocino Modoc Nevada Plumas Shasta Sierra Siskiyou Sutter Tehama Trinity Yuba</p>	<p>Coastal Region Alameda Contra Costa Marin Monterey Napa San Benito San Francisco San Luis Obispo San Mateo Santa Barbara Santa Clara Santa Cruz Solano Sonoma Ventura</p>	<p>Central Region Alpine Amador Calaveras El Dorado Fresno Inyo Kern Kings Madera Mariposa Merced Mono Placer Sacramento San Joaquin Stanislaus</p>	<p>Tulare Tuolumne Yolo</p>
<p>Southern Region Imperial Los Angeles Orange Riverside San Bernardino San Diego</p>			

Regional membership may be changed by amending these Policies & Procedures by the Board.

¹ These policies and procedures were adopted by the CALAFCO Board of Directors on 12 January 2007 and amended on 9 November 2007, 8 February 2008, 13 February 2009, 12 February 2010, 18 February 2011, 29 April 2011, 11 July 2014, 27 October 2017, 11 May 2018, 24 July 2020, 30 April 2021, 30 July 2021, 21 January 2022, 22 July 2022, 1 December 2023, 7 February 2025, and 25 July, 2025. They supersede all previous versions of the policies.

² CALAFCO Members will consider amendments to the CALAFCO Bylaws at the 2025 Annual Meeting. If Bylaw amendments increasing the number of Board Members on the CALAFCO Board of Directors to include the Regional Officers are approved, the Board will amend all applicable provisions of these Policies & Procedures to memorialize an increase to 20 Board Members.

Until such time, as was approved by the Board at its February 7, 2025 Special Meeting, the Board intends to:

1. Invite the participation of the Regional Officers in all Board discussions.
2. Include Regional Officers in votes on all matters before the Board, however, any such votes shall be advisory only. Notwithstanding anything in this footnote, Regional Officers shall not be counted for purposes of establishing a quorum of the Board.

CALAFCO Regions

FOUR REGIONS



1.2 Board of Directors Responsibilities

The Board is responsible for ensuring CALAFCO's long-term financial stability and integrity. Board Members ensure that CALAFCO fulfills its mission to promote efficient and sustainable government services based on local community values through legislative advocacy and education for all LAFCOs statewide. In order to foster CALAFCO's continued viability and growth, effective member engagement and sufficient revenue are essential. Accordingly, Board Members pledge to be active participants and promote CALAFCO, its services, and core values.

1.2.1 Core Commitments:

1. Support the approved CALAFCO mission statement and core values.
2. Advocate for CALAFCO and its members (Members).
3. Serve as a part of a unified governing body.
4. Govern within Board policies, standards and ethics.
5. Dedicate the time and energy necessary to be effective.
6. Represent and make policy decisions based on the impact to the entire LAFCO community.
7. Respect the individual views of Board Members, then collectively support Board decisions.
8. Respect the views of the Executive Director, Regional Officers, Legal Counsel, member LAFCOs (Member LAFCOs), and associate members (Associate Members).
9. Communicate as a cohesive Board with a common vision and voice.
10. Operate with the highest standards of integrity and trust.

1.2.2 Duties & Responsibilities:

1. General Participation
 - A. Regularly attend Board meetings. Pursuant to Bylaws Section 4.4, and as established in Section 5.3 of these Policies, a Board Member may be dismissed after two consecutive unexcused absences.
 - B. Actively participate in decision-making by being familiar with issues and prepared to address all agenda items.
 - C. Participate in setting CALAFCO policy, budget approval and establishing the direction for CALAFCO through the strategic plan.
 - D. Actively participate as a member of at least one CALAFCO committee.

- E. Attend CALAFCO's annual conference and participate in other meetings/events.
2. Governance
- A. Attend Board Member orientation training provided by CALAFCO, as established in Section 5.8 of these Policies.
 - B. When making decisions, consider statewide influences and impacts rather than solely on regional or individual LAFCO perspective.
 - C. Adhere to the Board Code of Ethics established in Section 5.2 of these Policies, at all times.
 - D. Follow proper Board meeting decorum.
 - E. Ensure the Executive Director and Executive Officer are fulfilling the responsibilities of their roles.
 - F. Read and understand CALAFCO Bylaws, Policies, and Procedures and operate within those documents.
3. Communication
- A. Communicate respectfully at all times.
 - B. Adhere to CALAFCO's Communication Code of Conduct (to be adopted by the end of 2025).
 - C. Ensure consistent and accurate communication with CALAFCO membership.
4. Association Programs
- A. Actively understand and encourage participation in CALAFCO's Associate Member program.
5. Performance Evaluations
- A. Complete and submit the annual Board performance evaluation form by the designated due date.
 - B. Complete and submit the annual Executive Director and Regional Officers' performance evaluation forms by the designated due date.
 - C. Ensure completion of an annual review of CALAFCO's strategic plan.
6. Advocacy, Recruitment & Retention
- A. Encourage timely responses from your region to CALAFCO's legislative calls to action and other grassroots efforts. Play an active grassroots role within your region and participate in grassroots campaigns coordinated by CALAFCO.

- B. Advocate for CALAFCO with an emphasis on building relationships and furthering the understanding/awareness of LAFCOs and CALAFCO within your region and statewide.
- C. Promote CALAFCO membership and engagement opportunities in ways appropriate within your region and statewide (e.g., sponsorships, advertisers, exhibitors, speakers, professional development opportunities, services, programs, etc.).

7. Finance

- A. Read and understand all CALAFCO financial statements and otherwise assist the Board in fulfilling its fiduciary responsibility.

1.3 Appointment of Officials

The Board shall appoint the Executive Director and the Legal Counsel in consultation with the Regional Officers.

The executive officers from each CALAFCO Region shall elect an executive officer from among its ranks, to serve a term of two (2) years as a Regional Officer. In the event that a region is unable to select its own Regional Officer from its Member LAFCOs, the remaining Regional Officers shall appoint a Regional Officer for that region from any LAFCO region for a one-year term. The Executive Director and Regional Officers shall select one Regional Officer to serve as CALAFCO Executive Officer (Executive Officer), with the remaining Regional Officers serving as CALAFCO Deputy Executive Officers (DEO). Terms shall be staggered so that two Regional Officers are appointed in even-numbered years, and two are appointed in odd-numbered years. Once appointments are made, the Board and Members are to be notified via email and via a staff report in the next meeting of the Board. The staff report shall be placed on the Consent Calendar portion of the agenda.

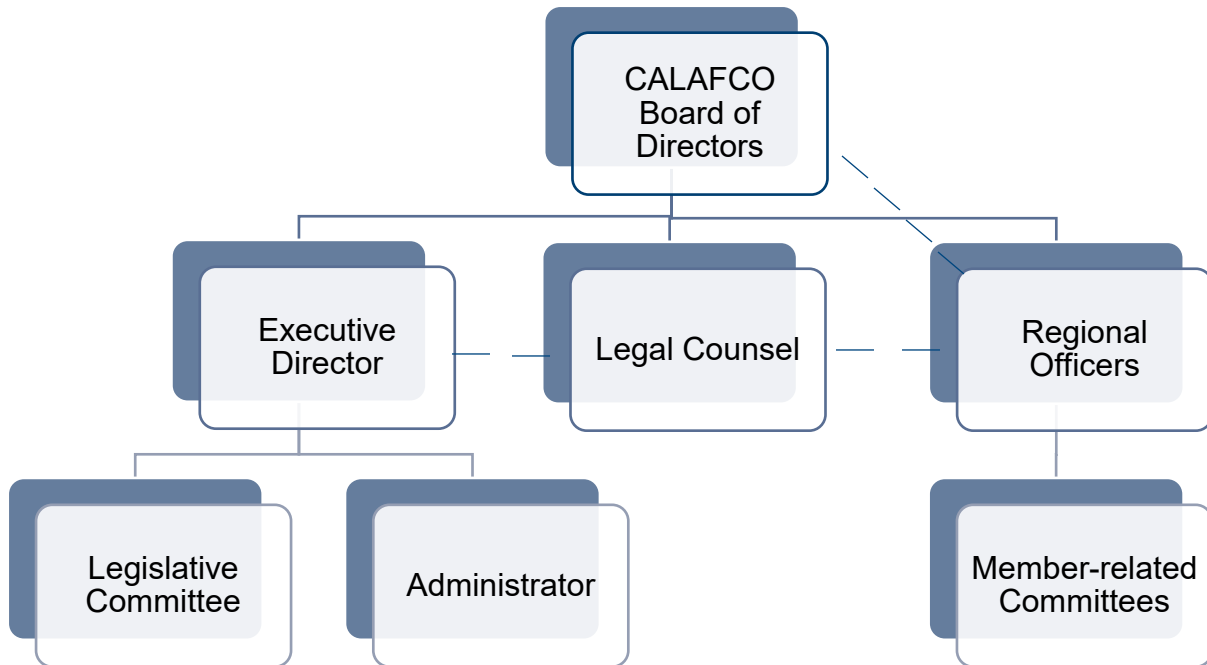
1.4 Assignment of Responsibilities

CALAFCO will be staffed by a combination of employees and volunteer Regional Officers from Member LAFCOs. The Executive Director will serve as the administrative director and fiscal agent of CALAFCO. In partnership with the Executive Director, the Regional Officers are responsible for policy development and direction and all matters related to the practice of LAFCO functions and will manage various services and programs of CALAFCO under the direction of the Board. Legal Counsel will provide legal advice to the Board and, as needed, the Executive Director and Regional Officers in the operations of CALAFCO, interpretation of LAFCO law, and in support of member LAFCO Counsel.

The Executive Director shall consult with the Executive Officer on all items and issues impacting Member LAFCOs and Associate Members. The Executive Officer shall play an active role in the development of various meeting agendas, and shall be invited to, and included in, all meetings of the Board, the Executive Committee, the Legislative Committee, any standing committee, any ad hoc committees, and

others meetings as needed. In the Executive Officer's absence, the other Regional Officers shall be consulted. No action on items/issues impacting the Membership shall be taken without such consultation.

The Board has determined that CALAFCO's stated purposes will best be achieved by assigning duties to the Executive Director, Administrator, Executive Officer, the other three Regional Officers, Legal Counsel, and Legislative Committee Chair. The administrative structure of CALAFCO shall be as follows:



1.5 Executive Director Responsibilities

The Executive Director works at the direction of the Board and in consultation with the Regional Officers and is responsible for CALAFCO's day-to-day activities and operations which include (but may not be limited to) the following duties:

1. Consult with the Executive Officer on all items/issues impacting the Membership. In the Executive Officer's absence, the other Regional Officers shall be consulted. No action on items/issues impacting the Membership shall be taken without such consultation.
2. Manage and maintain the office, a dedicated telephone and voice mail system; manage and maintain (or oversee) all of CALAFCO's correspondence and files; coordinate all corporate and CALAFCO administrative business (e.g.; elections, bylaws, policies and procedures, corporate filings, etc.).
3. Supervise the work or services of the Administrator, contractors, outside consultants, and vendors.
4. Conduct annual performance reviews of the Administrator.

5. Prepare and distribute, or review, all outgoing communications and mailing; respond to member and public inquiries and requests for information; and support CALAFCO's promotional, public relations and membership recruitment/retention activities and programs, which may include education and training programs.
6. Provide ongoing member communications, coordination and staff support for the Board, program and other committees, and regular interaction with Member LAFCO staff, including attendance at meetings with Member LAFCOs.
7. In full consultation with the Executive Officer, prepare meeting agendas, staff reports, and minutes for all Board and Executive Committee meetings. Ensure Board Chair approval of meeting agendas and review entire meeting packets with the Board Chair and Executive Officer prior to each meeting. Distribute all meeting materials to all CALAFCO Members and post Board meeting agenda packets on the website. The Executive Director may delegate website posting of materials to the Administrator, and creation of meeting minutes to one of the Regional Officers.
8. Prepare and publish CALAFCO's quarterly newsletter.
9. Prepare and publish CALAFCO's annual report and Sphere.
10. Manage and maintain CALAFCO website and various member list servs, including ongoing development, regular updates, utilization, application and expansion of the site.
11. In partnership with the Regional Officer team, develop CALAFCO's biennial strategic plan as a result of the Board's biennial strategic planning retreat. Conduct an annual dashboard review of CALAFCO's performance against the goals and objectives outlined in the strategic plan.
12. Ensure that CALAFCO is adequately represented at all significant hearings, including the use of the Legislative Committee or Board Members for this purpose; coordinate preparation of legislative correspondence, written testimony and oral communications; provide direct legislative information, regulatory monitoring, advocacy, and inter-agency communications with interface to Member LAFCOs; and build relationships with staff and members of Senate and Assembly Local Government Committees, and any other legislative committees pertinent to LAFCO's mission.
13. Serve as Chair of the Legislative Committee and the Advisory Committee, and prepare staff reports, meeting packages and meeting summaries for the Committees with the assistance of the Committees' Vice Chair. Provide support for Legislative Committee work groups and maintain Capitol Track daily legislative update.

14. Manage or oversee the maintenance of all records, membership directories, lists and databases, including rosters, and CALAFCO's master annual calendar of events.
15. Manage or oversee the maintenance of records for the Associate Membership program and prepare materials and promote Associate Memberships. Ensure ongoing communication with the Associate Members.
16. Establish and maintain working relationships with various associations representing governmental associations, non-profits, and other agencies such as: Cal Cities, CA State Assoc. of Counties (CSAC), CA Special Districts Assoc. (CSDA), Assoc. of CA Water Agencies (ACWA), Rural County Reps. of CA (RCRC), American Planning Assoc. CA Chapter, (APACA), CA Building Industry Assoc. (CBIA) and the CA Farm Bureau. Provide or coordinate requests for presentations, exhibits and other opportunities to educate stakeholders on the role and responsibilities of LAFCO.
17. Manage the logistics and finances of the annual conference, workshops and educational programs. This includes site selection, contract negotiation, solicitation of Member LAFCOs to host the workshop, and solicitation of sponsorships for the annual conference and staff workshop. Provide support and guidance to volunteer staff officers and the program committee in planning and developing the annual conference, staff workshop and other educational programs, such as CALAFCO University. Prepare all event materials such as registration forms, program announcements and provide support such as mailings and electronic distribution.
18. Manage the registration and payment for all CALAFCO activities and the invoicing and collection of annual dues or oversee the CALAFCO Administrator in the performance of this function.
19. Provide leadership and guidance to the volunteer staff in the planning and execution of all CALAFCO functions.
20. Maintain relationships with Member LAFCO executive staff, and promptly respond to Member LAFCO requests for information and support.
21. Engage with all Members. Attend and participate in regional meetings and membership commission meetings, both virtually and in-person. Attend at least two meetings per quarter, one of which shall be in-person.
22. Establish a regular meeting schedule with the Regional Officer team, Administrator and Legal Counsel to discuss current and emerging issues, review progress in achieving strategic plan goals, review roles and responsibilities, and conduct future visioning/planning.
23. Accept all other duties assigned by the Board.

1.6 Administrator Responsibilities

The Administrator shall be responsible for the administrative support of CALAFCO and act as Registrar for all CALAFCO events. Responsibilities shall include but may not be limited to:

1. Process all CALAFCO mail.
2. Establish and maintain CALAFCO Member and Associate Member databases and mailing lists, keeping them up to date. This includes all online, electronic and hardcopy versions.
3. Keep the member section of CALAFCO's website up to date. Update other sections of the website as requested by the Executive Director.
4. Establish and maintain CALAFCO files and records.
5. Prepare CALAFCO mailings and correspondence.
6. Respond to all Member LAFCOs and CALAFCO member requests for information.
7. Invoice all Member LAFCOs and CALAFCO Associate Members for annual dues and events.
8. Process registrations and maintain registration records for CALAFCO conferences, workshops and CALAFCO University courses, including all records associated with event sponsorships.
9. Assist in all aspects of the preparation, delivery and follow up of all staff workshops, annual conferences and CALAFCO University courses. This includes all required on-site preparation, all work associated with the execution of the event and all work associated with the follow-up and close-out of the event.
10. Maintain CALAFCO accounting records, input revenues and expenses into QuickBooks, prepare checks for Executive Director signature, and prepare financial reports as requested.
11. Work with the CALAFCO CPA for quarterly review of accounting records.
12. In coordination with the Executive Officer, process payments as approved by the Executive Director.
13. Other appropriate administrative services or projects within the scope of administrative services as requested by the Executive Director and/or Board.

1.7 Executive Officer Responsibilities

The responsibilities of the Executive Officer are of paramount importance to the success of CALAFCO. Accordingly, when the Executive Officer serves as a Board Member, their duties as Executive Officer shall take priority over the general duties and responsibilities of serving as a Board Member. The Executive Officer shall, at the direction of the Executive Director or Board:

1. Consult and cooperate with the Executive Director on all items/issues impacting the Membership. The Executive Officer shall play an active role in the development of various meeting agendas and shall be invited to and included in all meetings of the Board, the Executive Committee, the Legislative Committee, any standing committee, any ad hoc committee, and others as needed. In the Executive Officer's absence, the other Regional Officers shall be consulted. No action on items/issues impacting the Membership shall be taken without such consultation.
2. In consultation with the Executive Director and Administrator, be responsible for payment of all CALAFCO payables and maintain appropriate financial records.
3. Monitor all CALAFCO financial accounts and make transfers as requested by the Executive Director.
4. Jointly prepare the Board meeting packet with the Executive Director.
5. Maintain some of CALAFCO's database and financial records as assigned.
6. Solicit policy issues and technical matters from other LAFCO Executive Officers and evaluate in cooperation with the Executive Director and the Regional Officers.
7. Provide recommendations on all matters considered by the Board.
8. Participate on the Legislative Committee.
9. Accept assignments for staffing Board committees.
10. Conduct CALAFCO biennial Survey of member LAFCOs, and any other surveys as requested by the Executive Director. Collate, analyze and report survey results to the Board and Membership.
11. Maintain communication with Member LAFCO staff on CALAFCO policies, and solicit input on policy issues from executive officers.
12. Accept all other duties assigned by the Board, Executive Committee or Executive Director.

1.8 Deputy Executive Officers (DEO—also commonly referred to as Regional Deputy Executive Officers or Regional Officers) Responsibilities

The responsibilities of the Deputy Executive Officers are of paramount importance to the success of CALAFCO. Accordingly, when the Deputy Executive Officers serve as Board Members, their duties as Deputy Executive Officers shall take priority over the general duties and responsibilities of serving as Board Members. The Deputy Executive Officers (DEOs) shall, at the direction of the Executive Director, Executive Officer, or Board:

1. Prepare a portion of the Board agenda and keep the Board minutes and roster.
2. Accept assignments for staffing Board committees.
3. Accept primary responsibility for management of CALAFCO programs and projects, such as CALAFCO University courses, database projects, and member surveys.
4. Lead and participate in the program planning committees in the development of the staff workshop and the annual conference.
5. Assist the Executive Director and/or Executive Officer with communications to LAFCO staff.
6. Accept all other duties assigned by the Board, the Executive Committee, the Executive Director or the Executive Officer.

1.9 Legislative Committee Chair and Vice Chair Responsibilities

The Legislative Committee Chair shall:

1. Be primarily responsible for CALAFCO's legislative activities, including staff support to the Legislative Committee, developing the Committee's meeting schedule in consultation with the Vice Chair, preparing all meeting materials, distributing meeting materials to the Committee and membership at least one week prior to each meeting (except in the case of last minute legislative actions required), and posting materials on the website. Other responsibilities include tracking, reporting, and making recommendations to the Board on current legislation and bill hearings.
2. Prepare written and oral testimony, and when available, present such testimony to the appropriate legislative or administrative body.
3. In the absence of the Chair, the Vice Chair shall perform the duties of the Chair.
4. Attend and participate in all meetings of the Board or its committees at which legislative matters are discussed.
5. Accept all other duties assigned by the Board.

1.10 Legal Counsel Responsibilities

The Legal Counsel shall:

1. Advise CALAFCO's Board and staff on appropriate ways to carry out their activities according to the law.
2. Make recommendations on matters considered by the Board, and when assigned, review the work of all other staff and suggest corrections or amendments to their work.
3. Accept all other duties assigned by the Board.

1.11 Board of Directors, Executive Director and Regional Officers Performance Evaluation

1.11.1 Board of Directors

To support the Board in fulfilling its responsibilities and to ensure the success of achieving CALAFCO's mission and strategic priorities, an annual Board evaluation shall be conducted. The evaluation will include a Board self-evaluation and provide the opportunity for feedback from CALAFCO staff, Member LAFCOs, and Associate Members. To coincide with the timing of the strategic plan, the evaluation shall be presented and discussed at the first meeting of the Board in each calendar year and cover the prior calendar year's work. The evaluation may also be presented and discussed at the biennial strategic planning session during the years they are conducted.

The evaluation process shall be facilitated by CALAFCO's Legal Counsel in collaboration with the Board Chair and Executive Director. The following criteria shall be used when evaluating the performance of the Board:

1. The ability of the Board to fulfill the core commitments as outlined in its roles and responsibilities.
2. The effectiveness of the Board's governance and policy decisions.
3. The ability of the Executive Committee to fulfill its responsibilities.
4. Board Members' level of participation and engagement, including attendance at Board meetings, strategic planning sessions, CALAFCO events, and on assigned committees.
5. The effectiveness of the Board and individual Board Members in communicating with CALAFCO membership and stakeholders.

1.11.2 Executive Director

The Board has determined that an annual job performance evaluation of the Executive Director will assist CALAFCO in achieving its stated purposes. The Board's Executive Committee, comprised of the Chair, Vice Chair, Secretary, Treasurer, Immediate Past Chair if still serving on the Board, and Executive Officer shall meet with the Executive Director no later than June 30 of each year to discuss their job performance.

The Executive Committee shall utilize the following criteria when evaluating the job performance of the Executive Director:

1. The willingness of the Executive Director to accept all duties and responsibilities.
2. The ability of the Executive Director to carry out the duties and provide positive contributions with minimal direction.
3. The ability of the Executive Director to define problem areas and develop solutions.

4. The timeliness with which the Executive Director carries out all duties and responsibilities.
5. The accuracy and thoroughness of any written or oral report, correspondence, or document the Executive Director prepares or delivers that is intended to reflect the Board's desires, practices or positions.
6. The effectiveness and persuasiveness of the Executive Director during presentations or meetings with stakeholders, members of the public, elected or appointed officials, and Member LAFCOs and whether or not the Executive Director represented CALAFCO professionally in these settings.
7. The effectiveness of the Executive Director in fulfilling their areas of responsibility in CALAFCO's strategic plan.

1.11.3 Regional Officers

The Executive Committee (less the Executive Officer) and Executive Director shall meet annually, but no later than June 30 of each year, with the Regional Officers to discuss fulfilling their responsibilities and contributions to CALAFCO. The criteria established in Sections 1.6 and 1.7 are advisory for these discussions and shall not be used to evaluate the individual's job performance with their LAFCO.

1.12 Representative Role of Board Members

Members elected to the Board represent the statewide interests of CALAFCO and not the interests of their region, commission or appointing authority. Board Members are encouraged to communicate with the Members of their region on CALAFCO issues to solicit input and disseminate information.

1.13 Regional Representation for Board Officers and Committees

The Board shall encourage participation by regions when establishing membership for Board committees and in selecting Officers of the Board. Regional Officers, when serving as Board Members, shall not serve on Committees, except for the Executive Officer who shall serve on the Legislative Committee.

1.14 Regional Representation on Legislative Committee

Board representation on the Legislative Committee shall consist of one Board Member from each of the regions and one member at-large. Each representative shall also have an alternate.

1.15 Board of Director Officers

The Board shall elect its Officers at the first meeting following the commencement of new terms, pursuant to Section 5.8 of these Policies. Officer terms are one-year. The Board shall ensure regional diversity amongst the Officers and rotation of individuals holding officer positions.

The Officers of the Board shall form the Executive Committee. The Executive Committee shall include the Chair, Vice Chair, Treasurer, Secretary, Executive

Officer and immediate Past Chair. All Regional Officers serving as Board Members shall not be eligible to serve as Officers.

1.16 Succession of Board Officers

To ensure regional diversity and build experience of Board Officers, the Board shall have a consistent rotation and succession of its Officers. Composition of Board Officers shall be in the following schedule (using 2024-25 as the base): Chair (Central), Vice Chair (Coastal), Treasurer (Southern), and Secretary (Northern). The Vice Chair shall succeed the Chair, the Treasurer shall succeed the Vice Chair, and the Secretary shall be selected from the region of the outgoing Chair. Rotation shall follow the region and not the individual or incumbent.

1.17 Board Action on Legislative Issues

In the case of decisions on legislative policies or positions, the Board shall take the following actions:

1. Ensure that all viewpoints are fully considered in the proposed action.
2. Adopt a proposed action with a vote that consists of a majority of the Board Members present including at least one affirmative vote from each region present at the time of the vote.
3. Members agree to support the final decision of the Board.

1.18 Board Meeting Locations

Board meetings shall be rotated between regions, as practical. The Board may also conduct their meetings virtually.

SECTION 2.

Procedures for Updating Policies

In the normal course of business operations, CALAFCO will continue to grow, expand and offer new services. Therefore it will be necessary to change, amend, update or eliminate operational policies and procedures, including these Policies & Procedures. The following procedures will apply when new or existing policies need to be developed, changed, modified or deleted.

2.1 Creating New Policies, Revising Existing Policies, and Deleting Existing Policies

1. CALAFCO Executive Director and Executive Officer will be responsible for reviewing existing CALAFCO policies.
2. Updates necessary for any existing policy or the creation of a new policy shall be drafted by CALAFCO Executive Director (in cooperation Executive Officer and Legal Counsel) and reviewed, discussed and approved by the Executive Committee before being presented to the Board. Upon Executive Committee approval, the updated or new policies shall be presented to the Board for consideration and approval at the next Board meeting. Upon the conclusion of the Executive Committee meeting, the Executive

Director in collaboration with the Executive Officer, will provide copies of the policy changes that will be considered by the Board to the remainder of the Board, the DEOs, Member LAFCOs and Associate Members through distribution of agenda materials for the Board meeting, via the List Servs and other email distribution lists.

3. At any time, a Board Member may request review of an existing policy and recommend updates for the Board's consideration. Should such request be made during a Board meeting, and subject to approval by the Board, that policy update discussion will be placed on the next meeting agenda for the Board's consideration.
4. At any time, a Board Member may request the creation of a new policy. Should such request be made during a Board meeting, upon approval by the Board, that new policy idea discussion will be placed on the next meeting agenda for the Board's consideration. Upon approval by the Board to create the new policy, the draft new policy will be presented to the Executive Committee pursuant to subsection (b) above.
5. A majority of the Board Members present including at least one affirmative vote from each region present at the time of the vote is required to approve any new policy, or to revise any existing policy.

SECTION 3.

Financial Management Policies

3.1 Basis of Accounting

Accrual Basis: The basis of accounting in which revenues are recorded when earned and expenditures are recorded as soon as they result in a liability, regardless of the fact that the receipt of the revenue or the payment of the expenditure may take place, in whole or in part, in another accounting period

3.2 Accounting Records

CALAFCO maintains a double-entry accounting system with Quick Books Accounting Software, with a general journal, cash receipts journal, cash disbursements journal, accounts receivable, accounts payable, and a general ledger which will be posted monthly.

If CALAFCO receives funding sources requiring separate accountability, the fund accounting system will be used. Each fund/program will have its own set of records including general ledger and financial statements.

3.2.1 General Journal

A general journal shall be maintained to record adjusting entries, reversing entries, closing entries and other financial transactions not normally recorded in the cash receipts or cash disbursements journals. Entries in the general journal must be adequately documented and entered in chronological order with sufficient explanatory notations.

3.2.2 Cash Receipts Journal

A cash receipts journal shall be maintained to record all cash receipts (sales, dues, registrations). The journal shall contain the following columns:

- Date
- Description of the cash receipt
- Amount
- Source or customer
- Line allocation

Each cash receipt item must be supported by sufficient detail as to the nature, source and purpose of the receipt.

3.2.3 Cash Disbursements Journal

A cash disbursements journal shall be maintained to record all cash disbursements. The journal should contain the following columns:

- Date
- Check number
- Amount
- Purpose of expenditure
- Line allocation Approved invoices or other documentation must support all disbursements.

3.2.4 General Ledger

A general ledger shall be maintained with the necessary accounts for assets, liabilities, fund balances, support, revenues and expenses to prepare financial statements in accordance with generally accepted accounting principles.

The number and types of accounts, classes and programs in the chart of accounts shall also allow the organization to prepare the reports required by the various funding sources and by the Board.

3.3 Credit Cards and Their Use

Credit cards provide CALAFCO personnel with the ability to effectively and efficiently make purchases in relation to the Board approved CALAFCO budget and activities.

3.3.1 Approval Authority

Only the Board may approve the issuance of CALAFCO credit cards.

3.3.2 Credit Card Issuance and credit limits

1. Credit cards will be issued in the name of the employee or Board Officer. Current policy authorizes the following two users:

- A. CALAFCO Executive Director
 - B. CALAFCO Administrator
2. Credit card limits are authorized as follows:
- A. CALAFCO Executive Director: \$5,000.
 - B. CALAFCO Administrator: \$1,500.

3.3.3 Lost or Stolen Credit Cards

The person issued the credit card is responsible for its protection and custody, and shall immediately notify the credit card company and Board Chair if it is lost or stolen.

3.3.4 Authorized Purchases

Credit cards may be used only for the purchase of goods or services for official business of CALAFCO and must be within current budgeted amounts.

3.3.5 Prohibited Purchases

Use of CALAFCO credit cards is expressly prohibited for cash advances, bank checks, traveler's check, electronic cash transfer, purchases unauthorized or unlawful under federal and state laws, including but not limited to, ethical rules related to gifts and reporting obligations of elected officials, or any type of personal expense.

3.3.6 Returns of Goods or Services

Returns of goods or services must be credited directly to the credit card account. No employee should receive cash or refunds directly.

3.3.7 Reporting Requirements

Employees must provide documentation to support all charges. Receipts must show the date, purpose, and name(s) for which the expense was incurred.

Credit card statements, along with receipts for all items to be paid by CALAFCO, shall be reconciled on a monthly basis by the Administrator.

3.3.8 Approval and Reviews

All charge account reconciliations shall be reviewed and approved by the Executive Officer and the Treasurer.

Monthly credit card statements will be reviewed at least quarterly by the Board Chair.

The CPA will annually review integrity of the credit card statements

3.3.9 Enforcement

Upon leaving CALAFCO employment, the departing employee shall immediately cease using CALAFCO credit card, and shall immediately surrender it to the current Executive Director, Board Chair, or Vice Chair. The appropriate CALAFCO staff shall immediately contact the credit card company and have the employee's purchasing privileges revoked and their credit card cancelled.

Violation of this Policy may result in penalties including but not limited to:

- Loss of credit card privileges;
- A demand for restitution to CALAFCO for unauthorized or improper purchases;
- Prosecution under state or federal law;
- Disciplinary action up to and including termination.

3.4 Retention of Records

CALAFCO will retain all financial records for seven years after the final budget report for the fiscal year is made.

3.5 Fiscal Year

The CALAFCO Fiscal Year shall begin each July 1 and end on June 30 of the following year.

3.6 Annual Budget

The budget is a plan for financial operations that provides a basis for controlling and evaluating activities in a future period. The budget is essential to a non-profit organization because it serves as a tool to demonstrate accountability of funds and resources received from grantors.

A proposed Fiscal Year Budget shall be presented to the Board for review and approval. The proposed budget shall be presented at a Board meeting held within the fourth quarter of the current Fiscal Year for the following Fiscal Year and be a two-year rolling budget. The budget shall be adopted by the Board no later than 30 days prior to the commencement of the new fiscal year. The proposed budget shall include prior year actuals.

3.7 Budget Revisions

Revisions to the budget may be made by the Board at any regularly scheduled Board meeting.

3.8 "Bottom Line" Budgeting

During the Fiscal Year budget control will be based on total revenue and total expenses ("bottom-line" budgeting). Staff may expend budgeted funds for any line item in the budget as long as the total amount budgeted for expenses is not exceeded. For new and/or unforeseen expenditures not identified in the budget or for expenditures above the bottom line amount budgeted for expenses, Board authorization shall be required.

3.9 Accounting Software

CALAFCO shall employ the use of Quick Books accounting software or other similar accounting software that adequately meets the requirements of CALAFCO Accounting Policies and Procedures.

3.10 Financial Statements

Current budget and financial summaries showing revenues and expenditures by line item shall be provided to the Board at each regular Board meeting. Such financial statements shall include, but are not limited to:

Profit and Loss by Class

The primary purpose of a statement of financial position is to provide relevant information about the organization's total assets, liabilities, and net assets as of a specific date.

Three classes of net assets are required to be reported:

- Permanently restricted
- Temporarily restricted
- Unrestricted

3.10.1 Statement of Functional Expenses

This is a statement of functional expenses which shows how operating expenses are allocated to the major categories in the budget, including identification of Legal Counsel and Executive Director costs in the appropriate categories.

3.10.2 Statement of Cash Flows

The primary purpose of a statement of cash flows is to provide information about significant inflows and outflows of cash during a period.

3.11 Operational Reports and Tax Filings

As required in the Bylaws, the Executive Director shall prepare and file an annual budget report showing all revenues and expenditures following the end of the Fiscal Year.

The Executive Director shall prepare or have prepared and file in a timely manner such annual reports and forms as required by the Internal Revenue Service, State of California, and other regulatory agencies (Form 990, 199, RRFI) to satisfy CALAFCO's corporation and not-for-profit status responsibilities and obligations.

3.12 Authority to Contract

The Executive Director is authorized to approve and sign all contracts if the amount is \$10,000 or less. All personal service contracts and any other contract in excess of \$10,000 must be approved by the Board.

3.13 Service Contract Renewals

Renewals of contracts for CALAFCO services shall be done in a timely manner in order to ensure continuity of services. For all multi-year contracts, renewal of the

contract shall be approved by the Board at least four months prior to the expiration of the contract. In no case shall a contractor continue to perform services beyond the expiration of the contract.

3.14 Grants

The application for any grant funds must be approved by the Board.

Grant funds shall be maintained in a separate account and identified as a separate line item(s) on budgets and financial statements and summaries.

3.15 Internal Control Structure

The Single Audit Act Amendments of 1996 and the accounting profession define internal control as a process, affected by the Board and staff, and designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

The achievement of these objectives results in public accountability.

1. Cash Receipts

- A. Cash receipts may be accepted by any CALAFCO staff or volunteer working on a CALAFCO project or event
- B. Numbered cash receipts shall be issued for any and all cash transactions.
- C. Cash receipts shall be immediately recorded.
- D. Checks shall be restrictively endorsed immediately upon receipt.
- E. Cash receipts shall be deposited promptly and intact.
- F. The complete record of all deposits will be maintained and transmitted immediately to the Executive Officer upon deposit.
- G. CALAFCO shall not maintain a petty cash fund. All funds must be deposited in CALAFCO accounts.

2. Cash Disbursements

- A. All disbursements shall be made by check
- B. All disbursements shall be promptly recorded on a cash disbursement journal.
- C. All cash disbursements shall be supported by vendor invoices or other external documents.
- D. Bank reconciliations shall be prepared in a timely manner for all accounts.

- E. The cash disbursement journal shall provide for allocation of expenditures to the appropriate line items.
- F. CALAFCO shall allocate expenses among programs, grants, or contractors based on its budget.
- G. The Executive Director and the Executive Officer shall have signing authority for all CALAFCO accounts.
- H. No staff Officer shall sign any check payable to themselves, or to any entity, public or private, with which they have any form of employment or ownership interest.
- I. Check signers shall review supporting documents before signing checks.
- J. Copies of checks and supporting documentation shall be immediately forwarded to the Executive Officer.
- K. The Board shall provide authorization to the Executive Director for the purpose of seeking out financial credit opportunities and further authorization to enter into credit agreements including lines/letters of credit with lending institutions subject to the approval of the Treasurer.

3.16 Reserve Funds

The Board shall maintain an account of reserved and unbudgeted funds. Reserve funds are maintained for unbudgeted situations. Funds may only be moved into or out of the reserve accounts by action of the Board. The reserve funds shall be maintained at a minimum of 25% of the total operating budget of CALAFCO.

3.17 Contingency Funds

The Board shall endeavor to maintain an account of budgeted contingency funds. Contingency funds are maintained for unbudgeted expenses, whether planned or unplanned, and may be used at the discretion of the Executive Director. CALAFCO should strive to maintain a minimum of 5% of the total operating cost of the budget of CALAFCO in contingency funds each year.

3.18 Compensation and Reimbursable Expenses

3.18.1 Employees, Regional Officers and Contractors

The compensation for CALAFCO Executive Director, Administrator, Legal Counsel and for any professional or financial services shall be done by contract and approved by the Board (unless the amount is under the Executive Director signature limit pursuant to Section 3.11). Any extension, change in compensation, or any other change of contract terms shall require the approval of the Board. CALAFCO will reimburse reasonable business expenses—including travel costs—up to the limits and restrictions identified in the individual contracts. Any expenses in excess of the contract limits require the approval of the Board.

3.18.2 Regional Officers

Regional Officers include CALAFCO's volunteer Executive Officer and three Deputy Executive Officers, one representing each of the four regions. Each year a stipend is provided to the sponsoring LAFCO of each volunteer Regional Officer. The stipend is intended to reimburse the sponsoring LAFCO for some of the costs (including travel, phone, etc.) associated with the individual's CALAFCO work. The Board establishes the stipend amount each year as part of the budget process. Other extraordinary Regional Officer expenses may be reimbursed if approved by the Executive Director. In no instance shall the stipend payment and expense reimbursement be provided to a Regional Officer in the performance of their duty as a Board Member.

3.18.3 Board Members

As stated in the Bylaws, Board Members shall receive no compensation or reimbursement for their services. The host LAFCO is expected to cover the travel costs and per diem expenses associated with participation in Board meetings, conferences, and retreats.

3.19 Investment Policy

The purpose of this policy is to establish investment guidelines for CALAFCO officials to ensure the stewardship of CALAFCO funds. Any funds which are not required for the immediate needs of CALAFCO operations shall be prudently invested. All funds shall be invested in a manner which will ensure the safety of CALAFCO funds by mitigating credit and interest rate risk and provide sufficient liquidity to meet all operating requirements. CALAFCO shall strive to attain a return on investments that is reasonable given the safety of the principal and liquidity objectives and the secondary importance of yield. All investments shall be in conformance with federal, state and other legal requirements.

3.19.1 Investment Objectives

The specific objectives for all funds invested as defined by this policy are listed in priority order as follows:

1. SAFETY OF PRINCIPAL

The preservation of principal is of primary importance. Each transaction shall seek to ensure that capital losses are avoided.

2. LEGALITY

Each transaction and the entire investment program must comply with federal and state law and CALAFCO's investment policy as defined herein.

3. LIQUIDITY

The invested funds should remain sufficiently flexible to enable CALAFCO to meet all operating requirements which may be reasonably anticipated.

4. MEMBER TRUST

In managing CALAFCO investments, CALAFCO shall avoid any transactions that might impair member confidence. Investments should be made with precision and care, considering the safety of the capital. The prudent investor standard, a standard of conduct requiring that any investment be made with care, skill, prudence, and diligence, shall be used in order to safeguard the funds and meet the liquidity needs of CALAFCO.

5. RETURN ON INVESTMENT

Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity and the prudent investor standard.

3.19.2 Delegation of Authority

Authority to manage CALAFCO's investment program rests with CALAFCO Board. Management responsibility is hereby delegated to the Investment Committee comprised of the Chair, Treasurer, Executive Director, and Executive Officer under the direction of the Board.

3.19.3 Authorized Investments

CALAFCO funds not required for the immediate needs of CALAFCO may be invested as follows:

- Money market funds that are FDIC insured or that only invest in:
 - U.S. Government and U.S. Government Agency securities
 - Bank Certificates of Deposit
 - Highly rated commercial paper
 - Local Agency Investment Fund (LAIF)
- U.S. Government and Agencies obligations
- Negotiable Certificates of Deposit with a maturity of one year or less issued by a nationally or state-chartered bank, a state or federal savings and loan association, or savings bank with ratings equivalent by Fitch to F1 or better

The Board may at any time change the securities approved for investment as deemed appropriate.

3.19.4 Reporting

The Executive Officer shall submit a quarterly report to the Board as part of the Board meeting budget report showing investment activity, including yield and earnings and the status of cash by depository.

As part of CALAFCO's annual financial review, the CPA shall also review investment performance and operations. The purpose of this review shall be to

obtain suggestions for improved future performance and to verify that investment has been done in accordance with this policy and all applicable laws.

3.20 Conflict of Interest

This policy: (1) defines conflicts of interest; (2) identifies classes of individuals within the Organization covered by this policy; (3) facilitates disclosure of information that may help identify conflicts of interest; and (4) specifies procedures to be followed in managing conflicts of interest. The purpose is to prevent the personal interest of staff members, Board Members, and volunteers from interfering with the performance of their duties, or result in personal financial, professional, or political gain on the part of such persons at the expense the organization, its supporters and other stakeholders. This policy is in addition to Bylaws section 4.10: Interested Persons, and section 9.2: Self-Dealing.

Definition of Conflicts of Interest. A conflict of interest arises when a person in a position of authority over the Organization may benefit financially from a decision he or she could make in that capacity, including indirect benefits such as to family members or businesses with which the person is closely associated. This policy is focused upon material financial interest of, or benefit to, such persons.

Individuals Covered. Persons covered by this policy are CALAFCO's Board Members, Executive Director, Regional Officers, and key administrative and financial contractors.

Facilitation of Disclosure. Persons covered by this policy will annually disclose or update to the Chair of the Board on a form provided by CALAFCO their interests that could give rise to conflicts of interest, such as a list of family members, substantial business or investment holdings, and other transactions or affiliations with businesses and other organizations or those of family members. Written disclosure of any potential conflict of interest shall also be contained in staff reports submitted to the Board in consideration of proposed actions.

CALAFCO Conflict of Interest Disclosure Form

This form must be filed annually by all specified parties, as identified in CALAFCO's Conflict of Interest Policy Statement.

_____ I have no conflict of interest to report

_____ I have the following conflicts of interest to report (please specify):

The undersigned, by their affixed signature, note their understanding of the implications of this policy.

Signature

Printed Name

Date

Procedures to Manage Conflicts. For each interest disclosed to the Chair of the Board, the Board will determine whether a conflict exists and if so the Board shall vote to: (a) take no action; (b) assure full disclosure to the Board and other individuals covered by this policy; (c) ask the person to recuse from participation in related discussions or decisions within CALAFCO; (d) cancel or not award a contract; or (e) ask the person to resign from their position in CALAFCO, or if the person refuses to resign, become subject to possible removal in accordance with appropriate removal procedures. Votes shall be by a majority vote without counting the vote of any affected director.

The Executive Director will monitor proposed or ongoing transactions for conflicts of interest and disclose them in writing to the Board in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

**SECTION 4.
Operational Policies**

4.1 Dues

A LAFCO must pay member dues in full by September 1 of each fiscal year in order to maintain Membership for the current fiscal year. Any LAFCO joining after September 1 of any fiscal year will be considered a member upon payment of the full annual dues for the current fiscal year. All rights and privileges of membership shall automatically terminate for any Member LAFCO not paid in full by that date.

Anyone qualified to join CALAFCO as an Associate Member will be considered an Associate Member upon full payment of Associate Member dues amount prorated based on the fiscal year. In order to retain Associate Membership, dues must be

paid in full by September 1 each year. All rights and privileges of membership shall automatically terminate for any Associate Member not paid in full by that date.

No dues refunds will be made, except for overpayments, unless approved by the Board.

4.1.1 Dues Hardship

In accordance with CALAFCO Bylaws section 2.2.4, "Membership dues may be reduced by the board if financial hardship is demonstrated to the satisfaction of the Board."

Member LAFCO dues hardship requests will be considered on an individual LAFCO basis. Each hardship waiver shall be valid for only one fiscal year. When requesting a partial waiver of dues based on hardship, the requesting LAFCO shall provide all information requested by the Board in order to fully consider the hardship request. This information shall, at a minimum, include:

1. A resolution adopted by the commission or letter signed by the Chair requesting the hardship waiver.
2. Specific reason(s) for the request of hardship.
3. The amount of dues the LAFCO can pay for fiscal year and the amount requesting to be waived.
4. Last three years of adopted annual budgets for the LAFCO.
5. Staff reports and minutes associated with the meetings at which the last three draft and final budgets were discussed.
6. Any and all documentation related to the current budget being considered by the commission, including the draft budget, staff report(s) and minutes of any meetings at which the draft budget had been discussed.

Dues hardships shall be received by CALAFCO Board no later than June 30 of each year for the following fiscal year. This allows ample time for the Board to consider the request prior to the September 1 payment deadline.

4.2 Conference and Workshops

CALAFCO shall hold an annual conference and a staff workshop unless state and/or local restrictions prohibit such in-person gatherings. The goal of all CALAFCO educational activities is to provide LAFCO commissioners, staff, and stakeholders with high quality, timely sessions and networking opportunities that assist them in advancing the purposes and objectives of LAFCO.

4.2.1 Date and Site Selection

1. The Executive Director shall maintain a three-to-five-year calendar for the annual conference.
2. Workshop sites shall be rotated among the regions, as practical. Conference locations shall rotate every year on a four-year rotation, and as much as possible, the following areas shall be used as anchor

sites: Sacramento, San Diego, and Monterey. The fourth location shall be selected at the discretion of the Executive Director.

3. The selection and approval of annual conference and staff workshop locations and hotel contracts shall be approved by the Executive Director with direction from the Board as necessary. Sites and contracts for other courses and seminars shall be approved and executed by the Executive Director. Contracts with hotels shall be signed by the Chair or the Executive Director.

4.2.2 Conference and Staff Workshop Committees

1. CALAFCO Conference

CALAFCO shall serve as the conference host. As such, CALAFCO is responsible for the site selection and facilities contract, registration, marketing, budget, pre-con activity planning, all on site logistics such as meals, entertainment, audio-visual, tours or mobile workshops, and any other facility related logistics.

The conference committee consists of at least four (4) Board Members, one from each region, and the program committee volunteers. One of the Board Members shall be designated as conference committee Chair. As conference host, the Executive Director shall participate on the conference committee.

The program committee is responsible for the program construction, speakers and panelists, conveying speaker equipment needs to the Executive Director, handout materials, session moderators or facilitators, speaker preparation, and other program-related activities. One of the Regional Officers shall serve as program committee Chair and in conjunction with the Executive Director, be responsible for soliciting volunteers to serve on the program planning committee.

2. CALAFCO Workshop

Workshop sites shall be rotated among regions, as much as possible. The LAFCO in the County in which the workshop is being held is considered the host LAFCO. The Executive Director shall solicit volunteer LAFCOs to host the workshop.

As the Host, the LAFCO works with the Executive Director in securing an appropriate facility, planning the mobile workshop or local tour, and assisting the Executive Director and program planning committee as requested. CALAFCO assumes responsibility for facility contracts, registration, marketing, budget, and all facility related logistics.

One of the Regional Officers shall serve as program committee Chair and in conjunction with the Executive Director, shall be responsible for soliciting volunteers to serve on the program planning committee.

Responsibilities for the workshop program planning committee are the same as for the conference.

3. Conference and Workshop Budget

Every conference and workshop shall have a budget prepared by the Executive Director. The budget shall contain the major revenue sources and expenditures.

4. Registration Fees

Preregistration is required for all events.

Member and non-member registration fees should reflect the actual costs of the event plus a minimum return of 15% for conferences and 5% for other CALAFCO events to CALAFCO. Both CALAFCO Members and Associate Members are eligible for the member rate. A non-member fee may be established for an event at up to 50% above the member registration rate. Fees from previous years should be considered to avoid significant increases from year to year. As appropriate, guest/spouse fees may be established for events. The fee should allow participants to choose specific meals or events to attend and should reflect actual costs plus the planned minimum return. Registration fees are established by the Executive Director.

5. Refunds

Registrations for conferences and workshops are considered complete upon payment of the registration fee. All cancellation and registration transfer requests shall be made to CALAFCO in writing and shall be subject to the timelines noted in this section.

The cancellation deadline shall be established by the Executive Director for each event and is a specific date no more than 14 business days prior to the commencement of the event. Cancellation requests made in writing at least 14 days prior to the event shall receive a 100% refund, less a \$30 handling fee.

There shall be no refunds for any cancellations made after the cancellation deadline.

Registration and special fees are transferable at any time to another person if the request is made in writing no more than five (5) working days prior to the start of the event, and are subject to a \$30 handling fee.

Special fees paid—such as guest meals or field trips—shall be fully refunded less a \$30 handling fee if a cancellation request is made in writing prior to the cancellation deadline. Special fees paid shall be fully refunded if the special event is cancelled.

Effective January 1, 2015, there shall be no credits issued for any event cancellation.

6. Speaker Reimbursement and Fees

For invited conference and workshop speakers who are not already participating in the event, CALAFCO may reimburse either transportation costs or the cost of one night's lodging, only if the speaker requests it. The amount of the reimbursement may not exceed the cost of the hotel room. CALAFCO will also cover the cost of any meals served the day of the speaker's presentation. The Executive Director may authorize exceptions to this where honorariums or speaker fees are required.

7. Complementary Registrations

The Executive Director may authorize any complementary registrations for conferences, workshops and courses for invited speakers and guests from peer associations and state agencies, if the speaker or guest requests it.

4.3 CALAFCO University and Other Seminars

These professional educational courses are designed to provide in-depth technical information about select LAFCO-related procedures, policies and laws for LAFCO commissioners, staff, and interested stakeholders.

4.3.1 Administration

1. The topics, content, scheduling, and registration are coordinated by a Regional Officer in consultation with the Executive Director.
2. University courses shall be delivered using various formats including in-person and virtual webinar. All webinars are to be recorded and placed on the CALAFCO website in the appropriate section.
3. Staff should strive for at least two in-person sessions annually, as topics and need arise. In-person sites shall rotate in the northern and southern part of the state. Several virtual sessions are to be conducted throughout the year.
4. As much as possible, staff will establish the course calendar twice a year. Course titles and dates planned for January through June shall be published by November of the preceding year, and course titles and dates planned for July through December shall be published by May of the same year.

4.3.2 Budget and Finances

1. The Executive Director shall establish a budget for each class in consultation with Regional Officer. At a minimum, CALAFCO University courses are expected to be self-sustaining.
2. As much as possible, instructors from member LAFCOs and Associate Members will be used to take advantage of available expertise and minimize instructional costs.

3. Fees will be used to cover the costs of preparation, room rental, meals, and course materials.
4. All registration fees will be deposited in the CALAFCO account and expenses paid by CALAFCO.

4.3.3 Fees

The Executive Director in consultation with the Regional Officer shall establish the registration fees. As much as possible all courses shall have the same fee. Fees shall include a discount for multiple registrations from a single Member LAFCO or Associate Member, and an increased fee for non-member registrations.

4.3.4 Refunds

Preregistration is required. Registration is considered complete when the registration and fees are received, or a written confirmation is received that fees will be paid the day of the class.

Cancellation requests made in writing and received at least 14 working days prior to the event shall receive a 100% refund minus a \$30 handling fee.

Cancellation requests made within 14 working days of the event are nonrefundable. No-shows are nonrefundable for any reason.

Registration fees are transferable at any time to another person if the request is made in writing no more than three (3) working days prior to the day of the class and is subject to a \$30 handling fee.

There shall be no credits issued for cancellations for any reason.

4.4 Communication and Communication Tools

Effective communication between the Association and the membership is expected. All communication received by CALAFCO (whether received by the Board, Executive Director, Regional Officers, or Administrator) shall be acknowledged and addressed in a timely manner. Communication, messaging and responses to requests from the membership shall be done in a consistent, concise and accurate manner. CALAFCO and its Members shall follow CALAFCO's adopted Communications Code of Conduct (to be adopted by the end of 2025).

4.4.1 Website

The website is designed to enhance communications among Member LAFCOs and interested stakeholders. Postings on the CALAFCO website must be related to LAFCO work and not of a commercial nature, except for qualified Associate Member announcements and/or links.

CALAFCO Members may post LAFCO-related job and RFP announcements and ads on the CALAFCO website. Non-members may not advertise on CALAFCO website.

Access to the Members Only section is limited to member LAFCOs and Associate Members.

4.4.2 List Servs

CALAFCO maintains various list servs to enhance communications among Member LAFCOs. List Serv membership is open to the staff (both employees and contract employees) of Member LAFCOs. Membership of the Counsel List Serv is limited to LAFCO Counsel. CALAFCO List Servs may not be used for the solicitation of business, for personal use, or for the collection of information for use other than official LAFCO business. CALAFCO shall provide oversight of the List Servs and, upon consulting with CALAFCO's Legal Counsel, may revoke the rights of any member of the List Serv found to be abusing the privilege of use.

4.4.3 Websites for Members

CALAFCO encourages Member LAFCOs to establish, maintain, and operate their own websites in compliance with the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. CALAFCO will maintain a central directory of links to these websites.

It is the responsibility of each Member LAFCO to ensure websites are current and comply with the requirements of the Cortese-Knox-Hertzberg Act.

4.5 Legislative Policies and Committee

4.5.1 Legislative Policies

In the fall of each year the Board shall review and update CALAFCO Legislative Policies. These policies are intended to drive the work of the Legislative Committee (Committee) and provide the Committee and staff with policy direction on legislative positions. The Legislative Policies consist of two parts: (1) the longer-term legislative policies of CALAFCO; and (2) legislative priorities that the Board may establish for the legislative session through its strategic planning session.

4.5.2 Legislative Committee

1. Purpose

The Committee acts on behalf of the Board in developing and taking positions on legislation based on the Board's Legislative Policies.

All CALAFCO Members are encouraged to offer proposed legislation, request agenda items, attend meetings and participate in Committee discussions.

2. Committee Structure

The Committee shall consist of 13 voting members and ten alternate voting members appointed annually by the Board. Committee members shall include:

- Four Board Members, one from each region, each with an alternate
- One Board Member, at-large, and one alternate

- Eight voting Member LAFCO staff members, two from each region, plus one alternate member per region. The eight voting staff members and their respective alternates shall be recommended for appointment by the Regional Officers. If there is an insufficient number of volunteers in a region, voting and alternate seats may be filled at-large by other regions, as recommended by the Committee's Chair and Vice Chair, and in consultation with the Regional Officers.

Alternates appointed to staff seats will serve on a rotating basis whenever a regular member is absent.

CALAFCO Executive Officer or designated Deputy Executive Officer shall also be a member and shall be one of the above regional voting or alternate member appointees.

No more than one voting staff member appointee may serve from any one LAFCO. The Board will endeavor to appoint balanced representation from all regions.

3. Member Eligibility

Preference for staff appointments is based on interest, expertise, past participation, and adequate statewide representation.

4. Advisory Committee Members

There shall also be a standing Legislative Committee Advisory Subcommittee (Advisory Committee) which consists of staff volunteers who are not appointed as voting or alternate members of the Legislative Committee. The role of the Advisory Committee shall be to assist the Legislative Committee on an as-needed basis on certain pieces of legislation or legislative projects.

5. Appointments

The Board shall appoint the members of CALAFCO Legislative Committee and Advisory Committee in the fall of each year.

Each year in late summer, the Executive Director shall conduct a call for volunteers for both Committees. Recommendations for appointments shall be made to the Board by the committee's Chair and Vice Chair. The Vice Chair is appointed by the Executive Director, who serves as the Committee Chair, and CALAFCO's Executive Officer, who serves as a Committee member.

6. Meetings

The Committee will meet in person at alternating locations between Sacramento and Southern California. Meetings may also be conducted virtually. Action minutes will be prepared for each meeting and distributed to each Committee member as well as the Executive Officer of each Member LAFCO and posted on the website.

The Committee meets monthly, or as needed, during key periods of the legislative session.

A majority of the appointed voting members must be present to convene a meeting. Meetings unable to convene within 15 minutes of the agendized start time due to lack of quorum shall be cancelled and the members present disbanded.

The Committee will strive towards consensus on all decisions. Should a consensus not be possible, decisions will be made by a majority vote.

In cases where legislative policy is unclear, there is significant disagreement among committee members, a financial commitment is required, or at the request of any of the participating Board Members, the Committee shall send an item to the full Board for consideration.

7. Committee Reports to the Board

The Board is to be presented with a full update on Committee activity at every Board meeting.

8. Legislative Committee Chair and Vice Chair

The Board has designated the Executive Director to serve as Chair of the Legislative Committee. In this capacity, the Executive Director shall be a non-voting member of the Committee. The Chair and CALAFCO's Executive Officer shall appoint a volunteer LAFCO staff member who is a member of the Legislative Committee as Vice Chair. The Vice Chair serves as Chair in the absence of the Chair, and retains his/her voting rights while serving in that capacity. The Vice Chair will provide a leadership role in legislative research and may assist in developing the CKH omnibus bill.

4.6 Transparency and Accountability

CALAFCO is committed to the transparency and accountability of its operations.

4.6.1 Website Posting

CALAFCO will post the following operational documents on its website for public inspection:

- IRS Determination Letter
- Annual Operational Budget
- Directory of Board and Officers
- Current By-Laws and Policy and Procedures Manual
- Minutes of Board Meetings and Staff Reports shall be available on the member's section

4.6.2 GuideStar

CALAFCO will maintain a current listing on GuideStar (www.GuideStar.org). GuideStar's mission is to revolutionize philanthropy and nonprofit practice by providing information that advances transparency, enables users to make better decisions, and encourages charitable giving. GuideStar automatically updates the listing with current Form 990 data and makes it accessible to any interested party at no charge.

4.6.3 Public Inspection of Annual Returns and Exemption Applications

CALAFCO will make the following documents available for public inspection and copying upon request and without charge (except for a reasonable charge for copying). The documents may also be made available through electronic means upon request.

- **Exemption Application**, Form 1023, Application for Recognition of Exemption under Section 501 (c) (3) of the Internal Revenue Code, along with all documents submitted with Form 1023 and the exemption ruling letter issued by the IRS
- **IRS Annual Information Return** (Form 990) with schedules, attachments, and supporting documents filed with the IRS. Returns need to be available for disclosure for only three years after the due date or filing date of the return.
- **State of California Annual Information Form** (Form 199)
- **State of California Annual Registry of Charitable Trust Report**

4.7 Document Retention and Destruction

This policy identifies the record retention responsibilities of staff, volunteers, members of the Board, and outsiders for maintaining and documenting the storage and destruction of CALAFCO's documents and records.

Rules. CALAFCO staff, volunteers, members of the Board and outsiders (i.e., independent contractors) are required to honor these rules: (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Executive Director; (b) all other paper documents will be destroyed after three years; (c) all other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year; and (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.

4.7.1 Terms for Retention.

1. Retain permanently:

Governance Records – Articles of incorporation and amendments, by-laws, other organizational documents, application for recognition of tax-exempt status, the determination letter recognizing tax-exempt status, and Board of Director and committee minutes.

Intellectual property records – Copyright and trademark registrations and samples of protected works.

Financial records – Financial statements, attorney contingent liability letters.

2. Retain for ten years:

Tax records – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

Government relations records – State and federal lobbying and political contribution reports and supporting records.

Insurance records.

3. Retain for three years:

Employee/Contractor records – Names, addresses, social security numbers, resume/application materials, job descriptions, dates of hire and termination, compensation information, contracts, documentation of basis for independent contractor status (retain for three years after departure of each individual).

Lease and contract/license records – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

4. Retain for one year:

All other electronic records, documents and files – Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures, survey information.

Exceptions. Exceptions to these rules and terms for retention may be granted only by the Executive Director or the Board Chair.

4.8 Whistleblower

The purpose of this policy is to: (1) encourage staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of CALAFCO; (2) specifies that CALAFCO will protect the person from retaliation; and (3) identifies where such information can be reported.

Encouragement of Reporting. CALAFCO encourages complaints, reports or inquiries about illegal practices or serious violations of CALAFCO's policies, including illegal or improper conduct by CALAFCO itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies.

Protection from Retaliation. CALAFCO prohibits retaliation by or on behalf of CALAFCO against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. CALAFCO reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

Where to Report. Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the Executive Director or Board Chair; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to Vice Chair. CALAFCO will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that CALAFCO may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.

4.9 Discrimination and Harassment

1. Discrimination and Harassment

CALAFCO remains committed to a harassment and discrimination free work environment. All employees, interns, volunteers, and persons providing services pursuant to a contract (independent contractors) and applicants, have a right to work in an environment free from discrimination. Harassment is a form of discrimination, and interns, volunteers, applicants and independent contractors are also entitled to a work environment free from all forms of harassment (including sexual harassment), based on race, religion, creed, color, national origin, ancestry, citizenship, sex, sexual orientation, gender identity, gender expression, marital status, pregnancy, childbirth or related conditions, domestic partner status, physical or mental disability, medical condition, age (over 40), genetic condition, military and veteran status, holding or presenting a driver's license issued under section 12801.9 of the Vehicle Code, or other protected category under local, state or federal law. Sexual harassment is defined as unsolicited and unwelcome sexual advances, requests for sexual favors and other verbal, physical or visual conduct of a sexual nature which occurs under any one of three circumstances: (1) submission is made either explicitly or implicitly as a term or condition of employment; (2) submission or rejection by an employee is used as a basis for employment decisions affecting the employee; or (3) such conduct has the potential to affect an employee's work performance negatively and/or create an intimidating, hostile or otherwise offensive working environment.

CALAFCO will not tolerate discrimination or harassment in its workplace by any employee, contractor, intern, volunteer, third party, or visitor. CALAFCO will pursue preventive measures to ensure

employees, interns, volunteers, persons providing services pursuant to a contract, or applicants are not subject to harassment in the workplace. Through this policy and appropriate postings, CALAFCO will inform employees, interns, volunteers and independent contractors of their rights and the appropriate means by which to file a complaint. Such information will also be included in all orientation packages.

A. Protection from Retaliation

Fear of retaliatory actions by a superior, coworker, or member of the public should not be a reason for not reporting any incidents of harassment, discrimination, or retaliation. Retaliation for reporting violations of this Policy, opposing conduct prohibited by this Policy or the law, or for participating in the investigation of a harassment or discrimination complaint is strictly prohibited.

B. Complaint Procedure

Any employee, intern, volunteer, person working or providing services pursuant to a contract (independent contractor) or applicant who believes that he or she has been harassed is encouraged to take immediate action to attempt to stop the harassment. Any employee, intern, volunteer, person working or providing services pursuant to a contract (independent contractor) or applicant who feels he or she has experienced discrimination, harassment or retaliation in the work place should immediately inform the Executive Director or Chair of the Board. If Executive Director or Chair becomes aware of discrimination, harassment or retaliation in the workplace, even without a formal complaint, they are required to immediately take appropriate action to stop the conduct, if appropriate, and ensure that an investigation is initiated. Complaints will be investigated in a fair, thorough, timely and confidential (to the extent possible) manner, which provides all parties appropriate due process and reaches conclusions based on the evidence collected. If substantiated, appropriate corrective action will be taken by CALAFCO.

Parties may also contact the Department of Fair Employment and Housing with a complaint: <https://www.dfeh.ca.gov/complaint-process/>; 800-884-1684.

SECTION 5.

Board of Directors Operations

5.1 Bylaws

Meetings of the Board are governed by Article IV of the CALAFCO Bylaws with the additional clarifications contained in these policies.

5.2 Board Code of Ethics

It is the purpose of CALAFCO to advance and represent LAFCOs in California. CALAFCO affirms its responsibility to promote efficiency, effectiveness and responsiveness in its Member LAFCOs, and to increase public awareness of the value and importance of LAFCOs as providers and overseers of local government services. Therefore, the Board is also committed to providing effective, efficient and responsive representation for LAFCOs in California. In order to facilitate this goal, and to promote positive relations and behavior between and among Board Members, each Board Member is committed to:

- Respecting the dignity, style, values and opinions of each Board Member and all CALAFCO Members.
- Encouraging attentive listening and respectful responsiveness in communication.
- Practicing civility and decorum in discussions and debate.
- Making the needs of CALAFCO's constituents the Board's priority.
- Exercising compassion, integrity, fairness and optimism without personal bias.
- Being prepared to make decisions that may not be popular but are found to be in the best interest of LAFCOs statewide.
- Demonstrating effective problem-solving approaches.
- Promoting organizational accountability through appropriate controls and procedures.
- Treating each other, CALAFCO staff, and all CALAFCO Members with respect.
- Taking responsibility for their own actions and decisions.

The following principles shall be observed:

The primary responsibility of the Board is the formulation and evaluation of policy. Routine matters concerning the operational aspects of CALAFCO are to be delegated to CALAFCO's professional staff.

Board Members commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, infighting, and other negative forms of interaction.

Board Members commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues are to be avoided.

Differing viewpoints and constructive debate are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board takes action, Board Members shall commit to supporting the action and not create barriers to its implementation.

Board Members commit to practice the following procedures:

- Board Members shall make all special requests through the Executive Director.
- In seeking clarification on informational items, Board Members may contact the appropriate staff person directly to obtain information needed to supplement, upgrade, or enhance their knowledge to improve the decision-making process.
- Complaints received by Board Members from any CALAFCO Member, legislators, other associations, etc., should be referred directly to the Executive Director and Executive Officer.
- In seeking clarification for policy-related concerns, especially those involving personnel, legislation, finances, projects and programs, Board Members should contact the Executive Director directly.

The work of CALAFCO is a team effort. All Board Members commit to working together in a collaborative process, assisting each other in conducting the affairs and accomplishing the mission of CALAFCO.

Each Board Member commits to developing a working relationship with the Executive Director and Executive Officer wherein current issues, concerns and CALAFCO projects and programs can be discussed comfortably and openly.

Board Members commit to functioning as a part of the whole. Issues are to be brought to the attention of the Board as a whole, rather than to individual Board Members selectively.

Board Members are responsible for contributing to and monitoring CALAFCO's progress in attaining its goals and objectives, while pursuing its mission.

5.3 Board Member Attendance

Pursuant to CALAFCO Bylaws Section 4.4, this Policy defines excused and unexcused absences. For an absence to be considered excused as defined below, a Board Member shall receive advanced authorization from the Board Chair or the Executive Director.

5.3.1 Excused Absence:

The following absences from a regular or special meeting of the Board are considered excused:

- Death in the immediate family
- Military personnel called to Active Duty
- Illness or injury
- Hospitalization
- Required court appearance
- Observation of religious holy days

- Pursuing citizenship
- Deaths outside immediate family
- Natural disasters, weather or road conditions as declared by the State or County
- Emergencies recognized and approved by the Board Chair or the Executive Director
- Attending an authorized home district function (must provide information about the event 30 days in advance of the event)
- Pre-planned vacation (60 days prior to the meeting)

5.3.2 Unexcused Absence:

Any absence for a reason not listed on the Excused Absence list.

5.4 Meeting Agenda and Materials

The Executive Director, in full consultation and cooperation with the Executive Officer, is responsible for the distribution of the Board meeting agenda and agenda item materials in advance of the meeting. The agenda/or agenda link shall be emailed to Board Members, the Executive Officer, Regional Officers, Member LAFCOs and Associate Members via the Info list serv. Additionally, the agenda, minutes, staff reports and supporting materials shall be posted on CALAFCO website in the appropriate Members Only section at least one week prior to the meeting.

5.5 Meeting Participation

Meetings of the Board are open to all Member LAFCO staff, commissioners, and Associate Members.

The Board Chair will designate appropriate times during the meeting for members to provide input on issues before the Board. Seating at the Board table is limited to the Board Members, CALAFCO staff and Regional Officers.

5.6 Electronic Voting

The Board established an e-vote policy to accommodate decisions on urgent or critical issues that the Board must address, and that cannot be delayed until the next regularly scheduled Board meeting.

1. Making a Motion – Any Board Member may request that the Chair or Vice Chair make a motion by corresponding electronically with all other Board Members. The substantive motion would also include a motion to call a “Special E-Meeting” of the Board. Should the Chair or Vice Chair deny the motion, the Board Member may appeal to CALAFCO Officers within 24 hours to reconsider the denial. The Officers may then decide to proceed with the vote or deny the request. This denial is final.

2. Calling the Meeting – The Chair, in consultation with the Vice Chair and the Executive Director will determine if the request meets the standard of urgent or critical. If it is determined to meet the criteria, the Chair will call the meeting to order and direct the Executive Director to begin the process.
3. Initiation and Opportunity for Discussion – The Executive Director will e-mail the proposed motion to all Board Members. This will initiate a two (2) working day discussion period. Members may discuss the motion through “reply-all” e-mail at any time during this discussion period. No individual conversations (electronically or otherwise) are permitted on the motion.
4. Formal Motion – Following the discussion period, the Board Member who made the initial motion may change or modify it as they see fit. The Executive Director will resubmit the motion for a second and vote of the Board.
5. Seconding the Motion – A positive vote from any other Board Member is considered a second to the motion.
6. Voting Period – Board Members vote by replying directly to the Executive Director and Executive Officer, only. The voting process must be completed within two (2) working days, although a shorter time frame could be requested in the body of the motion. In no case can the motion stay alive longer than two (2) working days.
7. Quorum – A quorum must be established by at least a majority of the number of Board Members eligible to vote.
8. Affirmative vote – Assuming a quorum is established, an affirmative vote by a majority of those voting is sufficient to pass the motion. The Executive Director will report whether the motion carries. In the case of a closed session matter, Legal Counsel shall provide the report out as legally appropriate.
9. Amendments – Once the discussion period has passed and the formal motion has been made, the motion may not be amended.
10. Minutes – Minutes will be prepared by the designated Regional Officer for each electronic vote and presented to the Board at the next actual Board meeting. At the close of a two (2) working day voting period, the Executive Director will provide the designated Regional Officer the voting results.

5.7 Board Nomination and Election Procedures

The procedures for nominations and election of Board are designed to ensure full, fair and open consideration of all candidates, provide confidential balloting for contested positions and avoid excessive demands on the time of those participating in CALAFCO annual conference.

The Board nomination and election procedures shall be:

1. APPOINTMENT OF AN ELECTION COMMITTEE:
 - A. Following the Annual Membership Meeting the Board shall appoint an Election Committee of four members of the Board. The Election Committee shall consist of one member from each region whose term is not ending.
 - B. The Board Chair shall appoint one of the members of the Election Committee to serve as Election Committee Chair. The CALAFCO Executive Director shall either serve as staff to the Election Committee or appoint a Regional Officer to serve as staff in cooperation with the Executive Director.
 - C. Each Regional Officer shall serve as staff liaison to the Election Committee specifically to assist in conducting the election as directed by the Executive Director and Committee.
 - D. Goals of the Election Committee are to encourage and solicit candidates by region who represent Member LAFCOs across the spectrum of geography, size, and urban-suburban-rural population, and to provide oversight of the elections process.
2. ANNOUNCEMENT TO ALL MEMBER LAFCOs:
 - A. No later than four months prior to the Annual Membership Meeting, the Election Committee Chair shall send an announcement to each Member LAFCO for distribution to each commissioner and alternate. The announcement shall include the following:
 - i. A statement clearly indicating which offices are subject to the election.
 - ii. A regional map including LAFCOs listed by region.
 - iii. The specific date by which all nominations must be received by the Election Committee. The deadline shall be no later than 45 days prior to the opening of the annual conference. Nominations received after the closing date shall be returned to the proposing LAFCO marked "Received too late for Election Committee action."
 - iv. The specific date by which all voting delegate names are due.
 - v. The specific date by which absentee ballots must be requested, the date CALAFCO will distribute the absentee ballots and the date by which they must be received by the Executive Director.
 - vi. The names of the Election Committee members and the name of their LAFCO, regional representation,

email address and phone number. The name, email address and phone number of the Executive Director shall also be included.

- vii. The email address and physical address to send the nominations forms.
 - viii. The nomination form to be used by a Commission when nominating a candidate, and the candidate form to be completed in full by all candidates.
 - ix. The date and time of the virtual candidate orientation, to be scheduled within seven (7) days after the nomination period deadline.
 - x. The annual Board meeting calendar for the upcoming calendar year.
 - xi. A comprehensive description of the roles and responsibilities of a CALAFCO Board Member.
- B. Key timelines for the election process:
- i. 120 days prior to election – nomination announcement distributed
 - ii. 45 days prior to election – nomination period closes
 - iii. Within seven (7) days of the close of the nomination period – conduct mandatory virtual candidate orientation
 - iv. 14 days prior to election – Election Committee report released
- C. A copy of these procedures shall be posted on the website.

3. THE ELECTION COMMITTEE:

- A. The Election Committee and the Executive Director have the responsibility to monitor nominations and help ensure that there are adequate nominations from each region for each seat up for election. No later than two (2) weeks prior to the annual conference, the Election Committee Chair shall distribute to the members the Committee report organized by regions, including copies of all nominations and resumes, which are received prior to the end of the nomination period.
- B. At the close of the nomination period, the Election Committee shall prepare regional ballots. Each region will receive a ballot specific to that region. Each region shall conduct a caucus at the annual conference for the purpose of electing their designated representatives. Caucus elections must be held prior to the annual membership meeting at the conference.

The assigned Regional Officers along with a member of the Election Committee shall tally ballots at each caucus and provide the Election Committee the names of the elected Board members and any open seats. In the event of a tie, the Regional Officer and Election Committee member shall immediately conduct a run-off ballot of the tied candidates.

- C. Make available sufficient copies of the Committee Report for each Voting Delegate by the beginning of the Annual Conference. Only the designated Voting Delegate, or the designated Alternate Voting Delegate shall be allowed to pick up the ballot packet at the annual conference.
- D. Make available blank copies of the nomination forms and resume forms to accommodate nominations from the floor at either the caucuses or the annual meeting (if an at-large election is required).
- E. Advise the Executive Director to provide "CANDIDATE" ribbons to all candidates attending the annual conference.
- F. Advise the Executive Director to provide "VOTING DELEGATE" ribbons to all voting delegates attending the annual conference.
- G. Post the candidate statements/resumes organized by region on a bulletin board or other easily accessible location near the registration desk.
- H. Regional elections shall be conducted as described in Section 4 below. The representative from the Election Committee shall serve as the Presiding Officer for the purpose of the caucus election and shall be assisted by a Regional Officer from a region other than their own, as assigned by the Executive Director.
- I. Following the regional elections, in the event that there are open seats for any offices subject to the election, the Election Committee Chair shall notify the Chair of the Board that an at-large election will be required at the annual membership meeting and to provide a list of the number and category of seats requiring an at-large election.

4. ELECTRONIC BALLOT FOR LAFCO IN GOOD STANDING NOT ATTENDING ANNUAL MEETING

Limited to the elections of the Board:

- A. Any Member LAFCO in good standing shall have the option to request an electronic ballot if there will be no representative attending the annual meeting.

- B. Member LAFCOs requesting an electronic ballot shall do so in writing to the Executive Director no later than 30 days prior to the annual meeting.
 - C. The Executive Director shall distribute the electronic ballot no later than two (2) weeks prior to the annual meeting.
 - D. The Member LAFCO must return the ballot electronically to the Executive Director no later than three (3) working days prior to the annual meeting.
 - E. Member LAFCOs voting by electronic ballot may discard their electronic ballot if a representative is able to attend the annual meeting.
 - F. Member LAFCOs voting under this provision may only vote for the candidates nominated by the Election Committee as noted on the ballot and may not vote in any run-off elections.
5. AT THE TIME FOR ELECTIONS DURING THE REGIONAL CAUCUSES OR ANNUAL MEMBERSHIP MEETING:
- A. The Presiding Officer shall:
 - i. Review the election procedure with the membership of their region.
 - ii. Present the Election Committee Report (previously distributed).
 - iii. Call for nominations from the floor by category for those seats subject to this election:
 - (1) For city member.
 - (2) For county member.
 - (3) For public member.
 - (4) For special district member.
 - B. To make a nomination from the floor, a Member LAFCO, which is in good standing, shall identify itself and then name the category of vacancy and individual being nominated. The nominator may make a presentation not to exceed two (2) minutes in support of the nomination.
 - C. When there are no further nominations for a category, the Presiding Officer shall close the nominations for that category.
 - D. The Presiding Officer shall conduct a "Candidates Forum". Each candidate nominated from the floor shall be asked to respond to all questions on the candidate form. Following that, all candidates shall be given time to make a brief statement for their candidacy. If a candidate is absent from the regional caucus, they may ask someone in their region to make a brief

statement on their behalf. The floor shall then be open for questions from the caucus members to the candidates.

- E. The Presiding Officer shall then conduct the election:
- i. For categories where there are the same number of candidates as vacancies, the Presiding Officer shall:
 - (1) Name the nominees and offices for which they are nominated.
 - (2) Call for a voice vote on all nominees and thereafter declare those unopposed candidates duly elected.
 - ii. For categories where there are more candidates than vacancies, the Presiding Officer shall:
 - (1) Poll the Member LAFCOs in good standing by written ballot.
 - (2) Each Member LAFCO in good standing may cast its vote for as many nominees as there are vacancies to be filled. The vote shall be recorded on a tally sheet.
 - (3) Any ballots submitted electronically for candidates included in the Election Committee Report shall be added to the tally.
 - (4) With assistance from the Regional Officer, tally the votes cast and announce the results.
 - iii. Election to the Board shall occur as follows:
 - (1) A majority of the total number of Member LAFCOs in a given region are required for a quorum. Returned absentee ballots shall count towards the total required for a quorum.
 - (2) The nominee receiving the majority of votes cast is elected.
 - (3) In the case of no majority, the two nominees receiving the two highest number of votes cast shall face each other in a run-off election. Electronic ballots are not included in the tally for any run-off election(s).
 - (4) In case of tie votes:
 - (a) A second run-off election shall be held with the same two nominees.

- (b) If there remains a tie after the second run-off, the winner shall be determined by a draw of lots.

6. ADDITIONAL PROCEDURES

- A. The Executive Director and CALAFCO's Executive Officer shall conduct a virtual candidate orientation for all potential candidates within seven (7) days of the closure of the nomination period. All candidates are required to attend this orientation and may also have their LAFCO's Executive Officer in attendance. The purpose of the candidate orientation is to provide candidates and their Executive Officers with information regarding the responsibilities of being a Board Member and to answer any questions candidates and their Executive Officers may have. CALAFCO strongly encourages each candidate's Executive Officer to attend this orientation.
- B. For categories where there are more candidates than vacancies, names shall be listed on the ballot in the order the nomination was received and deemed complete.
- C. The Election Committee Chair shall announce and introduce all Board Members elected during the Regional Caucuses at the annual business meeting.
- D. In the event that Board seats remain unfilled after a Regional Caucus, an election will be held immediately at the annual business meeting to fill the position at-large. Nominations will be taken from the floor and the election process will follow the procedures described in Section 4 above. Any commissioner or alternate from a member LAFCo may be nominated for at-large seats.
- E. Seats elected at-large become subject to regional election at the expiration of the term. Only representatives from the region may be nominated for the seat.

7. LOSS OF ELECTION IN HOME LAFCO

Board Members and candidates who lose elections in their home office shall notify the Executive Director within 15 days of the certification of the election.

8. FILLING BOARD VACANCIES

Vacancies on the Board may be filled by appointment by the Board for the balance of the unexpired term. Appointees must be from the same category as the vacancy and should be from the same region.

5.8 Term of Office

Effective with the 2026 Board elections, newly elected Board Members shall begin their term on December 1 in the year of their election and be seated at the first Board meeting thereafter. Directors-elect are encouraged to attend Board and planning session meetings in the interim.

For purposes of this Section, a new Board Member (New Board Member) shall be defined as a Board Member elected for their first term, or a Board Member elected for a term that is not consecutive to their prior term served.

Once elected, all New Board Members are required to complete a New Board Member orientation and onboarding, which shall be conducted by the Executive Director. The orientation must be completed before the start of their term of office. Failure to complete the orientation will result in the Board Member's inability to serve as a Board Member until the orientation and onboarding has been successfully completed.