



Board of Directors Agenda Report

MEETING DATE: OCTOBER 22, 2020 ITEM NUMBER: 10E

SUBJECT: **Review of and Vote on Whether or Not to Approve the Group 4 Board Governance Policies**

DATE: October 16, 2020

FROM: Chair Rubalcava-Garcia and Director Bagneris

PRESENTATION BY: Chair Rubalcava-Garcia and Director Bagneris

RECOMMENDATION

At the Board of Directors' discretion.

BACKGROUND

On September 30, 2020, the Governance Committee conducted an open public meeting to review and gather feedback regarding Group 4 of Board governance policies.

Final edits based on the Committee's final review, input from the public, legal review and recommendations from the project contractor (Moss Adams) were made to those policies.

The policies are attached for the Board consideration and vote.

A final open public meeting is scheduled for November 6, 2020 at 9:00 a.m. at which time the Committee will review the last two groups of policies – Groups 3 and 5 – with the public, then bring final drafts to the Board for approval at the November Board of Directors meeting.

32nd District Agricultural Association

Board Policies

4.01 General Responsibilities

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to outline the core responsibilities of the 32nd DAA's Board.

Policy

At the highest level, the Board has the authority to manage the affairs of and make all necessary bylaws, rules, and regulations for the government of, the 32nd DAA, a California state institution. The Board is responsible for:

Providing vision and strategic guidance

- Safeguarding and championing the organization's mission
- Guiding the organization's strategic direction and objectives
- Establishing organization-wide policies

Ensuring the stability and performance of the organization

- Ensuring the proper and prudent management of the organization
- Selecting, evaluating, and providing support to the CEO
- Ensuring that the Board has adequate information to monitor major areas of CEO and 32nd DAA performance
- Being accountable to the organization's stakeholders for the performance of the 32nd DAA

Overseeing the 32nd DAA's finances

- Providing due diligence to oversee the management of the 32nd DAA's finances
- Ensuring the proper and adequate discharge of this duty through its Financial Monitoring Committee, acting on behalf of and reporting to the Board

Championing the 32nd DAA within the community

- Serving as ambassadors for the 32nd DAA by building connections and relationships to generate positive outcomes for the community and the organization.

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32nd District Agricultural Association

Board Policies

4.02 Authority and Accountability

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to outline the general authority and accountability of the 32nd DAA Board Members.

Policy

Authority

Individual members of the board are appointed by the Governor under Section 3959 of the California Food and Agricultural Code. As such, all Board Members are state officers and obligated to act in the overall best interests of the 32nd DAA.

As a group, the Board retains all authority to guide the direction and actions of the 32nd DAA in accordance with the California Food and Agricultural Code. Individual directors have no authority to act on behalf of the 32nd DAA, bind the 32nd DAA, or give direction individually to 32nd DAA employees unless provided otherwise by these policies or by resolution of the Board. The Board may delegate, as it may deem advisable, to its officers, employees, or Board committees any of the powers that are vested in the Board under Section 3965 of the California Food and Agricultural Code. The Board may revoke any delegation of power at any time.

Accountability

The Board is accountable to exercise good stewardship of the 32nd DAA on behalf of the trust placed in it by the general public, staff, volunteers and other stakeholders. The Board will account to the 32nd DAA's stakeholders through:

- Annual and periodic Financial Monitoring Committee reports on the activities and finances of the 32nd DAA presented at monthly Board meetings
- Annual audited financial statements
- Minutes of Board meetings
- Receiving representations from and consulting with key stakeholders in partnership with the CEO
- Operating in an open and transparent manner
- Ensuring CEO is effectively fulfilling the mission of the 32nd DAA.

32nd District Agricultural Association

Board Policies

4.03 Organizational Planning

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

One of the most important responsibilities of the Board is to manage the affairs of the 32nd DAA, which necessarily includes the provision of general guidance and direction for the organization. The purpose of this policy is to outline the Board's major planning responsibilities for the 32nd DAA.

Policy

A comprehensive framework for planning, setting priorities, and reporting is essential to effective and responsible organizational stewardship. As such, the Board is responsible for developing a strategic plan to guide the organization's work and establish CEO performance expectations.

Strategic Plan

The Board—with the assistance of staff and in consultation with key stakeholders—establishes the 32nd DAA's overall direction through the development and approval of a Strategic Plan. This plan provides a blueprint for the 32nd DAA's general direction for the next three to five years by identifying priority goal areas to focus the activities of the organization, along with high-level objectives, strategies, and performance indicators for each area.

Annual Operating Plan

Based on the general blueprint outlined by the Strategic Plan, the 32nd DAA's CEO works with staff to develop an annual operating plan. The 32nd DAA's annual operating plan will be the basis of its annual budget containing revenue and expenditure forecasts related to planned programs and services. This plan will contain more specific objectives than contained in the Strategic Plan, expected results for each objective, the time period during which those results will be sought, and criteria for measuring the achievement of those results.

Procedure

Strategic Plan Development

The development and approval of the Strategic Plan takes place in a three- to five-year cycle. The Board will initiate a new strategic plan no later than the start of the fiscal year in the fifth year of a given plan's lifecycle.

This Board is responsible for overseeing the development of a new strategic plan. The strategic plan should include input from a diverse range of stakeholders—including both members of the 32nd DAA's staff and the public—to enrich the quality of the analysis. The Board may also engage outside consultation to help design and guide the planning process.

Typically, the strategic planning process involves:

- A Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis to determine external and internal factors that will impact the organization
- Staff input via surveys, interviews, or focus groups
- Public input via surveys, focus groups, or open houses

Annual Work Plan Development

The Board delegates the responsibility of developing annual work plans to the CEO. The annual work plan will be developed in the fourth quarter of the previous fiscal year.

Reporting

The Board is responsible for monitoring performance toward strategic goals on at least an annual basis, at the end of the fiscal year. While the Board delegates the responsibility to develop annual and periodic reports on progress to the CEO, the Board may revoke that delegation at any time.

32nd District Agricultural Association

Board Policies

4.04 Board Planning

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to outline the responsibilities related to developing an annual Board work plan.

Policy

The Board will prepare and follow an annual work plan that focuses on fulfilling the major responsibilities of the Board and achieves continual improvement of Board performance through education, outside input, and deliberation.

Procedure

The Board's annual planning cycle will conclude each year on the last day of September so that administrative planning and budgeting can be based on accomplishing a one-year segment of the Board's most recent statement of strategic priorities. The cycle will start in October with the Board's development of its work plan for the next year.

The Board Chair is responsible to prepare and present a tentative agenda plan for the following year's meetings and activities at the start of the Board's annual planning cycle.

The following activities will be determined and arranged in the first quarter, but may take place over the course of the year:

- Consultations or gaining input from stakeholders and/or staff

- Board education related to the mission and work of the 32nd DAA
- Board education related to effective governance processes
- Any planned review of the Board Policies. Policies should be reviewed at least once every three years.
- Completion of State-mandated training courses including, but not limited to:
 - Sexual Harassment Prevention (every two years)
 - SANS Security Awareness (annually)
 - Bullying and Violence in the Workplace (every two years)
 - Ethics Orientation for State Officials (every two years)

While the Board Chair is ultimately responsible for reviewing and approving the agenda for any particular meeting, Board Members may request agenda items by submitting the topic to the Board Chair at least 12 days in advance of the relevant Board meeting. If the Board Chair determines the matter is not appropriate for the agenda, the Board Chair shall communicate via email or by phone with the requesting Board Member to discuss any issues prior to the notice period. For additional guidance on agenda setting, refer to Policy 3.05.

Board Policies

4.05 Financial Stewardship

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to establish guidelines and expectations for the Board and CEO related to financial stewardship of the 32nd DAA. Areas of focus include budget development and review, signature delegation and authority, and travel and expenses.

4.05.01 Budget Development and Review Process

Policy

This policy is designed to establish the process for developing, reviewing, and monitoring the organization's annual operating budget. It is the policy of the 32nd DAA that the Board is responsible for approving and overseeing the organization's budget to ensure that it is:

- Aligned with and supports the organization's mission, values, and strategic priorities
- Financially sustainable, responsible, and compliant with all applicable laws and regulations

The CEO, in coordination with the Director of Finance, is responsible for planning, coordinating, analyzing, preparing, and reviewing the budget in consultation with the Financial Monitoring Committee.

The CEO, in coordination with the Director of Finance and 32nd DAA staff, is responsible for making the final recommendation of the proposed budget before it is submitted for approval to the Board.

Procedure

Budget Development

The 32nd DAA must have a budget for each fiscal year—which runs between January 1 and December 31. As such, the Board must adopt a new budget on an annual basis.

In September each year, the Director of Finance, working with the staff and CEO, starts preparing the budget estimates for the next fiscal year. The process includes:

- Considering operational costs
- Coordinating payroll costs with HR
- Estimating revenue
- Developing a capital/special projects list and costs

Initial budget estimates are based on the current expenditure projections to end of year, along with information like projected staff salary increases and operating expense increases related to planned goals and projects for the following fiscal year. In addition, the budget document provides for the following:

- Revenue and expense assumptions upon which the budget is based.
- Number of budgeted full-time equivalent employees.
- Mission, strategic priorities, impact, and performance measures of each operating department.
- Prior year actual, current year budgeted, new year recommended expenditures and revenues by department.
- Descriptions of significant expenditure and revenue changes, and related operational impacts by department.

The CEO and Director of Finance will present the draft budget for discussion at a Financial Monitoring Committee meeting. The Financial Monitoring Committee may accept the estimates as presented or may request variations. A detailed report denoting reasons for decisions should be attached to the draft budget for discussion.

The Financial Monitoring Committee, along with the CEO and staff, will conduct a public budget study session in November of each year to provide the public an opportunity to review and comment on the draft budget.

The CEO and Director of Finance will then revise the draft with direction from the Financial Monitoring Committee and present the amended draft budget at the next available Board meeting, usually in November.

Once adopted by the Board, this becomes the 32nd DAA's official operating budget for the following fiscal year, and all Board members and employees must work within the financial limits stated or implied by this document.

Monitoring the Budget

The Director of Finance will monitor the 32nd DAA's revenue and expenditures, compare actual and budgeted amounts, and report on the progress.

The Director of Finance will prepare financial reports each month showing the year-to-date revenue and expenditures and variation from budget estimates, indicating any significant deviations. A detailed commentary should be attached to Board reports detailing reasons for variations and recommendations for corrective action should that be required. The Director of Finance will indicate what effect any variations will have on the budget projections and provide this information to the CEO and the Board.

A mid-year budget review will be conducted by the CEO and Director of Finance and presented first to the Financial Monitoring Committee for review, then to the full Board in June.

Reviewing the Budget and Reforecasting

The budget is a flexible document that provides a comprehensive framework of resource allocations for implementation of the 32nd DAA's strategic goals for the fiscal year. The CEO and the Director of Finance will present a mid-year budget review and reforecast in June of each year first to the Financial Monitoring Committee and then to the full Board.

4.05.02 Contracting and Signature Authority

Policy

This policy establishes the individuals authorized to commit organizational resources by entering into contracts on behalf of the 32nd DAA. The policy applies to all 32nd DAA Board Members

and staff, including the CEO, and covers the creation, revision, amendment, or renewal of 32nd DAA contracts.

Within this policy, a 32nd DAA contract is defined as any agreement between the 32nd DAA and a third party that involves a commitment on the part of the 32nd DAA. An agreement is a document that has a legal effect, regardless of whether it is called a contract. A contract may involve a commitment of 32nd DAA funds, facilities, employees or other resources, and/or the use of the 32nd DAA's name.

Only the CEO, Chief Operations Officer, Chief Business Development Officer, and Board Chair (or Vice Chair in the Chair's absence) may sign contracts on behalf of the organization.

Contracts signed by unauthorized agents are not valid. Individuals who are not authorized via a written delegation of authority to sign a contract or agreement may be held personally responsible for documents they sign. Such individuals also may be subject to disciplinary action, up to and including termination.

Contract Signature Authority of the Board

The Board Bylaws authorize the Board Chair and Vice Chair (in the Board Chair's absence) to conduct business in the name of the 32nd DAA, including signing contracts.

Delegation of Contract Signature Authority

In accordance with Board Bylaws Article VI, the Board may authorize any officer or agent of the 32nd DAA to enter into any contract on behalf of the 32nd DAA. Within this context, the Board authorizes the CEO contract signature authority to execute a check or purchase commitment of \$50,000 or less. Notwithstanding the foregoing, the Board authorizes the CEO contract signature authority to execute talent guarantees of \$400,000 or less. Splitting expenses or orders to avoid these limits is not acceptable.

Comment [MR1]: Should this amount be increased given the rise in talent costs?

Exclusions from this Contracting and Signing Authority Policy include commitments that have been separately authorized by the Board via the "Over \$50,000 Expenditure Budget Schedule," which is submitted with each annual budget or an approved contract, LOU or rental agreement or is payment for utilities, Cal Card expenditures, insurance, payroll or State mandated employee services.

For expenses related to emergencies or construction change orders that exceed the delegated \$50,000 limit, approval for such expenses requires dual approval of the CEO and Chair of the

Board. In the absence of the Chair, the Vice Chair can approve such an expense. Any expense approved by the CEO and the Chair shall be reported to the full Board at the next Board meeting. Splitting expenses or orders to avoid this \$50,000 limit is not acceptable.

In addition, the Board authorizes the CEO to further delegate their signature authority authorizing individuals to conduct business on behalf of the 32nd DAA only when the CEO will be absent. The delegating officer retains responsibilities for actions taken by individuals exercising delegated authority.

For expenses below the \$50,000 limit, the CEO is responsible to develop and maintain operating policies that define signatory authority levels by position.

Procedure

CEO Sub-Delegation of Authority

When delegating authority, the CEO must provide a written document that:

- Is signed by the delegating individual.
- Specifies a specific 32nd DAA employee, referring to the employee by their name and title. Delegations cease when the employee no longer holds the position and must be resought by the subsequent incumbent.
- States the scope of the delegation, including the type of contracts the employee is being authorized to sign, and any dollar limit. The scope must be within the authority of the delegating individual.
- Specifies whether sub-delegations may be made as well as any conditions or restrictions upon such delegation.
- Specifies a limited timeframe with specific start and end dates.

4.05.03 Travel and Expense Policy

Policy

The purpose of this policy is to establish travel and expense reimbursement guidelines that are fair, accountable, and transparent. This policy applies to all 32nd DAA Board Members and the CEO.

It is the policy of the 32nd DAA that the organization will pay for reasonable and customary expenses related to the accomplishment of organizational activities required by the Board Members' or CEO's position. These expenses must be pre-approved in writing by the Board Chair or Vice Chair.

Authorized Expenses

The organization will pay or reimburse costs for the following:

Travel

- Transportation by airplane, train, bus, vehicle rental, and/or taxi service
- Meals
- Lodging
- Personal vehicle mileage when directly related to organization business
- Parking expenses
- Registration fees for conventions, conferences, training and tuition

Non-travel

- Meals or light refreshments while working (either in meetings or where the duties preclude traditional access to personal meals)
- Mileage reimbursement, tolls, or parking fees for attending meetings

Non-Allowable

The organization will not pay or reimburse costs for the following:

- First class or business class airfare, if cheaper economy or coach fares are available
- Alcoholic beverages
- Theft, loss, or damage to personal property
- Fines, forfeitures, tickets, or penalties
- Expenses of spouse, family, or other persons not authorized to receive reimbursement under this policy
- Travel insurance
- Travel prohibited by California Assembly Bill 1887 (prohibition on state-funded travel and state-sponsored travel to states with discriminatory laws)

Transportation

The organization pays for mileage when a personal vehicle is used to travel to required Board-related events. The 32nd DAA uses the IRS standard mileage rate in effect at the time of travel.

When traveling via taxis services, tips will be reimbursed up to \$2 or 20% of the total transportation cost, whichever is higher.

Meals and Lodging

The organization pays a per diem rate for meal expenses. The organization will use the rates for meal expenses outlined in the CalHR Manual Section 2201 (Travel and Relocation Policy), Section 2202 (Mileage Reimbursement) and Section 2203 (Allowances and Travel Reimbursement).

The organization pays lodging expenses when the travel destination is in excess of 50 miles. The organization will use the rates for lodging expenses outlined in the CalHR Manual Section 2201 (Travel and Relocation Policy), Section 2202 (Mileage Reimbursement) and Section 2203 (Allowances and Travel Reimbursement).

Procedure

Required Documentation

Board members must complete and submit an itemized expense report no later than 30 days after the date the expense occurs. Expense reports must include itemized receipts for all non-per diem expenses over \$25.

Review and Reimbursement

The 32nd DAA requires approval of itemized expense report by:

- Board Chair for CEO Expenses
- Board Chair for Board members
- Vice Chair for Board Chair

Approvers of expenses will exercise due diligence to ensure that all expenses are reasonable and necessary for the conduct of organization business; within budgetary limits; and in compliance with this policy.

Reimbursements will be made available no later than 30 days after the original expense report is submitted.

Board Policies

4.06 Risk Management

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to outline the responsibilities of the 32nd DAA Board and Staff members in relation to organizational risk management.

Policy

Risk Management Philosophy

As part of the 32nd DAA's foundational value of Safety, protecting the health, safety, and security of staff and customers is integral to all organizational activities. In keeping with this philosophy, the 32nd DAA's Board Members and staff are expected to carry out their work with a high degree of safety and attention to potential risks.

The 32nd DAA seeks to involve appropriate personnel at all levels of the organization to identify risks and create practical strategies to ensure that its risk management approach considers diverse perspectives and that its staff understand their roles in protecting the mission and assets of the organization.

General Principles

- The 32nd DAA strives at all times to operate in compliance with local, state, and federal laws and regulations.
- The 32nd DAA bears responsibility for the health, safety, and security of its staff and customers. This is a primary responsibility of the Board, the CEO, and all program staff.

- Safety and risk management activities are multi-faceted and include:
 - Creating and enforcing policies, standards, guidelines, and procedures related to safety, financial security and risk mitigation.
 - Maintaining safe and secure facilities.
 - Establishing procedures to be followed in the event of an emergency.
 - Maintaining clear communication channels.
 - Purchasing insurance coverage as a financial mechanism for certain risks, while still recognizing that insurance is not a substitute for vigilance in planning and implementing services, programs, and events.
 - Creating and maintaining a crisis communication plan to be implemented in the event of an emergency.
 - Assessing safety risks and taking actions to minimize risk to life and property.

Comment [MR1]: Recommended by a member of the public during the public workshop.

Responsibilities of the Financial Monitoring Committee

The Financial Monitoring Committee plays a major role in ensuring financial sustainability and mitigating risk. As such, the committee is responsible for:

- Developing and/or reviewing the organization's risk management plan on an annual basis
- Conducting annual public budget workshop to ensure transparency
- Adopting annual budgets with risk management in mind
- Reviewing operational reports to determine compliance
- Adopting and establishing risk-related policies and standards
- Reviewing the organization's insurance program periodically

Responsibilities of the Audit and Compliance Committee

The Audit and Compliance Committee plays a major role in mitigating risk. As such, it is responsible for:

- Working with the CEO and approved auditing agency to ensure annual audit of the 32nd DAA is conducted within a timely manner.
- Maintaining communication with the auditing agency to ensure 32nd DAA is responsive and in compliance with auditing process.
- Responding in writing to address any issues identified by auditing agency management report.
- Reviewing operational reports to determine compliance

- Ensuring compliance with policies and standards imposed by accrediting/auditing organizations.
- Adopting and establishing risk-related policies and standards

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Board Policies

4.07 Records Management Policy

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to ensure than an efficient records management system is effectively employed for the management of all 32nd DAA information, regardless of its form (physical or electronic). This policy applies to all Board Members and 32nd DAA staff, including the CEO.

Policy

The Board delegates the responsibility to develop an efficient records management system to the CEO. The CEO must ensure that the records management system is aligned with CDFA policies, and is accompanied by policy documentation that defines which records must be retained, the length of the retention, and the process by which documents are purged and destroyed. The system must account for both physical and electronic records and comply with the following requirements:-

- Includes the identification of a designated Custodian of Records for each record type
- Ensures records are kept in accordance with applicable statutes and regulations governing records retention and description (including, but not limited to, the State Records Management Act, State Administrative Manual, Records Retention Handbook, Records Retention Schedule Guidelines, and the California Acquisition Manual)
- Defines records in accordance with the Government Code 14741 definition
- Ensures the Custodian of Records appropriately categorizes official files as either "Public" or "Confidential"

Comment [ARF1]: These high-level requirements are pulled from the CDFA 8.11.1. Records Management Policy.

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- Ensures records and non-records (which may include working files or email) are appropriately retained and purged within specified timelines

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Board Policies

4.08 Personnel Policy

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The Board expects to employ well-qualified and dedicated staff to support effective and efficient operations within the 32nd DAA. The purpose of this policy is to outline the Board responsibility and delegation to the CEO in relation to personnel management.

Policy

The Board is responsible for the hiring of the CEO position only. The Board delegates responsibility to the CEO to develop a fair, transparent, and inclusive talent management program that includes the establishment of policies and procedures designed to:

- Comply with all applicable State and Federal labor laws, [policies and requirements](#)
- Govern the management of staff and volunteer resources
- Support recruitment and selection processes that are fair, transparent, and inclusive
- Support retention efforts including employee recognition, growth, and development
- Adhere to California State mandated job classifications and pay scales
- Prepare for succession planning to ensure smooth transition for key staff positions
- Guide comprehensive performance management—including performance appraisals, rewards/recognitions, and progressive discipline

Comment [MR1]: Recommended addition by a member of the public during the public workshop

32nd District Agricultural Association

Board Policies

4.09 Community Relations and Advocacy

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to outline the community relations and advocacy responsibilities of the Board and the CEO.

Policy

It is the policy of the 32nd DAA that the Board represent the organization positively to the community, fairly represent member and community perspectives to the organization, ensure consideration of member and community input in its planning, and advocate for resources and support to help fulfill the 32nd DAA's mission and not the interests or objectives of any individual.

Community and Public Relations

The Board Chair and the CEO have the authority to speak on behalf of the 32nd DAA. In general, the Board Chair will represent the 32nd DAA on matters of policy and strategy, and the CEO will represent the 32nd DAA on operational issues. The Board Chair and CEO will coordinate with each other before the release of any public statement. The CEO or Board Chair can delegate this authority to another 32nd DAA employee or Board Member with special knowledge or competence in relation to a given topic.

Advocacy

Board Members serve as advocates for the 32nd DAA. As an effective advocate, each Board Member will take every opportunity to champion the 32nd DAA by educating policymakers and opinion leaders at all levels about the transformative mission of the 32nd DAA.

Any major advocacy-related statements must be consistent with the general parameters of Board-approved policies or positions. While this policy is not intended to inhibit private expression of personal or professional opinions, Board Members should distinguish personal opinions from 32nd DAA positions when engaging with the public, including policymakers and opinion leaders.

Board Members must speak with one voice, not as individuals, and always reflect the collective position of the full Board.

Board Members should coordinate all communication with the media through the CEO and the Communications Department when possible.

Board Members are also expected to avoid making public statements that might undercut or obscure the messages conveyed by the 32nd DAA's approved spokespersons. Board Members who hold elected public office concurrent with their membership on the Board are expected to be particularly judicious about this since their public profile may deflect attention away from messages conveyed by the official spokespersons.

Legislative Monitoring Committee

Responsible for monitoring and reporting to the Board all pending state legislation that impacts the operations or interest of the 32nd DAA.

Board Policies

4.10 Sponsorships

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

To forward its mission, and in accordance with Section 4051.1 of the California Food and Agricultural Code, the 32nd DAA may solicit and enter into agreements to secure sponsorships for events, programs and services. The purpose of this policy is to establish criteria for selecting 32nd DAA sponsorships.

Policy

It is the policy of the 32nd DAA that sponsorships will be used to support and further the mission of the organization. Within this context, a sponsorship is defined as a mutually beneficial exchange whereby the sponsor receives value in return for cash, goods, or services-in-kind provided to the 32nd DAA.

Sponsorship Guidelines

- The 32nd DAA selects which sponsorships it wishes to accept and reserves the right to reject any sponsorship offer.
- The 32nd DAA does not endorse—either explicitly or implicitly—any of its sponsors, nor does it endorse those sponsors’ products, services, or ideas.
- The 32nd DAA will avoid any real or perceived conflicts of interest related to sponsorship agreements (see Policy 2.03). As such, 32nd DAA Board Members and staff

must not receive any substantial benefit from sponsorship including gifts or financial rewards or benefits.

- There must not be preferential treatment for a business, organization, or individual as a result of sponsorship. For example, there must not be an expectation that a company will get favored treatment by the 32nd DAA over a competitor due to their sponsorship status.
- The 32nd DAA retains full control of the content of its programs, projects, and services. Sponsors do not have authority over the operation of what they have sponsored.
- The 32nd DAA retains the right to review and approve all communications in regard to a sponsorship. This includes—but is not limited to—announcements, advertising and marketing materials, articles, and press releases about the sponsorship.
- The 32nd DAA will not enter into sponsorship agreements with businesses, organizations, or individuals that do not align with the 32nd DAA’s mission, values, or ethics. The 32nd DAA’s long term reputation and credibility always takes precedent over short-term monetary needs.
- While each potential sponsorship agreement will be considered on its merits, and judgement and discretion will characterize the decision making, the following questions will always be addressed:
 - Does the sponsorship align with the 32nd DAA’s mission, values, and ethics?
 - Does the sponsorship suit the 32nd DAA’s overall strategy?
 - Will the sponsorship help the 32nd DAA realize its strategic priorities or objectives?
- To be consistent with the 32nd DAA’s family-friendly focus, sponsorships in the following categories are not permitted:
 - Tobacco or vaping products
 - Cannabis or CBD products
 - Hard liquor or spirits

- To ensure that the 32nd DAA is perceived as a welcoming and inclusive organization, the 32nd DAA will not enter into sponsorship discussions with organizations that have a primary focus on:
 - Party politics
 - Religious organizations and/or activities

Comment [ARF1]: This type of guideline can be controversial, so the Board should definitely discuss the implications within the context of the 32nd DAA.

Procedure

Sponsorship Approval and Agreements

The Board must approve any sponsorship agreement that (1) exceeds 315% of the overall revenue budget for the year, (2) includes a term that exceeds three years, or (3) includes naming rights. Sponsorship agreements that meet these criteria will be placed on the next available Board agenda as a non-consent item. The CEO, or other designated executive staff member, may sign any sponsorship agreement that does not meet the criteria identified above.

Comment [MR2]: Typo

Staff will prepare an agreement consistent with the size and the scope of the sponsorship. All agreements shall include a clarification of the all sponsor benefits, process for marketing material approval in advance of publication, and the statement the 32nd DAA does not endorse sponsor's products or services.

Comment [MR3]: Recommended addition by a member of the public during the public workshop.

All sponsorship agreements will be confirmed through a written contract. In addition to the items stated above, the contract will clarify relevant aspects of:

- When the sponsor will provide payment, or make promised in kind goods or services available.
- Who the main contacts will be for each party.
- Any interim or final reporting agreed upon, how the agreement will be monitored and reviewed.
- When the agreement terminates, and how early termination is handled.
- Any minimum or maximum amount, and how that will be determined, and any exclusivity commitment.
- How any failure to meet commitments will be handled (e.g. what happens if the event is cancelled).

32nd District Agricultural Association
Board Policies

4.11 District Responses to Acts of Hate and Discrimination

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

As part of the 32nd DAA's values and ethics, it is critical to affirm—in policy and actions—that any act of hate or discrimination is not tolerated. The 32nd DAA recognizes the need to have in place a clearly defined policy that outlines the organization's response to these types of acts.

Policy

In accordance with the 32nd DAA's values and ethics (see Chapter 2), the 32nd DAA strives to foster an environment where all staff and stakeholders are included, and differences and commonalities are celebrated. It is the policy of the 32nd DAA that acts of hatred and discrimination are antithetical to its principles and will not be tolerated. Furthermore, the 32nd DAA opposed all forms of discrimination on the basis of race, creed, national origin, ancestry, religion, age, disability, political affiliation, gender, sexual orientation, gender identity and/or expression, or marital, parental or military status; affirms our commitment to inclusion, diversity, and equality.

Procedure

In the event of an act of hatred or discrimination that 1) involves 32nd DAA staff or Board Members, and/or 2) takes place on 32nd DAA property, and/or 3) takes place during an 32nd DAA-sponsored event or program, the Board Member and any involved staff members will follow the reporting and investigation procedures outlined in Policy 2.05: Reporting Unethical Behavior.

In addition, the Board Chair has the authority and responsibility to issue a public statement as soon as practically feasible. The only exception to this guideline is under circumstances where a public statement could cause further damage to target(s) of the incident or impact an active investigation. The public statement will reiterate the values, ethics, and commitment of the 32nd DAA to a workplace and community free from hatred and discrimination. If relevant, the public statement may also address mitigation or response activities the 32nd DAA is taking in relation to the incident.

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