



**DESERT HEALTHCARE DISTRICT
BOARD AND STAFF COMMUNICATIONS AND POLICIES
Board and Staff Communications and Policies Committee Meeting
June 15, 2022
1:00 p.m.**

In lieu of attending the meeting in person, members of the public will be able to participate by webinar by using the following link:

<https://us02web.zoom.us/j/87214592913?pwd=aXF3aDdTWHpEb01FMEIMVVpsTjJEQT09>

Webinar ID: 872 1459 2913

Password: 894314

Participants will need to download the Zoom app on their mobile devices. Members of the public may also be able to participate by telephone, using the follow dial in information:

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<i>Page(s)</i>	AGENDA	<i>Item Type</i>
	I. CALL TO ORDER – Director Leticia De Lara, Chairperson	
1	II. APPROVAL OF AGENDA	Action
2-4	III. MEETING MINUTES 1. March 15, 2022	Action
	IV. PUBLIC COMMENTS At this time, comments from the audience may be made on items <u>not</u> listed on the agenda that are of public interest and within the subject-matter jurisdiction of the District. The Committee has a policy of limiting speakers to not more than three minutes. The Committee cannot take action on items not listed on the agenda. Public input may be offered on an agenda item when it comes up for discussion and/or action.	
	V. OLD BUSINESS 1. None	Information



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VI. NEW BUSINESS – EXISTING POLICY REVISIONS

- | | | |
|--------------|---|---------------|
| 5 | a. Policies | |
| 6-36 | 1. Desert Healthcare Foundation Bylaws | Action |
| 37-38 | 2. Stipend Ordinance No. 22-01 & Resolution No.22-12 | Action |
| 39-41 | 3. Policy #BOD-21 – Meeting & Insurance Compensation | Action |
| 42-52 | 4. Policy #BOD-18 – Ticket Distribution | Action |
| 53-56 | 5. Policy #FIN-02 – Authorized Check Signers, Signers, Dollar Limits, and Transfer of Funds | Action |
| 57-60 | 6. a. Policy #FIN-03 Statement of Investment Policy | Action |
| 61-62 | b. Resolution No.22-13 – Investment Policy | |
| 63-66 | 7. Policy #FIN-05 Credit Card Usage | Action |
| 67-69 | b. Remote Work Agreement | Information |

VII. FUTURE TOPICS & ISSUES

VIII. ADJOURNMENT



**BOARD AND STAFF COMMUNICATIONS & POLICIES COMMITTEE MEETING
MEETING MINUTES
March 15, 2022**

Directors Present	District Staff Present	Absent
Director Leticia De Lara, Chair Director Les Zendle, MD	Conrado E. Bárzaga, MD, CEO Chris Christensen, CAO Eric Taylor, Accounting Manager Andrea S. Hayles, Clerk of the Board	Vice- President/Secretary Evelt PerezGil

AGENDA ITEMS	DISCUSSION	ACTION
I. Call to Order	The meeting was called to order at 3:34 p.m. by Chair De Lara.	
II. Approval of Agenda	Chair De Lara asked for a motion to approve the agenda.	Moved and seconded by Director Zendle and Director De Lara to approve the agenda. Motion passed unanimously.
III. Meeting Minutes	Chair De Lara asked for a motion to approve the February 10, 2022, meeting minutes.	Moved and seconded by Director Zendle and Director De Lara to approve the February 10, 2022, meeting minutes. Motion passed unanimously.
IV. Old Business –		
1. Policy #BOD-02 Election, Appointment, and Duties of Officers	Chris Christensen, CAO, described the revisions to Policy BOD-02 from the February meeting in the first paragraph of section 1. The additional revisions include section 2 in the first sentence as redlined, as well as section 3, which references back to section 1. The committee requested to move section 3.2 from the Vice-President to Secretary – section 4. Mr. Christensen described the revisions to section 5.3 from Treasurer designation to Secretary.	Moved and seconded by Director Zendle and Director De Lara to approve Policy #BOD-02 Election, Appointment, and Duties of Officers and to forward to the Board for approval. Motion passed unanimously.
2. District Bylaws – Separate the Vice-President and Secretary	Chris Christensen, CAO, described the District Bylaws revisions, referencing the changes in Policy BOD-02, which	Moved and seconded by Director Zendle and Director De Lara to approve District Bylaws – Separate

**BOARD AND STAFF COMMUNICATIONS & POLICIES COMMITTEE MEETING
MEETING MINUTES
March 15, 2022**

<p>Officer Positions & Term Limits</p>	<p>separates the Vice-President and Secretary positions.</p>	<p>the Vice-President and Secretary Officer Positions & Term Limits and to forward to the Board for approval. Motion passed unanimously.</p>
<p>3. Policy #BOD-15 Conflict-of-Interest</p>	<p>Chris Christensen, CAO, explained the requested changes to Policy BOD-15 Conflict of Interest from the February meeting to paragraph three (3) – “seek” legal counsel.</p>	<p>Moved and seconded by Director Zendle and Director De Lara to approve Policy #BOD-15 Conflict-of-Interest and to forward to the Board for approval. Motion passed unanimously.</p>
<p>4. Policy #FIN-01 Financial Operations</p>	<p>Chris Christensen, CAO, described the minor updates to the approval date in Policy FIN-01.</p>	<p>Moved and seconded by Director Zendle and Director De Lara to approve Policy #FIN-01 Financial Operations and to forward to the Board for approval. Motion passed unanimously.</p>
<p>5. Policy #FIN-04 Budget Preparation Policy</p>	<p>Chris Christensen, CAO, described the minor updates to the approval date in Policy FIN-04.</p>	<p>Moved and seconded by Director Zendle and Director De Lara to approve Policy #FIN-04 Budget Preparation Policy and to forward to the Board for approval. Motion passed unanimously.</p>
<p>6. Policy #LPMP-01 Las Palmas Medical Plaza Policy for Leasing</p>	<p>Chris Christensen, CAO, described the minor modifications to Policy LPMP-01.</p>	<p>Moved and seconded by Director Zendle and Director De Lara to approve Policy #LPMP-01 Las Palmas Medical Plaza Policy for Leasing and</p>
<p>7. Policy #LPMP-02 Las Palmas Medical Plaza Lease Execution Policy</p>	<p>Chris Christensen, CAO, described the minor modifications to Policy LPMP-02.</p>	<p>Policy #LPMP-02 Las Palmas Medical Plaza Lease Execution Policy to forward to the Board for approval. Motion passed unanimously.</p>
<p>VI. Future Topics & Issues</p>	<p>The committee discussed the grants program process chart presented at the February meeting concerning the declined applications reviewed by the Program Committee, requesting further clarity for declined</p>	



**BOARD AND STAFF COMMUNICATIONS & POLICIES COMMITTEE MEETING
MEETING MINUTES
March 15, 2022**

	applications on the process chart without changing the process, such as a footnote.	
VII. Adjournment	Chair De Lara adjourned the meeting at 3:50 p.m.	Audio recording available on the website at https://www.dhcd.org/Agendas-and-Documents

ATTEST: _____
Leticia De Lara, Chair/Director
Board and Staff Communications & Policies Committee

Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board

DRAFT



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 15, 2022
To: Board & Staff Communications and Policies Committee
Subject: Consideration to Approve Policies

Staff Recommendation: Consideration to approve updated policies

Background:

- The policies listed below have been determined to need review and/or revision.
- Foundation Bylaws – Revised and updated
- Stipend Ordinance & Resolution – Stipend increase to \$110.25 per meeting
- Policy #BOD-21 – Minor revisions
- Policy #BOD-18 – Review only
- Policy #FIN-02 – Minor revisions
- Policy #FIN-03 – Minor revisions
- Resolution FY22-23 Investment Policy
- Policy #FIN-05 – Minor revisions
- Remote Work Agreement – Updated - Information

Fiscal Impact:

None

AMENDED AND RESTATED BYLAWS

OF

DESERT HEALTHCARE FOUNDATION

(A California Nonprofit Public Benefit Corporation)

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**AMENDED AND RESTATED BYLAWS
OF
DESERT HEALTHCARE FOUNDATION
(A California Nonprofit Public Benefit Corporation)**

**ARTICLE I
OBJECTIVES AND PURPOSES**

Section 1. General. Desert Healthcare Foundation (the “Foundation”) and all of its business and activities are to be operated and conducted in the promotion of its charitable and public objectives and purposes as specified in its Restated Articles of Incorporation (the “Articles”); and in the conduct of its affairs, the management shall at all times be mindful of these charitable and public objectives and purposes.

Section 2. Specific. The Foundation is committed to supporting the Desert Healthcare District (“District”), a public body organized and existing under and pursuant to the provisions of The Local Health Care District Law, namely section 32000 et seq., of the Health and Safety Code of the State of California, and its charitable and public purposes. In these bylaws, the term “district,” when not capitalized, is used in its geographic sense and means the territory over which the District exercises jurisdiction. The specific and primary purpose for which the Foundation exists is to promote the health of the communities within the geographic boundaries of the district including, but not limited to, by supporting improvements (including capital improvements) and expansions of health care related services and facilities and access thereto that will benefit the community, and by conducting charitable, scientific, public, and educational activities in support of the charitable and public purposes of the District. As part of the specific and primary purpose of the Foundation, it shall also encourage, obtain, and administer donations of funds, properties, bequests, annuities, and other instruments and properties of value and distribute money and property to or for the benefit of the District.

**ARTICLE II
STATUTORY MEMBER**

Section 1. Statutory Member. Unless and until the Articles and this Section 1 of Article II of these bylaws are amended to provide otherwise, the District shall be the sole statutory member of the Foundation as the term “statutory member” is defined in section 5056 of the California Nonprofit Corporation Law (the “Statutory Member”). No amendment to this section 1 shall be valid or effective unless and until approved by the Statutory Member. Except as otherwise provided in these bylaws and not inconsistent with law, the Statutory Member shall have and be entitled to exercise fully all rights and privileges of a member of a nonprofit corporation under the California Nonprofit Corporation Law, as amended, and under all other applicable laws. In addition to these rights, the Statutory Member shall have the right to access all financial records, contracts, and agreements.

Section 2. Action by Statutory Member. Any and all action by the Statutory Member of the Foundation shall be effective when and as evidenced by a writing executed by an authorized representative of the Statutory Member and filed with the Secretary of the Foundation.

ARTICLE III **SUPPORT GROUPS**

Section 1. General. The Board of Directors may by appropriate resolution from time to time define and establish auxiliaries, friends, and other support groups for the Foundation, but none of these auxiliaries, friends, or support groups or the constituents thereof shall be or have the rights and privileges of “members” within the meaning of section 5056 of the California Nonprofit Corporation Law with respect to the corporation.

ARTICLE IV **BOARD OF DIRECTORS GOVERNORS**

Section 1. Powers. Subject to any limitations contained in the Articles or these bylaws and the limitations of the law, the activities and affairs of the Foundation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors is (sometimes referred to herein as the “Board”). The activities and affairs of the Foundation shall be managed and all corporate powers shall be exercised under the direction of the Board.

Section 2. Limitation of Powers. Actions by the Foundation must be approved by the Statutory Member and shall include but shall not be limited to the following:

- (a) Changing the purpose or purposes of the Foundation;
- (b) Amending, repealing, or restating the Articles or bylaws of the Foundation;
- (c) Merging or consolidating the Foundation with one or more other corporations or organizations or affiliating the Foundation with one or more other corporations or organizations;
- (d) Selling or otherwise disposing of all or substantially all of the Foundation’s assets;
- (e) Voluntarily dissolving the Foundation;
- (f) Forming or acquiring an interest in any corporation, partnership, company, venture, association, organization, or other entity in which the Foundation will be the majority or controlling shareholder, partner, member, manager, venturer, associate, organizer, or owner; or

will exercise control of the entity, directly or indirectly, through any other mechanism or arrangement;

(g) Aggregate borrowing (including leases and sales contracts) in excess of a dollar amount stated in the bylaws or as established by the Statutory Member;

(h) Transactions outside the ordinary course of business;

(i) Approval of transactions involving the Foundation and an officer or director of the Foundation;

(j) The approval of the annual budget including any new programs or services;

(k) The appointment, termination, and compensation of the Chief Executive Officer.

Section 3. Number of Directors. The authorized number of Directors of the Foundation shall be ~~Seven~~Five (75). Directors shall be appointed pursuant to section 4.

Section 4. Qualifications and Appointment. Members of the Board of Directors shall qualify as a member of the Foundation Board when he or she becomes a member of the Board of Directors of the Statutory Member and shall be automatically appointed to the Foundation Board at that time.

Section 5. Term. The term of a Director shall run concurrent with each Directors term of office on the Board of Directors of the Statutory Member—.

Section 6. Vacancies.

(a) A vacancy or vacancies on the Board shall be deemed to exist when the Director is no longer a member of the Board of Directors of the Statutory Member, ~~or as provided in section (b) below.~~

~~(b) Subject to the provisions of Section five (5) above and section 5226 of the California Nonprofit Public Benefit Law, any Director may resign effective upon giving written notice to the President of the Board and President, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. If a Director resigns by giving notice specifying that such resignation shall be effective at a future time, the Board shall have the power to elect a successor to take office when the resignation becomes effective.~~

Section 7. Place of Meetings. Regular and special meetings of the Board of Directors shall be held within the district, except under the circumstances enumerated in section 54954(b) of the Government Code of the State of California. ~~In the absence of any other designation, meetings shall be held at the principal office of the Foundation.~~ If, by reason of fire, flood,

earthquake, or other emergency, if shall be unsafe to meet in the place designated, the meetings shall be held for the duration of the emergency at the place designated by the President of the Board or his or her designee in a notice to the local media that have requested notice, by the most rapid means of communication available at the time.

Section 8. Regular Meetings. Regular meetings of the Board shall be held at the end of the Regular monthly meeting of the Statutory Member which are scheduled on the fourth (4) Tuesday of each month except in the month of August at approximately 6:00 p.m.; provided, however, that should said day fall on a holiday, ~~observed by the Foundation at its principal office~~, then said meeting shall be held at the same time on the next day thereafter which is a full business day.

Section 9. Closed Session Meetings. Nothing in these bylaws shall be construed to prevent the Board from holding closed session meetings in accordance with the Ralph M. Brown Act as amended which may include the following purposes: (i) to consider the appointment, employment, evaluation of performance, or dismissal of an employee or to hear complaints or charges brought against such employee by another person unless such employee requests a public hearing; (ii) to meet with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for the Foundation, to grant authority to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease; (iii) based on advice of its legal counsel, to confer with or receive advise from its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the Foundation in the litigation. The Board shall comply with all laws regarding the public reporting of actions taken by it in any closed session meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President of the Board or by a majority of the members of the Board of Directors for any purpose or purposes, by delivering personally or by mail written notice to each member of the Board of Directors and to each local newspaper of general circulation and radio or television station requesting notice in writing. The notice shall be delivered personally or by mail and shall be received at least twenty-four (24) hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the Board of Directors. The call and notice shall be posted at least twenty-four (24) hours prior to the special meeting in a location that is freely accessible to members of the public. ~~See section 13(a) of this article V for additional notice requirements applicable to special meetings called at least one week prior to the date set for the meeting.~~

Section 11. Emergency Meetings. Emergency meetings of the Board of Directors may be called at any time by the President of the Board ~~or the Vice President~~ or by any five or more members of the Board for an emergency situation that involves matters upon which prompt action is necessary due to the disruption or threatened disruption of health care services within the district. Emergency situations shall be limited to situations involving a work stoppage or other activity that severely impairs public health, safety, or both as determined by the Board, or a crippling disaster that severely impairs public health, safety, or both as determined by the Board. ~~See section 13(e) of this article V for the notice requirements applicable to emergency meetings.~~

Section 12. Notice of Meetings.

(a) The Board of Directors shall mail or personally deliver notice of every regular meeting and every special meeting which is called at least one week prior to the date set for the meeting to any person who has filed a written request for such notice. Any mailed notice required pursuant to this section shall be mailed at least seventy-two (72) hours prior to the date set for the meeting to which it applies. All requests for notice shall remain in effect for one (1) year from the date on which they were filed. Renewal requests can be filed within the first three (3) months of each calendar year. The Board may establish a reasonable annual charge for providing notices of such meetings.

(b) See section 10 of this article V for additional notice requirements applicable to special meetings.

(c) Emergency meetings of the Board of Directors may be held without notice and without posting. However, each local newspaper of general circulation and radio or television station that has requested notice of special meetings shall be notified by the presiding officer of the Board, or designee thereof, one hour prior to the emergency meeting by telephone. In the event that telephone services are not functioning, the notice requirements of this section shall be deemed waived and the Board, or designee of the Board, shall notify those newspapers, radio stations, or television stations of the facts of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

Section 13. Agenda Requirements.

(a) At least seventy-two (72) hours prior to any regular meeting, the Board of Directors, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting. A brief general description of an item, ~~generally need not exceed 20 words.~~ The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. To the extent allowed by law, the via teleconferencing.

(b) No action may be taken on any item not appearing on the posted agenda, except as follows: (i) members of the Board or its staff may briefly respond to statements made or questions posed by a persons exercising their public testimony rights, (ii) a member of the Board or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities, and (iii) a member of the Board, or the Board itself, may provide a reference to staff or other resources for factual information, request staff to report to the Board at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda. In addition, the Board may take action on items of business not appearing on the posted agenda: (i) upon a determination by a majority vote of the Board that an emergency situation exists; (ii) upon a determination by a two-thirds vote of the Board, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the Foundation subsequent to the agenda being posted; and (iii) if the items were

posted on an agenda for a prior meeting of the Board that occurred not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) The agenda for each regular meeting shall provide an opportunity for members of the public to directly address the Board on any item of interest to the public, before or during the Board's consideration of the item, that is within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized under subsection (b) above. However, the agenda need not provide an opportunity for members of the public to address the Board on any item that has already been considered by a committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the committee on the item, before or during the committee's consideration of the item, unless the item has been substantially changed since the committee heard the item, as determined by the Board. Every notice for a special meeting shall provide an opportunity for members of the public to directly address the Board concerning any item that has been described in the notice for the meeting before or during consideration of that item. The Board may adopt by resolution reasonable regulations including limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker.

Section 14. Waiver of Notice. Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to the holding of a meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 15. Adjournment. The Board of Directors may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special, or adjourned special meeting was held within twenty-four (24) hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by resolution, by law, or by other rule.

Section 16. Fees and Compensation. Directors of the Foundation and members of committees shall not receive compensation for their services as Directors and committee members but may be reimbursed for expenses, as may be determined by the Board of Directors.

Section 17. Rights of Inspection. The accounting books and records and minutes of proceedings of the Board and committees of the Board and Articles and bylaws of the Foundation shall be open to inspection upon written demand on the Foundation by the Statutory Member or by any Director at any reasonable time.

Section 18. Conflict of Interest. The Board, through a committee designated for that purpose, shall require not less frequently than once a year a statement from each Director setting forth all business and other affiliations that relate in any way to the business of the Foundation. Each Director shall be responsible for disclosing to the Foundation any matter that would make such Director an “interested director” within the meaning of section 5233 of the California Nonprofit Public Benefit Corporation Law. In addition, each Director shall disclose to the Foundation any relationship or other factor that would cause the Director to be considered to be an “interested person” within the meaning of section 5227 of the California Nonprofit Public Benefit Corporation Law. The Board shall establish conflict-of-interest procedures in a written policy.

Section 19. Restriction on Interested Directors. Not more than forty-nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is: (1) any person being compensated by the Foundation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee or independent contractor; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the Foundation.

ARTICLE V

COMMITTEES

Section 1. Committees Generally.

(a) The President of the Board may establish one or more committees. Committees may be either standing or ad hoc. All Committee members, shall be appointed by the President of the Board. No Committee shall have more than ~~three~~ two Board members serving on the Committee.

Section 2. Standing Committees. Standing committees shall consist of the Finance, Administration, Real Estate, and Legal Committee (“Finance Committee”), the Program Committee, Budget Committee, and such other committees as the Board ~~President~~ may authorize from time to time. All Standing Committees shall be subject to the provision of the Ralph M. Brown Act.

Section 3. Special Ad Hoc Committees and Task Forces. Special committees and task forces may be appointed by the Board President for such special tasks as circumstances warrant. A task force shall limit its activities to the accomplishment of the task for which it is appointed and shall have no power to act except such as is specifically conferred by action of the Board of Directors. Upon completion of the task for which appointed, such task force shall stand discharged.

Section 4. Membership; Appointment. The members of each committee shall be appointed by the Board President.

Section 5. Quorum; Meetings; Notice.

(a) A majority of the members of the committee shall constitute a quorum at any meeting of that committee.

(b) Each committee shall meet as often as is necessary to perform its duties. If a committee elects to provide for the holding of regular meetings, it must then provide by whatever rule is utilized by the committee for conduct of its business, for the time and place for holding such regular meeting.

Section 6. Vacancies. Vacancies in any committee shall be filled by the Board President.

Section 7. Budget Finance Committee. The BudgetFinance Committee shall include the Treasurer of the Board who shall be President of the BudgetFinance Committee. The BudgetFinance Committee shall review the annual operating budget and make recommendations to the Board of Directors. The BudgetFinance Committee also shall review the monthly financial statements of the Foundation and other programs sponsored by the Foundation and report the findings to the Board of Directors, and perform other such duties as the Board of Directors may specify.

ARTICLE VI

OFFICERS

Section 1. Officers of the Foundation. The officers of the Foundation shall be a President of the Board, a Vice President, ~~a~~ Secretary, and a Treasurer.

Section 2. Appointment of Officers. The offices of President of the Board, Vice President, ~~a~~ Secretary, and Treasurer shall be the same individuals who serve in that capacity as serve on the Board of the Statutory Member. -

Section 3. President of the Board. The President of the Board (sometimes referred to herein as the "President") shall preside at all meetings of the Board of the Foundation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and officers of the Foundation. The President shall possess the power to sign all certificates, contracts, or other instruments of the Foundation when he/she is so authorized by the Board of Directors. The President shall exercise and perform such other powers and duties as may be prescribed by the Board of Directors from time to time and such powers and duties usually vested in the office of President of the Board and President.

Section 4. Vice President/Secretary. In the absence of the President or in the event of the President's disability or inability to act, the Vice President/~~Secretary~~ shall perform all of the

duties of the President and in so acting shall have all of the powers of the President. The Vice President ~~Secretary~~ shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors or by the President.

Section 5. Secretary. The Secretary shall be responsible for the keeping of the minutes of all meetings of the Board and shall act as the custodian of Foundation records and reports. The Secretary may delegate Foundation Secretary duties to a qualified District staff member.

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Section ~~6~~5. Treasurer. The Treasurer ~~shall be the chief financial officer of the Foundation and~~ shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the Foundation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses, capital, and retained earnings. The books of account shall at all times be open to inspection by the Statutory Member or any Board member. The Treasurer may delegate Foundation Treasurer duties to a qualified financial officer of the Statutory Member.

Section 6. Clerk of the Board. The Board shall designate a Clerk who shall keep or cause to be kept a book of minutes at the principal office, or at such other place as the Board may order, of all meetings of the Board with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof. The Clerk shall give or cause to be given notice of all the meetings of the Board required by these bylaws or by law to be given and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

Section 7. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Offices. The Foundation shall have and continuously maintain a registered office in Palm Springs, California, and may have other offices within the State of California as the Board of Directors may from time to time determine.

Section 2. Distribution of Documents. Budgets, financial statements, strategic plans, and other documents (the "Documents"), except for those documents not related to hospital operations, which are distributed to all or a majority of the Board or a committee delegated the authority of the Board for discussion at such Board or committee meeting, are public records under the California Public Records Act. Documents that are public records and that are distributed prior to their discussion at a Board or committee meeting shall be made available for public inspection prior to the commencement of, and during, their discussion at such meeting, unless the content of such Document falls under an exception from disclosure under the Public Records Act or is discussed in a closed session. Documents which are public records and which

are distributed during their discussion at a Board or committee meeting shall be made available for public inspection during the meeting, or as soon thereafter as is practicable, unless the content of such Document falls under an exception from disclosure under the Public Records Act or is discussed in closed session.

Section 3. Minutes. The Foundation shall keep correct minutes of the proceedings of the Board and committees and minutes of open meetings of the Board and committees shall be available for public inspection.

Section 4. Annual Report. The Board of Directors shall cause an annual report to be prepared and a copy sent to the Statutory Member. The report shall contain all the information required by section 6321 of the California Nonprofit Corporation Law and shall be accompanied by any report thereon of independent accountants, or if there is no such report, the certificate of an authorized officer of the Foundation that such statements were prepared without audit from the books and records of the Foundation. The books and accounts of all other sponsored programs of the Foundation will be included in the scope of the annual report. The annual report shall be furnished to all Directors.

Section 5. Recordings of Meetings. Any person attending a meeting of the Board or a meeting of one of its committees shall have the right to record the proceedings with an audio or video tape recorder or a still or motion picture camera unless the Board or committee reasonably finds that such recording cannot continue without noise, illumination, or obstruction of view that constitutes, or would constitute, a persistent disruption of the meeting.

Section 6. Disorderly Conduct at Meetings. If any Board or committee meeting is willfully interrupted by a person or persons so as to render the orderly conduct of such meeting unfeasible and if order cannot be restored by the removal of the persons who are willfully interrupting the meeting, then the Board or committee members conducting the meeting may order the meeting room closed and continue the meeting. Representatives of the press or media, except those participating in the disturbance, shall be allowed to attend any meeting held by the Board or committee after the persons who have caused the disturbance have been ejected.

Section 7. Self-Dealing. In the exercise of voting rights by members of the Board, no individual shall discuss or vote on any issue, motion, or resolution which directly or indirectly inures to his or her benefit financially or with respect to which he or she has any other conflict of interest, except that such individual may be counted in order to qualify a quorum and shall fully disclose the nature of his or her interest. The members of the Board shall also be subject to the restrictions on self-dealing set forth in section 5233 of the California Corporations Code or any such successor statute.

Section 8. Checks; Drafts; Etc. All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of or payable to the Foundation and any and all securities owned or held by the Foundation shall be signed or endorsed by such person or persons and in such manner as may from time to time be determined by the Board of Directors.

Section 9. Endorsement of Documents; Contracts. Any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing, and any assignment or endorsement thereof executed or entered into between the Foundation and any other person, when signed by the President, the Secretary, or the Treasurer shall be valid and binding on the Foundation in the absence of actual knowledge on the part of the other person that the signing officer(s) had no authority to execute the same. Any such instrument may be signed by any other officer, agent, or employees and in such manner as shall from time to time be determined by the Board of Directors and, unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 10. Fiscal Year. The fiscal year of this Foundation shall end on June 30th of each year.

Section 11. Public Inspection of Records. In accordance with section 6104 of the Internal Revenue Code, copies of the Foundation's application for tax exemption and any papers submitted in support of such application shall be made available by the Foundation for inspection at the request of any individual during regular business hours at the Foundation's principal place of business and at any regularly maintained regional or district office at the Foundation having three or more employees.

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Section 124. Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a legal entity and a natural person.

ARTICLE VIII

INDEMNIFICATION AND INSURANCE

Section 1. Right of Indemnity. To the fullest extent permitted by law, this corporation shall indemnify its Directors, officers, employees, and other persons described in section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses" as used in this bylaw shall have the same meaning as in section 5238(a) of the California Corporations Code.

Section 2. Approval of Indemnity. On written request to the Board of Directors by any person seeking indemnification under sections 5238(b) or 5238(c) of the California Corporations Code, the Board of Directors shall promptly determine under section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in sections

5238(b) or 5238(c) has been met and, if so, the Board of Directors shall authorize indemnification. If the Board of Directors cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board of Directors shall promptly cause an application to be made for court authorization pursuant to Corporations Code section 5238(e)(3).

Section 3. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under this article X, in defending any proceeding covered by this article X, shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for these expenses.

Section 4. Insurance. The Foundation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising out of the officer, Director, employee, or agent's status as such.

ARTICLE IX

AMENDMENT OF BYLAWS

Section 1. Amendments. These bylaws, the Articles, and any part thereof may be amended or repealed only by the Statutory Member of the Foundation.

Section 2. Record of Amendments. Whenever a new bylaw or amendment thereto is adopted, it shall be included in the corporate minute book with the original bylaws. If any bylaw or amendment thereto is repealed, the fact of repeal with the date of the meeting or action by written consent when said repeal was adopted shall be stated in a writing placed in the corporate minute book with the original bylaws.

AMENDED AND RESTATED BYLAWS

OF

DESERT HEALTHCARE FOUNDATION

(A California Nonprofit Public Benefit Corporation)

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**AMENDED AND RESTATED BYLAWS
OF
DESERT HEALTHCARE FOUNDATION
(A California Nonprofit Public Benefit Corporation)**

**ARTICLE I
OBJECTIVES AND PURPOSES**

Section 1. General. Desert Healthcare Foundation (the “Foundation”) and all of its business and activities are to be operated and conducted in the promotion of its charitable and public objectives and purposes as specified in its Restated Articles of Incorporation (the “Articles”); and in the conduct of its affairs, the management shall at all times be mindful of these charitable and public objectives and purposes.

Section 2. Specific. The Foundation is committed to supporting the Desert Healthcare District (“District”), a public body organized and existing under and pursuant to the provisions of The Local Health Care District Law, namely section 32000 et seq., of the Health and Safety Code of the State of California, and its charitable and public purposes. In these bylaws, the term “district,” when not capitalized, is used in its geographic sense and means the territory over which the District exercises jurisdiction. The specific and primary purpose for which the Foundation exists is to promote the health of the communities within the geographic boundaries of the District including, but not limited to, by supporting improvements (including capital improvements) and expansions of health care related services and facilities and access thereto that will benefit the community, and by conducting charitable, scientific, public, and educational activities in support of the charitable and public purposes of the District. As part of the specific and primary purpose of the Foundation, it shall also encourage, obtain, and administer donations of funds, properties, bequests, annuities, and other instruments and properties of value and distribute money and property to or for the benefit of the District.

**ARTICLE II
STATUTORY MEMBER**

Section 1. Statutory Member. Unless and until the Articles and this Section 1 of Article II of these bylaws are amended to provide otherwise, the District shall be the sole statutory member of the Foundation as the term “statutory member” is defined in section 5056 of the California Nonprofit Corporation Law (the “Statutory Member”). No amendment to this section 1 shall be valid or effective unless and until approved by the Statutory Member. Except as otherwise provided in these bylaws and not inconsistent with law, the Statutory Member shall have and be entitled to exercise fully all rights and privileges of a member of a nonprofit corporation under the California Nonprofit Corporation Law, as amended, and under all other applicable laws. In addition to these rights, the Statutory Member shall have the right to access all financial records, contracts, and agreements.

Section 2. Action by Statutory Member. Any and all actions by the Statutory Member of the Foundation shall be effective when and as evidenced by a writing executed by an authorized representative of the Statutory Member and filed with the Secretary of the Foundation.

ARTICLE III **SUPPORT GROUPS**

Section 1. General. The Board of Directors may by appropriate resolution from time to time define and establish auxiliaries, friends, and other support groups for the Foundation, but none of these auxiliaries, friends, or support groups or the constituents thereof shall be or have the rights and privileges of “members” within the meaning of section 5056 of the California Nonprofit Corporation Law with respect to the corporation.

ARTICLE IV **BOARD OF DIRECTORS**

Section 1. Powers. Subject to any limitations contained in the Articles or these bylaws and the limitations of the law, the activities and affairs of the Foundation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors is (sometimes referred to herein as the “Board”). The activities and affairs of the Foundation shall be managed and all corporate powers shall be exercised under the direction of the Board.

Section 2. Limitation of Powers. Actions by the Foundation must be approved by the Statutory Member and shall include but shall not be limited to the following:

- (a) Changing the purpose or purposes of the Foundation;
- (b) Amending, repealing, or restating the Articles or bylaws of the Foundation;
- (c) Merging or consolidating the Foundation with one or more other corporations or organizations or affiliating the Foundation with one or more other corporations or organizations;
- (d) Selling or otherwise disposing of all or substantially all of the Foundation’s assets;
- (e) Voluntarily dissolving the Foundation;
- (f) Forming or acquiring an interest in any corporation, partnership, company, venture, association, organization, or other entity in which the Foundation will be the majority or controlling shareholder, partner, member, manager, venturer, associate, organizer, or owner; or will exercise control of the entity, directly or indirectly, through any other mechanism or arrangement;

- (g) Aggregate borrowing (including leases and sales contracts) in excess of a dollar amount stated in the bylaws or as established by the Statutory Member;
- (h) Transactions outside the ordinary course of business;
- (i) Approval of transactions involving the Foundation and an officer or director of the Foundation;
- (j) The approval of the annual budget including any new programs or services;
- (k) The appointment, termination, and compensation of the Chief Executive Officer.

Section 3. Number of Directors. The authorized number of Directors of the Foundation shall be seven (7). Directors shall be appointed pursuant to section 4.

Section 4. Qualifications and Appointment. Members of the Board of Directors shall qualify as a member of the Foundation Board when he or she becomes a member of the Board of Directors of the Statutory Member and shall be automatically appointed to the Foundation Board at that time.

Section 5. Term. The term of a Director shall run concurrent with each Directors term of office on the Board of Directors of the Statutory Member.

Section 6. Vacancies. A vacancy or vacancies on the Board shall be deemed to exist when the Director is no longer a member of the Board of Directors of the Statutory Member.

Section 7. Place of Meetings. Regular and special meetings of the Board of Directors shall be held within the district, except under the circumstances enumerated in section 54954(b) of the Government Code of the State of California. If, by reason of fire, flood, earthquake, or other emergency, it shall be unsafe to meet in the place designated, the meetings shall be held for the duration of the emergency at the place designated by the President of the Board or his or her designee in a notice to the local media that have requested notice, by the most rapid means of communication available at the time.

Section 8. Regular Meetings. Regular meetings of the Board shall be held at the end of the regular monthly meeting of the Statutory Member which are scheduled on the fourth (4) Tuesday of each month except in the month of August at approximately 6:00 p.m.; provided, however, that should said day fall on a holiday, then said meeting shall be held at the same time on the next day thereafter which is a full business day.

Section 9. Closed Session Meetings. Nothing in these bylaws shall be construed to prevent the Board from holding closed session meetings in accordance with the Ralph M. Brown Act as amended which may include the following purposes: (i) to consider the appointment, employment, evaluation of performance, or dismissal of an employee or to hear complaints or

charges brought against such employee by another person unless such employee requests a public hearing; (ii) to meet with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for the Foundation, to grant authority to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease; (iii) based on advice of its legal counsel, to confer with or receive advise from its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the Foundation in the litigation. The Board shall comply with all laws regarding the public reporting of actions taken by it in any closed session meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President of the Board or by a majority of the members of the Board of Directors for any purpose or purposes, by delivering personally or by mail written notice to each member of the Board of Directors and to each local newspaper of general circulation and radio or television station requesting notice in writing. The notice shall be delivered personally or by mail and shall be received at least twenty-four (24) hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the Board of Directors. The call and notice shall be posted at least twenty-four (24) hours prior to the special meeting in a location that is freely accessible to members of the public.

Section 11. Emergency Meetings. Emergency meetings of the Board of Directors may be called at any time by the President of the Board or by any five or more members of the Board for an emergency situation that involves matters upon which prompt action is necessary due to the disruption or threatened disruption of health care services within the district. Emergency situations shall be limited to situations involving a work stoppage or other activity that severely impairs public health, safety, or both as determined by the Board, or a crippling disaster that severely impairs public health, safety, or both as determined by the Board.

Section 12. Notice of Meetings.

(a) The Board of Directors shall mail or personally deliver notice of every regular meeting and every special meeting which is called at least one week prior to the date set for the meeting to any person who has filed a written request for such notice. Any mailed notice required pursuant to this section shall be mailed at least seventy-two (72) hours prior to the date set for the meeting to which it applies. All requests for notice shall remain in effect for one (1) year from the date on which they were filed. Renewal requests can be filed within the first three (3) months of each calendar year. The Board may establish a reasonable annual charge for providing notices of such meetings.

(b) See section 10 of this article V for additional notice requirements applicable to special meetings.

(c) Emergency meetings of the Board of Directors may be held without notice and without posting. However, each local newspaper of general circulation and radio or television station that has requested notice of special meetings shall be notified by the presiding

officer of the Board, or designee thereof, one (1) hour prior to the emergency meeting by telephone. In the event that telephone services are not functioning, the notice requirements of this section shall be deemed waived and the Board, or designee of the Board, shall notify those newspapers, radio stations, or television stations of the facts of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

Section 13. Agenda Requirements.

(a) At least seventy-two (72) hours prior to any regular meeting, the Board of Directors, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. To the extent allowed by law, teleconferencing shall also be utilized.

(b) No action may be taken on any item not appearing on the posted agenda, except as follows: (i) members of the Board or its staff may briefly respond to statements made or questions posed by a persons exercising their public testimony rights, (ii) a member of the Board or its staff may ask a question for clarification, make a brief announcement, or make a brief report on their own activities, and (iii) a member of the Board, or the Board itself, may provide a reference to staff or other resources for factual information, request staff to report to the Board at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda. In addition, the Board may take action on items of business not appearing on the posted agenda: (i) upon a determination by a majority vote of the Board that an emergency situation exists; (ii) upon a determination by a two-thirds vote of the Board, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the Foundation subsequent to the agenda being posted; and (iii) if the items were posted on an agenda for a prior meeting of the Board that occurred not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) The agenda for each regular meeting shall provide an opportunity for members of the public to directly address the Board on any item of interest to the public, before or during the Board's consideration of the item, that is within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized under subsection (b) above. However, the agenda need not provide an opportunity for members of the public to address the Board on any item that has already been considered by a committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the committee on the item, before or during the committee's consideration of the item, unless the item has been substantially changed since the committee heard the item, as determined by the Board. Every notice for a special meeting shall provide an opportunity for members of the public to directly address the Board concerning any item that has been described in the notice for the meeting before or during consideration of that item. The Board may adopt by resolution

reasonable regulations including limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker.

Section 14. Waiver of Notice. Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to the holding of a meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 15. Adjournment. The Board of Directors may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special, or adjourned special meeting was held within twenty-four (24) hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by resolution, by law, or by other rule.

Section 16. Fees and Compensation. Directors of the Foundation and members of committees shall not receive compensation for their services as Directors and committee members but may be reimbursed for expenses, as may be determined by the Board of Directors.

Section 17. Rights of Inspection. The accounting books and records and minutes of proceedings of the Board and committees of the Board and Articles and bylaws of the Foundation shall be open to inspection upon written demand on the Foundation by the Statutory Member or by any Director at any reasonable time.

Section 18. Conflict of Interest. The Board, through a committee designated for that purpose, shall require not less frequently than once a year a statement from each Director setting forth all business and other affiliations that relate in any way to the business of the Foundation. Each Director shall be responsible for disclosing to the Foundation any matter that would make such Director an “interested director” within the meaning of section 5233 of the California Nonprofit Public Benefit Corporation Law. In addition, each Director shall disclose to the Foundation any relationship or other factor that would cause the Director to be considered to be an “interested person” within the meaning of section 5227 of the California Nonprofit Public Benefit Corporation Law. The Board shall establish conflict-of-interest procedures in a written policy.

Section 19. Restriction on Interested Directors. Not more than forty-nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is: (1) any person being compensated by the Foundation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee or independent contractor; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law,

sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the Foundation.

ARTICLE V

COMMITTEES

Section 1. Committees Generally.

(a) The President of the Board may establish one or more committees. Committees may be either standing or ad hoc. All committee members shall be appointed by the President of the Board. No committee shall have more than three Board members serving on the committee.

Section 2. Standing Committees. Standing committees shall consist of the Finance, Administration, Real Estate, and Legal Committee (“Finance Committee”), the Program Committee, and such other committees as the Board may authorize from time to time. All standing committees shall be subject to the provision of the Ralph M. Brown Act.

Section 3. Special Ad Hoc Committees and Task Forces. Special committees and task forces may be appointed by the Board President for such special tasks as circumstances warrant. A task force shall limit its activities to the accomplishment of the task for which it is appointed and shall have no power to act except such as is specifically conferred by action of the Board of Directors. Upon completion of the task for which appointed, such task force shall stand discharged.

Section 4. Membership; Appointment. The members of each committee shall be appointed by the Board President.

Section 5. Quorum; Meetings; Notice.

(a) A majority of the members of the committee shall constitute a quorum at any meeting of that committee.

(b) Each committee shall meet as often as is necessary to perform its duties. If a committee elects to provide for the holding of regular meetings, it must then provide by whatever rule is utilized by the committee for conduct of its business, for the time and place for holding such regular meeting.

Section 6. Vacancies. Vacancies in any committee shall be filled by the Board President.

Section 7. Finance Committee. The Finance Committee shall include the Treasurer of the Board who shall be Chairman of the Finance Committee. The Finance Committee shall review the annual operating budget and make recommendations to the Board of Directors. The Finance Committee also shall review the monthly financial statements of the Foundation and

other programs sponsored by the Foundation, report the findings to the Board of Directors, and perform other such duties as the Board of Directors may specify.

Section 8. Program Committee. The Program Committee shall be responsible for making recommendations to the Board of Directors, where appropriate, on Foundation matters related to grant making and related programs.

ARTICLE VI

OFFICERS

Section 1. Officers of the Foundation. The officers of the Foundation shall be a President of the Board, a Vice President, a Secretary, and a Treasurer.

Section 2. Appointment of Officers. The offices of President of the Board, Vice President, Secretary, and Treasurer shall be the same individuals who serve in that capacity as serve on the Board of the Statutory Member.

Section 3. President of the Board. The President of the Board (sometimes referred to herein as the “President”) shall preside at all meetings of the Board of the Foundation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and officers of the Foundation. The President shall possess the power to sign all certificates, contracts, or other instruments of the Foundation when he/she is so authorized by the Board of Directors. The President shall exercise and perform such other powers and duties as may be prescribed by the Board of Directors from time to time and such powers and duties usually vested in the office of President of the Board and President.

Section 4. Vice President. In the absence of the President or in the event of the President’s disability or inability to act, the Vice President shall perform all of the duties of the President and in so acting shall have all of the powers of the President. The Vice President shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors or by the President.

Section 5. Secretary. The Secretary shall be responsible for the keeping of the minutes of all meetings of the Board and shall act as the custodian of Foundation records and reports. The Secretary may delegate Foundation Secretary duties to a qualified District staff member.

Section 6. Treasurer. The Treasurer shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the Foundation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses, capital, and retained earnings. The books of account shall at all times be open to inspection by the Statutory Member or any Board member. The Treasurer may delegate Foundation Treasurer duties to a qualified financial officer of the Statutory Member.

Section 7. Clerk of the Board. The Board shall designate a Clerk who shall keep or cause to be kept a book of minutes at the principal office, or at such other place as the Board may

order, of all meetings of the Board with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof. The Clerk shall give or cause to be given notice of all the meetings of the Board required by these bylaws or by law to be given and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

Section 8. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Offices. The Foundation shall have and continuously maintain a registered office in Palm Springs, California, and may have other offices within the State of California as the Board of Directors may from time to time determine.

Section 2. Distribution of Documents. Budgets, financial statements, strategic plans, and other documents (the "Documents"), except for those documents not related to hospital operations, which are distributed to all or a majority of the Board or a committee delegated the authority of the Board for discussion at such Board or committee meeting, are public records under the California Public Records Act. Documents that are public records and that are distributed prior to their discussion at a Board or committee meeting shall be made available for public inspection prior to the commencement of, and during, their discussion at such meeting, unless the content of such Document falls under an exception from disclosure under the Public Records Act or is discussed in a closed session. Documents which are public records and which are distributed during their discussion at a Board or committee meeting shall be made available for public inspection during the meeting, or as soon thereafter as is practicable, unless the content of such Document falls under an exception from disclosure under the Public Records Act or is discussed in closed session.

Section 3. Minutes. The Foundation shall keep correct minutes of the proceedings of the Board and committees and minutes of open meetings of the Board and committees shall be available for public inspection.

Section 4. Annual Report. The Board of Directors shall cause an annual report to be prepared and a copy sent to the Statutory Member. The report shall contain all the information required by section 6321 of the California Nonprofit Corporation Law and shall be accompanied by any report thereon of independent accountants, or if there is no such report, the certificate of an authorized officer of the Foundation that such statements were prepared without audit from the books and records of the Foundation. The books and accounts of all other sponsored programs of the Foundation will be included in the scope of the annual report. The annual report shall be furnished to all Directors.

Section 5. Recordings of Meetings. Any person attending a meeting of the Board or a meeting of one of its committees shall have the right to record the proceedings with an audio or video tape recorder or a still or motion picture camera unless the Board or committee reasonably finds that such recording cannot continue without noise, illumination, or obstruction of view that constitutes, or would constitute, a persistent disruption of the meeting.

Section 6. Disorderly Conduct at Meetings. If any Board or committee meeting is willfully interrupted by a person or persons so as to render the orderly conduct of such meeting unfeasible and if order cannot be restored by the removal of the persons who are willfully interrupting the meeting, then the Board or committee members conducting the meeting may order the meeting room closed and continue the meeting. Representatives of the press or media, except those participating in the disturbance, shall be allowed to attend any meeting held by the Board or committee after the persons who have caused the disturbance have been ejected.

Section 7. Self-Dealing. In the exercise of voting rights by members of the Board, no individual shall discuss or vote on any issue, motion, or resolution which directly or indirectly inures to their benefit financially or with respect to which they have any other conflict of interest, except that such individual may be counted in order to qualify a quorum and shall fully disclose the nature of their interest. The members of the Board shall also be subject to the restrictions on self-dealing set forth in section 5233 of the California Corporations Code or any such successor statute.

Section 8. Checks; Drafts; Etc. All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of or payable to the Foundation and any and all securities owned or held by the Foundation shall be signed or endorsed by such person or persons and in such manner as may from time to time be determined by the Board of Directors.

Section 9. Endorsement of Documents; Contracts. Any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing, and any assignment or endorsement thereof executed or entered into between the Foundation and any other person, when signed by the President, the Secretary, or the Treasurer shall be valid and binding on the Foundation in the absence of actual knowledge on the part of the other person that the signing officer(s) had no authority to execute the same. Any such instrument may be signed by any other officer, agent, or employees and in such manner as shall from time to time be determined by the Board of Directors and, unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 10. Fiscal Year. The fiscal year of this Foundation shall end on June 30th of each year.

Section 11. Public Inspection of Records. In accordance with section 6104 of the Internal Revenue Code, copies of the Foundation's application for tax exemption and any papers submitted in support of such application shall be made available by the Foundation for inspection at the request of any individual during regular business hours at the Foundation's principal place

of business and at any regularly maintained regional or district office at the Foundation having three or more employees.

Section 12. Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term “person” includes both a legal entity and a natural person.

ARTICLE VIII

INDEMNIFICATION AND INSURANCE

Section 1. Right of Indemnity. To the fullest extent permitted by law, this corporation shall indemnify its Directors, officers, employees, and other persons described in section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. “Expenses” as used in this bylaw shall have the same meaning as in section 5238(a) of the California Corporations Code.

Section 2. Approval of Indemnity. On written request to the Board of Directors by any person seeking indemnification under sections 5238(b) or 5238(c) of the California Corporations Code, the Board of Directors shall promptly determine under section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in sections 5238(b) or 5238(c) has been met and, if so, the Board of Directors shall authorize indemnification. If the Board of Directors cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board of Directors shall promptly cause an application to be made for court authorization pursuant to the California Corporations Code section 5238(e)(3).

Section 3. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under this article VIII, in defending any proceeding covered by this article VIII, shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for these expenses.

Section 4. Insurance. The Foundation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, against any liability asserted against or incurred by any

officer, Director, employee, or agent in such capacity or arising out of the officer, Director, employee, or agent's status as such.

ARTICLE IX

AMENDMENT OF BYLAWS

Section 1. Amendments. These bylaws, the Articles, and any part thereof may be amended or repealed only by the Statutory Member of the Foundation.

Section 2. Record of Amendments. Whenever a new bylaw or amendment thereto is adopted, it shall be included in the corporate minute book with the original bylaws. If any bylaw or amendment thereto is repealed, the fact of repeal with the date of the meeting or action by written consent when said repeal was adopted shall be stated in a writing placed in the corporate minute book with the original bylaws.

ORDINANCE NO. 22-01

**ORDINANCE OF THE BOARD OF DIRECTORS
OF THE DESERT HEALTHCARE DISTRICT
INCREASING COMPENSATION OF DIRECTORS**

BE IT ORDAINED BY THE BOARD OF DIRECTORS (“Board”) OF THE DESERT HEALTHCARE DISTRICT (“District”) as follows:

Section 1. Health & Safety Code section 32103(b) provides that the Board may, by ordinance adopted pursuant to Water Code Section 20200 et seq., increase the amount of compensation received by Board members in an amount not to exceed 5 percent for each calendar year following the operative date of the last adjustment; and

Section 2. Water Code section 20203 requires that the ordinance increasing compensation must be considered after a public hearing and notice of the hearing shall be published in a newspaper of general circulation pursuant to Government Code section 6066; and

Section 3. Notice of the public hearing was published once a week for two successive weeks with at least five days intervening between the respective publication dates, with the period of notice commencing on the first day of publication and terminating at the end of the fourteenth day, all in accordance with Government Code section 6066.

Section 4. After the public hearing, the Board determined that each director shall receive compensation of \$110.25 for attending compensable meetings of Board members in accordance with Board Policy # BOD-21 related to the Meeting and Insurance Compensation section in the District’s Policies and Procedural Manual.

Section 5. This Ordinance shall not become effective until September 1, 2022 and shall be published once a week for two (2) successive weeks in accordance with Government Code section 6066 in a newspaper of general circulation within the District.

PASSED, APPROVED, AND ADOPTED by the board of Directors of the Desert Healthcare District at a Regular meeting held on this 28th day of June, 2022, by the following roll call vote:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

Karen Borja, President, Board of Directors

ATTEST:

Carmina Zavala, MA, Secretary, Board of Directors

RESOLUTION NO. 22-12

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE DESERT HEALTHCARE DISTRICT
ADOPTING MEETING COMPENSATION GUIDELINES
AND A POLICY OF SIX (6) MEETINGS PER MONTH**

WHEREAS, Health & Safety Code section 32103 authorizes the payment to members of the Board of Directors (“Board”) of \$110.25 per meeting, as adjusted pursuant to Water Code 2023, not to exceed six meetings per month, and allows payment of actual and necessary traveling and incidental expenses incurred in the performance of official duties.

WHEREAS, Health & Safety Code section 32103 provides that if the District compensates Board members for more than five meetings per month, the Board must annually adopt a written policy describing, based on findings supported by substantial evidence, why more than five meetings are necessary; and

WHEREAS, Government Code section 53232.1 outlines the meetings in which Board members may receive compensation; and

WHEREAS, the Board desires by this Resolution to adopt meeting compensation guidelines, a policy of six meetings per month, and the guidelines for reimbursable expenses in accordance with Health & Safety Code section 32103 and Government Code section 53232.1

THEREFORE, BE IT RESOLVED by the Board of Directors as follows:

Section 1: The attached provisions of Board Policy # BOD-21 related to the Meeting and Insurance compensation section are hereby incorporated into this Resolution.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Desert Healthcare District held on June 28, 2022, by the following roll call vote:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

Karen Borja, President,
Board of Directors

ATTEST:

Carmina Zavala, Secretary,
Board of Directors



DESERT HEALTHCARE
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POLICY TITLE: MEETING & INSURANCE COMPENSATION POLICY

POLICY NUMBER: BOD-21

COMMITTEE APPROVAL: ~~02-09-2021~~06-15-2022

BOARD APPROVAL: ~~02-23-2021~~06-28-2022

POLICY #BOD-21: Meeting & Insurance Compensation Guidelines for the Desert Healthcare District (“District”) Board of Directors (“Board”).

A) Board Members may receive a stipend for attendance at up to 6 meetings per month, provided the meetings have a healthcare nexus or are related to the District’s operations, mission, and vision, and include the following:

1. District Board and Board committee meetings.
2. Meetings for which a District Board member serves on the Desert Regional Medical Center’s Board of Directors or its committees.
3. Attendance at ethics training.
4. Conferences and seminars held by organizations in which the District is a member, and for which the conference/seminar has a clear health care related nexus. Board members shall receive one stipend per conference or seminar.
5. Community meetings and events within the District, for which the meeting/event has a clear health care nexus, including the following:
 - a) Board, policy committee, and formal business meetings of organizations in which the District is a member.
 - b) Meetings with other government agencies or officials in which the subject involves health care or District business (e.g., State and local legislative officials, County Health & Human Services).
 - c) Formal Meetings requested, necessitated, or approved by the CEO.

B) Non-compensable meetings shall include the following:

1. Informal meetings with other Board members or with District staff members, regardless of the topic(s) addressed.



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2. Meetings of a political nature, whether partisan or non-partisan, regardless of the topic(s) addressed.
3. Meetings for which payment of a stipend or honorarium is provided by the host organization.
4. Meetings of other public bodies, unless invited as a participant by the host body or sent as a delegate by the District Board.
5. Meetings of organizations in which the member holds an individual membership or the primary purpose of which is to receive continuing professional educational credits.
6. Charity fundraising events.

Board members shall have an opportunity to report on meetings attended at the next regularly scheduled Board meeting following the meeting for which a stipend is received. Any questions regarding interpretations of these guidelines should be addressed to the District's General Counsel.

If more than one Board meeting is held in succession on the same calendar day, they collectively shall count as a single meeting for the payment of a stipend. Such classification applies only to regular, special, closed and executive sessions and shall not apply to successive Committee meetings in which a Director may be a member.

C) Board members shall receive compensation of insurance premiums up to ~~\$10,000~~10,600 per fiscal year (July 1 to June 30). Insurance premiums (coverage may be applied to the Board member, their spouse or registered domestic partner, and children) include medical, dental, and vision and include any combination of the following.

1. Board member may receive insurance coverage through the District. Board member shall be responsible for reimbursing the District for premiums exceeding ~~\$10,000~~10,600 per fiscal year.
2. Reimburse Medicare premiums.
3. Reimburse supplemental insurance premiums.
4. Reimburse the portion of insurance premiums withheld from Board member's payroll.
5. Reimbursement does not apply to COBRA insurance premiums when Board member leaves office.



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AUTHORITIES

Desert Healthcare District Bylaws Article IV, section 4.6
Desert Healthcare District Resolution No. 19-08

DOCUMENT HISTORY

<u>Revised</u>	<u>06-28-2022</u>
Revised	02-23-2021
Revised	04-23-2019
Approved	07-24-2018

DRAFT



POLICY TITLE: MEETING & INSURANCE COMPENSATION POLICY

POLICY NUMBER: BOD-21

COMMITTEE APPROVAL: 06-15-2022

BOARD APPROVAL: 06-28-2022

POLICY #BOD-21: Meeting & Insurance Compensation Guidelines for the Desert Healthcare District (“District”) Board of Directors (“Board”).

A) Board Members may receive a stipend for attendance at up to 6 meetings per month, provided the meetings have a healthcare nexus or are related to the District’s operations, mission, and vision, and include the following:

1. District Board and Board committee meetings.
2. Meetings for which a District Board member serves on the Desert Regional Medical Center’s Board of Directors or its committees.
3. Attendance at ethics training.
4. Conferences and seminars held by organizations in which the District is a member, and for which the conference/seminar has a clear health care related nexus. Board members shall receive one stipend per conference or seminar.
5. Community meetings and events within the District, for which the meeting/event has a clear health care nexus, including the following:
 - a) Board, policy committee, and formal business meetings of organizations in which the District is a member.
 - b) Meetings with other government agencies or officials in which the subject involves health care or District business (e.g., State and local legislative officials, County Health & Human Services).
 - c) Formal Meetings requested, necessitated, or approved by the CEO.

B) Non-compensable meetings shall include the following:

1. Informal meetings with other Board members or with District staff members, regardless of the topic(s) addressed.



2. Meetings of a political nature, whether partisan or non-partisan, regardless of the topic(s) addressed.
3. Meetings for which payment of a stipend or honorarium is provided by the host organization.
4. Meetings of other public bodies, unless invited as a participant by the host body or sent as a delegate by the District Board.
5. Meetings of organizations in which the member holds an individual membership or the primary purpose of which is to receive continuing professional educational credits.
6. Charity fundraising events.

Board members shall have an opportunity to report on meetings attended at the next regularly scheduled Board meeting following the meeting for which a stipend is received. Any questions regarding interpretations of these guidelines should be addressed to the District's General Counsel.

If more than one Board meeting is held in succession on the same calendar day, they collectively shall count as a single meeting for the payment of a stipend. Such classification applies only to regular, special, closed and executive sessions and shall not apply to successive Committee meetings in which a Director may be a member.

- C) Board members shall receive compensation of insurance premiums up to \$10,600 per fiscal year (July 1 to June 30). Insurance premiums (coverage may be applied to the Board member, their spouse or registered domestic partner, and children) include medical, dental, and vision and include any combination of the following.
1. Board member may receive insurance coverage through the District. Board member shall be responsible for reimbursing the District for premiums exceeding \$10,600 per fiscal year.
 2. Reimburse Medicare premiums.
 3. Reimburse supplemental insurance premiums.
 4. Reimburse the portion of insurance premiums withheld from Board member's payroll.
 5. Reimbursement does not apply to COBRA insurance premiums when Board member leaves office.



AUTHORITIES

Desert Healthcare District Bylaws Article IV, section 4.6
Desert Healthcare District Resolution No. 19-08

DOCUMENT HISTORY

Revised	06-28-2022
Revised	02-23-2021
Revised	04-23-2019
Approved	07-24-2018

DRAFT



POLICY TITLE: TICKET DISTRIBUTION POLICY

POLICY NUMBER: BOD-18

COMMITTEE APPROVAL: [06-15-2022](#)~~[10-23-2019](#)~~

BOARD APPROVAL: [06-28-2022](#)~~[10-23-2019](#)~~

POLICY #BOD-18: From time to time the Desert Healthcare District and Desert Healthcare Foundation (collectively referred to herein as "District") receives event tickets and/or passes from public and private entities and individuals or purchases event tickets and/or passes in connection with the District's operations and activities in furtherance of the District's public purposes. These tickets and/or passes purchased or received by the District are public resources of the District.

The District desires to use such tickets and/or passes to further governmental and public purposes of the District, such as the promotion of the District's activities and programs, and to avail the District and its officials, as defined in Government Code Section 82048 and Fair Political Practices Commission Regulation 18701 (Title 2, Division 6, California Code of Regulations referred to herein as "FPPC Regulation"), of the ability to distribute tickets and/or passes pursuant to FPPC Regulation 18944.1. The furtherance of the District's governmental and public purposes may require the distribution of said tickets and/or passes to "public officials," as that term is defined in Government Code Section 82048; and

FPPC Regulation 18944.1(e) requires that any distribution of said tickets and/or passes to, or at the behest of, an authorized District Official must be made pursuant to a duly adopted written policy, if such distribution is made under that regulation, and that the District must receive value equal to or greater than the value of the event ticket or pass it distributes to a District Official. As provided in FPPC Regulation 18944.1(c), such tickets and/or passes distributed in accordance with a duly adopted policy are not considered gifts to public officials. Accordingly, the Board of Directors of the Desert Healthcare District adopts the following Ticket Distribution policy:

Section 1: Definitions.



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- a. "District Official" shall mean and refer to a District "public official" as that term is defined by Government Code Section 82048 and FPPC Regulation 18701 and shall include Board members, employees, and consultants required to file an annual Statement of Economic Interest Form 700.
- b. "Authorized District Official" shall mean a Board member or the [Chief Executive Officer \("CEO"\)](#) who shall be authorized to request the District's purchase of tickets or passes in accordance with Section 5 below.
- c. "Ticket" or "pass" as these terms are defined in FPPC Regulation 18944.1, as amended, and as of this date means admission to a facility, event, show, or performance for entertainment, amusement, recreation, or similar purpose.
- d. "Ticket Coordinator" shall mean the CEO or ~~their~~~~his~~~~or~~~~her~~ designee who shall be responsible for distributing tickets in accordance with this policy and completing and posting the FPPC Form 802.

Section 2: Purpose of the Policy. The purpose of this Policy is to ensure that all tickets and passes the District receives from public and private entities and individuals, which are either complimentary or purchased by the District, are distributed in furtherance of a public purpose of the District and are not utilized for any election-related purposes.

Section 3: Limitation. This Policy shall only apply to the District's distribution of tickets and/or passes to, or those that are purchased at the behest of, an Authorized District Official.

Section 4: Public Purposes for Ticket Distribution. The following list is illustrative, rather than exhaustive, of the public purposes the District may accomplish by the distribution of tickets to, or at the behest of, a District Official:

- a. Representation of the District at events on federal, state, and regional levels.
- b. Representation and promotion of the Desert Healthcare District at District sponsored or supported community events and programs.
- c. Increasing public exposure to and awareness of District sponsorships, grants, initiatives, projects, and facilities related to promoting the mission and vision of the District.



- d. Promotion of District issues and representation at events sponsored by other governmental entities or government-related industry groups and non-profit organizations.
- e. Recognizing or rewarding meritorious service by any District Official or employee and recognizing contributions made by current and former District Officials.

Section 5: Purchase of Tickets or Passes. Authorized District Officials may request the Ticket Coordinator purchase up to two (2) tickets in accordance with the public purposes of this policy for use by the District Official, an immediate family member (spouse or dependent children), or one other person. \$20,000 per fiscal year beginning July 1, 2019 shall be budgeted for the purchase of tickets and the purchase of tickets for use by any individual Authorized District Official shall not exceed \$2,500 per fiscal year.

Section 6: Transfer Prohibition. The transfer by any District Official of any ticket distributed pursuant to this policy to any other person, except to other District Officials and staff members of the District, is prohibited. For tickets or passes that are unable to be used by the original recipient, the Ticket ~~Coordinator~~Administrator shall have the discretion to redistribute to other District Officials or, staff members, ~~or community members~~.

Section 7: Posting Form 802 on Website. Within thirty (30) days of distributing a ticket or pass, the District shall post a completed FPPC Form 802 on the District's website.

Section 8: Exemptions to Policy. Tickets or passes that are not subject to this policy include the following:

- a. Ceremonial Role or Function. Tickets or passes provided to an Authorized District Official where the official will perform a ceremonial role or function on behalf of the District are not considered gifts to the Authorized District Official.
- b. Reimbursement. The Authorized District Official reimburses the District for the face value of the ticket or pass within thirty (30) days of receipt or acceptance of the ticket or pass, as defined in the Political Reform Act.
- c. Income. The Authorized District Official treats the ticket or pass as income consistent with federal and state income tax laws and reports distribution of



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the tickets or passes as income to the Authorized District Official on the FPPC Form 802. The official will also have to report it as a gift on their 700 Forms.

- d. Political and Non-Profit Fundraisers. Ticket(s) (up to two) to political and non-profit events that are provided directly to the public official by the political committee or 501(c)(3) organization and do not involve the District are not considered gifts (Regulation 18944.1).

AUTHORITIES

Desert Healthcare District Bylaws Article V, section 5.6
Desert Healthcare District Resolution No. 19-05

DOCUMENT HISTORY

<u>Revised</u>	<u>06-28-2022</u>
Approved	04-23-2019



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POLICY TITLE: TICKET DISTRIBUTION POLICY
POLICY NUMBER: BOD-18
COMMITTEE APPROVAL: 06-15-2022
BOARD APPROVAL: 06-28-2022

POLICY #BOD-18: From time to time the Desert Healthcare District and Desert Healthcare Foundation (collectively referred to herein as "District") receives event tickets and/or passes from public and private entities and individuals or purchases event tickets and/or passes in connection with the District's operations and activities in furtherance of the District's public purposes. These tickets and/or passes purchased or received by the District are public resources of the District.

The District desires to use such tickets and/or passes to further governmental and public purposes of the District, such as the promotion of the District's activities and programs, and to avail the District and its officials, as defined in Government Code Section 82048 and Fair Political Practices Commission Regulation 18701 (Title 2, Division 6, California Code of Regulations referred to herein as "FPPC Regulation"), of the ability to distribute tickets and/or passes pursuant to FPPC Regulation 18944.1. The furtherance of the District's governmental and public purposes may require the distribution of said tickets and/or passes to "public officials," as that term is defined in Government Code Section 82048; and

FPPC Regulation 18944.1(e) requires that any distribution of said tickets and/or passes to, or at the behest of, an authorized District Official must be made pursuant to a duly adopted written policy, if such distribution is made under that regulation, and that the District must receive value equal to or greater than the value of the event ticket or pass it distributes to a District Official. As provided in FPPC Regulation 18944.1(c), such tickets and/or passes distributed in accordance with a duly adopted policy are not considered gifts to public officials. Accordingly, the Board of Directors of the Desert Healthcare District adopts the following Ticket Distribution policy:

Section 1: Definitions.



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- a. “District Official” shall mean and refer to a District “public official” as that term is defined by Government Code Section 82048 and FPPC Regulation 18701 and shall include Board members, employees, and consultants required to file an annual Statement of Economic Interest Form 700.
- b. “Authorized District Official” shall mean a Board member or the Chief Executive Officer (“CEO”) who shall be authorized to request the District’s purchase of tickets or passes in accordance with Section 5 below.
- c. “Ticket” or “pass” as these terms are defined in FPPC Regulation 18944.1, as amended, and as of this date means admission to a facility, event, show, or performance for entertainment, amusement, recreation, or similar purpose.
- d. “Ticket Coordinator” shall mean the CEO or their designee who shall be responsible for distributing tickets in accordance with this policy and completing and posting the FPPC Form 802.

Section 2: Purpose of the Policy. The purpose of this Policy is to ensure that all tickets and passes the District receives from public and private entities and individuals, which are either complimentary or purchased by the District, are distributed in furtherance of a public purpose of the District and are not utilized for any election-related purposes.

Section 3: Limitation. This Policy shall only apply to the District’s distribution of tickets and/or passes to, or those that are purchased at the behest of, an Authorized District Official.

Section 4: Public Purposes for Ticket Distribution. The following list is illustrative, rather than exhaustive, of the public purposes the District may accomplish by the distribution of tickets to, or at the behest of, a District Official:

- a. Representation of the District at events on federal, state, and regional levels.
- b. Representation and promotion of the Desert Healthcare District at District sponsored or supported community events and programs.
- c. Increasing public exposure to and awareness of District sponsorships, grants, initiatives, projects, and facilities related to promoting the mission and vision of the District.



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- d. Promotion of District issues and representation at events sponsored by other governmental entities or government-related industry groups and non-profit organizations.
- e. Recognizing or rewarding meritorious service by any District Official or employee and recognizing contributions made by current and former District Officials.

Section 5: Purchase of Tickets or Passes. Authorized District Officials may request the Ticket Coordinator purchase up to two (2) tickets in accordance with the public purposes of this policy for use by the District Official, an immediate family member (spouse or dependent children), or one other person. \$20,000 per fiscal year beginning July 1, 2019 shall be budgeted for the purchase of tickets and the purchase of tickets for use by any individual Authorized District Official shall not exceed \$2,500 per fiscal year.

Section 6: Transfer Prohibition. The transfer by any District Official of any ticket distributed pursuant to this policy to any other person, except to other District Officials and staff members of the District, is prohibited. For tickets or passes that are unable to be used by the original recipient, the Ticket Coordinator shall have the discretion to redistribute to other District Officials or staff members.

Section 7: Posting Form 802 on Website. Within thirty (30) days of distributing a ticket or pass, the District shall post a completed FPPC Form 802 on the District's website.

Section 8: Exemptions to Policy. Tickets or passes that are not subject to this policy include the following:

- a. **Ceremonial Role or Function.** Tickets or passes provided to an Authorized District Official where the official will perform a ceremonial role or function on behalf of the District are not considered gifts to the Authorized District Official.
- b. **Reimbursement.** The Authorized District Official reimburses the District for the face value of the ticket or pass within thirty (30) days of receipt or acceptance of the ticket or pass, as defined in the Political Reform Act.
- c. **Income.** The Authorized District Official treats the ticket or pass as income consistent with federal and state income tax laws and reports distribution of the tickets or passes as income to the Authorized District Official on the FPPC Form 802. The official will also have to report it as a gift on their 700 Forms.



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- d. Political and Non-Profit Fundraisers. Ticket(s) (up to two) to political and non-profit events that are provided directly to the public official by the political committee or 501(c)(3) organization and do not involve the District are not considered gifts (Regulation 18944.1).

AUTHORITIES

Desert Healthcare District Bylaws Article V, section 5.6
Desert Healthcare District Resolution No. 19-05

DOCUMENT HISTORY

Revised	06-28-2022
Approved	04-23-2019

DRAFT



POLICY TITLE: AUTHORIZED CHECK SIGNERS, NUMBER OF SIGNERS, DOLLAR LIMIT FOR SIGNERS, TRANSFER OF FUNDS

POLICY NUMBER: FIN-02

COMMITTEE APPROVAL: ~~06-15-2022~~06-17-2020

BOARD APPROVAL: ~~06-28-2022~~06-23-2020

POLICY #FIN-02: It is the policy of the Desert Healthcare District's Board of Directors ("Board") to prudently disburse funds of the Desert Healthcare District ("District") in order to maintain Board-level oversight. It is intended that this policy covers all accounts and disbursement activities of the District and the Desert Healthcare Foundation ("Foundation").

GUIDELINES:

1. Authorized signers on District and Foundation bank accounts are to be ~~all~~a minimum of four (4) Board Members, including the Chairperson of the Finance & Administration Committee and the Chief Executive Officer (CEO).
2. Checks under \$5,000.00 only require one signature. The CEO may be the one signer for any budgeted or Board approved item.
3. Checks ~~over~~ \$5,000.00 and over require two signatures. (The CEO and one Bboard member or two Bboard members).
4. Checks payable to a check signer (or associated with the check signer) are to be signed by other authorized signers.
5. External Transfer~~transfer~~ of funds are to be authorized by the District/Foundation Treasurer, or Board President, or any other authorized Director. Transfer of funds between internal operating accounts (District, Foundation, & Las Palmas Medical Plaza) is permitted by the Chief Administration Officer.



DESERT HEALTHCARE
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AUTHORITY

Desert Healthcare District Bylaws Article V, section 5.6 & Article VII

DOCUMENT HISTORY

<u>Revised</u>	<u>06-28-2022</u>
Revised	06-23-2020
Approved	03-22-2016

DRAFT



DESERT HEALTHCARE
DISTRICT & FOUNDATION

POLICY TITLE: AUTHORIZED CHECK SIGNERS, NUMBER OF SIGNERS, DOLLAR LIMIT FOR SIGNERS, TRANSFER OF FUNDS

POLICY NUMBER: FIN-02

COMMITTEE APPROVAL: 06-15-2022

BOARD APPROVAL: 06-28-2022

POLICY #FIN-02: It is the policy of the Desert Healthcare District's Board of Directors ("Board") to prudently disburse funds of the Desert Healthcare District ("District") in order to maintain Board-level oversight. It is intended that this policy covers all accounts and disbursement activities of the District and the Desert Healthcare Foundation ("Foundation").

GUIDELINES:

1. Authorized signers on District and Foundation bank accounts are to be a minimum of four (4) Board Members, including the Chairperson of the Finance & Administration Committee and the Chief Executive Officer (CEO).
2. Checks under \$5,000.00 only require one signature. The CEO may be the one signer for any budgeted or Board approved item.
3. Checks \$5,000.00 and over require two signatures. (The CEO and one Board member or two Board members).
4. Checks payable to a check signer (or associated with the check signer) are to be signed by other authorized signers.
5. External transfer of funds are to be authorized by the District/Foundation Treasurer or any other authorized Director. Transfer of funds between internal operating accounts (District, Foundation, & Las Palmas Medical Plaza) is permitted by the Chief Administration Officer.

AUTHORITY



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Desert Healthcare District Bylaws Article V, section 5.6 & Article VII

DOCUMENT HISTORY

Revised	06-28-2022
Revised	06-23-2020
Approved	03-22-2016

DRAFT



POLICY TITLE: STATEMENT OF INVESTMENT POLICY

POLICY NUMBER: FIN-03

COMMITTEE APPROVAL: ~~06-15-2022~~[06-17-2020](#)

BOARD APPROVAL: ~~06-28-2022~~[06-23-2020](#)
Resolution 20-04

POLICY #FIN-03: It is the policy of the Desert Healthcare District (“District”) Board of Directors pursuant to Government Code Section 53646 to annually approve a Statement of Investment Policy.

1. District funds not required for immediate expenditures will be invested in compliance with the provisions of Government Code section 53600-53683.
 - 1.a Criteria for selecting investments and the absolute order of priority are safety, liquidity, and yield.
 - 1.b Investments will be made in a range of instruments and maturity dates to ensure diversification and liquidity of assets in an emergency or when a large cash outlay is necessary.
2. The instruments of investment to be used are Certificates of Deposit, Local Agency Investment Fund, Treasury Bills and Notes, U.S. Governmental Agency Obligations, Repurchase Agreements, and Savings Accounts.
 - 2.a. Deposits will be fully collateralized as required by Government Code Section 53652 or insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, and the Contract for Deposit of Monies will indicate the type and amount of collateral.
 - 2.b. Investments in repurchased agreements or reverse purchase agreements shall not be made without the prior approval of the Board of Directors and shall be subjected to the provisions of Government Code Section 53601.



DESERT HEALTHCARE
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- 2.c. All Certificates of Deposit shall mature no later than one (1) year from the date of investment and Governmental Instruments shall mature no later than five (5) years from the date of investment.
3. No investment shall be made pursuant to the provisions of Government Code Section 53601.1. in financial futures or financial option contracts without the prior approval of the Board of Directors. Only a Primary Government Securities Dealer shall be used for the purchase of Agency Obligations.
- 3.a. No Investments shall be made in stocks or holdings of companies which manufacture or sell tobacco products and firearms, or securities of companies in the soft drink ~~or~~ restaurant, alcohol, or cannabis industries.
- 3.b. A list of investments will be submitted to the Board of Directors on a quarterly basis indicating type, purchase and maturity dates, rate, amount, fund, and percentages.
- 3.c. A committee of the Board of Directors shall meet no less than on a quarterly basis with staff and District consultants to review District investments, to appraise market conditions, and report to the Board of Directors.

AUTHORITY

State of California Government Code Section 53646
Desert Healthcare District Resolution No. 20-04

DOCUMENT HISTORY

<u>Reviewed</u>	<u>06-28-2022</u>
Revised	06-23-2020
Approved	06-28-2016



DESERT HEALTHCARE
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POLICY TITLE: STATEMENT OF INVESTMENT POLICY
POLICY NUMBER: FIN-03
COMMITTEE APPROVAL: 06-15-2022
BOARD APPROVAL: 06-28-2022
Resolution 20-04

POLICY #FIN-03: It is the policy of the Desert Healthcare District (“District”) Board of Directors pursuant to Government Code Section 53646 to annually approve a Statement of Investment Policy.

1. District funds not required for immediate expenditures will be invested in compliance with the provisions of Government Code section 53600-53683.
 - 1.a Criteria for selecting investments and the absolute order of priority are safety, liquidity, and yield.
 - 1.b Investments will be made in a range of instruments and maturity dates to ensure diversification and liquidity of assets in an emergency or when a large cash outlay is necessary.
2. The instruments of investment to be used are Certificates of Deposit, Local Agency Investment Fund, Treasury Bills and Notes, U.S. Governmental Agency Obligations, Repurchase Agreements, and Savings Accounts.
 - 2.a. Deposits will be fully collateralized as required by Government Code Section 53652 or insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, and the Contract for Deposit of Monies will indicate the type and amount of collateral.
 - 2.b. Investments in repurchased agreements or reverse purchase agreements shall not be made without the prior approval of the Board of Directors and shall be subjected to the provisions of Government Code Section 53601.



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- 2.c. All Certificates of Deposit shall mature no later than one (1) year from the date of investment and Governmental Instruments shall mature no later than five (5) years from the date of investment.
3. No investment shall be made pursuant to the provisions of Government Code Section 53601.1. in financial futures or financial option contracts without the prior approval of the Board of Directors. Only a Primary Government Securities Dealer shall be used for the purchase of Agency Obligations.
- 3.a. No Investments shall be made in stocks or holdings of companies which manufacture or sell tobacco products and firearms, or securities of companies in the soft drink, restaurant, alcohol, or cannabis industries.
- 3.b. A list of investments will be submitted to the Board of Directors on a quarterly basis indicating type, purchase and maturity dates, rate, amount, fund, and percentages.
- 3.c. A committee of the Board of Directors shall meet no less than on a quarterly basis with staff and District consultants to review District investments, to appraise market conditions, and report to the Board of Directors.

AUTHORITY

State of California Government Code Section 53646
Desert Healthcare District Resolution No. 20-04

DOCUMENT HISTORY

Reviewed	06-28-2022
Revised	06-23-2020
Approved	06-28-2016

RESOLUTION NO. 22-13

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE DESERT HEALTHCARE DISTRICT
APPROVING STATEMENT OF INVESTMENT POLICY
FOR FISCAL YEAR 2022/2023**

WHEREAS, pursuant to Government Code section 53646, the Board of Directors of the Desert Healthcare District shall annually approve a Statement of Investment Policy; and

WHEREAS, the annual Statement of Investment Policy of the Desert Healthcare District is as follows:

Desert Healthcare District (“District”) funds not required for immediate expenditure will be invested in compliance with the provisions of Government Code sections 53600-53683. Criteria for selecting investments and the absolute order of priority are safety, liquidity, and yield. Investments will be made in a range of instruments and maturity dates to insure diversification and liquidity of assets in an emergency or when a large cash outlay is necessary.

The instruments of investment to be used are Certificates of Deposit, Local Agency Investment Fund, Treasury Bills and Notes, U.S. governmental Agency Obligations, Repurchase Agreements, and Savings Accounts. Deposits will be fully collateralized as required by government Code section 53652 or insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, and the Contract for Deposit of Monies will indicate the type and amount of collateral.

Investments in repurchase agreements or reverse purchase agreements shall not be made without the prior approval of the Board of Directors and shall be subject to the provisions of Government Code section 53601.

All Certificates of Deposit shall mature not later than one (1) year from the date of investment and Governmental Instruments shall mature not later than five (5) years from the date of investment.

No investment shall be made pursuant to the provisions of Government Code section 53601.1 in financial futures or financial option contracts without the prior approval of the Board of Directors. Only a Primary Government Securities Dealer shall be used for the purchase of Agency Obligations.

No Investments shall be made in stocks or holdings of companies which manufacture or sell tobacco products and firearms, or securities of companies in the soft drink, restaurant, alcohol, and cannabis industries.

Adhering to the provisions of this Statement of Investment Policy, the Chief Executive Officer with District consultants shall coordinate the investment of surplus funds with guidance and approval from the Treasurer and the Board of Directors.

A list of investments will be submitted to the Board of Directors on a quarterly basis indicating type, purchase and maturity dates, rate, amount, fund, and percentages.

A committee of the Board of Directors shall meet no less than on a quarterly basis with staff and District consultants to review District investments, to appraise market conditions, and report to the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Desert Healthcare District as follows:

Section 1: The Annual Statement of Investment Policy for fiscal year 2022/2023 is hereby approved and the District Treasurer is directed to follow this Statement of Investment Policy in investing District funds.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of the Desert Healthcare District held on June 28, 2022 by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Karen Borja, President
Board of Directors

ATTEST:

Carmina Zavala, Secretary
Board of Directors



POLICY TITLE: CREDIT CARD USAGE

POLICY NUMBER: FIN-05

COMMITTEE APPROVAL: 06-15-2022~~06-17-2020~~

BOARD APPROVAL: 06-28-2022~~06-23-2020~~

POLICY #FIN-05: It is the policy of the Desert Healthcare District (“District”) Board of Directors to prescribe the internal controls for management of the District & Foundation credit card(s).

1. Scope. –In general, it is the policy of the District to establish accounts with vendors for invoicing. –Credit cards are to be used only for one-time purchases making account establishment impractical, or only for situations where payment by check is not possible (e.g., on-line trainings, etc.).
2. A District credit card will be issued to the Chief Executive Officer (CEO) and/or the Chief Administration Officer (CAO). A Foundation credit card will be issued to the CEO, CAO, and Chief of Community Engagement (CCE). The credit card will not be issued to or used by members of the Board of Directors.
 - 2.a All credit card bills will be paid in a timely manner to avoid late fees and finance charges, whenever possible.
 - 2.b All credit card expenses will be reasonable and necessary to the furtherance of District/Foundation business. No personal expenses will be charged on a District/Foundation credit card. If there is an overlap on a transaction between personal and District/Foundation business, the employee will pay for the transaction personally and then request reimbursement by the District/Foundation. In the event of a charge which includes both personal and District/Foundation business, reimbursement shall be made to the District/Foundation immediately.
 - 2.c All credit card transactions will have third-party documents (receipts) attached and the District/Foundation purpose annotated by the cardholder.



DESERT HEALTHCARE
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2.d The Chief Administration Officer will review and approve credit card transactions by all cardholders. The Chief Executive Officer will review and approve credit card transactions by the Chief Administration Officer. The credit card [expenditure report](#) with [amounts receipts](#) and purpose will be reviewed by the Finance, Legal, Administration, and Real Estate Committee each month.

AUTHORITY

Desert Healthcare District Bylaw Article IV, section 4.1

DOCUMENT HISTORY

Revised	06-28-2022
Revised	06-23-2020
Approved	06-28-2016

DRAFT



POLICY TITLE: CREDIT CARD USAGE
POLICY NUMBER: FIN-05
COMMITTEE APPROVAL: 06-15-2022
BOARD APPROVAL: 06-28-2022

POLICY #FIN-05: It is the policy of the Desert Healthcare District (“District”) Board of Directors to prescribe the internal controls for management of the District & Foundation credit card(s).

1. Scope. In general, it is the policy of the District to establish accounts with vendors for invoicing. Credit cards are to be used only for one-time purchases making account establishment impractical, or only for situations where payment by check is not possible (e.g., on-line trainings, etc.).
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 - 2.b All credit card expenses will be reasonable and necessary to the furtherance of District/Foundation business. No personal expenses will be charged on a District/Foundation credit card. If there is an overlap on a transaction between personal and District/Foundation business, the employee will pay for the transaction personally and then request reimbursement by the District/Foundation. In the event of a charge which includes both personal and District/Foundation business, reimbursement shall be made to the District/Foundation immediately.
 - 2.c All credit card transactions will have third-party documents (receipts) attached and the District/Foundation purpose annotated by the cardholder.



DESERT HEALTHCARE
DISTRICT & FOUNDATION

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AUTHORITY

Desert Healthcare District Bylaw Article IV, section 4.1

DOCUMENT HISTORY

Revised	06-28-2022
Revised	06-23-2020
Approved	06-28-2016

DRAFT



Remote Work Agreement

DESERT HEALTHCARE
DISTRICT & FOUNDATION

Employee Name	
Name of Supervisor	

Telework Schedule

Telework Schedule	_____ days per week OR _____ days per month
Telework Hours	_____ a.m. to _____ p.m.

_____ I acknowledge that my telework schedule may not be changed without prior written approval from the CAO.

_____ I acknowledge that requests to work overtime, utilize sick leave, request time off, or request a leave of absence must be approved by my immediate supervisor in the same manner as when working in the District's office.

_____ I acknowledge that if I am sick on a remote workday, I am required to report the hours worked, and I must use sick leave or other accrued time to cover the hours not worked.

_____ I acknowledge that my remote work location is considered an extension of the District's workspace, and that the District's workers' compensation liability for job-related accidents or injury will apply during my established telework hours.

_____ I acknowledge that I am liable for injuries to any third parties or members of my family, guests, or others present at the telework location.

_____ I acknowledge that I am responsible for designating a workspace for the installation of equipment to be used while teleworking. I agree to maintain the space in a safe condition, free of hazards and other dangers to myself and to District equipment.

Telework Equipment & Supplies

_____ I acknowledge that any equipment provided by the District for the purpose of facilitating telework may only be used by me for purposes relating to only to District business.

_____ I acknowledge that I may need to use my own equipment, if the District does not issue equipment.



Remote Work Agreement

DESERT HEALTHCARE
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Telework Agreement	Employee Name:
Page 2 of 3	

_____ I acknowledge that I am responsible for the repair and maintenance of any personal equipment that I provide to support remote work.

_____ I acknowledge that if I am issued District equipment, I am responsible for ensuring that all District equipment is used properly and that the District will provide repair for District equipment as needed.

_____ I acknowledge that in the event of any delay in repair or replacement of District equipment, or other circumstances that would make it impossible for me to work remotely, my supervisor or management may assign other work or request that I return to the District Office until the issue(s) is resolved.

_____ I acknowledge receipt of the following District equipment to support my telework.

Item:	Item:
Item:	Item:
Item:	Item:

_____ I acknowledge that I will “check out” all supplies needed to support my telework assignment.

Expenses Related to Telework

_____ I acknowledge that the District will not pay for, or reimburse, the following expenses:

- Maintenance or repairs of privately owned equipment
- Utility costs associated with the use of electronics
- Costs associated with the occupation of the home / offsite work location
- Travel expenses associated with commuting to the District office
- Out of pocket expenses for supplies that are regularly available at the District office (unless approved in advance and in writing by the CAO).



Remote Work Agreement

Telework Agreement	Employee Name:
Page 3 of 3	

Telework Provisions

_____ I acknowledge that the Telework assignment is entirely voluntary and may be terminated by me or the District; the rationale for termination by the District will be provided in writing.

_____ I acknowledge that the duties, obligations, responsibilities, and conditions of my employment with the District are unchanged; I also acknowledge that my salary, retirement, benefits, and District-sponsored insurance coverage are unchanged.

_____ I acknowledge that work hours and overtime compensation must conform to the law.

_____ I acknowledge that individual tax implications related to telework are my responsibility, and I understand that any questions in this regard should be posed to a tax expert, at my expense.

Final Acknowledgements

_____ I acknowledge that I remain obligated to comply with all District rules, policies, procedures, practices, and instructions. Violation of the District's policies may result in preclusion from telework and/or disciplinary action, up to and including termination of employment.

_____ I acknowledge that telework is not intended as a substitute for providing care of adult dependents or children and that I must make regular arrangements for the care of dependent adults or children.

Employee Name	
Signature	
Date	

CAO Name	
Signature	
Date	