

# 32<sup>nd</sup> District Agricultural Association

## Board Policies

### Introduction

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The 32<sup>nd</sup> District Agricultural Association (the 32nd DAA) is a California state institution that is organized in accordance with the California Food and Agricultural Code (the Code).

The 32nd DAA's purposes under the Code are (1) to hold fairs, expositions and exhibitions in Orange County to exhibit the industries and industrial enterprises, resources, and products of every kind or nature of the state, with a view toward improving, exploiting, encouraging, and stimulating them; and (2) to construct, maintain, and operate recreational and cultural facilities of general public interest in Orange County. The 32nd DAA has adopted a mission statement to effectuate these purposes, which is the **celebration of Orange County's communities, interests, agriculture and heritage.**

Currently, the 32nd DAA does business under the name of the OC Fair & Event Center. The 32nd DAA operates a 150-acre fairgrounds in Costa Mesa, California, and produces the Orange County Fair each summer. The 32nd DAA also operates a veterans museum and education center (Heroes Hall), a three-acre working farm (Centennial Farm), one of the top-rated concert venues in the country (the Pacific Amphitheatre), and an equestrian center. Two tax-exempt nonprofit corporations are also controlled by the 32nd DAA and raise funds to support certain of its programs: Heroes Hall Veterans Foundation and Centennial Farm Foundation.

In accordance with Section 3965(b) of the Code, a nine-person Board of Directors (the Board) manages the affairs of the 32nd DAA and guides its strategic direction. Board Members are state officers appointed by the Governor of California. In accordance with the Code, the Board delegates certain powers and responsibilities for managing the affairs of the 32<sup>nd</sup> DAA to the Chief Executive Officer (the CEO) and other designated employees. This delegation is subject to the 32nd DAA's Bylaws as well as the Board Policies set forth in this manual.

Board Policies set forth the framework for how Board Members, the CEO, and other 32nd DAA employees are to carry out their individual and shared responsibilities as they work together to serve the community. These policies formalize:

- The core institutional values and ethical framework of the 32nd DAA;
- The responsibilities and authority of the Board as a body and of its members individually;
- The responsibilities and authority of the 32nd DAA's employees, including the CEO;
- The relationship between the Board, the CEO, and other employees of the 32nd DAA;  
and
- The general principles that guide the Board's governance practices.

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## Board Policies

### Board Policy 1.01: Policy Framework and Definitions

*Date Adopted/Last Revised: Month #, 20XX*

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#### Purpose

In order to promote consistency and clarity of information, this policy establishes a framework for all 32nd DAA policies. This policy applies to all 32nd DAA policies, regardless of their date of adoption.

#### Policy

To be an official 32nd DAA policy, a policy must either be approved by the Board or issued by the CEO or other Executives as delegated by the CEO. The 32nd DAA is responsible for ensuring that policies are up to date, so policies may change at any time. In the event of a conflict between a Bylaw and a Board Policy, the Bylaw will supersede. In the event of a conflict between a Board Policy and any other organizational policy, the Board Policy will supersede. Board Policies are to be understood in conjunction with, and incorporate, all applicable laws, regulations, and policies. All 32nd DAA Personnel are expected and required to know and act in accordance with all Board Policies.

The 32nd DAA's policies and related documents can be categorized as follows:

- **Board Bylaws:** The 32nd DAA's Bylaws outline the organizational framework of the 32nd DAA and set forth rules for how the 32nd DAA's Board **and officers** govern the 32nd DAA. The Board is responsible for amending the Bylaws, as necessary (see Bylaws for relevant procedural details).
- **Board Policies:** The 32nd DAA's Board Policies set forth requirements that the Board has adopted regarding to how the Board, the CEO, and other 32nd DAA employees carry out their individual and shared responsibilities as they work together to serve the community. The Board is responsible for periodically evaluating and updating these policies. These policies must be adhered to by all 32nd DAA Personnel.

**Comment [m1]:** We agree with Josh. This should be deleted or defined as Board Chair and Board Vice Chair. We don't need it since they are included in the Board.

- **Management Policies:** The Board has delegated responsibility to the CEO to establish, approve, and maintain policies with respect to operational matters that are not addressed in Board Policies. These are referred to as Management Policies. At their core, all Management Policies arise from the authority of the Board and therefore must align with the framework and strategies approved by the Board and be consistent with all Board Policies. The CEO is responsible for periodically evaluating the Management Policies and should develop a schedule for policy review to ensure they remain current. All Management Policies must be adhered to by all 32nd DAA employees.
- **Procedures:** Procedures provide step-by-step instructions for carrying out policies. The Board is responsible for establishing, approving, and maintaining any procedures for Board-related activities or the implementation of Board Policies. The Board may ask the CEO for assistance in developing procedures related to the implementation of Board Policies. The CEO—along with Executives, the Human Resources Director, and process owners—is responsible for establishing, approving, and maintaining related procedure documentation for Management Policies and for any management action items needed to follow or assist the Board in following Board Policies.

## Definitions of Capitalized Terms Used in Board Policies

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The definitions of capitalized terms used throughout the Board Policies are set forth below. Each individual Board Policy may have additional defined terms.

- **32nd DAA:** 32nd District Agricultural Association, doing business as OC Fair & Event Center
- **32nd DAA Personnel:** all Board Members and all employees of the 32nd DAA
- **Attorney General:** the Attorney General of the State of California, or his/her authorized designee
- **Board:** the Board of Directors of the 32nd DAA
- **Board Chair:** the Board Member elected by the Board to serve as President of the 32nd DAA and as chair of the Board
- **Board Member:** an individual appointed by the Governor of California to serve as a member of the Board
- **Board Policy:** a policy adopted by the Board
- **Board Vice Chair:** the Board Member elected by the Board to serve as vice chair of the Board; serves as the Board Chair in his/her absence
- **CDFA:** California Department of Food & Agriculture

- **CEO:** an individual appointed by and responsible to the Board to hold all of the following offices: chief executive officer, general manager, secretary, and treasurer; the highest ranking employee of the 32nd DAA
- **Code:** California Food and Agricultural Code
- **CEO Direct Report:** any employee who reports directly to the CEO (as of the date this Introduction was adopted, the following positions reported directly to the CEO: Vice President for Business Development, Vice President for Finance and Administration, Vice President for Operations, Human Resources Director, and Executive Assistant to the CEO)
- **Executives:** the CEO, Vice President for Business Development, Vice President for Finance and Administration, and Vice President for Operations
- **External Stakeholders:** customers, guests, neighbors, tenants, contractors, other government agencies, the public at large, and all other stakeholders of the 32nd DAA who are not 32nd DAA Personnel

32nd District Agricultural Association  
**Board Policies**

**Board Policy 2.01: Institutional Values**

*Date Adopted/Last Revised: Month #, 20XX*

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*Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01.*

**Purpose**

The purpose of this policy is to outline the institutional values of the 32nd DAA. These values are the ethical foundation for all activity conducted in connection with the 32nd DAA, including interactions among association personnel and interactions by association personnel with external stakeholders.

**Policy**

It is the policy of the 32nd DAA that all 32<sup>nd</sup> DAA Personnel know and act in accordance with the following institutional values.

**Institutional Values**

- **Safety:** We prioritize safety first and foremost in everything we do.
- **People:** We value all internal and external stakeholders by encouraging their participation and involvement in 32nd DAA programs and activities.
- **Integrity:** We are committed to honesty, transparency, and fairness in our relationships with one another and with external stakeholders. We do what is right regardless of who may be watching and follow through on our commitments.
- **Stewardship:** We recognize that the 32nd DAA is a California state institution and that all 32nd DAA Personnel hold a position of trust on behalf of the people of California. We are committed to serving as faithful stewards of the 32nd DAA's property, resources, and institutional values by acting in the best interest of the 32nd DAA.
- **Compliance:** We are each personally committed to ensuring compliance with all applicable laws, regulations, and policies through effective controls.

- **Diversity and Inclusion:** We celebrate people from all backgrounds, experiences, and identities. Because we are responsible not only for ourselves but also for others, we speak out against hatred and bigotry whenever and wherever we find them. We strive to maintain a welcoming community where everyone is treated with respect and dignity and can be proud of who they are.
- **Excellence:** We are committed to providing best-in-class programs and services by creating a culture of teamwork, innovation, and accountability.
- **Community and Neighborliness:** We build on the 32nd DAA's tradition of enriching the lives of all those we serve in a spirit of being good neighbors.

It is the responsibility of all 32nd DAA Personnel to apply these values in their activities for the 32nd DAA, whether in the workplace or any other setting in which they are representing the 32nd DAA. In turn, the 32nd DAA leadership team—led by the Board and the CEO—will strive to create an environment that supports every individual's ability to uphold and work by our shared ethical principles.

32nd District Agricultural Association  
**Board Policies**

**Board Policy 2.02: Code of Ethics**

*Date Adopted/Last Revised: Month #, 20XX*

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*Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01.*

**Purpose**

All 32nd DAA Personnel are responsible for adhering to the highest standards of ethical conduct and behavior. This Code of Ethics is designed to help 32nd DAA Personnel make ethical decisions in their work for the 32nd DAA. This Code of Ethics applies to all 32nd DAA Personnel, including any temporary workers and independent contractors employed by the 32nd DAA.

**Policy**

It is the policy of the Board that all 32nd DAA Personnel act in accordance with this Code of Ethics. While the Code of Ethics cannot address every issue, it provides basic principles to guide activities and decisions. Minimum compliance with legal requirements does not necessarily meet the standards set forth in this Code of Ethics. 32nd DAA Personnel are encouraged to consult with their supervisor, the CEO, or the Board Chair or Board Vice Chair regarding questions about whether a particular course of conduct meets the requirements of the Code of Ethics. All 32nd DAA Personnel are required to report any suspected wrongdoing at the 32nd DAA in accordance with the reporting procedures set forth in *Board Policy 2.05: Reporting Unethical Behavior*. Any directives or communications, whether formal or informal, that have the effect of discouraging such reporting are strictly prohibited.

**1. Uphold the Law and Ethical Principles**

32nd DAA Personnel are expected to follow the law and applicable regulations, both in letter and spirit. While ethical principles and legal requirements may overlap, in many respects they may differ. Ethical decision-making and practices should be considered along with legal



requirements and appropriately fill any gaps in legal interpretation and application. It is the policy of the Board that all 32nd DAA Personnel exhibit the highest fidelity to ethical conduct and avoid even the appearance of impropriety.

## **2. Professional Integrity and Responsibility**

All 32nd DAA Personnel are expected to add value to the 32nd DAA, contribute to its ethical success, and accept professional responsibility for individual decisions and actions. 32nd DAA Personnel are expected to serve as advocates for the 32nd DAA by engaging in activities that enhance its credibility and value.

### *General Guidelines*

1. Adhere to the highest standards of ethical and professional behavior, including honesty, transparency, and fairness.
2. Take actions that are grounded in furthering the mission of the 32nd DAA.
3. Take actions that are consistent with the institutional values of the 32nd DAA (see *Board Policy 2.01: Institutional Values*).
4. Strive to achieve the highest levels of service for the community served by the 32nd DAA.
5. Advocate for the appropriate treatment, appreciation, and care of all 32nd DAA Personnel and External Stakeholders as valuable individuals.
6. Do not harass, mistreat, belittle, harm, or take unfair advantage of anyone.
7. Do not tolerate lying, deliberate misrepresentation, theft, fraud, unlawful discrimination, or ill use of other individuals — whether such persons be guests, peers, superiors, subordinates, contractors, Board Members, members of the public, or other stakeholders.
8. Do not misappropriate the 32nd DAA's resources or resources belonging to others which are entrusted in the care of the 32nd DAA.

## **3. Ethical Leadership**

All 32nd DAA Personnel are expected to exhibit individual leadership as role models for exemplifying ethical conduct. All 32nd DAA Personnel should strive to earn individual respect and increase the organization's credibility with the people and community we serve.

### *General Guidelines*

1. Act ethically in every professional interaction. Several key questions can help identify actions or situations that may be unethical:
  - a. Do my actions comply with the law and the 32nd DAA's mission, values, and policies?
  - b. Have I been asked to misrepresent information or deviate from normal procedures?
  - c. Would I feel comfortable describing my decision or action in a public meeting?
  - d. Could I cause harm to the 32nd DAA, the 32nd DAA's reputation, 32nd DAA Personnel, or External Stakeholders?
2. Question (in a professional and appropriate way) pending individual and group actions or decisions when necessary to ensure that they are ethical and are implemented in an ethical, inclusive manner.
3. Seek expert guidance if in doubt about the ethical propriety of a situation.
4. When appropriate, champion the development of others as ethical leaders in the profession and the 32nd DAA through coaching and mentoring.

#### **4. Fairness, Diversity, and Inclusion**

All 32nd DAA Personnel are ethically responsible for promoting and fostering fairness, diversity, and inclusion for all 32nd DAA Personnel and External Stakeholders. In addition, the 32nd DAA has a policy of promoting fairness, diversity, and inclusion among its Board and staff and to the community at large in order to strengthen its programmatic effectiveness.

##### *General Guidelines*

1. Respect the uniqueness and intrinsic worth of every individual.
2. Treat people with dignity, respect and compassion to foster a trusting work and service environment free of harassment, intimidation, and unlawful discrimination.
3. Advocate for and take actions to ensure the organization's work and service environment promotes diversity and inclusion.
4. Develop, administer, and advocate policies and procedures that foster fair, consistent, and equitable treatment for all.
5. When involved in the HR process, promote diversity and inclusion in employee recruitment, hiring, promotion, and retention.

#### **5. Professional Competency**

All 32nd DAA Personnel must strive to meet the highest standards of professional competency and commit to strengthen their competencies on a continuous basis.

#### *General Guidelines*

1. Ensure adequate level of personal competency to perform assigned responsibilities and duties proficiently.
2. Be honest about individual level of competency and commit to continuous learning, skills development, and application of new knowledge related to our work.
3. Contribute to the organizational knowledge and growth of other 32nd DAA Personnel by openly sharing information and engaging in collaborative learning.

#### **6. Conflicts of Interest**

*See Board Policy 2.03: Conflicts of Interest.*

## Board Policies

### Board Policy 2.03: Conflicts of Interest

*Date Adopted/Last Revised: Month #, 20XX*

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*Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01.*

#### Purpose

It is in the best interest of the 32nd DAA to be aware of and properly manage all real, potential, and perceived conflicts of interest. This Board Policy is designed to help 32nd DAA Personnel identify situations that present potential conflicts of interest and to provide guidelines for handling perceived, potential, or actual conflicts of interest in accordance with the 32nd DAA's institutional values and legal requirements.

Section 2.03.01 sets forth the reporting procedure applicable to 32nd DAA employees other than the CEO and CEO Direct Reports.

Section 2.03.02 sets forth the reporting procedure applicable to Board Members, the CEO, and CEO Direct Reports.

*Note: This Board Policy supplements but does not replace any disclosure or recusal requirements set forth in the Conflict of Interest Code of the California Department of Food and Agriculture ("COI Code") or any other applicable state law or regulation, including but not limited to, California common law, California Government Code, section 1090, California Public Contracts Code, section 10410, and the Political Reform Act of 1974 (including any regulation promulgated by the Fair Political Practices Commission to enforce the Political Reform Act of 1974, [collectively, "California Law"]).*

**If any provision contained in this Board Policy conflicts with any provision set forth in the COI Code and/or California Law, the provision contained in the COI Code and/or California Law shall govern and control.**

## Definitions

For the purpose of this Board Policy, the following definitions apply:

- **Family Member:** any member of an employee's or Board Member's family (spouse, parent, sibling, child, stepchild, grandparent, grandchild, great-grandchild, in-law, or registered domestic partner)
- **Interest:** any interest, financial or otherwise, whether direct or indirect, including, but not limited to: being employed by, consulting with, holding office in (including serving on a fiduciary or advisory board of), representing, or deriving income from a Third Party
- **Related Source:** a course of contributions that are controlled or majority owned by the same party of another contribution.
- **Third Party:** any individual or entity, whether organized for profit or not-for-profit, other than the 32nd DAA
- **Transaction:** any transaction between a Third Party and the 32nd DAA in which the Third Party would receive something of value (whether financial or not) from the 32nd DAA

**Comment [MR1]:** Moss Adams added this definition to support clarity with the term below, but they were not sure it was necessary. The Committee agreed it was not necessary and should be eliminated.

## Policy

All 32nd DAA Personnel are expected and required to avoid any relationship or activity that might impair, or appear to impair, their ability to ethically carry out their responsibilities, without disclosing that information and obtaining the appropriate approval in accordance with this Board Policy.

In general, a conflict of interest may occur if an outside Interest or activity influences, appears to influence, or has the potential to influence the ability of an individual to exercise objectivity in the performance of their duties at the 32nd DAA or to perform their duties in the best interests of the 32nd DAA. Specific examples of potential conflicts of interest include, but are not limited to, situations where an employee or Board Member:

- Participates in decision-making related to, or otherwise seeks to influence, a potential Transaction between the 32nd DAA and a Third Party in which they have an Interest or their Family Member has an Interest.
- Receives compensation, gifts, favors, entertainment, personal advancement, or other benefits of more than a nominal value (\$100 per incident, \$500 accumulated annually from the same source) from a Third Party, which has engaged in, or seeks to engage in, a Transaction with the 32nd DAA.

**Comment [MR2]:** Current FPPC reporting requirements are \$500 annually from the same source. That limit is subject to change.

- Discloses or uses confidential, privileged, special, or inside information about the 32nd DAA or its employees or Board Members for personal gain or advantage.
- Has an opportunity to influence the 32nd DAA's business, administrative, or other material decisions in a manner that leads to personal gain or advantage.
- Uses their position at the 32nd DAA to obtain employment at the 32nd DAA for their Family Members or other Third Parties in which they have an Interest.

The above list of examples is not exhaustive. All 32nd DAA Personnel are expected to exercise careful judgment in determining whether or not to disclose a potential conflict of interest in accordance with this Board Policy. In the case of uncertainty about whether a situation constitutes a potential conflict of interest, 32nd DAA Personnel are encouraged to err on the side of disclosure.

### **2.03.01: Disclosure Requirement and Approval Procedure for Employees Other Than the CEO and CEO Direct Reports**

Any time an employee other than the CEO or CEO Direct Report is aware or becomes aware of facts or circumstances that could give rise to a potential conflict of interest or, in a reasonable person's judgment, could present the appearance of impropriety, such employee shall promptly report that information to their direct supervisor.

Any employee who is or becomes aware that the 32nd DAA is considering entering into a Transaction with a Third Party in which the employee (or their Family Member) has an Interest shall ensure that their direct supervisor is made aware of the potential conflict of interest *prior to* the Transaction being entered into by the 32nd DAA.

All disclosed information will be treated on a confidential basis, except to the extent necessary for the protection of the interests of the 32nd DAA or as otherwise required under California law. The CEO may issue additional policies and procedures to address these disclosures, provided that all disclosures shall be reviewed at least "two levels up" (*i.e.*, the supervisor of an employee who discloses any perceived, actual, or potential conflict of interest will consult with their own supervisor in addressing the disclosure).

### **Reporting and Violations of the Policy**

An employee who discovers or suspects a violation of this Board Policy should follow the procedures outlined in *Board Policy 2.05: Reporting Unethical Behavior*.

Violations of this Board Policy will be treated as serious misconduct. The Board delegates the responsibility to establish appropriate investigation and disciplinary procedures relating to violations of this section to the CEO.

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## 2.03.02: Disclosure Requirement and Approval Procedure for Board Members, CEO, and CEO Direct Reports

Any time the CEO, a CEO Direct Report, or a Board Member is aware or becomes aware of facts or circumstances that could give rise to a potential conflict of interest or, in a reasonable person's judgment, could present the appearance of impropriety, such individual shall promptly report that information to the Board at its next regularly scheduled meeting.

Any time the CEO, a CEO Direct Report, or a Board Member is aware, or becomes aware, that the 32nd DAA is considering entering into a Transaction with a Third Party in which the CEO, a CEO Direct Report, a Board Member, or one of the foregoing's Family Members may have an Interest, such individual shall disclose the existence of the potential conflict of interest and all material facts to the Board *in advance* of the Transaction being entered into by the 32nd DAA. Such report shall be made first to the Board Chair and Board Vice Chair and subsequently reviewed by the full Board in a publicly noticed meeting. The CEO shall not knowingly permit such a Transaction to proceed without first obtaining the Board's express approval following full disclosure to the Board, during a regularly scheduled meeting, of all material facts. This applies to Transactions above and below the amount of any delegation of signature authority made by the Board to the CEO.

**Comment [m3]:** What is the process if the Conflict of Interest is about the Board Chair or Vice Chair.

### Recusal

When the CEO, a CEO Direct Report, or a Board Member has an Interest in a proposed Transaction, that individual will provide information as requested and then will abstain from any deliberation on the merits of the proposal or the vote.

### Reporting Violations of the Policy

Any individual who discovers or suspects a conflict of interest should follow the procedures outlined in *Board Policy 2.05: Reporting Unethical Behavior*.

### Documentation

The minutes of any Board meeting at which any actual, potential, or perceived conflict of interest is disclosed or discovered involving the CEO, a CEO Direct Report, or a Board Member will contain:



- The name of the person who disclosed, or otherwise was found to have, an actual, potential, or perceived conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest or duality of interest in fact existed.
- The name of each person present for discussions, the vote of each Board Member relating to the Transaction, a summary of the discussion, including adopted alternatives to the proposed Transaction, and a record of any votes taken in connection with the discussion.

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32<sup>nd</sup> District Agricultural Association  
**32nd DAA Board Policies**

**Board Policy 2.04: Discrimination and Harassment Prevention**

*Date Adopted/Last Revised: Month #, 20XX*

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*Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01.*

**Purpose**

The purpose of this Board Policy is ensure that all 32nd DAA Personnel are committed to providing a work, service and business environment that are free from unlawful harassment, discrimination, and retaliation.

This policy applies to all persons involved in 32nd DAA activities, including, but not limited to, staff; Board Members; contracted, temporary and voluntary employees; unpaid interns; members of the public; applicants for employment; or visitors on 32nd DAA property who may come into contact with 32nd DAA employees. This policy also applies to any incidents involving inappropriate behavior made either to or by 32nd DAA guests and business partners.

*Note: This Board Policy supplements but does not replace any discrimination and harassment prevention protections provided for California law, including but not limited to, the California Fair Employment and Housing Act.*

**If any provision contained in this Board Policy conflicts with any provision of California law, the provision of California law shall govern and control.**

**Policy**

The 32nd DAA is committed to a work and service environment in which all individuals are treated with respect and dignity. The 32nd DAA expressly prohibits discrimination, harassment, and bullying by or against any 32nd DAA Personnel or 32nd DAA External Stakeholders, and will take all reasonable steps to prevent the occurrence of discrimination, harassment, and bullying from occurring.

Executed at all levels within the organization, the 32nd DAA exercises a zero tolerance policy on discrimination, harassment, and bullying for causes including, but not limited to: age, ancestry, color, disability (mental and physical), exercising the right to family care leave, gender, gender expression, gender identity, genetic information, marital status, medical condition, military or veteran status, national origin, political affiliation, race, religion, sex (includes pregnancy, childbirth, breastfeeding, and related medical conditions), sexual orientation, citizenship status, or any other protected status in accordance with all applicable Federal, State, and local laws. The 32nd DAA, in compliance with all applicable federal, state, and local anti-discrimination and harassment laws and regulations, will enforce this policy in accordance with the following definitions and guidelines:

### **Discrimination**

The 32nd DAA prohibits discrimination of any kind. For the purposes of this Board Policy, discrimination may include, but is not limited to: hostile or demeaning behavior toward people because of their protected class; allowing the protected class of an employee, applicant, or other person involved in 32nd DAA business to be a factor in hiring, promoting, compensating or other employment related decisions unless permitted by applicable law; or providing unwarranted assistance or withholding work-related assistance, cooperation, and/or information to employees, applicants, or other persons involved in 32nd DAA business because of their protected class. Such conduct may violate this policy, even if it is not unlawful.

### **Harassment**

The 32nd DAA prohibits harassment of any kind, including sexual harassment. For purposes of this Board Policy, harassment is unwelcome, disrespectful, or unprofessional conduct, including conduct based on any of the protected classes. Harassment includes, but is not limited to, verbal (jokes, slurs, epithets, teasing), visual (posting of offensive graphic material, symbols, computer displays), or physical conduct in an unwanted manner. The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Verbal harassment includes comments that are offensive or unwelcome regarding a person's national origin, race, color, religion, gender, sexual orientation, age, body, disability or appearance, including epithets, slurs, and negative stereotyping.
- Nonverbal harassment includes distribution, display, or discussion of any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group because of national origin, race, color, religion,

age, gender, sexual orientation, pregnancy, appearance, disability, sexual identity, marital status or other protected status.

- Physical harassment includes any threatening, intimidating, violent, or hostile physical acts.

All harassing conduct is unacceptable in the workplace and in any work-related setting, such as business trips and business-related social functions, regardless of who is engaging in the conduct. Such conduct, even if a single incident, may violate this policy even if it is not unlawful.

## **Sexual Harassment**

Sexual harassment constitutes discrimination and is illegal under federal, state, and local laws. For the purposes of this policy, sexual harassment is defined as harassment based on sex (including pregnancy, childbirth, breastfeeding or related medical conditions), gender, gender identity, or gender expression. Sexually harassing conduct does not need to be motivated by sexual desire.

Sexual harassment is categorized into two types:

Quid Pro Quo:

- The demand of sexual favors in exchange for a job benefit or continued employment
- Submission to or rejection of the demand is used as the basis for an employment decision affecting the victim
- Typically committed by a supervisor, management or someone with authority over the victim.

Hostile Work Environment:

- Conduct of a sexual nature that unreasonably interferes with an employee's work performance and/or creates an intimidating, hostile, or otherwise offensive working environment. Examples include, but are not limited to:
- Unwelcome sexual advances, flirtation, teasing of a sexual nature
- Sexually aggressive or obscene letters, invitations, notes, emails, voicemails, or gifts
- Sex, gender, or sexual orientation-related comments, slurs, jokes, remarks, or epithets
- Leering, obscene or vulgar gestures, or sexual gestures
- Displaying or distributing sexually suggestive or derogatory objects, pictures, cartoons, posters, or other such items
- Impeding or blocking movement, unwelcome touching or assaulting others
- Reprisals and threats after a negative response to a sexual advance
- Conduct or comments consistently targeted at one gender, even if the conduct is not sexual

All sexually harassing conduct is unacceptable in the workplace and in any work-related settings, such as business trips and business-related social functions, or when interacting with External Stakeholders regardless of who is engaging in the conduct. Such conduct, even if a single incident, may violate this policy even if it is not unlawful.

### **Intent vs. Impact for Harassment Cases**

In cases of alleged harassment, the intent of the harasser is irrelevant. It is the impact of the behavior and how it is perceived by the recipient that determines if the conduct is harassment. In addition, a witness to the conduct has the right to submit a complaint.

### **Retaliation**

For the purpose of this Board Policy, retaliation is an adverse employment action against an individual for engaging in a protected activity. To prove retaliation, there must be a causal link between the adverse employment action and the protected activity.

No hardship, loss, benefit, or penalty may be imposed on a District Board Member or employee in response to opposing discriminatory practices, filing a complaint, or testifying, assisting or participating in any manner in an investigation, proceeding or hearing. These prohibitions apply to all Personnel, not only managers and supervisors or others against whom complaints are filed.

Lodging a bona fide complaint will in no way be used against the individual or have an adverse impact on the individual's employment status. However, filing groundless or malicious complaints is an abuse of this policy and will be treated as a violation.

## **Procedures**

### **Internal Complaint Process**

The 32nd DAA's discrimination and harassment complaint process provides the employee, applicant, or other person involved in the 32nd DAA's business, the opportunity, including External Stakeholders, to raise allegations and to seek resolution of their complaint. Complaints will be resolved at the lowest organizational level possible while assuring that the process provides for timely, thorough, and impartial review of the discrimination or harassment complaint without fear of reprisal or retaliation.

### **Reporting and Violations of the Policy: Employees**

An employee who discovers or suspects a conflict of interest should follow the procedures outlined in the 2.05 Reporting Unethical Behavior policy.

Employee violations of this policy will be treated as serious misconduct. The Board delegates the responsibility to develop appropriate discrimination and harassment investigation and disciplinary procedures for employees to the CEO. However, these procedures must include a provision that the Board be notified promptly about any complaints against a member of the organization's senior management team.

Employee:

- Tell the individual engaging in the inappropriate conduct to stop.
- Report conduct to immediate supervisor or any other supervisor if the employee's immediate supervisor is unavailable to resolve the complaint, or is the subject of the complaint.
- Report the conduct to the Human Resources Department.

Supervisors, Staff Directors and CEOs:

- Anyone in a supervisory position is considered an obligated reporter for the purpose of this Board Policy. Supervisors and Staff Directors must report any and all potential violations of this policy to the Human Resources Department immediately. Failure to do so may result in disciplinary action against the Supervisor or Staff Director.
- Maintain confidentiality to the extent possible.

Human Resources Department:

- Determine if the complaint filed meets jurisdictional and procedural requirements and assign an investigator. The objective of the investigation is to determine if there is sufficient evidence to show a violation of the 32nd DAA Discrimination and Harassment Prevention Policy.
- If necessary, advise the CEO and the Complainant that a complaint has been received, the intent to investigate the allegations, and inform them of the policy against retaliation.
- Conduct the investigation. When the investigation is complete, the CEO, the Complainant, and the Respondent will be informed of the findings. The investigation will be conducted with discretion and the information gathered during an investigation will be kept confidential to the extent possible.

### **Reporting and Violations of the Policy: Board Member and CEO**

Any individual who experiences a violation of this policy should follow the reporting procedures outlined in the 2.05 Reporting Unethical Behavior policy.

Violations of this policy will be treated as serious misconduct.

Nothing in this policy may prevent the complainant or the respondent from pursuing formal legal remedies or resolution through local, state, or federal agencies or the judicial system.

The following options are available to resolve a complaint:

## **Complaints Filed Outside of the 32nd DAA**

No one is required to file a complaint with their immediate Supervisor, other Staff Supervisor or Director, or the Human Resources Department. Anyone may file a complaint with the following agencies:

Equal Employment Opportunity Office  
(insert local address)  
(insert local phone number)

California Department of Fair Employment and Housing  
(insert local address)  
(insert local phone number)

U.S. Equal Employment Opportunity Commission  
San Francisco District Office  
901 Market Street, Suite 500  
San Francisco, CA 94103  
(800) 669-4000

## **Liability for Unlawful Discrimination and Harassment**

32nd DAA:

- Responsible for the actions of their employees and as a result can be held financial liable for the employees' acts if the supervisor or staff director knew or should have known of the existence of discrimination or harassment and failed to take appropriate action.

Supervisors, Staff Directors and CEO:

- Because supervisors and staff directors are responsible for ensuring a work environment free of discrimination, harassment and retaliation, they must take immediate action if they learn of any alleged incident of discrimination, harassment, or retaliation. Actions always include notifying the Human Resources Department immediately. Failure to act can expose the supervisors and staff directors personally to financial liability for damages, as well as disciplinary action.
- Supervisors and Staff Directors who engage in Quid Pro Quo Harassment can be subject to disciplinary action and held financially liable for their conduct.

Individual Harasser:

- An employee found guilty of unlawful discrimination or harassment may be sued separately from his/her employer and if found guilty, will be held financial liable for his/her actions. Insurance generally does not indemnify for intentional conduct, and the employer may have no legal obligation to pay the cost of defense or judgment for an employee determined to have sexually harassed another. The employee may be responsible for paying part or all monetary damages if any are awarded. Monetary damages may include substantial compensatory and punitive damages and attorney fees.

## **Training**

All 32nd DAA employees, including newly appointed supervisors and staff directors, Board Members and the CEO are required to complete a sexual harassment prevention training class within six months after appointment or promotion, and every two years thereafter. Newly hired employees shall be provided with a copy of the 32nd DAA's Discrimination and Harassment Prevention Policy as part of the hiring package.

All seasonal employees must complete a sexual harassment prevention training class within two weeks of being hired.

All supervisors, staff directors and the CEO are required to discuss and review the 32nd DAA's Discrimination and Harassment Prevention Policy with subordinate employees annually.

## **Exclusion**

These policies should not, and may not, be used as a basis for excluding or separating individuals of a particular gender, or any other protected characteristic, from participating in business or work-related social activities or discussions. In other words, no one should make the mistake of engaging in discrimination or exclusion to avoid allegations of harassment.



32<sup>nd</sup> District Agricultural Association  
**Board Policies**

**Board Policy 2.05: Reporting Wrongdoing**

*Date Adopted/Last Revised: Month #, 20XX*

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*Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01.*

**Purpose**

The 32nd DAA Code of Ethics (*Board Policy 2.02*) requires all 32nd DAA Personnel to meet the highest standards of ethical conduct and behavior. This Board Policy is designed to provide clear guidance to 32nd DAA Personnel about their responsibility to report any unethical behavior or wrongdoing related to the 32nd DAA.

*Note: This Board Policy supplements but does not replace any whistleblower protections provided for under California law, including but not limited to, the California Whistleblower Protection Act.*

**If any provision contained in this Board Policy conflicts with any provision of California law, the provision of California law shall govern and control.**

**Policy**

All 32nd DAA Personnel are required to immediately file a report when they observe or otherwise become aware of any illegal and/or unethical behavior, including any violations of law, Board Policies, other 32nd DAA policies, or California State rules or regulations, including with respect to fraud, waste, and abuse (collectively, “Wrongdoing”). Any use of these reporting procedures in bad faith or in a false or frivolous manner is a serious violation of the 32nd DAA’s commitment to ethical behavior.

[The 32nd DAA maintains an anonymous ethics hotline (the “Ethics Hotline”) for employees, Board Members, and community members to report anonymously allegations of Wrongdoing. The Ethics Hotline is administered by an independent third party and is overseen by the Board.]

## **Retaliation and Whistleblower Protections**

A whistleblower as defined by this policy is an employee of the 32nd DAA who reports an activity that the employee consider in good faith to be Wrongdoing. Whistleblower protections are provided in two important areas—confidentiality and retaliation.

### *Confidentiality*

Consistent with California law, the 32<sup>nd</sup> DAA will make every effort to protect the reporter’s identity. Information provided in a hotline report may be the basis of an internal or external investigation by the 32nd DAA into the issue. It is possible that as a result of the information provided, a reporter’s identity may become known during the course of the investigation.

### *Retaliation*

The 32nd DAA will not retaliate, or permit any retaliation, against a whistleblower who makes a report in good faith. This includes, but is not limited to, protection from retaliation in the form of any adverse employment action such as termination, compensation decreases, demotion, poor work assignments, threats of physical or reputational harm, bullying, harassment, interfering with job responsibilities, and/or any other form of retaliation. 32nd DAA Personnel are strictly prohibited from engaging in unlawful retaliation. Violations of this prohibition will be treated as serious misconduct. Any whistleblower who believes they are being retaliated against should immediately report that information in accordance with the reporting procedures below. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and found to have occurred.

## **Procedure**

### **Reporting Procedure**

32nd DAA employees may report allegations of Wrongdoing by other employees to their direct supervisor, to the CEO, to the Director of Human Resources, or to the [Ethics Hotline.] 32nd DAA employees may report allegations concerning potential Wrongdoing by the CEO, CEO

Direct Reports, or a Board Member to the Board Chair (or, if the allegation involves the Board Chair, to the Board Vice Chair) or to the [Ethics Hotline]. Individuals reporting to the Ethics Hotline have the option to remain anonymous. If possible, reporters should provide evidence or documentation in their report to provide supporting information critical to a potential investigation.

Board Members should report allegations of Wrongdoing to the Board Chair (or, if the allegation involves the Board Chair, to the Board Vice Chair).

Employees or Board Members may file a complaint with the California State Auditor's Office under the California Whistleblower Protection Act. The State Auditor is authorized to accept complaints from state employees and members of the public who wish to report an improper governmental activity and protects every state employee who files a complaint from suffering any retaliation by his or her state employer for having made the complaint.

A complaint may be filed by contacting the Whistleblower Hotline at (800) 952-5665, faxed to (816) 322-2603, or sent by mail to:

Investigations  
California State Auditor  
P.O. Box 1019  
Sacramento, CA 95812

An electronic complaint form and on-line Whistleblower Complaint Submission form are available at the State Auditor's website: <https://www.auditor.ca.gov>

## **Response Procedures**

Responses to whistleblower reports will depend on the nature of the issue.

### *Allegations Against Employees Other than the CEO or a CEO Direct Report*

All whistleblower reports involving allegations of Wrongdoing by employees other than the CEO or a CEO Direct Report shall be referred directly to the CEO. The CEO will perform an initial review and consult with other applicable government agencies (e.g., CalHR, CDFA, etc.), and determine appropriate follow-up actions. The CEO may consult with and delegate

responsibility for follow-up action to other Executives and/or the Director of Human Resources. The CEO shall, in his/her reasonable judgment, inform the Board Chair and Board Vice Chair of any significant allegations of Wrongdoing or of allegations that suggest a pattern of Wrongdoing or systemic issues.

*Allegations Against Board Members, the CEO, or a CEO Direct Report*

All whistleblower reports involving allegations of Wrongdoing by the CEO, a CEO Direct Report, or a Board Member shall be referred directly to the Board Chair and Board Vice Chair. If the allegation involves the Board Chair, the report shall be referred directly to the Board Vice Chair and the Board Member currently serving as chair of the committee responsible for overseeing the 32nd DAA's response to its annual CDFA audit and compliance review (the "Audit Chair"). If the allegation involves the Board Vice Chair, the report shall be referred to the Board Chair and the Audit Chair. The Board Chair and Board Vice Chair (or Audit Chair, if applicable) will perform an initial review, consult with the Office of the Attorney General and/or other applicable government agencies (e.g., CDFA, CalHR, Office of the Governor), and determine appropriate follow-up actions.