

## Amended CCDC and SEDC Operating Agreement and Bylaws Reference Table

Recommendation (numbered according to IBA Report No. 09-70) - Reflects amendments per September 8, 2009 Council Motion and Internal Working Group changes	Operating Agreement	Corporate Bylaws
<p><b>1. Appointment and Termination of Corporation Presidents</b> - Mayor appoints Corporation President subject to two-thirds vote of the City Council. A candidate selection committee, comprised of one representative from the Mayor's Office, two from the City Council and two from the Corporation Boards, shall provide no less than three candidates to the Mayor, who shall either appoint the President subject to Council approval or reject the selection committee's candidates and begin a new selection process. The Mayor may suspend and terminate the President, with or without cause, subject to appeal to the City Council, which must be supported with a two-thirds vote. The Council may terminate the President for cause in the event the Mayor takes no such action. The Mayor may replace the President with an interim officer during the appeal process or upon termination.</p> <p><b>** Council Motion: Provide the Council the authority to terminate the President for cause with a two-thirds vote in the event the Mayor takes no action.</b></p>	N/A	Art. 11, Section 4
<p><b>2. Expansion of Corporation Boards</b> - Expand the Corporation Board of Directors to include a citizen voting member appointed as a City Council representative to the Board. To ensure an odd number of Board Members, one at-large board member seat will be eliminated once his/her term expires.</p> <p><b>** Council Motion: The Mayor and Council shall get one appointee each. Remove "citizen" from Council appointee requirement; however, appointee may not be a Council member.</b></p>	N/A	Art. 7, Section 2
<p><b>3. Policies and Procedures</b> - Corporation Boards shall adopt purchasing and contracting policies that establish limits for staff level approval of contracts and provide for timely public disclosure of such executed contracts. Require Board adoption of policies and procedures for personnel matters, finance, budget, expenditure allowances, ethics, "gifts" and records retention. Require systematic review and update to remain current with best practices.</p> <p><b>** Internal Working Group Change: Purchasing and Contracting Policy and finance and fiscal policies shall first be approved by the corporation boards, then submitted to the City CFO for review and comment, and then submitted to the Agency Board for final review and approval.</b></p>	Section 2.10(b) Section 2.11 Section 2.12	Art. 9, Section 2 Art. 9, Section 3 Art. 9, Section 4 Art. 9, Section 9
<p><b>4. Open Records</b> - The Redevelopment Agency and the City has the right to inspect all documents and records, including but not limited to financial records and personnel records, at a reasonable time to be established but no later than 10 days after written request by the Redevelopment Agency.</p>	Section 2.24	Art. 13, Section 3
<p><b>5. Performance Audits</b> - The Redevelopment Agency has the right to order a performance audit, to be paid for in full by the corporations, no more than once per year.</p>	Section 2.18	Art. 9, Section 8
<p><b>6. Annual Financial Audit</b> - Corporations shall perform annual financial audits and submit them to the City no later than 135 days after the end of the fiscal year.</p>	Section 2.17(b)	Art. 13, Section 4

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<p><b>7. Budget Submissions to City</b> - Corporations must follow City administrative budget policies in any administrative budget submissions. Any submission must first be submitted to the City CFO for review prior to submission to the Redevelopment Agency.</p> <p><b>** Internal Working Group Change:</b> <i>Corporation budgets shall first be reviewed and approved by corporation management, then submitted to the City CFO for review and comment, then submitted to corporate board for review and approval, and finally submitted to the Agency Board for review and approval.</i></p>	Section 1.05-1.08 Section 2.07	Art. 9, Section 1
<p><b>8. Removal of Corporation Board Members</b> - The Mayor has the right to suspend and recommend removal by the City Council of any corporation board members, based upon any breach of the operating agreements or Bylaws.</p> <p><b>** Council Motion:</b> <i>The Mayor has the right to suspend and recommend removal of any Board Member with a simple majority vote of the City Council. The Council may also remove any Board member with or without cause with a two-thirds vote.</i></p>	N/A	Art. 7, Section 4(c)
<p><b>9. Violation of Policies</b> - A violation of an adopted Corporation policy or an applicable City policy constitutes a material violation of the Operating Agreement. In the absence of a City CFO-approved Corporation policy, the applicable City policy shall apply.</p>	Section 2.16	Art. 9, Section 13
<p><b>10. Corporation Board Member and Executive Officer Training</b> - Board member and Executive Officer training in ethics, fiduciary duties and governance shall occur every two years with submission to City CFO of training certificate.</p>	Section 2.15	Art. 9, Section 7
<p><b>11. City CFO Approval of Fiscal Policies</b> - The Corporation Board must approve all Corporation fiscal policies before submission to City CFO for approval. City CFO will have oversight of Corporation policies but contracts will be overseen by the Corporations and be in conformance with City CFO-approved Corporation policies.</p> <p><b>** Internal Working Group Change:</b> <i>Purchasing and Contracting Policy and finance and fiscal policies shall first be approved by the corporation boards, then submitted to the City CFO for review and comment, and then submitted to the Agency Board for final review and approval.</i></p>	Section 2.12	Art. 9, Section 4
<p><b>12. Transfer of Budgeted Funds</b> - Any line item transfer of budgeted funds in excess of \$10,000 must be approved by Corporation Boards on a monthly basis.</p>	Section 1.09	Art. 9, Section 1
<p><b>13. President Performance Review/ Senior Staff Compensation</b> - Corporation Boards must approve total compensation for senior officers annually including salary, benefits and performance pay. The Mayor shall perform the annual performance evaluation and set compensation for the President and consult with the Council and Corporation Board of Directors. The Board of Directors should review and approve compensation annually for all other executive officers other than the President.</p>	N/A	Art. 11, Section 1 Art. 11, Section 4

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<b>14. Personnel Manual</b> - Corporation Boards must develop and adopt Personnel Manuals that are updated annually.	Section 2.13	Art. 9, Section 5
<b>15. Board Review of Financial Statements</b> - Corporation Boards, the Corporation CFO and Corporation President are required to review and certify Corporation financial statements.	N/A	Art. 13, Section 4
<b>16. Monthly Financial Statements</b> - Corporation Boards are to review and approve monthly financial statements presented by the Corporation's CFO, comparing actual to budget with any variance fully disclosed and explained. These statements are to be submitted to the City CFO.	Section 2.17(a)	Art. 13, Section 5
<b>17. Redevelopment Law</b> - Corporation Boards must comply with redevelopment law.	Section 2.22	N/A
<b>18. Board Expertise</b> - Require that two Corporation Board members have expertise in Finance, Real Estate Law, Economic Development, Redevelopment or Urban Design.	N/A	Art. 7, Section 2 Art. 9, Section 10
<b>19. Public Information</b> - Corporations must provide key documents and information to the public via website including Board and Board committee agendas, reports and minutes; current adopted budget; annual financial reports; Corporation by-laws and policies.	Section 2.05	Art. 9, Section 9 Art. 9, Section 3 Art. 9, Section 4
<b>20. Strategic Plan</b> - Corporations are required to develop a five-year strategic plan with performance goals and metrics that reflect the needs of the community as determined through extensive community outreach and that line up with the vision of the City. This Strategic Plan along with annual performance results must be reported to and approved by the Redevelopment Agency annually in accordance with Redevelopment Law.	Section 2.23	Art. 9, Section 12
<b>21. Audit Committee</b> - Corporations are required to establish and maintain an Audit Committee.	Section 2.19	Art. 10, Section 4
<b>22. Closed Session</b> - Corporations are required to follow City of San Diego closed session policies.	Section 2.25	N/A
<b>23. Oversight of Agency Outside Legal Counsel</b> - The City Attorney's Office will exercise oversight control of attorneys hired by the Corporations.	N/A	Art. 9, Section 11
<b>24. Clarification of the Positions and Powers of Corporation Presidents and Corporation Board Chairmen</b> - In order to clarify the duties and powers of the Corporation Presidents and the Chairmen of the Boards of Directors, delete any reference to "Chief Executive Officer" from the Bylaws.	N/A	Art. 11, Section 2 Art. 11, Section 4 Throughout
<b>25. New Lobbying Provision</b> - No past Corporation Board member will be allowed to lobby, within their Corporation's jurisdiction, the Corporate Board, the Redevelopment Agency or the City Council, regarding proposed projects, programs and/or related funding for up to one year after leaving office. <b>** Council Motion: Apply lobbying prohibition to CCDC and SEDC Board members to no less than one year.</b>	Section 2.20	N/A
<b>26. Council Motion: Have the City Attorney look at adding language that if the Mayor does not appoint a Board member within 90 days then the Council may appoint a Board member.</b>	N/A	Art. 7, Section 2