

A G E N D A

POLICY COMMITTEE

REGULAR MEETING
TUESDAY, APRIL 5, 2016, AT 1:30 P.M.
BOARD ROOM - GATEWAY COMPLEX

1. MEETING CALLED TO ORDER: Les Birdsall, Chairman
2. ROLL CALL: Sue DiMaggio Adams, Les Birdsall, Barbara S. Jordan, Geraldine Pyle,
3. RESIDENTS' FORUM
4. APPROVAL OF THE REPORT OF MEETING HELD ON MARCH 1, 2016 (ATTACHMENT)
5. UNFINISHED BUSINESS
 - A. AUDIT COMMITTEE CHARTER (ATTACHMENT)
 - B. GOLF CART REGISTRATION (ATTACHMENT)
6. NEW BUSINESS
7. NEXT MEETING: Tuesday, May 3, 2016, at 1:30 p.m. in the Gateway Board Room.
8. ADJOURNMENT

cc: GRF Board

POLICY COMMITTEE REPORT

REGULAR MEETING

TUESDAY, MARCH 1, 2016, AT 1:30 P.M.

A regular meeting of the Policy Committee was convened by the Chairman, Leslie Birdsall, at 1:30 p.m. on Tuesday, March 1, 2016, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Sue DiMaggio Adams, Barbara S. Jordan, and Geraldine Pyle. Also attending were Kenneth W. Haley, Treasurer, GRF, and Audit Committee member; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; Paul J. Donner, Director of Mutual and Trust Operations; Anthony W. Grafals, General Counsel; Jeffrey P. Matheson, Director of Resident Services; Dennis Bell, Public Safety Manager; Christopher Preminger, Business Operations Manager; and six residents including the following members of the Audit Committee: Paul Rosenzweig, Chairman, David L. Cutter, Vice Chairman, Devon L. Olson, and Sheldon Solloway. Attendance

The Policy Committee's report of its meeting held on February 2, 2016, was unanimously approved. Report Approved

The Committee discussed a possible revision to the Audit Committee Charter to provide for a review of state and federal tax returns prior to filing. After last month's meeting, the Chairman requested that this matter be brought back to the Committee to allow input from members of the Audit Committee. Following discussion, the Committee instructed staff to make additional revisions to the proposed charter, and to add the matter to the April agenda for further consideration by the Committee. Audit Committee Charter

The Committee discussed proposed new Policy 103.1.1, Golf Cart Registration, and reviewed the revisions requested at its February meeting. Following discussion, the Committee instructed staff to make additional revisions to the proposed new policy, and to add the matter to the April agenda for further consideration by the Committee. Proposed New Policy 103.1.1

The Committee discussed Policy 301.2, Memorial Services in Community Facilities. Following discussion, a motion was made by Mr. Birdsall and seconded by Ms. Adams to recommend to the GRF Board that Policy 301.2, Memorial Services in Community Facilities, be deleted. The vote on the motion was taken, and the motion CARRIED UNANIMOUSLY. Recommendation re. Policy 301.2

The Committee continued the discussion from its February meeting regarding the possible adoption of a lessee community facilities fee pursuant to Policy 104.1.2, Use of Community Facilities by Lessees. Following discussion, the Committee agreed to defer the matter to a future meeting to be determined. Lessee Community Facilities Fee

Policy Committee
Regular Meeting

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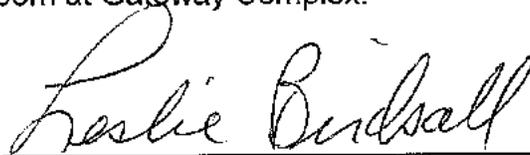
March 1, 2016

There being no further business to come before the Committee, the meeting was adjourned at 2:45 p.m.

Adjourn-
ment

The next meeting of the Policy Committee will be held on Tuesday, April 5, 2016, at 1:30 p.m. in the Board Room at Gateway Complex.

Next Mtg.
4/5/16

A handwritten signature in cursive script that reads "Leslie Birdsall". The signature is written in black ink and is positioned above a horizontal line.

Leslie Birdsall, Chairman
Policy Committee

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Agenda Item: 5A
Subject: Audit Committee Charter
Meeting Date: April 5, 2016

SUMMARY REPORT
GOLDEN RAIN FOUNDATION POLICY COMMITTEE

REPORT PREPARED BY:

Anthony W. Grafals, General Counsel

REQUESTED ACTION/RECOMMENDATION:

Consider possible revision to Audit Committee Charter to provide for review of state and federal tax returns by the Audit Committee and/or CEO prior to filing.

BACKGROUND:

A change to the Audit Committee charter directing the Audit Committee to review the Foundation's annual tax filings was requested by the Chairman of the Audit Committee and considered but rejected by the Policy Committee at its February 2, 2016 meeting.

However, since the Audit Committee Chairman was not notified of the Committee's consideration of this issue at the February meeting, reconsideration was requested at the March 1, 2016 meeting, which request was approved by the Chair of the Policy Committee.

At the March 1, 2016 Policy Committee meeting, staff suggested that the Audit Committee's role with regard to tax preparation services should closely resemble or mirror the Audit Committee's role regarding the annual audit. The Policy Committee directed staff to prepare a draft proposed revised Audit Committee Charter to reflect that recommendation for consideration at its April 5, 2016 meeting.

ATTACHMENTS:

Draft Proposed Revised Audit Committee Charter

AUDIT COMMITTEE CHARTER
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

ORGANIZATION AND MEMBERSHIP

The Committee shall consist of not less than five (5) nor more than seven (7) members. Four to six (4 to 6) of whom shall be non-GRF Board members, all nominated by the GRF Board President and approved by the GRF Board. The GRF Treasurer shall be the additional voting member ~~with vote~~ and also serve as the GRF liaison. Applicants for vacant positions on the Committee shall submit applications to the GRF Assistant Secretary and be interviewed by the GRF President, GRF Liaison and the Committee Chairperson. If the Chairperson or other officer is an applicant, a non-applicant Committee officer or member shall be the third interviewer.

The GRF President shall designate one of the Committee members as Chairperson, to serve a one-year term, effective July 1 of the appointment year.

The non-GRF Board Committee members shall be appointed to staggered three-year terms, as required to fit their number. Terms shall begin July 1 of their appointment year. Should a vacancy occur among the non-GRF Board Committee members, ~~the a~~ replacement appointed by the GRF President shall serve out the remainder of the term of the vacating member. There is no specified limit to the number of terms which may be served by members or officers.

The frequency, dates, times and location of the Committee meetings shall be established by the Committee Chairperson.

The Committee shall annually elect its own Vice-Chairman, and any other officers necessary. The Committee shall appoint subcommittees, as necessary.

The Committee shall follow Policy 201.4 Regarding Open Committee Meetings, and provide a Resident's Forum in which Residents may address concerns to the Committee.

Robert's Rules of Order shall govern all Committee proceedings.

PURPOSES AND RESPONSIBILITIES

The purpose of the Committee is to assist the GRF Board in monitoring the integrity of the Foundation's financial statements, the effectiveness of its internal controls, and the qualifications and performance of the Foundation's independent auditor and tax preparer. Through the Foundation's independent audit process, the Committee will also have oversight and reporting responsibility (to the GRF

Board) on the operation of a document retention and destruction policy, anti-fraud program and conflict of interest policies. The Committee will conduct sessions with the Chief Executive Officer, Chief Financial Officer, and General Counsel regarding the effectiveness of internal controls, document retention and destruction policy, anti-fraud program and conflict of interest policies.

Each year, the Committee will meet with the Chief Executive Officer and/or his designee to establish the scope of that year's audit and the tax services required and then to solicit a proposal from the independent auditor and tax preparer who has been serving ~~as the Foundation's auditor~~. If it is deemed advisable to engage the services of a new independent auditor and/or tax preparer, the Committee will solicit and review proposals from at least three certified public accounting firms.

The Committee will recommend to the GRF Board of Directors the appointment of the tax preparer, and the scope of their appointment, and the independent auditor who may also serve as tax preparer, and will examine GRF's financial statements, accounts and internal controls, and to provide such other compliance services as are required by state and federal tax laws and regulations and by the retirement plans, employee unions, creditors and such other parties as may be required. The Committee shall also pre-approve any other non-audit services to be requested of the independent auditor and/or tax preparer after determining whether ~~these such services would impair the auditor's independence~~ might give rise to any actual or potential conflict of interest.

~~At the conclusion of the annual audit~~ Annually, the Committee and the Chief Executive Officer and/or his designee will meet with the independent auditor and the tax preparer, to review the results of the audit work performed and to discuss any critical policies and practices used by the Foundation and any problems encountered by the ~~independent auditor~~ provider. The Committee will also review with the Chief Executive Officer and/or his designee the reply to the independent auditor's management letter before its final presentation for approval by the Foundation's Board.

The Committee will develop key operating considerations which it believes necessary in the conduct of its responsibilities to assure year-to-year consistency in the work of the Committee. The Committee may meet for such additional purposes as it considers necessary in order to carry out its role as directed by the Board.

ADOPTED BY THE GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS,
AS REVISED, ON ~~DECEMBER 6~~ _____, ~~2012~~ 2016.

Agenda Item: 5B
Subject: New Policy 103.1.1, Golf Cart
Registration
Meeting Date: April 5, 2016

SUMMARY REPORT
GOLDEN RAIN FOUNDATION POLICY COMMITTEE

REPORT PREPARED BY:

Anthony W. Grafals, General Counsel

REQUESTED ACTION/RECOMMENDATION:

Consider adoption of proposed new Policy 103.1.1 (Golf Cart Registration)

BACKGROUND:

Several of the mutual boards have expressed concern that there are frequent issues with improper golf cart parking on mutual property which could be better addressed if the owners of golf carts could be identified and contacted. Therefore, it has been proposed that a common framework for registration and identification of golf carts would allow GRF and the Mutuals to address such issues with golf cart owners.

This proposed new Policy was introduced to the Committee at its February 2, 2016 meeting and returned for requested changes and reconsideration at the March 1, 2016 meeting.

At the March 1, 2016 meeting of the Committee, it was suggested that the DMV definition of "Golf Cart" was inadequate, and requested that a revised definition of "Golf Cart" be created.

ATTACHMENTS:

Draft Proposed New Policy 103.1.1 (Golf Cart Registration)

Subject: Golf Cart Registration

Purpose: To Establish Guidelines for Golf Cart Registration

1. Background: The California Vehicle Code allows for the use of golf carts on the roads within Rossmore. In order to track ownership of golf carts, the Golden Rain Foundation (GRF) requires all golf carts that are operated on GRF property to be registered with the GRF.

2. Golf Carts: For purposes of this Policy, ~~A "golf cart" as is defined as any of the following classes of vehicle:~~ A "Golf Cart" as is defined as any of the following classes of vehicle:

a. a motor vehicle as generally defined in Section 345 of the California Vehicle Code, applicable to Golf Carts, which may be lawfully operated on roadways in California having a speed limit of no more than 25 mph without being registered with the Ca. Department of Motor Vehicles, and which was designed:

- i. with at least three wheels, and
- ii. to operate at speeds up to 15 mph, and
- iii. to weigh no more than 1,300 lbs. when empty.

b. a motor vehicle as generally defined in ~~by Sections 21250 and/or 385.5 21716~~ of the California Vehicle Code, applicable to Neighborhood Electric Vehicles (NEV) and/or Low-Speed Vehicles (LSV), which may be lawfully operated on roadways in California having a speed limit of no more than 35 mph without being registered with the Ca. Department of Motor Vehicles, and, for purposes of this Policy, which has not in fact been so registered even though it may be capable of such registration, and which was designed:

- i. with at least four wheels, and
- ii. to operate at speeds up to 25 mph, and
- iii. with a gross vehicle weight rating (GWVR) of no more than 3,000 lbs.

c. any other class of vehicle having at least three wheels which may be lawfully operated on public roadways without being registered with the Ca. Department of Motor Vehicles, and which has in fact not been so registered. ~~is a motor vehicle with not less than three wheels, designed to be operated at not more than 15 miles per hour and intended to carry golf equipment. Generally a golf cart will carry no more than two persons, including the driver. However, some golf carts may carry four or more persons.~~

23. Registration Requirements:

- a. = Golf carts operated on Foundation property must be operated consistent with the California Vehicle Code and GRF policies.
- b. All golf carts operating on GRF property, including the golf courses, must be registered with GRF.
- c. Registration may be performed at the Public Safety Office or the Golf Course Pro Shop.

d. A fee to be determined by the GRF Board may be required for registration and change of ownership.

34. Registration Stickers:

a. Upon registration, a registration sticker will be affixed to the golf cart by a GRF employee.

b. A current registration sticker must be affixed and visible on all golf carts operating on GRF property at all times.

c. Registration stickers cannot be transferred to another golf cart and removal will invalidate the registration.

d. If a Registration Sticker is removed or damaged, a replacement must be purchased.

e. When a golf cart for which a registration sticker was issued is sold, donated, replaced, or will otherwise transferred, such that it will no longer be used on GRF property, the registered Member should remove the sticker and notify Public Safety. Stolen golf carts should also be reported to Public Safety.

DISCUSSION DRAFT