The District of Distinction is an accreditation program that enables districts to demonstrate to their communities, the media and legislators their commitment to operate in a sound, responsible manner. Districts apply for designation as a District of Distinction by submitting financial audits, policies and procedures and proof of training received by directors and executive staff.

Requirements:

FINANCIAL AUDITS

Districts must demonstrate they undergo regular financial audits, have no major deficiencies and apply any recommendations to future years.

**What to submit:**
- Copies of the three most recent district audits, including financial statements (3 letters) SAS 114 - *The Auditor's Communication with Those Charged with Governance*, SAS 115 - *The Auditor's Communications on Internal Control Related Matters*, and management letter. Each audit, including findings and recommendations, will be reviewed by a member of the Certification & Audit Review Advisory Committee. Committee members are volunteers from the special district community, including district controllers, directors of finance and CSDM certified general managers.

POLICIES AND PROCEDURES

Districts must demonstrate that their operations conform to all statutes and regulations under state law as reflected in a policies and procedures manual. Policies and procedures should focus on governance, ethics, board conduct, district finances, reserves, reimbursement/compensation, etc.

**What to submit:**
- Copy of your district’s current approved policies and procedures manual.
- Copy of your district’s Board minute action adopting and/or having reviewed the policies and procedures manual within the past year.

TRAINING

**What to submit:**
- Documentation showing class attendance, such as certificate of completion for each board member, general manager and other executive staff members (as identified by the board) in the following areas:
  - **Governance Training:** Six hours of basic governance training. (New board members and executive staff must complete within the past 5 years) Governance Foundations, offered by CSDA’s Special District Leadership Academy, satisfies this requirement. Other courses may qualify as well, however will need to be submitted for review by SDLF. Also, Board Member Best Practices (3 hours) plus 2 approved webinars will satisfy that requirement. Approved webinars are: Board Member and District Liability Issues, Must Have Communication Protocols for Board & Staff, and Who Does What? Best Practices in Board Staff Relations.
  - *Districts with boards larger than 7 need at least a majority of total board members completing this training requirement.*
  - **Ethics Training:** Documentation verifying completion of AB 1234 ethics compliance training within the last two years.
  - **Harassment Prevention Training:** Documentation verifying completion of AB 1825 harassment prevention training within the last two years.

OTHER

Districts must also include the following items with the accreditation/re-accreditation application:

**What to submit:**
- Board of Directors roster
- List of executive staff, including titles
- Completed application for accreditation/re-accreditation
- Accreditation/re-accreditation application fee
- Completed SDLF District Transparency Certificate of Excellence
**Who should apply to be a District of Distinction?**
Any California special district that wants to demonstrate publicly the effectiveness of its operations. Applying for this designation shows that your district understands and respects the responsibilities inherent to providing essential public services in a fiscally responsible manner.

**What does a district receive for completing the program?**
Districts of Distinction earn the right to use the program’s seal on district materials and a plaque honoring their accomplishment. SDLF will also send a letter to a local publication and notify legislators on a district’s behalf.

**How does a district apply?**
Districts interested in earning the Districts of Distinction designation must complete the application and submit it along with the required documentation. Applications must also be accompanied by an application fee.

**Fees**
The fees are on a sliding scale, based on a district’s budget:

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<th>Annual operating budget</th>
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<td>$3,000,000 or more</td>
<td>$250</td>
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**Submit this application along with all required documentation and payment to:**
Special District Leadership Foundation
1112 I Street, Suite 200
Sacramento, CA 95814
Phone: 916-231-2909 • Fax: 916-442-7889 • sdlf.org

Electronic filing is preferable.
info@sdlf.org

If my district is a member of the Special District Risk Management Authority (SDRMA), will getting a District of Distinction accreditation save me money on my premiums?
Yes. SDRMA offers Credit Incentive Points (CIPs) if your district earns the District of Distinction accreditation which can provide significant premium discounts. For more information, contact SDRMA at 800.537.7790 or visit www.sdrma.org.

**RE-ACCREDITATION**

**How long is the designation valid?**
The Districts of Distinction designation is valid for three years and a district may be re-accredited by submitting the application and all current required documents for review along with the re-accreditation fee.

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**PAYMENT**

<table>
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<th>□ Check</th>
<th>□ Visa</th>
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