

**PLAN FOR A
CITYWIDE SYSTEM OF
NEIGHBORHOOD COUNCILS**

APPROVED

MAY 30, 2001

AMENDED

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Article I

Goals and Objectives of the Neighborhood Council System

The goals and objectives of the Plan are to:

1. Promote public participation in City governance and decision making processes so that government is more responsive to local needs and requests and so that more opportunities are created to build partnerships with government to address local needs and requests.
2. Promote and facilitate communication, interaction, and opportunities for collaboration among all Certified Neighborhood Councils regarding their common and disparate concerns. Neighborhood Councils may join together in regional and citywide alliances as a means to engage in communication, interaction and collaboration. *
3. Facilitate the delivery of City services and City government responses to Certified Neighborhood Councils' problems and requests for assistance by helping Certified Neighborhood Councils to both identify and prioritize their needs and to effectively communicate those needs.
4. Ensure equal opportunity to form Certified Neighborhood Councils and participate in the governmental decision making and problem solving processes.
5. Create an environment in which all people can organize and propose their own Certified Neighborhood Councils so that they develop from the grassroots of the community.
6. Foster a sense of community for all people to express ideas and opinions about their neighborhoods and their government.

* Amended 2/20/09 per Council resolution

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Article II

Desired Characteristics of Neighborhood Councils

1. Inclusive Membership

Certified Neighborhood Councils shall be diverse, inclusive and open to all Community Stakeholders. A Community Stakeholder is defined as any individual who lives, works or owns real property in the neighborhood and also to those who declare a stake in the neighborhood as a community interest stakeholder, defined as a person who affirms a substantial and ongoing participation within the neighborhood council's boundaries and who may be in a community organization such as, but not limited to, educational, non-profit and/or religious organizations. *

2. Statement of Non-Discrimination

Certified Neighborhood Councils must encourage all Community Stakeholders to participate in all of their activities, and may not discriminate in any of their policies, recommendations or actions against any individual or group on the basis of race, religion, color, creed, national origin, ancestry, sex, sexual orientation, age, disability, marital status, income, homeowner status, renter status or political affiliation. **

3. Transparent Operations

Certified Neighborhood Councils shall adopt fair and open procedures for the conduct of their business.

4. Independent Entities

Certified Neighborhood Councils shall be as independent, self-governing, and self-directed as possible. The Department of Neighborhood Empowerment (DONE) shall assist Certified Neighborhood Councils to pursue options, including, but not limited to, tax-exempt status and/or non-profit incorporation, to strengthen their independence. Tax-exempt status and/or non-profit incorporation will have no effect on a Certified Neighborhood Council's eligibility for assistance, monetary or otherwise, from DONE.

* Amended 12/18/13 per Council Resolution

** Amended 2/20/09 per Council Resolution

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Article III

Certification of Neighborhood Councils

1. DONE responsibilities. On July 1, 2001, after the adoption of the Neighborhood Council Plan, DONE shall:
 - (a) Announce and inform the public of the Neighborhood Council certification process Citywide, but DONE shall not accept completed certification applications until October 1, 2001.
 - (b) Actively promote the formation of Certified Neighborhood Councils Citywide, giving emphasis to those areas and Community Stakeholder groups with traditionally low rates of civic participation in government.
 - (c) Facilitate and encourage collaboration and discussion among neighboring and overlapping applicant groups and provide technical assistance on how to proceed with a unified certification application, and provide dispute resolution services to applicants where more than one application is submitted for a Neighborhood Council boundary area to gain consensus on a unified certification application.
2. Components of a Certification Application. A certification application shall, at a minimum, include the components listed in this section.

Boundaries

- (a) A detailed description of proposed boundaries shall be provided, including a rationale for drawing the proposed boundaries. Neighborhood Council applicants within a proposed Neighborhood Council boundary shall, to the extent feasible, work together in setting boundaries.
 - In identifying proposed Neighborhood Council boundaries, applicants are encouraged to reference other types of existing boundaries, including, but not limited to, the following:
 - (i) Census tracts as a means of complying with the minimum population size of 20,000 Neighborhood Council Community Stakeholders.
 - (ii) City service and planning areas, such as police and fire districts or Community Planning Area boundaries.
 - A proposed set of boundaries should, to the maximum extent feasible, follow historic and contemporary community and neighborhood borders, and shall utilize natural boundaries or street lines and be geographically compact and contiguous.
 - The boundaries of two or more Certified Neighborhood Councils may not overlap with one another, unless the area for proposed inclusion into each

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Certified Neighborhood Council is designed for a public use, such as a park, school, library, police or fire station, major thoroughfare, or contains a landmark or facility with historical significance.

- The inaugural boundaries of all Certified Neighborhood Councils shall be the limits of the City of Los Angeles (City). The boundaries of a Certified Neighborhood Council are encouraged to remain within the City limits because the City can only guarantee delivery of its services to City residents.
- Neighborhood Council boundaries should be comprised of no less than 20,000 Neighborhood Council Community Stakeholders. Areas that have fewer than 20,000 Neighborhood Council Community Stakeholders may be certified provided they meet the following criteria:
 - (i) The proposed area is separated from adjacent communities by significant geographic features; or,
 - (ii) The proposed area is identified by name within any of the 36 adopted Community Plan Areas of the City Planning Department; or,
 - (iii) The proposed area represents a historic, identifiable neighborhood or community that is serviced by City service providers, such as a public library, park, recreation center, fire or police station, or a public school.
- A Neighborhood Council that comprises fewer than 20,000 Neighborhood Council Community Stakeholders must satisfy all requirements of this Plan.

Outreach

- (b) The outreach process used to identify stakeholders within the proposed Neighborhood Council boundary must be described in detail. In order to demonstrate a good faith effort towards achieving a diversity of stakeholder representation, an applicant(s) shall collect no less than 200 and no more than 500 signatures from stakeholders that have an interest within the proposed Neighborhood Council boundaries. Signatures shall, to the maximum extent feasible, reflect the broadest array of Community Stakeholders who will actively participate in the proposed Neighborhood Council.

Bylaws

- (c) Bylaws shall be established, including the following information.
 - (i) Neighborhood Council name
 - (ii) Stakeholder Membership and the Governing Body
 - (1) The bylaws shall state that the Neighborhood Council membership is open to all Community Stakeholders.

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- (2) The bylaws shall include a list of offices of the Governing Body and a method for regularly electing or selecting officers who shall serve as the Governing Body. For the purposes of this Plan, the term Governing Body refers to Community Stakeholders of a Certified Neighborhood Council who are empowered to make decisions on behalf of that Certified Neighborhood Council.
 - (a) A Neighborhood Councils governing body must, to the extent possible, reflect the diversity of the neighborhood council's stakeholders. All stakeholders must be eligible to vote and run for at least one board seat. Neighborhood councils may allocate their board seats to specific stakeholder categories and establish stakeholder eligibility requirements in voting for the board seats. If a neighborhood council allocates its board seats to specific stakeholder categories, then the neighborhood council must include at least one seat for which every stakeholder is eligible to vote and run. Neighborhood councils may not allocate a majority of their board seats to a single stakeholder group, unless approved by the Department upon a showing of extenuating circumstances. The election procedures created by the Department or City Clerk pursuant to the Los Angeles Administrative Code Section 20.36 shall require, in a situation where neighborhood council requires that a stakeholders to provide proof of eligibility, that proof of stakeholder status for community interest stakeholders must be consistent and substantially equivalent to the evidentiary proof required of stakeholders who live, work, or own property.*
 - (b) Terms of members of the Governing Body shall be for two or four years, to be decided upon by individual Neighborhood Councils. ** Neighborhood Councils may limit the total number of terms that a member of the Governing Body may serve, if the term limitations are set forth in the Neighborhood Council's bylaws after the date this provision was amended.

- (iii) Meeting procedures. Each Certified Neighborhood Council shall:
 - (1) Meet at least once per calendar quarter.
 - (2) Obey any or all sections of the State of California's open meeting procedures that apply to Neighborhood Councils (Ralph M. Brown Act), which includes posting meeting notices in generally accepted public places or through electronic media, such as e-mail or posting notice on DONE's Web page.
 - (3) Establish procedures for communicating with all Neighborhood Council Community Stakeholders on a regular basis in a manner ensuring that information is disseminated evenly and in a timely mannder.
 - (4) A process for running meetings, including:
 - (a) The number of Governing Body members that constitute a majority and a quorum;

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- (b) The number of votes by a Governing Body for a Certified Neighborhood Council to take an official action, such as adoption of an item or position; and,
 - (c) The way in which a vote by the Governing Body or action by a Certified Neighborhood Council can be reconsidered, if applicable.
- (iv) A grievance procedure shall be established by which an individual Community Stakeholder or group of Community Stakeholders of a Certified Neighborhood Council shall be able to express concerns to their Governing Body about its decisions and actions.

* Amended 12/18/13 per Council Resolution
** Amended 02/20/08 per Council Resolution
*** Amended 03/05/10 per Council Resolution

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Financial Accountability

- (d) A system of financial accountability shall be established that governs a Certified Neighborhood Council's use of its funds. Each Certified Neighborhood Council shall:
- (i) Prescribe a method for keeping a book of accounts that complies with applicable local, state, and federal laws, which includes any or all provisions of Generally Accepted Accounting Principles that apply to a Certified Neighborhood Council, according to the type of entity established by a Certified Neighborhood Council.
 - (ii) Discuss its finances at a regularly scheduled or special meeting, prior to submitting an account statement to DONE (as prescribed below), in order to gather input from Neighborhood Council Community Stakeholders.
 - (iii) Ensure that each Certified Neighborhood Council's book of accounts shall be open to all Community Stakeholders of any Certified Neighborhood Council.
 - (iv) Establish a process by which each Certified Neighborhood Council member can review the Certified Neighborhood Council's book of accounts.
- Each Certified Neighborhood Council's Governing Body shall include an officer named the Treasurer, whose duties shall include maintaining the Neighborhood Council's book of accounts, as prescribed by DONE, and submitting account statements to DONE no less than once and no more than twice during each fiscal year, the date(s) of which shall be prescribed by DONE. Refusal to submit accounting information as required by DONE shall be grounds for consideration of de-certification (as defined in Article VI, Section 5 of this Plan).

Ethics

- (e) Each Certified Neighborhood Council shall be subject to any or all applicable sections of the City of Los Angeles Governmental Ethics Ordinance (Los Angeles Municipal Code Section 49.5.1). All applicable laws of local, state, and federal government shall be the minimum ethical standard for a Certified Neighborhood Council, its Governing Body, and Community Stakeholders.

Contacts

- (f) Every application shall include contact information for no less than three and no more than five people who shall act as official contacts between the applicants and DONE until the proposed Neighborhood Council is certified.

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Article IV

Certification Process

1. DONE staff shall evaluate a certification application to determine whether the application meets all of the criteria set out in Article III, Section 2, "Components of a Certification Application."
2. Once a certification application is submitted to DONE, the application shall be held by DONE for a period of 20 business days. During said period, DONE shall begin its evaluation of the application to ensure that it is complete.
 - (a) At the end of said 20 business-day period, if only one application is submitted that describes a specific set of boundaries for a proposed Neighborhood Council and if the application is complete according to DONE's evaluation, DONE shall:
 - (i) Forward the application, any accompanying information, and its recommendation to the Board of Neighborhood Commissioners (Commission) for consideration; and,
 - (ii) Notify the Neighborhood Council contacts (named in Article II, Section 2(f)), in writing, that the application has been forwarded to the Commission for its consideration.
 - (iii) If DONE fails to evaluate or forward the application (and any accompanying information, including its recommendation) to the Commission within said time period, DONE shall automatically forward the application without a recommendation to the Commission for consideration.
 - (b) If DONE receives two or more certification applications within said 20 business-day period that identify the same, similar, or overlapping proposed Neighborhood Council boundaries, DONE shall immediately notify, in writing, all contacts for all affected applicant groups in an effort to work with affected parties to produce a unified application. Applicants of the proposed Neighborhood Councils shall have 20 business days from the date notification is given by DONE to develop a unified application.
 - (i) If consensus is reached at any time within said 20 business-day period or at any time during an extended time period pursuant to Article IV, Section 2(b)(ii), said period shall be terminated and all applications shall be deemed received by DONE for evaluation. In the event that all affected applicant groups agree in writing to terminate, for any reason, the process of developing a unified application within the 20 business-day period, all applications, as originally submitted, shall be deemed received by DONE for evaluation. If no consensus is reached within or at the end of the 20 business-day period, the applications, as originally submitted, shall be deemed received by DONE for evaluation.

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- (ii) The 20 business-day period described in (i) above may be extended by DONE if all certification applicants make such a request in writing within the time period in (i) above. If no consensus is reached within or at the end of the 20 business-day period, the applications, as originally submitted, shall be deemed received by DONE for evaluation.
 - (iii) Once an application has been deemed received by DONE for evaluation through the processes described in (i) or (ii) above, DONE shall have ten business days to evaluate all applications as submitted. At the end of its ten business-day evaluation period, if DONE determines that all or some of the applications are complete according to DONE's evaluation, DONE shall forward the application, any accompanying information, and its recommendation to the Commission for consideration. If DONE fails to evaluate or forward the application (and any accompanying information, including its recommendation) to the Commission within said time period, DONE shall automatically forward the application without a recommendation to the Commission for consideration.
- (c) If, at any time during the processes described in this section, DONE determines that an application is incomplete, it shall return the application to the applicants along with a detailed list in writing of the missing components required in a certification application and suggestions on how to incorporate missing components. Applicants whose certification application was determined to be incomplete and returned by DONE may at any time re-submit the application after amending it to meet all the necessary criteria.
3. DONE shall have ten business days, from the date that it forwards an application to the Commission for consideration, to prepare, translate (if necessary), and post public notices that a group has applied for certification according to the following:
- (a) A copy of the notice shall be posted in at least five public, easily accessible places within the boundaries of the proposed Neighborhood Council. Examples of appropriate posting locations include, but are not limited to, libraries, police or fire stations, or DONE's Web site.
 - (b) Copies of the notice shall be posted for 15 business days.
 - (c) The notice shall be translated into all languages other than English that the City Clerk Election Division uses to produce sample ballot information if the proposed Neighborhood Council boundaries include communities where such languages are spoken. At the present time, a sample ballot is published in Chinese, English, Japanese, Korean, Spanish, Tagalog, and Vietnamese. This list of languages may change from time to time, and DONE shall be responsible for keeping current with said changes. DONE shall be responsible for translating the notice into any other language upon request.
4. Within the same ten business-day time period referenced in Article IV, Section 3, DONE shall provide written notice to the applicant group of the date that the Commission will conduct its public hearing during which the applicant's certification application will be considered.

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5. Within ten business days after the expiration of the 15 business-day public notice period described in Article IV, Section 3(b), the Commission shall conduct a public hearing to take testimony from members of the public regarding the submitted certification application. The following shall apply:
 - (a) The public hearing shall be conducted as part of the Commission's next regularly scheduled meeting or as part of a special meeting if no regularly scheduled meeting falls within said ten business-day period.
 - (b) The Commission meeting shall be conducted within the boundaries of the proposed Neighborhood Council.
6. During the meeting where the Commission conducts a public hearing for the purpose of considering a certification application, and at the close of the public comment period and after the Commission's deliberations, the Commission shall either approve or reject the certification application. With concurrence from the applicant, the Commission may defer its decision on a certification application until its next regularly scheduled meeting in order to receive additional information on a matter brought to its attention during its public hearing or to allow for more time to consider the application.
7. In a case where two or more certification applications have identified the same, similar, or overlapping Neighborhood Council boundaries, the Commission shall, based on all available information, make a final determination on how the final boundaries of each Neighborhood Council shall be drawn.
8. If the Commission approves the application, the applicants shall be deemed certified and recognized as a Neighborhood Council in the City of Los Angeles.
9. If the Commission rejects the application, the applicants may, within five meeting days of the City Council during which the Council has convened in regular session, file an appeal with the City Council. The appeal will automatically be placed on the Council's next regular agenda for consideration. The Council may, by ten votes, sustain, reverse, or modify the Commission's decision.

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Article V

Neighborhood Council Elections*

1. Compliance

Neighborhood Councils that choose to elect their Governing Body will have their elections administered pursuant to Los Angeles Administrative Code Section 20.36.

2. Governing Body Operations

Neighborhood Councils shall be empowered to allocate the Governing Body seats, determine voting rights, including the allocation of different voting roles to different categories of Community Stakeholders, and establish other voting procedures, consistent with the Charter, this Plan and the Regulations that implement this Plan, and any procedures issued by the City Clerk or DONE. Any Governing Body structures and voting systems adopted should not limit broad participation by Community Stakeholders of a Neighborhood Council.

3. Violations

A violation of the election procedures shall constitute a violation of this Plan and may subject a Neighborhood Council to the decertification procedures set forth in Article VI of this Plan, either upon submission of a complaint as outlined in Article VI, Section 4 of this Plan, or by DONE filing a report with the Commission asking it to consider decertification, after having first taken steps in an effort to achieve compliance with the election procedures.

*Amended 09/17/13 per Council Resolution

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Article VI

Certified Neighborhood Council Self Assessment, Boundary and Bylaw Adjustment, Complaints, and De-Certification

1. Self Assessment

Each Certified Neighborhood Council shall, with the assistance of DONE as requested, survey its Community Stakeholders at least once biennially, to assess whether their Certified Neighborhood Council has met applicable goals set forth in the Charter and Article I, "Goals and Objectives of the Neighborhood Council System". The form of the review shall be prescribed by DONE, and the results of the review shall be made public and posted on DONE's Web site. A copy of the review shall be sent to the affected Certified Neighborhood Council.

2. Boundary Adjustment

- (a) A Certified Neighborhood Council may petition the Commission to adjust its boundaries. All such petitions shall remain in accordance with Article III, Section 2. Reasons for boundary adjustment may include, but are not limited to:
 - (i) Including an uncertified adjacent community;
 - (ii) Reconfiguring based on population decrease or increase; or,
 - (iii) Increasing or reducing a Certified Neighborhood Council's size to increase effectiveness and efficiency.
- (b) Petitions shall be reviewed by DONE which shall forward the petition, any accompanying information, and its recommendation, within 15 business days of receipt, to the Commission for consideration at its next regularly scheduled meeting. If the Commission approves the petition, the Neighborhood Council boundary shall be deemed changed. If the Commission rejects the petition, the Governing Body of the petitioning Certified Neighborhood Council may take an action to, within five meeting days of the City Council during which the Council has convened in regular session, file an appeal with the City Council. The appeal will automatically be placed on the Council's next regular agenda for Council consideration. The Council may, by ten votes, sustain, reverse, or modify the Commission's decision.
- (c) The Commission shall have the authority to expand a Certified Neighborhood Council's boundary in order to incorporate an area of the City that has not formed a Certified Neighborhood Council into the boundary of another, adjoining Certified Neighborhood Council, provided that:
 - (i) The proposed area to be incorporated into a Certified Neighborhood Council's boundary lies between two or more Certified Neighborhood Councils;

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- (ii) The area to be incorporated does not qualify for certification under the provisions of this Plan; and,
 - (iii) Community Stakeholders of the area to be incorporated and of the affected Certified Neighborhood Council(s) agree to the proposed incorporation.
- (d) If incorporation of an area into an existing Certified Neighborhood Council's boundary is initiated by an entity other than the Commission, Community Stakeholders of the area to be incorporated and of the affected Certified Neighborhood Council(s) must agree to the proposed incorporation prior to consideration by the Commission. The following process shall apply.
- (i) An Incorporation Petition, as prescribed by DONE, shall be completed in order to document the proposed incorporation. An Incorporation Petition shall be filed with DONE for evaluation.
 - (a) DONE shall have 20 business days from receipt of the Incorporation Petition to evaluate the incorporation request. If an Incorporation Petition is complete according to DONE's evaluation, DONE shall forward the Incorporation Petition, any accompanying information, and its recommendation to the Commission for consideration. If DONE fails to evaluate or forward the Incorporation Petition (and any accompanying information, including its recommendation) to the Commission within said time period, the Incorporation Petition shall be automatically forwarded to the Commission for consideration.
 - (b) If, at any time during the processes described in this section, DONE determines that an Incorporation Petition is incomplete, it shall return the petition to the applicants along with a detailed list in writing of DONE's objections to the Incorporation Petition and suggestions on how to revise the Incorporation Petition. An Incorporation Petition returned by DONE may at any time be re-submitted after it is amended to meet all the necessary criteria cited by DONE.
 - (ii) DONE shall have ten business days, from the date that it forwards an Incorporation Petition to the Commission for consideration, to prepare, translate (if necessary), and post public notices that an Incorporation Petition has been received, according to the following:
 - (a) A copy of the notice shall be posted in at least five public, easily accessible places within the boundaries of the proposed incorporated area and all affected Neighborhood Councils. Examples of appropriate posting locations include, but are not limited to, libraries, police stations, fire stations, or DONE's Web site.
 - (b) Copies of the notice shall be posted for 15 business days.
 - (c) The notice shall be translated into all languages other than English that the City Clerk Election Division uses to produce sample ballot information if the

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proposed Neighborhood Council boundaries include communities where such languages are spoken. At the present time, a sample ballot is published in Chinese, English, Japanese, Korean, Spanish, Tagalog, and Vietnamese. This list of languages may change from time to time, and DONE shall be responsible for keeping current with said changes. DONE shall be responsible for translating the notice into any other language upon request.

- (iii) Within the same ten business-day time period referenced in Article VI, Section 2(d)(ii), DONE shall provide written notice to the applicant group of the date that the Commission will conduct its public hearing during which the applicant's Incorporation Petition will be considered.
- (iv) Within ten business days after the expiration of the 15 business day public notice period described in Article VI, Section 2(d)(ii)(b), the Commission shall conduct a public hearing to take testimony from members of the public regarding the proposed incorporation. The following shall apply:
 - (a) The public hearing shall be conducted as part of the Commission's next regularly scheduled meeting or as part of a special meeting if no regularly scheduled meeting falls within said ten business-day period.
 - (b) The Commission meeting shall be conducted within the boundaries of the proposed incorporated area or within the boundaries of any of the affected Certified Neighborhood Councils.
- (v) During the meeting where the Commission conducts a public hearing for the purpose of considering an Incorporation Petition, and at the close of the public comment period and after the Commission's deliberations, the Commission shall either approve or reject the Incorporation Petition. With concurrence from the applicant, the Commission may defer its decision on an Incorporation Petition until its next regularly scheduled meeting in order to receive additional information on a matter brought to its attention during its public hearing or to allow for more time to consider the Incorporation Petition.
- (vi) If the Commission approves the Incorporation Petition, the proposed area shall be incorporated into the specified Certified Neighborhood Council named in the Incorporation Petition. If the Commission rejects the Incorporation Petition, the applicants may, within five meeting days of the City Council during which the Council has convened in regular session, file an appeal with the City Council. The appeal will automatically be placed on the Council's next regular agenda for Council consideration. The Council may, by ten votes, sustain, reverse, or modify the Commission's decision.

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3. Bylaw Adjustment

A Certified Neighborhood Council that wishes to change or adjust its bylaws shall complete an Application to Change or Adjust Bylaws, as prescribed by DONE, and submit the application to DONE for evaluation. DONE shall have ten business days from receipt of the application to complete its evaluation.

- (a) If DONE determines that the application is incomplete, it shall return the application to the Governing Body of the affected Certified Neighborhood Council along with a detailed list in writing of missing or incomplete items in the application and suggestions on how to complete the application successfully. An application returned by DONE may at any time be re-submitted after it is adjusted to meet all the necessary criteria cited by DONE.
- (b) If the application is complete and consistent with the principles governing a Certified Neighborhood Council's purpose or operations according to DONE's evaluation, DONE shall file the application and the change in the affected Certified Neighborhood Council's bylaws shall be deemed approved. Upon filing the change, DONE shall provide written notice to the affected Certified Neighborhood Council that the change in its bylaws was duly recorded with DONE.
- (c) Changes to a Certified Neighborhood Council's Governing Body structure shall be approved by the Commission. In addition, if DONE determines that the changed bylaws are inconsistent with the principles governing a Certified Neighborhood Council's purpose or operations, DONE shall forward an evaluation to the Commission for its review. The Commission, at its next regularly scheduled meeting, shall approve or reject the change in bylaws application. If the Commission approves the change of bylaws, the Certified Neighborhood Council's proposed bylaws shall be deemed approved and become effective immediately. If the Commission rejects the change of bylaws application, the Certified Neighborhood Council's bylaws shall remain as adopted prior to the filing of the application. *

4. Complaints Against Certified Neighborhood Councils

Complaints against a Certified Neighborhood Council of any nature shall be filed with DONE, on a form prescribed by DONE. A copy of the complaint shall be delivered by DONE to the affected Certified Neighborhood Council against which the complaint is made within five business days of receipt of the complaint. Exhaustive efforts to remedy all complaints shall be taken by DONE. In the case where a complaint is in regards to a violation of this Plan and a remedy cannot be reached, the process prescribed in Article VI, Section 5 shall be followed.

5. Involuntary De-Certification of a Certified Neighborhood Council

Before initiating de-certification of a Certified Neighborhood Council, DONE shall take all steps available to remedy a violation of the Plan. If DONE finds that efforts to comply with a proposed remedy have failed, the General Manager of DONE shall initiate a process of de-certification.

*Amended 2/20/09 per Council Resolution

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- (a) DONE shall complete an Application to De-Certify a Certified Neighborhood Council, as prescribed by DONE, and immediately transmit a copy of the application to both the Commission, for consideration at its next regularly scheduled meeting, and to the affected Certified Neighborhood Council.
- (b) DONE shall, immediately after transmitting copies of the application to the Commission and affected Certified Neighborhood Council, post public notices that a de-certification application has been filed with the Commission according to the following:
 - (i) A copy of the notice shall be posted in at least five public, easily accessible places within the boundaries of the affected Neighborhood Council, and shall post the notice on DONE's Web site. Examples of appropriate posting locations include, but are not limited to, libraries, police stations, or fire stations.
 - (ii) Copies of the notice shall be posted for 15 business days.
 - (iii) The notice shall be translated into all languages other than English that the City Clerk Election Division uses to produce sample ballot information if the proposed Neighborhood Council boundaries include communities where such languages are spoken. At the present time, a sample ballot is published in Chinese, English, Japanese, Korean, Spanish, Tagalog, and Vietnamese. This list of languages may change from time to time, and DONE shall be responsible for keeping current with said changes. DONE shall be responsible for translating the notice into any other language upon request.
- (c) Within ten business days after the expiration of the 15 business day public notice period described in Article VI, Section 5(b)(ii), the Commission shall conduct a public hearing to take testimony from members of the public regarding the proposed de-certification application. The following shall apply:
 - (i) The public hearing shall be conducted as part of the Commission's next regularly scheduled meeting or as part of a special meeting if no regularly scheduled meeting falls within said ten business-day period.
 - (ii) The Commission meeting shall be conducted within the boundaries of the affected Certified Neighborhood Council proposed for de-certification.
- (d) During the meeting where the Commission conducts a public hearing for the purpose of considering a de-certification application, and at the close of the public comment period and after the Commission's deliberations, the Commission shall either approve or reject the de-certification application. With concurrence from the affected Certified Neighborhood Council, the Commission may defer its decision on the application until its next regularly scheduled meeting in order to receive additional information on a matter brought to its attention during its public hearing or to allow for more time to consider the application.

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- (e) If the Commission approves the application, the affected Certified Neighborhood Council shall be deemed de-certified and will no longer be recognized as a Certified Neighborhood Council in the City of Los Angeles.
- (f) If the Commission approves the application, any members of the Governing Body of the affected Certified Neighborhood Council may, within five meeting days of the City Council during which the Council has convened in regular session, file an appeal with the City Council. The appeal will automatically be placed on the Council's next regular agenda for Council consideration. The Council may, by ten votes, sustain, reverse, or modify the Commission's decision.
- (g) A Certified Neighborhood Council shall return all City-owned resources, including unexpended City-appropriated funds, to the City immediately upon its decertification.

6. Voluntary De-Certification of a Certified Neighborhood Council

A Certified Neighborhood Council may petition the Commission to be de-certified as a Certified Neighborhood Council in the City of Los Angeles.

- (a) An Application to De-Certify a Certified Neighborhood Council, as prescribed by DONE, shall be completed and signed by at least 3/4 of the Governing Body of the affected Certified Neighborhood Council seeking de-certification. The application shall be filed with DONE.
- (b) DONE shall have ten business days, from the date of receipt of an application, to prepare, translate (if necessary), and post public notices that a group has applied for de-certification according to the following:
 - (i) A copy of the notice shall be posted in at least five public, easily accessible places within the boundaries of the affected Neighborhood Council, and shall post the notice on DONE's Web site. Examples of appropriate posting locations include, but are not limited to, libraries, police stations, or fire stations.
 - (ii) Copies of the notice shall be posted for 15 business days.
 - (iii) The notice shall be translated into all languages other than English that the City Clerk Election Division uses to produce sample ballot information if the proposed Neighborhood Council boundaries include communities where such languages are spoken. At the present time, a sample ballot is published in Chinese, English, Japanese, Korean, Spanish, Tagalog, and Vietnamese. This list of languages may change from time to time, and DONE shall be responsible for keeping current with said changes. DONE shall be responsible for translating the notice into any other language upon request.
- (c) Within ten business days after the expiration of the 15 business day public notice period described in Article VI, Section 6(b)(ii), the Commission shall conduct a public hearing to take testimony from members of the public regarding the proposed de-certification application. The following shall apply:

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- (i) The public hearing shall be conducted as part of the Commission's next regularly scheduled meeting or as part of a special meeting if no regularly scheduled meeting falls within said ten business-day period.
 - (ii) The Commission meeting shall be conducted within the boundaries of the affected Certified Neighborhood Council proposed for de-certification.
- (d) During the meeting where the Commission conducts a public hearing for the purpose of considering a de-certification application, and at the close of the public comment period and after the Commission's deliberations, the Commission shall either approve or reject the de-certification application. The Commission may defer its decision on the application until its next regularly scheduled meeting in order to receive additional information on a matter brought to its attention during its public hearing or to allow for more time to consider the application.
- (e) If the Commission approves the application, the affected Certified Neighborhood Council shall be deemed de-certified and will no longer be recognized as a Certified Neighborhood Council in the City of Los Angeles.
- (f) If the Commission rejects the de-certification application, Community Stakeholders of the affected Certified Neighborhood Council, who have regularly attended the affected Certified Neighborhood Council's meetings, that has filed for de-certification and who disagree with the Commission's decision may appeal. The applicants may, within five meeting days of the City Council during which the Council has convened in regular session, file an appeal with the City Council. The appeal will automatically be placed on the Council's next regular agenda for Council consideration. The Council may, by ten votes, sustain, reverse, or modify the Commission's decision.
- (g) A Certified Neighborhood Council shall return all City-owned resources, including unexpended City-appropriated funds, to the City immediately upon its decertification.

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Article VII

Responsibilities of the Department of Neighborhood Empowerment

At a minimum, the Department of Neighborhood Empowerment shall:

1. Implement and oversee compliance with City ordinances and regulations relating to a Citywide system of Neighborhood Councils.
2. Assist neighborhoods and Certified Neighborhood Councils with public and civic education, outreach, and training with an emphasis given to areas that have traditionally low rates of participation in government.
3. Assist applicants and neighborhoods with preparation of all petitions and forms referenced in this Plan, identify suitable Neighborhood Council boundaries, and organize Neighborhood Councils in accordance with this Plan.
4. Help coordinate meetings and facilitate communication among Certified Neighborhood Councils that request assistance.
5. Help coordinate, arrange, and convene the biannual Congress of Neighborhood Councils meetings.
6. Promote and facilitate open communication among City agencies and Certified Neighborhood Councils, and provide education, guidance, and assistance in developing strategies for providing comments and feedback to the City Council and its committees and City boards and commissions.
7. Assist Certified Neighborhood Councils with the selection of their Governing Body and conduct the City's portion of the outreach effort necessary to mobilize stakeholders to vote in Neighborhood Council elections. *
8. Provide operational support to and facilitate the sharing of resources among Certified Neighborhood Councils, including, but not limited to, meeting and office space, office equipment, and mail and communications in order to communicate among constituents, Certified Neighborhood Councils, and government officials.
9. Create and maintain a database of information about Certified Neighborhood Councils, including, among other information, names and contact information that will be available for public use.
10. Act as an information clearinghouse and resource to Certified Neighborhood Councils.
11. Create and maintain an Early Notification System as prescribed in this Plan.
12. Assure equal opportunity to form and develop Certified Neighborhood Councils. DONE shall assist groups and Community Stakeholders seeking Certified Neighborhood Council status by:

* Amended 02/20/08 per Council Resolution

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- (a) Helping understand the processes and procedures for establishing a Certified Neighborhood Council.
 - (b) Assisting with completion of certification application.
 - (c) Providing assistance to areas with traditionally low rates of participation in government.
 - (d) Mitigating barriers to participation, such as the need for translation and childcare services.
- 13.** Review and evaluate the Citywide system of Neighborhood Councils. As part of its annual report, DONE shall provide information on the size, geographic scope, and economic and demographic conditions of areas of the City in which Certified Neighborhood Councils have and have not been certified.
- 14.** Report quarterly, commencing from the adoption date of this Plan, to the appropriate Council Committee on the Department's certification efforts, and on strategies and recommendations for certifying areas with traditionally low rates of civic participation in government to ensure participation by all the City's neighborhoods in the certification process.
- 15.** Arrange training for Neighborhood Councils' officers and staff.
- 16.** Provide adequate levels of staffing, with consideration to resource availability, for each Certified Neighborhood Council.

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Article VIII

Early Notification System

DONE shall create and maintain an Early Notification System (ENS) in accordance with City Charter Section 907. The ENS is designed to supplement current state and local laws regarding public notification. The ENS will operate according to the following:

1. Subject to all other provisions of this Plan, all Certified Neighborhood Councils shall be provided access to a computer and to the Internet. DONE shall provide technical training on the use of a computer to each Certified Neighborhood Council.
2. An ENS Web site shall be created and maintained where information regarding the City Council and its committees and City boards and commissions will be available.
3. In addition to accessing information through the ENS Web site, Certified Neighborhood Councils will be able to subscribe to services whereby they will receive electronic mail notifications regarding updates to the information on the ENS Web site.
4. Information on the ENS Web site shall be provided as soon as is practical so that Certified Neighborhood Councils are afforded an opportunity to prepare and provide comments before decisions are made.
5. The City shall provide each Certified Neighborhood Council with an electronic mail (e-mail) address. The use of this e-mail address shall be limited strictly to official Certified Neighborhood Council business, such as communicating with Neighborhood Council Community Stakeholders about meeting times and places and communicating with the City on matters of importance to the Certified Neighborhood Council. Each Certified Neighborhood Council shall be required to use the City's officially designated e-mail address to correspond with City departments and agencies if the Certified Neighborhood Council expects their correspondence to be entered into the public record.
6. Certified Neighborhood Councils shall be allowed to provide comment and feedback electronically to the City Council, its committees, and City boards and commissions via the ENS. Comments from a Certified Neighborhood Council's officially designated e-mail address (as described in Article VIII, Section 5) shall be printed and placed into the public record.
7. DONE may coordinate additional information for distribution through the ENS from public or private entities as they directly relate to Certified Neighborhood Councils and issues affecting Certified Neighborhood Councils, provided that they are subject to all regulations and requirements of this Plan.

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Article IX

Funding*

1. At the beginning of each fiscal year, the Mayor and Council shall appropriate money for Certified Neighborhood Councils for costs related to the functions, operations, and duties of being a Certified Neighborhood Council. Such functions, operations, and duties include, but are not limited to, meeting and office space, office equipment, computers, supplies, and communications, such as costs associated with newsletters, postage, or printing written materials. At the discretion of each neighborhood council, and as approved by the DONE, all or part of the money so appropriated may be used for neighborhood improvement projects.
2. Any money which the Mayor and Council appropriate as grant funds each fiscal year shall be made available to Certified Neighborhood Councils for various neighborhood improvement projects. In order to be eligible for grant money, a Certified Neighborhood Council shall submit an application to DONE, as prescribed by DONE. Grant money shall be awarded to Certified Neighborhood Councils based on criteria and procedures established by DONE and the Commission. Each Certified Neighborhood Council that receives grant money shall be required to account for its expenditures pursuant to this Plan (Article III, Section 2(d)).

*Amended 11/08/02 per Council Resolution

PLAN FOR A CITYWIDE SYSTEM OF NEIGHBORHOOD COUNCILS

Article X *

Financial Accountability and Technical Assistance Policy

1. Preliminary Review of Expenditures

The DONE may make a preliminary review of any expenditure or financial transactions contemplated by a Certified Neighborhood Council to ensure that it is acceptable, appropriate, and comports with DONE guidelines and laws that pertain. Where a Certified Neighborhood Council is unsure whether a proposed expenditure is appropriate, it shall make a written request for guidance from the DONE on the matter before any commitment to expend funds is made or the transaction is completed.

2. Expenditure Oversight

The DONE may monitor and review any and all financial transactions made by a Certified Neighborhood Council as follows:

- (a) Computer based [on-line] review of any information concerning Commercial Prepaid Card transactions, negotiable instruments, or any other applicable method by which Certified Neighborhood Councils may access City funds and make financial transactions.
- (b) On-site review of any Certified Neighborhood Council's accounts, statements, books, records, receipts, invoices, or any other document that evidences any financial transaction.
- (c) A DONE in-house review of any Certified Neighborhood Council's accounts and business records prior to releasing funds to the Certified Neighborhood Council for the conduct of its business.

3. Admonition

When the DONE determines that a Certified Neighborhood Council has failed to account for its funds or has misused its funds, then the DONE may issue a Fiscal Responsibility Admonition Letter informing the Certified Neighborhood Council of the problem. Where the DONE deems it necessary, the Financial Responsibility Admonition Letter may request as follows:

- (a) That the Certified Neighborhood Council take specific corrective action to comply with Generally Accepted Accounting Principles or those prescribed by the DONE under the Neighborhood Council Funding Program.
- (b) That the Treasurer, or any other Certified Neighborhood Council representative, shall meet with the DONE staff to discuss accounting practices or any other financial matter involving the Certified Neighborhood Council and, thereafter, follow a remedial plan as prescribed by the DONE.

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4. Corrective Action and Remedial Measures

If the DONE determines that a Certified Neighborhood Council has misused its funds, then the DONE may impose corrective action or remedial measures on the Certified Neighborhood Council. The DONE's decision to impose corrective action or remedial measures, or both, is final; except where de-certification is initiated as set forth in Section 22.810.1(e)(2) of the Los Angeles Administrative Code.

5. Corrective Action

As outlined in the DONE's Fiscal Responsibility Admonition Letter, the corrective action prescribed by the DONE may include, but is not limited to, the following:

- (a) Denying funding requests for payment on purchases or transactions deemed unacceptable or a misuse of public funds.
- (b) Suspending all access to and the use of Certified Neighborhood Council funds, including Commercial Prepaid Cards or City issued demand warrants.
- (c) Reducing funding to a Certified Neighborhood Council in amounts that equal or approximate the amount necessary to compensate for, or remedy, any unacceptable purchase or financial transaction, or to redeem misused public funds; including any administrative or incidental costs associated therewith.

6. Remedial Measures

The DONE is authorized to impose remedial measures on any Certified Neighborhood Council when the Department determines that an unacceptable purchase, financial transaction, or misuse of public funds has occurred, or may occur, in violation of accounting principles, DONE guidelines, or laws that pertain. Any remedial measures imposed by DONE will be identified in a Fiscal Responsibility Admonition Letter and may include any combination of corrective actions and remedial measures that the DONE deems appropriate under the circumstances.

In an effort to insure that the Certified Neighborhood Councils operate in a fiscally responsible manner and to support the financial integrity of the Neighborhood Council Funding Program, the Department may impose the following remedial measures:

- (a) Require mandatory supplemental training for any treasurer or fiscal agent of a Governing Body or, if necessary, the entire Governing Body of the Certified Neighborhood Council.
- (b) Require that the Certified Neighborhood Council develop and commit to a written remedial action plan within 45 days from the date when the DONE mails a Fiscal Responsibility Admonition Letter imposing such a measure.

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- (c) Require that the Certified Neighborhood Council be placed on formal probation when the DONE determines that a Certified Neighborhood Council has been repeatedly deficient in its accounting practices or has consistently mishandled or misused its funds.
- (d) Require that the Certified Neighborhood Council immediately relinquish all access to, and tender all control of, its business records and funds to the DONE. The DONE may impose this measure when it determines that the Certified Neighborhood Council has not complied with the corrective or remedial measures outlined in a previous Financial Admonition Letter, the prospect of rectifying the problem is unlikely, or the circumstances require immediate action to safeguard public funds.
- (e) Refer the matter to the Commission with a recommendation that the Certified Neighborhood Council be involuntary decertified as set forth in section 22.810.1(e) (2) of the Los Angeles Administrative Code. DONE may recommend decertification when it determines that a Certified Neighborhood Council is incapable of handling its accounts, its Governing Body refuses to follow the advice, corrective action, or remedial measures outlined by the DONE, or the circumstances require immediate action to safeguard public funds.
- (f) Refer the matter to the appropriate department, commission, or law enforcement agency when the Department has reasonable cause to believe that someone has engaged in unlawful or criminal activity involving a Certified Neighborhood Council's public funds.

* Added 10/25/06 per Council Resolution

PLAN FOR A CITYWIDE SYSTEM OF NEIGHBORHOOD COUNCILS

Article XI *

Neighborhood Purposes Grant Program

Neighborhood councils that desire to make a grant of their public funds to a nonprofit corporation (excluding religious institutions) organized under 26 United States Code (U.S.C). section 501(c)(3) or to a public school, as authorized by Los Angeles Administrative Code sections 22.801(p) and 22.817, may make a final grant prior to making a final grant commitment and disburse funds to any grantee upon completion of the following:

1. Governing Body Approval

Any grant contemplated by a Certified Neighborhood Council shall be approved by action of the Certified Neighborhood Council's Governing Body and shall be reflected in a written motion or resolution adopted by that body containing, in substance, the following details:

- (a) The precise legal name of the recipient or grantee.
- (b) The dollar amount of the grant.
- (c) A description of the public purpose served by the grant.

2. Administrative Processing

After a Certified Neighborhood Council has approved a grant, evidenced by a written motion or resolution, a member of the Governing Body shall submit the following to DONE's administrative office within 45 days:

- (a) A written motion or resolution adopted by the Governing Body evidencing the body's intention to make a grant.
- (b) A Neighborhood Purposes Grant Program Application, as prescribed by DONE, which contains the information set forth in Section 1(a)-(c), above.
- (c) Any additional information requested by DONE for it to evaluate the terms and legality of the proposed grant and a written grant agreement pursuant to the City's contracting procedures.

3. Grant Application Evaluation

After receiving the Neighborhood Purposes Grant Program Application and documentation as set forth in Section 2 above, DONE shall forthwith evaluate the Certified Neighborhood Council's proposed grant to determine as follows:

- (a) Whether the proposed award or grant is being made to a nonprofit organization (excluding religious institutions) organized under 26 U.S.C. section 501(c)(3), or to a public school.

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- (b) Whether the proposed grant is for an identifiable public purpose, is consistent with the allowable expenditures under the Neighborhood Council Funding Program, and comports with all laws.

4. Grant Application Determination

- (a) A decision by DONE to approve or deny a Certified Neighborhood Council's proposed grant is final.
- (b) DONE shall keep a record of all grants and, on behalf of the Certified Neighborhood Councils, prepare written contracts for all grants exceeding five thousand dollars (\$5,000).
- (c) The Commission shall approve all proposed grant contracts that exceed (\$20,000) twenty-thousand dollars.
- (d) Each grant application approved by DONE shall be treated as a separate neighborhood purposes grant.
- (e) DONE shall ensure that the grant application process is transparent and that the identity of each grantee is retained and posted on the DONE website.

*Added 08/06/08 per Council Resolution