



## San Gabriel Valley Mosquito & Vector Control District

1145 North Azusa Canyon Road, West Covina, CA 91790

Phone: 626-814-9466 | Website: [www.sgvmosquito.org](http://www.sgvmosquito.org)

Email: [district@sgvmosquito.org](mailto:district@sgvmosquito.org)

### FINANCE AND AUDIT COMMITTEE MEETING AGENDA AUGUST 23, 2023 – 10:00 A.M.

#### 1. **Call to Order**

1.1 Determination of a Quorum – Noted Absences

1.2 ORDER OF BUSINESS - Review and prioritization of agenda Items including, if necessary, identification of any emergency items arising after posting of the agenda and requiring action prior to next regular meeting

#### 2. **Opportunity for Public Comment on Non-Agenda Items**

(Individual Public Comments may be limited to a 3-minute or less time limit) During Public Comments, the public may address the Committee on any issue within the District's jurisdiction that is not on the agenda. The public may comment on any item on the agenda at the time that item is before the Committee for consideration. There will be no dialog between the Committee and the Commenter. Any clarifying questions from the Committee must go through the Committee Chair.

#### 3. **Consider Recommendation to Approve Resolution 2023-05, Rescinding Resolutions 93-13 and 94-02; and Adopting a New Approval Procedure for Fiscal Policies (EXHIBITS 3A, 3B, 3C) P. 5**

(Secretary-Treasurer, Lloyd Johnson) (Recommendation for Board Consideration)

- **Call for Public Comment**

- **Committee Action Required:** If the Committee concurs, following the public discussion by members for this item, the appropriate action is to approve a recommendation to the Board to Adopt Resolution 2023-05, Rescinding Resolutions 93-13 and 94-02; and Adopting a New Approval Procedure for Fiscal Policies

- **Alternative Committee Action:** If after discussion by members for this item, the Committee may choose not to recommend Resolution 2023-05, Rescinding Resolutions 93-13 and 94-02; and Adopting a New Approval Procedure for Fiscal Policies



4. **Consider Recommendation to Amend Resolution 2006-02, Bid Regulations for the Purchase of Supplies and Equipment (EXHIBITS 4A, 4B) P. 59**  
(Secretary-Treasurer, Lloyd Johnson) (Recommendation for Board Consideration)
  - **Call for Public Comment**
  - **Committee Action Required:** If the Committee concurs, following the public discussion by members for this item, the appropriate action is to approve a recommendation to the Board to Amend Resolution 2006-02 Bid Regulations for the Purchase of Supplies and Equipment
  - **Alternative Committee Action:** If after discussion by members for this item, the Committee may choose not to recommend Resolution 2006-02 Bid Regulations for the Purchase of Supplies and Equipment
  
5. **Consider Recommendation to Adopt Policies 30-42 (EXHIBITS 5A – 5M) P.67**  
(Secretary-Treasurer, Lloyd Johnson) (Recommendation for Board Consideration)
  - **Call for Public Comment**
  - **Committee Action Required:** If the Committee concurs, following the public discussion by members for this item, the appropriate action is to approve a recommendation to the Board to Adopt Policies 30-42.
  - **Alternative Committee Action:** If after discussion by members for this item, the Committee may choose not to recommend Adopting Policies 30-42.
  
6. **Discussion to open California CLASS Prime and Enhanced Cash Accounts (EXHIBITS 6A, 6B) P. 111**  
(Secretary-Treasurer, Lloyd Johnson)
  
7. **Discussion to enter a contract with Optimized Investment Partners**  
(Secretary-Treasurer, Lloyd Johnson)
  
8. **Adjournment**

**Finance and Audit Committee**  
Lloyd Johnson, West Covina (Chair)  
Corey Calaycay, Claremont  
Joseph Leon, Monterey Park  
John Capoccia, Sierra Madre  
Robert Joe, South Pasadena



**CERTIFICATE OF POSTING**

I hereby certify under penalty of perjury under the laws of the State of California that a copy of the foregoing agenda was posted at 1145 North Azusa Canyon Road, West Covina, CA 91790 and the District's website ([www.sgvmosquito.org](http://www.sgvmosquito.org)) not less than 72 hours prior to the meeting per Government Code 54954.2.

Materials related to an item on the Agenda submitted after distribution of the agenda packet are available for public viewing and inspection at the San Gabriel Valley Mosquito & Vector Control District Office located at 1145 North Azusa Canyon Road, West Covina, CA 91790 during regular business hours.

A handwritten signature in blue ink that reads "Jerry Mireles".

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Jerry Mireles, Clerk of the Board  
San Gabriel Valley MVCD

**NOTICE TO THE PUBLIC**

This agenda shall be made available upon request in alternative formats to persons with a disability as required by the American with Disabilities Act of 1990 (42 U.S.C. §12132) and the Ralph M. Brown Act (California Government Code §54954.2).

If you need special assistance or accommodations to participate in this meeting, please contact the Clerk of the Board at 626-814-9466 ext.1006. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35. 104 ADA Title II)

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**RESOLUTION NO. 2023-05****A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT RESCINDING RESOLUTIONS 93-13 AND 94-02 AND ADOPTING A NEW APPROVAL PROCEDURE FOR FISCAL POLICIES**

**WHEREAS**, the San Gabriel Valley Mosquito and Vector Control District adopted Resolution No. 93-13 (Credit Card Use Policy) on November 12, 1993 and Resolution No. 94-02 (Fiscal Policies) on April 14, 1995; and

**WHEREAS**, the most recent amendment to Resolution No. 94-02 was adopted on April 9, 2021; and

**WHEREAS**, the policies were established and implemented for prudent and responsible financial oversight, procedures, and guidelines; and

**WHEREAS**, it is the responsibility of the San Gabriel Valley Mosquito and Vector Control District to maintain and update policies as needed to adhere to current codes, laws, standards, and best practices; and

**WHEREAS**, it is the goal of the San Gabriel Valley Mosquito and Vector Control District to streamline and standardize the policy approval process to improve operational efficiency, transparency, and clarity; and

**WHEREAS**, the San Gabriel Valley Mosquito and Vector Control District determined that several existing policies within the aforementioned resolutions were redundant, contradictory, or outdated and updates would be facilitated by adopting independent policies; and

**WHEREAS**, the San Gabriel Valley Mosquito and Vector Control District has reviewed the current resolution policies and determined they require updates; and

**NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** Resolutions No. 93-13 and No. 94-02 are rescinded, and

**Section 2.** The San Gabriel Valley Mosquito and Vector Control District shall establish and update independent fiscal policies for Board consideration, and

**Section 3.** The Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District shall review and approve independent fiscal policies, and

**Section 4.** That the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District shall adopt independent fiscal policies by motion and majority vote.

PASSED, APPROVED AND ADOPTED by the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District this xx day of xxxxxx 2023, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Becky Shevlin  
President, Board of Trustees

ATTEST:

\_\_\_\_\_  
Lloyd Johnson  
Secretary/Treasurer, Board of Trustees

APPROVED AS TO FORM:

\_\_\_\_\_  
Kelly M. Alhadeff-Black  
District Counsel

DRAFT

## CREDIT CARD USE POLICY

### RESOLUTION 93-13

The District must utilize credit cards for the purchase of supplies, equipment, repairs, and fuel. Controls and procedures must be established/monitored to ensure that all charges are legal, duly authorized, and necessary to perform the functions of the District.

#### SECTION 1. Controls

- A. When the District files an application for credit, the application shall indicate that purchase orders shall be required for all purchases. The only exception shall be for the daily purchase of fuel.
- B. Purchases on revolving charge accounts, other than fuel purchases, shall be made by limited personnel.
- C. All credit cards shall be stored in a secured location and access shall be restricted to authorized individuals. Employees who are subject to emergency call out and are allowed to drive the District vehicle to and from work as provided in Article XXI, Section 2 of the Personnel and Salary Resolution 92-11, shall be issued a fuel credit card. This credit card shall be available at all times for return to the District upon request.
- D. A purchase order shall be completed and approved by signature of the District Manager or Assistant Manager in the absence of the District Manager prior to issuance of the credit card. The employee receiving the credit card shall sign for the credit card being issued to him/her.
- E. Fuel credit cards shall be issued to each employee required to fuel a District vehicle in the morning and shall be immediately returned when the employee returns to the office. Each employee shall sign for the credit card when received and returned.
- F. Receipts shall be submitted to the Administrative Secretary the day of purchase. Receipts shall be verified with the purchase orders and fuel logs. Unauthorized purchases shall be brought to the attention of the District Manager for investigation.

#### SECTION 2. Preparing Payments for Charges

- A. Within three (3) days of receiving the charge account statement, all charges will be verified against the receipts for purchases. Any unexplained charges shall be immediately brought to the attention of the District Manager.

Resolution 93-13  
Page 2 of 3

- B. Applicable discounts shall be recorded and deducted from the payment.
- C. All duly authorized charges shall be paid in full before due date to avoid accruing interest charges.
- D. Duly authorized receipts shall be attached to the statement and paid. When payment has been made, the statement shall be stamped paid and filed.
- E. All receipts and statements shall be kept on file a minimum of three (3) years.

#### SECTION 3. Loss of Credit Cards and Misuse

- A. Credit card loss or theft shall be immediately reported to the District Manager. Immediately shall be defined as first knowledge of loss or theft. The District Manager shall immediately cancel the credit card and have the credit card replaced.
- B. In the event a fuel receipt is lost during the course of the work day, the employee shall return to the fuel station where the purchase was made and request a copy of the receipt. The receipt shall be signed by the fuel station verifying that it is a correct copy. In the event the fuel station does not have a copy on file, a copy will be requested from the vendor.
- C. Unexplained charges shall be investigated by first questioning the employee to whom the credit card was issued on the day of the charge. A copy of the receipt shall be obtained from the vendor to determine who made the unauthorized purchase. The employee will be requested to reimburse the District for unauthorized charges.

#### SECTION 4. Disciplinary Action

- A. Failure to immediately report a credit card lost or stolen shall result in suspension without pay and/or termination.

Resolution 92-13

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- B. Unauthorized purchases charged to the District's account shall result in suspension without pay and/or termination. The employee who made unauthorized charges may file a grievance in accordance with Article XV, Grievance Procedure and Disciplinary Appeal, of the Personnel and Salary Resolution 92-11.
- C. Any decision to file criminal charges against the employee shall be made by the Board of Trustees.

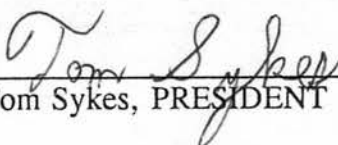
PASSED AND ADOPTED by the Board of Trustees of the San Gabriel Valley Mosquito Abatement District at its meeting on November 12, 1993, by the following vote:

AYES: Sykes, Swain, Alderete, Bodley, Bredenkamp, Bruesch, Chamberlain, Dipple, Garcia, Hall, Kern, Leiga, Maurer, Miranda, Morgan, Neher, Polimeni

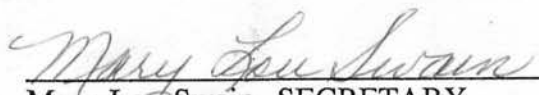
NOES: None

ABSENT: Barron, Blakely, Condie, Finlay, Herfert, Pedroza, Thurston

ABSTAIN: None

  
 \_\_\_\_\_  
 Tom Sykes, PRESIDENT

ATTEST:

  
 \_\_\_\_\_  
 Mary Lou Swain, SECRETARY

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**SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT**

**FISCAL POLICIES**

**RESOLUTION NO. 94-02**



Adopted: January 14, 1994

Amended: 6/10/94, 4/14/95, 8/11/95, 12/8/95, 2/9/96, 12/13/96, 2/14/97, 3/13/98, 5/8/98, 10/9/98, 11/13/98, 5/14/99, 8/13/99, 9/10/99, 12/10/99, 3/10/00, 5/9/03, 2/13/04, 4/9/04, 1/14/05, 1/13/06, 1/12/07, 1/11/08, 2/08/08, 2/08/13, 8/11/17, 12/14/18

## FISCAL POLICIES

### San Gabriel Valley Mosquito and Vector Control District

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## ARTICLE I

### INTERNAL CONTROLS

#### SECTION 1. Separation of Duties

- A. An adequate separation of duties must exist to ensure that no one individual controls all key aspects of financial transactions. For the purpose of these policies, when the District Manager is absent, his/her duties will be fulfilled by the Assistant Manager.
- B. The persons who posts invoices, prepares payroll and accounts payable checks, and makes deposits must not have signature power. The Administrative Secretary/Bookkeeper will fulfill these responsibilities. In the event the Administrative Secretary/Bookkeeper is absent, the Vector Ecologist I or the Receptionist/Clerk will fulfill these responsibilities.
- C. All payroll and accounts payable edit lists will be reviewed by the District Manager. The District Manager shall approve, initial, and date the Time Worked Register and Payables Register prior to the printing of checks.
- D. The revolving fund shall be reimbursed as needed, but at least monthly, by preparing a trust warrant requisition for expenses incurred. The trust warrant requisition shall be prepared by the Administrative Secretary/Bookkeeper and shall be made payable to San Gabriel Valley Mosquito and Vector Control District. The District Manager shall review the requisition for accuracy based on the expenses incurred and approve the requisition for withdrawal of funds. All requisitions shall be reviewed and signed by one of the designated Trustees as appointed by the Board of Trustees. Requisitions shall be hand-carried to the County of Los Angeles Auditor-Controller and the warrant shall be returned to the District office by an authorized District employee who does not have signature power. The warrant shall be copied for record keeping purposes, stamped "FOR DEPOSIT ONLY" (indicating the bank account number) and immediately deposited by the Vector Ecologist I or Field Supervisor.
- E. Disbursement of payroll checks shall be the responsibility of the Administrative Secretary/Bookkeeper. All payroll checks shall be signed for by the employee (or designated person) on the Payroll Distribution and Receipt Form. The Payroll Distribution and Receipt Form shall indicate the date, name of employee, check number, deliverer of the check, and receiver of the check. All payroll checks shall be received by the respective employee, unless he/she authorizes another person to receive the check. The authorization must be written and indicate date (or period of time) in which the person may receive the check(s), be

signed by the employee, and be witnessed by the District Manager, Assistant Manager, or a notary public.

Disbursement of accounts payable checks shall be the responsibility of the Receptionist/Clerk. All accounts payable checks shall be delivered by U.S. mail unless personally received by Payee.

- F. A reconciliation of all accounts shall be performed by an authorized District employee who does not have signature power. Reconciliation shall be performed within 7 days of receipt of the statement and shall be reviewed by the District Manager. The review shall include an investigation of non-check and unusual reconciling items, such as cash withdrawals, electronic fund transfers, bank charges, unexplained debits/credits, etc.

## **SECTION 2. Security of Forms**

- A. Checks shall be purchased in quantities not to exceed 500 for petty cash checks, 500 for payroll checks, and 1,000 for accounts payable checks. Checks shall be pre-numbered beginning with 1001 for petty cash checks; 100001 for payroll checks; and 200001 for accounts payable checks. Magnetic encoding will be checked by the bank prior to issuing payments.
- B. Blank checks shall not be pre-signed and shall be locked in a secured area.
- C. All voided checks shall be marked "VOID" and shall be initialed by the District Manager and one Trustee. All voided checks sent to the bank to check the magnetic encoding, checks voided during printing, and checks voided due to error shall be filed and stored in a secured area.
- D. All accounts payable purchases shall require a purchase order number which shall signify that the District Manager has approved the expenditure and guarantees payment. Purchase orders shall be purchased in a quantity not to exceed 2,000, be pre-numbered and stored in a secured area.
- E. Blank purchase orders shall not be pre-signed. Purchase orders voided for any reason shall be filed and stored in a secured area.

## **SECTION 3. Signature Requirements**

- A. All payroll checks, accounts payable checks, and trust warrant requisitions to reimburse the Revolving Fund shall require two signatures.

The signatures may consist of the District Manager and one of the designated Trustees; two of the designated Trustees; or the Assistant Manager and one of the designated Trustees. Under no circumstance shall the two signatures consist of the District Manager and Assistant Manager.

- B. All petty cash checks and electronic fund transfers for the purpose of paying payroll taxes shall require the signature of the District Manager.
- C. All purchase orders shall require the signature of the District Manager. The vendor name, items to be purchased, and budget line item account number shall be written on the purchase order before it is signed. The purchase order must be signed before the purchase is made.
- D. Electronic fund transfers and book entry transfers for the purpose of depositing funds in the Local Agency Investment Fund and other investment instruments shall require the signature of the District's Treasurer and one authorized Trustee. Electronic fund transfers and book entry transfers for the purpose of withdrawing funds from the Local Agency Investment Fund and other investment instruments shall require the signature of the District's Treasurer and one authorized Trustee.

Trust warrant requisitions prepared for investment purposes shall require the signature of the District's Treasurer and one authorized Trustee.

- E. Two of the following District staff must be prepared when an electronic fund is made to and from the District's Local Agency Investment Fund (LAIF) account and other investment instruments:

- District Manager
- Assistant Manager
- Administrative Secretary/Bookkeeper

## ARTICLE II

### RECEIPTS

#### SECTION 1. Revenue Receipts

- A. Revenue receipts shall include assessments collected, interest received, sale of fish, receivables from contract services, and proceeds from the sale of surplus equipment.
- B. The District's primary revenue is an assessment placed on each non-exempt parcel of land within the boundaries of the District, collected in the same manner as property tax. Both the current and prior year assessments are collected and deposited into the Los Angeles County Treasury in the District's PB1 fund. The District is notified of distribution of the assessments on the Revenue Detail Report through the Countywide Accounting and Purchasing Systems (CAPS). Notification is generally three to four weeks after the close of the month. Assessment revenue is reported on the Financial Statement during the month the District receives notification.
- C. The District earns interest on the assessment collected and deposited in the Los Angeles County Treasury and surplus funds not needed to meet expenditure requirements during the next six months invested in the Local Agency Investment Fund and other investment instruments. Interest is reported to the District either monthly, quarterly, biannually, or annually based on the investment type. Notification of interest earned is generally received three to four weeks after the close of the statement period. The distribution of interest is reported on the Financial Statement during the month the District receives notification.
- D. Proceeds from sale of surplus equipment and fish, and receivables from contract services shall be deposited in the revolving fund and posted to the Financial Statement during the month that the proceeds are received. Trust warrant requisitions prepared to reimburse the revolving fund will be equal to the liabilities for the period of reimbursement less payroll taxes withheld from employee wages paid through the Los Angeles County PB1 account less any receivables deposited in the revolving fund.
- E. All assessment revenue received shall be posted in a general ledger for the PB1 fund as reported on the Revenue Detail Report and Interest Earnings and Distribution Statement. The fund balance in the general ledger shall be verified with the CAPS General Ledger Detail Activity Report to insure proper posting.

**SECTION 2. Non-Revenue Receipts**

- A. Non-revenue receipts shall be refunds, reimbursement from employees, rebates, etc.
- B. Reimbursements from employees for personal phone calls and loss of equipment are deducted from the employee's pay checks and shall be credited to the appropriate line item on the Financial Statement for the month in which the deduction occurred. Employees shall sign a statement acknowledging the deduction prior to withholding from their pay.
- C. Refunds, rebates, etc. shall be deposited in the revolving fund and credited to the appropriate line item on the Financial Statement for the month in which they were received. Deposits shall be made no later than the business day following the day of receipt.

## ARTICLE III

### ACCOUNTS PAYABLE

Procedures and controls shall exist to ensure that all expenditures are legal, duly authorized, and necessary to achieve the goals and functions of the District. All disbursements shall be recorded accurately, reported promptly, and processed efficiently to ensure that expenses are paid in a timely manner to avoid late charges, finance charges, and to take advantage of discounts.

#### SECTION 1. Purchasing

- A. The cost of all purchases shall be within the limits of the line item budget as established by the Board of Trustees unless otherwise approved by a majority vote of the Board of Trustees.
- B. All purchases shall require a purchase order (P.O.). Purchase orders shall be received from the Administrative Secretary/Bookkeeper who will log the P.O. The log will include P.O. number, date, vendor, and who received the P.O. The items to be purchased shall be written on the P.O. along with vendor name, budget line item number, and date and submitted to the District Manager for approval.
- C. All purchases shall be consistent with Resolution 2006-02, Bid Regulations for the Purchase of Supplies and Equipment, as adopted January 13, 2006. Although bidding may be dispensed with for purchases under \$5,000, every effort shall be made to obtain the item for the lowest price commensurate with quality, service and reliability.

When the cost of an item or service is valued between \$5,001 and \$20,000, informal bidding shall be required. Informal bidding may be accomplished by written request for bids sent to selected bidders, by telephone survey of prices, or by such other efforts directed towards obtaining at least three bids.

When the cost of an item or service is valued at more than \$20,000, formal bidding shall be required. Formal bidding process shall require that a notice be posted at the District office at least ten (10) days prior to the bid opening and formal requests for bids shall be solicited either by newspaper publication, trade journal publication, or by use of bid service. Sealed bids shall be solicited and the bid will be awarded by the Board to the lowest responsible bidder based on the Manager's analysis and recommendations of the bids and bidders, unless the Board makes a determination that it would be in the public's best interest to do otherwise.

General exceptions to the bidding process shall be consistent with Section 3 of Resolution 2006-02 as adopted January 13, 2006.



**SECTION 2. Receiving**

- A. The person making the purchase shall review the invoice (receipt) for accuracy and compare quantities received with quantities purchased. If an item needs to be back ordered, the P.O. shall reflect the quantity received and the quantity back ordered. Once the review is completed, the person making the purchase shall sign the RECEIVED BY line and give the pink copy of the P.O. to the vendor.
- B. Items received by mail or special delivery shall be checked against the packing slip and P.O. Items that are not received shall be noted on the P.O. The person who received and inspected the order shall sign the RECEIVED BY line on the P.O.
- C. All items that are received shall be checked immediately for damage.
- D. All items requiring an inventory number shall be appropriately labeled and added to the inventory list on the date of receipt. The inventory list shall state the date of purchase, item, model number, serial number, location, and purchase price including any applicable tax.
- E. The invoice (receipt) along with the white and yellow copy of the P.O. shall be given to the Administrative Secretary/Bookkeeper. The Administrative Secretary/Bookkeeper shall record the amount of the purchase in the P.O. log.

**SECTION 3. Posting Invoices**

- A. When the Administrative Secretary/Bookkeeper has received an invoice and P.O., the invoice shall be compared with the P.O. and checked for accuracy. Items that are received shall be distributed to the appropriate line (including tax) and written on the P.O.
- B. Invoices shall be entered in the computer under the appropriate vendor. Entries shall include the P.O. number, invoice number, invoice date, invoice amount, and shall be distributed to the appropriate line item account number(s).
- C. If the vendor submits a monthly statement, all invoices shall be checked against the monthly statement. Errors shall be identified and corrected prior to payment.
- D. Once invoices have been entered, an edit list will be generated. The District Manager shall review the edit list for accuracy by comparing the edit list with the invoices and P.O.s.
- E. Once the District Manager approves the edit list, the Administrative

Secretary/Bookkeeper shall post the invoices and print the Accounts Payable Register. Once the edit list is approved, the Administrative Secretary/Bookkeeper shall generate an Accounts Payable Register for review and signed approval by the District Manager.

#### **SECTION 4. Preparing Payments and Printing Checks**

- A. All open invoices shall be selected for payment and a Pre-Check Writing Report shall be generated. The District Manager shall review the report for accuracy. Once approved, the Administrative Secretary/Bookkeeper shall print checks.
- B. Any checks voided during the printing process shall be marked VOID and shall be initialed by the District Manager and one of the designated Trustees. Should any checks be voided after posting has occurred, the A/P Voided Checks Registered shall be attached to the voided check as proof of voiding the expense in the accounts payable system.
- C. Printed checks shall be stored in a secure area until reviewed and signed by a designated Trustee. The Vector Ecologist I or Field Supervisor shall deliver the checks to a designated Trustee for signature. The second signature required shall not be made until the day the checks are dispersed.
- D. Checks shall be recorded in a computerized checking program. Entries shall include date, payee, amount, and balance.

## ARTICLE IV

### PAYROLL

#### SECTION 1. Personnel Files

- A. A separate personnel file shall be maintained for each employee separate from his/her payroll file in a secured area and access to records shall be restricted to authorized individuals.
  
- B. Copies of the following must be maintained in each employee's file.
  - 1. Employee Personal History Form
  - 2. Serve at Will Statement (if applicable)
  - 3. Driver's License Number, Expiration Date, and Current DMV (DMV supplied by employee upon position offer, current DMV supplied by VCJPA through pull notices)
  - 4. Resume/Application
  - 5. Proof of Qualifications for Position
  - 6. Performance Evaluations
  - 7. Personnel Action Forms
  - 8. Written Reprimands
  - 9. Retirement, Health, Dental/Vision Benefit Forms (if applicable)
  - 10. Copies of State Certifications (if applicable)
  - 11. Post-offer Physical Results
  - 12. Notice of Injury
  - 13. Report of Vehicle Accident occurring during course of employment
  - 14. Equipment Sign-out Form
  - 15. Flexible Work Schedule Agreement
  - 16. Receipts of Policies
  - 17. All written correspondence given to or requested by the employee
  - 18. Election of Method of Overtime Compensation
  - 19. Policy Acknowledgment Forms
  
- C. All permanent changes in the pay rate, job classification, and employment status for an employee must be recorded on Personnel Action Form. The information shall include date, employment status, job classification, rate of pay, reason for change, and be signed by the employee, the employee's supervisor, and the District Manager. Approval signature shall only be that of the District Manager.
  
- D. Employment Eligibility Verification (Form I-9) for all employees shall be kept in a file separate from personnel files for review by appropriate state and federal agencies.

## **SECTION 2. Payroll Files**

- A. A separate payroll file shall be maintained for each employee separate from his/her personnel file in a secured area and access to records shall be restricted to authorized individuals.
- B. Copies of the following items must be maintained in each employee's file.
  - 1. Federal and State Withholding Allowance Documents
  - 2. Current home address and phone number
  - 3. Deduction Authorization Forms
  - 4. Documents supporting medical injury where injury affects pay status
  - 5. Authorization to release pay check to individual other than employee
  - 6. Copies of Payroll Checks
  - 7. Employee Payroll History Report

## **SECTION 3. Pay Periods and Calculation of Time Worked**

- A. The official pay period for each bi-weekly payroll shall cover fourteen (14) calendar days and shall start on Friday and end on the second Friday thereafter based on job classification.

Maintenance Mechanic - start on Friday at 10:01 a.m. and end on the second Friday thereafter at 10:00 a.m.

Field Supervisor and Vector Control Technicians I, II, and III - start on Friday at 10:31 a.m. and end on the second Friday thereafter at 10:30 a.m.

Vector Ecologist I, Extra-help Assistant Vector Ecologists, and Extra-help Vector Control Technicians - start on Friday at 11:01 a.m. and end on the second Friday thereafter at 11:00 a.m.

Assistant Manager - start on Friday at 11:31 a.m. and end on the second Friday thereafter at 11:30 a.m.

District Manager, Education Specialist, Administrative Secretary/Bookkeeper, and Receptionist/Clerk - start on Friday at 12:01 p.m. and end on the second Friday thereafter at 12:00, noon.

Employees shall be paid six (6) days after the end of a pay period, on a Thursday.

- B. All full-time employees shall be paid a bi-weekly rate equal to eighty (80) hours per pay period. All extra-help and part-time employees shall be paid hourly for each hour worked during the pay period.

- C. All employees shall be required to record time worked using a time clock or time sheet. Time worked shall be verified by the employee's supervisor. The employee and supervisor shall sign the time card or time sheet certifying that the information is true and correct. Time worked shall be computed in six (6) minute increments. Time worked shall be recorded on a summary sheet indicating time worked, overtime earned, and/or leave time used.

The following codes shall be used to record time on the summary sheet.

OT - Overtime  
 V - Vacation Leave  
 S - Sick Leave  
 C - Compensatory Time  
 J - Jury Duty  
 B - Bereavement Leave  
 WC - Workers' Compensation  
 LWP - Leave With Pay

- D. Overtime shall mean time spent in the performance of work ordered and approved by the District Manager or his/her delegate which is in excess of 40 hours per week physically worked. Exempt employees shall not earn overtime. Overtime earned by full-time employees shall be recorded either as compensatory time or paid as overtime at one and one-half (1-1/2) times the regular rate. A written authorization shall be received from each employee as to preference of payment or compensatory time. All extra help and part-time employees shall be paid for overtime earned at one and one-half (1-1/2) times regular rate.

All time cards and time sheets reflecting hours in excess of 40 hours per week physically worked must be initialed by the District Manager, Assistant Manager, or Field Supervisor as authorization of overtime earned.

#### **SECTION 4. Deductions**

- A. Each employee shall be required to file a W-4 and DE 4 upon employment for the purpose of withholding Federal and State income tax. Employees shall file a new W-4 and/or DE 4 prior to any change in his/her marital status and/or number of exemptions.
- B. Every full-time employee shall have federal and state income tax, medicare, and retirement (subject to retirement benefits offered in Personnel & Salary Resolution No. 92-11) withheld from his/her pay check. An employee may elect to have additional money withheld from his/her pay check for the purpose of paying dependent health care and dental/vision insurance premiums, contributions to the credit union and deferred compensation etc., upon written authorization only.

- C. Every extra-help employee shall have federal and state income tax, social security, and medicare withheld from his/her pay check. Extra-help employees may not elect additional withholdings except as those provided in Section 4(D) below.
- D. In the event an employee loses equipment assigned to him/her, the replacement cost shall be withheld from his/her pay check upon written approval by the employee. In the event an employee makes phone calls not related to District business, the amount reflected on the bill shall be withheld from his/her pay check upon written approval by the employee.

#### **SECTION 5. Accrual and Use of Leave Time**

- A. Full-time and part-time regular, probationary, and limited-term employees shall earn sick leave and vacation leave bi-weekly based on years of service. Sick and vacation leave will be accrued and posted in the computer during payroll processing. A hand written ledger with explanation shall be maintained for each employee. Use of sick or vacation leave must be approved by the employee's supervisor and District Manager on a Leave Time Request Form and the time shall be debited in the computer and hand written ledger and will be reflected on the employees pay check.
- B. If an employee does not have leave time accrued, the employee shall not be paid for time that is missed.
- C. Those employees who work a 9 day 80 hour schedule shall either be required to use one (1) hour of vacation time when a holiday falls on a 9 hour work day or work an additional hour on one day during the work week in which the holiday is paid. If an employee has accrued compensatory time, compensatory time will be used before vacation time. At the discretion of the District Manager, work schedules during weeks with holidays may be changed to eight hour days to avoid the use of vacation time and/or accrual of compensatory time for holidays that fall on regularly scheduled day off.
- D. Eligible employees will receive a statement of leave time accrued on a quarterly basis.
- E. A lump sum payment of accrued vacation leave and compensatory time shall be issued when an employee separates from District service.
- F. Employee's sick leave balance at the end of any given fiscal year may not exceed 240 hours. Employees who accumulate sick leave hours in excess of 240 hours during the fiscal year will be compensated for each

hour in excess of 240 at 50% of their current pay rate and the hours shall be removed from the books at the end of the fiscal year.

Upon official retirement from District service, the employee shall be compensated for accumulated sick leave not to exceed 336 hours at fifty percent (50%) of the employee's current rate of pay. In order to receive payment for accumulated sick leave upon retirement, the employee must be at least 50 years of age and have worked for the District with no break in service for a minimum of five (5) years.

If an employee dies due to a work related injury while in the employ of the District his/her survivors shall receive payment for all accumulated sick leave not to exceed 336 hours at one hundred percent (100%) of the employee's current rate of pay.

## **SECTION 6. Preparation and Distribution of Payroll**

- A. The Administrative Secretary/Bookkeeper shall enter time worked and prepare the Time Worked Edit List. The District Manager shall review and approve the edit list before payroll checks are printed.
- B. The Administrative Secretary/Bookkeeper shall print the payroll checks and forward the checks to the appropriate persons for signature. Once signed, payroll checks shall be distributed by the Administrative Secretary/Bookkeeper on each Thursday following the end of the pay period. If pay day falls on a holiday, the payroll checks will be distributed on the last business day before the holiday.
- C. Checks shall be recorded in a computerized checking program. Entries shall include date, payee, amount, and balance.
- D. If an employee involuntarily separates from District service, his/her pay check will be issued on the last day worked. If an employee voluntarily separates from District service, his/her paycheck will be available within three business days. The terminated employee may request in writing that the final paycheck be mailed.

**ARTICLE V**

**REVOLVING FUND BANK ACCOUNT**

**SECTION 1. Purpose**

The Revolving Fund Bank Account, established pursuant to Government Code section 53961, shall be used for the purpose of paying any approved expenditure of the District.

**SECTION 2. Controls**

- A. The revolving fund shall not exceed 110 percent of one-twelfth of the District’s adopted budget for that fiscal year.
- B. All transactions shall require signatures from those duly authorized by the Board of Trustees as follows:

<u>Transaction Type</u>	<u>Number of Signatures</u>	<u>Authorized Positions</u>
Payroll Checks, Accounts Payable Checks, And Trust Warrant Requisitions to Reimburse Revolving Fund	Two signatures	President, Secretary, and Treasurer of the Board of Trustees, three Trustees appointed by the Board, the District Manager or Assistant Manager.
Petty Cash Checks	One signature	District Manager or Assistant Manager.

Only one signature of the required two signatures for Payroll Checks, Accounts Payable Checks, and Trust Warrant Requisitions for reimbursing the Revolving Fund may be that of the District Manager or Assistant Manager.

- C. The District Manager shall keep account of all receipts and disbursements from the fund. The District’s Treasurer shall review all receipts and disbursements from the fund at least monthly.

**SECTION 3. Deposits**

- A. Cash received from the sale of fish and checks received from rebates, refunds, reimbursements, contracts, sale of fish, and sale of surplus equipment shall be deposited in the revolving fund providing that the deposit does not exceed the fund limitation of 110 percent of one-twelfth of the District’s adopted budget.



- B. Disbursements for authorized expenditures from the fund shall be reimbursed by Trust Warrant drawn from Los Angeles County Pooled Investment Fund. The amount of the Trust Warrant shall be equal to the amount of authorized expenditures less any deposits. The Trust Warrant shall be deposited within 24 hours of receiving the Trust Warrant from Los Angeles County.

If sufficient funds are not available in the Los Angeles County Pooled Investment Fund, the Revolving Fund shall be reimbursed by transferring sufficient funds from the Local Agency Investment Fund to the Los Angeles County Pooled Investment Fund.

- C. All deposits shall be reported to the Board of Trustees monthly on the List of Claims which shall indicate the general description of the deposit and the amount.

#### **SECTION 4. Disbursement of Funds**

- A. Funds disbursed for the purpose of meeting payroll expenses, purchase of equipment and supplies, and expenditures for capital improvements and fixed assets shall be issued by a check drawn on the revolving fund account. Procedures for preparing checks shall be consistent with Article III and Article IV of these Fiscal Policies.
- B. Funds disbursed for petty cash expenditures as described in Section 5., below, shall be issued by a check drawn on the revolving fund account.
- C. All disbursements shall be reported to the Board of Trustees monthly on the List of Claims which shall indicate the general description of the disbursement and the amount.

#### **SECTION 5. Petty Cash**

- A. The petty cash account is included as part of the revolving fund account and requires controls to ensure that the expenditures are legal, duly authorized, and necessary to achieve the goals and functions of the District.
- B. Petty cash expenses shall be less than one hundred dollars (\$100.00) unless the item cannot be purchased with a P.O. on an open account or requires payment for product shipped C.O.D. and is needed immediately. Petty cash checks may be written as payment for shipping due on delivery if shipping charge cannot be included on P.O. Petty cash checks shall be used for the purchase of supplies from Costco. Individual item in excess of \$100.00 purchased from Costco shall be anticipated and purchased with an accounts payable check when possible.

- C. Petty cash checks shall be used to reimburse Trustees and employees for parking fees and refreshments for meetings providing a receipt is submitted and the expense is necessary.
- D. Authorized District staff requiring a petty cash check shall receive the check from the District Manager. The purpose of the check must be explained and an amount estimated.
- E. A petty cash check shall be issued for legitimate needs and shall be signed by the District Manager. The date, payee, and signature line shall be completed. For record keeping purposes only, a P.O. shall be completed and approved before issuing the petty cash check.
- F. Receipts for purchases using a petty cash check shall be submitted to the Administrative Secretary/Bookkeeper and shall be recorded in the computerized accounting program. Entry shall include date, payee, amount, and account balance. The receipt shall be attached to the check register.
- G. Petty cash expenditures shall be reported to the Board of Trustees monthly on the List of Claims which shall indicate general description of purchase and the amount.

**ARTICLE VI**  
**RECONCILIATION**

**SECTION 1. Revolving Fund**

- A. A formal monthly reconciliation of the revolving fund account shall be performed within 7 days of receipt of the statement. Checks shall be ordered by number and examined for proper endorsement.
- B. Canceled checks shall be marked as cleared in the computerized checking program. If the District's records balance with the bank statement, a reconciliation report shall be printed and reviewed by the District Manager. The canceled checks, statement, and reconciliation report shall be filed.
- C. If the District's records do not balance with the bank statement, the District Manager shall immediately investigate the reason for the difference. The reason for the difference shall be determined and corrected.

**SECTION 2. District Funds in Los Angeles County**

- A. A formal monthly reconciliation of the PB1 fund account shall be performed within 7 days of receipt of the CAPS reports. Expenditures reported on the CAPS Expenditure Detail Report shall be compared with trust warrant requisitions.
- B. All credits and debits reported on the Revenue Detail Report, Interest Earnings and Distribution Statement, and Expenditure Detail Report shall be marked cleared on the District's general ledger and the balance compared with the balance reported on the CAPS General Ledger Detail Activity Report. If the District's ledger balances with the CAPS General Ledger Detail Activity Report, the ledger will be marked as balanced with the date.
- C. If the District's ledger does not balance with the CAPS General Ledger Detail Activity Report, the District Manager shall immediately investigate the reason for the difference. The reason for the difference shall be determined and corrected.

**SECTION 3. District Funds in the Local Agency Investment Fund (LAIF)**

- A. A formal monthly reconciliation of the LAIF account shall be performed within 7 days of receipt of the statement. Withdrawals, deposits, and

interest earned as reported on the statement shall be compared with the District's general ledger.

- B. All credits and debits reported on the statement shall be marked cleared on the District's general ledger and the balance compared with the balance reported on the statement.
- C. If the District's ledger does not balance with the statement, the District Manager shall immediately investigate the reason for the difference. The reason for the difference shall be determined and corrected.

#### **SECTION 4. District Funds in other Investment Instruments**

- A. A formal reconciliation of District funds in investment instruments other than those specified in Sections 1., 2., and 3. above shall be performed either monthly or quarterly within 7 days of receipt of the statement. Withdrawals, deposits, and interest earned as reported on the statement shall be compared with the District's general ledger.
- B. All credits and debits reported on the statement shall be marked cleared on the District's general ledger and the balance compared with the balance reported on the statement.
- C. If the District's ledger does not balance with the statement, the District Manager shall immediately investigate the reason for the difference. The reason for the difference shall be determined and corrected.

#### **SECTION 5. Financial Statement**

- A. The fund balance reported on the financial statement is calculated by subtracting year to date expenditures from year to date receipts. The sum of all funds in investment instruments plus the funds in the revolving fund account should equal the fund balance reported on the financial statement.
- B. If the financial statement does not balance, the District Manager shall investigate the reason for the difference. The reason for the difference shall be determined and corrected.

## ARTICLE VII

### CREDIT CARD USE

Revolving charge/credit card accounts are increasingly important as purchasing tools for procuring supplies and services relative to approved District business. Using credit cards for purchases must be in keeping with current purchase authorization procedures, internal controls, and records management protocols.

#### SECTION 1. Controls

- A. Revolving charge/credit card accounts shall be selected based on need and fiscal cost. To the greatest extent possible, the District shall select accounts charging low/no annual fees, processing fees, and offering financial incentives.
- B. The District shall ensure revolving charge/credit card accounts are paid in-full and on time to avoid incurring unnecessary finance charges/late fees.
- C. All purchases must be pre-authorized by the District Manager or the cardholder's supervisor.
- D. The cardholder/purchaser is responsible for obtaining receipts from credit card purchases. Receipts for approved purchases must be submitted and processed according to District practices and policies.
- E. Each employee issued a credit card for purchases must acknowledge in writing responsibility and liability for the credit card and receipt of the District's credit card use policy.

#### SECTION 2. Administrative Procedures

- A. All charges will be verified against the receipts for purchases. Any unexplained charges/disputed charges shall be brought to the attention of the District Manager and resolved immediately.
- B. Authorized receipts shall be attached to the statement and paid before the due date, recorded, and filed accordingly. All receipts and statements shall be kept on file a minimum of three (3) years.

#### SECTION 3. Loss of Credit Cards and Misuse

- A. Credit card loss or theft shall be reported to the District Manager

immediately after first knowledge of loss or theft. Lost or stolen cards will be canceled immediately.

- B. Unauthorized purchase and/or personal use of District credit cards is not allowed. Unauthorized purchases will become the responsibility of the employee/cardholder and must be reimbursed to the District immediately.

#### **SECTION 4. Disciplinary Action**

- A. A cardholder who fails to obtain and submit receipts as required, fails to responsibly ensure the security of District credit cards, or uses District credit cards inappropriately or without prior authorization may be subject to disciplinary action.
- B. An employee facing disciplinary action may file an appeal or grievance in accordance with Article XV, Disciplinary Action and Appeals or Article XVI, Grievance Procedure, of the Personnel and Salary Resolution No. 92-11.
- C. Any decision to file criminal charges against the employee shall be made by the Board of Trustees.

## ARTICLE VIII

### RECORD RETENTION SCHEDULE

The San Gabriel Valley Mosquito and Vector Control District has an obligation to create and maintain information in accordance with accepted record management practices and standards. The District shall maintain all original records until the minimum retention period has ended. Once the retention period has ended, the District may store records by a means acceptable to standard records management practices in the form of microfiche, microfilm, or other permanent record in compliance with Government Code Section 60203.

Title	Original Form Minimum Retention Period	Other Storage Medium Minimum Retention Period
<b>Administration:</b>		
Correspondence	3 Years	Permanent
Policy and Procedures	7 Years	Permanent
<b>Meetings:</b>		
Agendas	3 Years	Permanent
Meeting Minutes	3 Years	Permanent
Board Minutes	3 Years	Permanent
Resolutions	7 Years after cancellation	Permanent
<b>Contracts:</b>		
Agreements, Memorandum of Understandings	7 Years following end of contract	Permanent
<b>Financial:</b>		
Accounts Payable: Correspondence A/P Register Petty Cash Register Expense Reports Invoices CAPS Reports Trust Warrant Requisitions	3 Years	10 Years
<b>Revenue:</b>		
CAPS Reports Reimbursements Refunds	3 Years	10 Years

Title	Original Form Minimum Retention Period 3 Years	Other Storage Medium Minimum Retention Period 10 Years
<b>Audits:</b> Correspondence Reports State Controller's Report	3 Years	10 Years
<b>Banking:</b> Correspondence Bank Confirmation Bank Reconciliation Bank Statements Cancelled and Voided Checks Deposit Slips Signature Authorization	3 Years	10 Years
<b>Financial Reports:</b> Correspondence Financial Statements List of Claims	3 Years	Permanent
<b>Annual Budget</b>	3 Years after Repayment	Permanent
<b>Insurance:</b> Memorandum of Coverage Policies Endorsements Premium Deposits Retrospective Ratings Certificates of Insurance Claims	7 Years	Permanent
<b>Legal:</b> General Correspondence Attorney Correspondence Conflict of Interest Code Conflict of Interest Statement Litigation  Opinions	3 Years 3 Years 7 Years 7 Years 3 Years after litigation concludes 7 Years	Permanent Permanent Permanent Permanent Permanent  Permanent



Title	Original Form Minimum Retention Period	Other Storage Medium Minimum Retention Period
<b>Personnel:</b>		
Applications	1 Year	
Post-Offer Physicals	3 Years after Separation	Permanent
Personnel Files	3 Years after Separation	Permanent
Payroll Files	3 Years after Separation	Permanent
<b>Miscellaneous</b>		
	3 Years	

The District shall maintain all original records until the end of the minimum retention period for the original form or until the District establishes another storage system for the originals when the minimum retention period has ended.

## ARTICLE IX

### TRAVEL AND PER DIEM

Travel and per diem shall include expenses paid to members of the District Board for attending business and committee meetings of the Board, secretary compensation, airfare, transportation and lodging expenses for attending conferences, per diem while attending conferences, and parking fees associated with District business.

#### **SECTION 1. Board Member Expenses**

- A. As authorized in Section 2248 of the Health and Safety Code, the District Board may by resolution provide for the allowance and payment to the members of the Board a sum not to exceed fifty dollars (\$50.00) per month per member for expenses incurred in attending business meetings of the Board.

Resolution 02-91, Resolution of the San Gabriel Valley Mosquito and Vector Control District Proposing the Adopting of Monthly Allowance in Lieu of Expenses for the Purpose of Board of Trustees Travel Expenses adopted April 5, 1991 provides for in lieu of expense payments of \$50.00 per month per member for expenses incurred in attending business and committee meetings. The attendance of business meetings shall be documented in the Board Minutes. The attendance of committee meetings shall be documented in the Committee Minutes.

Payment of the in lieu expenses shall only be made if the Board member has attended at least one business or committee meeting during the month of payment. At no time shall the in lieu expenses exceed \$50.00 per month per member.

- B. Pursuant to Section 2249 of the Health and Safety Code, the Secretary of the Board shall receive compensation as shall be fixed by the District Board. Secretary Compensation as set by the District Board shall be paid monthly for duties performed by the Secretary as defined in Resolution 93-06, San Gabriel Valley Mosquito and Vector Control District Articles and By laws Governing District Meetings adopted June 11, 1993.

#### **SECTION 2. Expenses Incurred during the Attendance of Approved Conferences, Seminars, and Meeting Events**

- A. The District shall pay for expenses incurred by authorized Trustees/Employees who attend approved conferences, seminars, or meeting "events". Approved events shall be those included in the

approved budget and events not specifically itemized in the approved budget providing the event will directly benefit the District, the event is approved by the Board of Trustees, and the cost of such event will not exceed the budgeted amount for travel.

- B. All registration fees shall be paid by the District.
- C. Transportation to and from the event shall be paid by the District. The Trustee/Employee shall secure the most economical mode of transportation in keeping with availability, convenience, and propriety.

When air travel is appropriate, coach class shall be utilized. The District Manager, through staff, shall seek informal bids for the best possible air fare. When the Trustee or employee must travel by air and the spouse or family member is traveling with the Trustee/Employee, the District will provide travel arrangements for the spouse or family member providing the Trustee/Employee pays for the cost of travel in advance.

When air travel is used, attendees shall use the most economical means of travel from the airport to the event. If the most economical means of travel is a rental car, the District shall pay the cost of the rental car, insurance, and fuel for authorized travel. Additional days rental and fuel for personal travel shall be at the expense of the individual.

A District vehicle shall be used for travel within a 100 mile radius from the District Headquarters. A private vehicle may be used with the District Manager's approval providing that the cost will not exceed the budgeted amount for travel and the person has proof of insurance pursuant to Resolution No. 94-03, Resolution of the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District Adopting a Policy Regarding Use of Personal Vehicles for District Business. Reimbursement for use of a private vehicle shall be in the amount authorized by the IRS for deduction. Every effort shall be made to utilize a District vehicle when air travel is not necessary.

- D. The cost of accommodations shall be paid by the District for events in which travel distance is greater than 60 miles from the District's Headquarters. Reasonable cost for overnight accommodations shall be used by the Trustee/Employee in keeping with availability, convenience, and propriety.

When appropriate, the District will pay for all lodging in advance. If the District is unable to pay for accommodations in advance, the District will either issue payment to the Trustee/Employee before departure to cover the cost of lodging or will reimburse the Trustee/Employee for the cost incurred as shown on a receipt within 10 days after returning from the event.

- E. The District shall issue per diem to Trustees in the amount of \$55.00 per day and to employees in the amount of \$40.00 per day prior to the date of travel to cover the following expenses:

- Meals
- Personal Travel (bus, gas, parking, etc.)
- Gratuities (hotel, porter, restaurant, etc.)

- F. Within 10 days after returning from the event, an Authorized Travel Expense Report shall be completed if necessary, with receipts attached, listing and totaling all actual business expenses, excluding meals, personal travel, and gratuities for the event and reduced by any advances received. If the expenses are greater than the advances, any legitimate expenses will be reimbursed to the Trustee/Employee. If the expenses are less than the advances, the funds will be returned to the District to credit the appropriate line item account. The Authorized Travel Expense Report shall be approved as follows:

<u>Attendee</u>	<u>Approving Party</u>
Trustee	Secretary of the Board or designee of Board President
District Manager	Secretary of the Board or designee of Board President
Staff	District Manager

**SECTION 3. Parking Fees**

During the course of District Business, occasionally it is necessary to park the vehicle in a lot where a fee is charged. The District shall reimburse the Trustee/Employee for legitimate parking fees providing a receipt is submitted and the purpose is indicated on the receipt.

**ARTICLE X**  
**FIXED ASSETS**

**SECTION 1. Acquisition**

- A. All expenditures for fixed assets shall be made under budgetary control. Control shall be maintained over the actual cost in relation to the amount authorized in the approved budget. When additional appropriations are required, authority must be obtained by a majority vote of the Board of Trustees during a public meeting.
- B. Fixed assets shall be non-consumable items with a purchase price greater than five hundred dollars (\$1,000.00).
- C. Fixed assets shall be purchased consistent with Resolution 92-12, Bid Regulations for the Purchase of Supplies and Equipment, as amended January 8, 1993, as described in Article III, Section 1. Purchasing, above.

**SECTION 2. Receiving and Inventory**

- A. As assets are received, the item shall be inspected for damage, verified that the item meets the specifications for the product ordered and a property tag shall be attached. The property tag number shall be recorded on the receipt and the receipt shall be given to the Administrative Secretary/Bookkeeper.
- B. The Administrative Secretary/Bookkeeper shall verify the amount invoiced with the amount of the bid submitted or price quoted. The Administrative Secretary/Bookkeeper shall verify that the property has been recorded on the inventory list which shall include date of purchase, property tag number, make and model number, serial number, location, and purchase price including tax. The Administrative Secretary/Bookkeeper shall report the newly inventoried property to the Vector Control Joint Powers Agency within five (5) business days for insurance purposes.
- C. Inventory of fixed assets shall be performed at least once every six months. Any property not accounted for shall be brought to the immediate attention of the District Manager for investigation.

### **SECTION 3. Donations**

- A. Non-consumable property with a value of five hundred dollars (\$500.00) or greater offered by any individual or corporation for donation shall be approved by the Board of Trustees prior to accepting the donation. The individual or corporation must submit a letter of offer listing the item to be donated, approximate value, condition, and if applicable, source of consumable items necessary to operate equipment.
- B. Staff shall investigate if there is a conflict of interest associated with accepting the donation. If a conflict exists due to the fact that the sole source of consumable items can only be purchased from the person or corporation making the donation, staff shall recommend not accepting the donation unless it is deemed to be in the best interest of the District.
- C. Staff shall not recommend accepting a donation if the donation is limited by conditional acceptance.
- D. If the Board of Trustees approves accepting the donation, an acceptance letter shall be signed by the President of the Board and given to the individual or corporation making the donation. The property shall be tagged and reported as described in Sections 2(A) and 2(B) above.

### **SECTION 4. Vehicle Replacement**

Vehicles to be replaced should meet one of the following criteria:

- a. Seven years or older, or
- b. High mileage of 80,000 or greater, or
- c. Poor mechanical condition resulting in down time of ten percent (10%) or cost of repair exceeding 50% of the fair trade-in value, or
- d. Other factors such as safety problems, damage caused by an accident resulting in the cost of repairs exceeding the fair trade-in value, mechanically inoperable, or costly damage as a result of environmental or operational factors, such as rust.

The trade-in value shall be obtained annually in July and any time major repairs are necessary. The trade-in value shall be based on the condition, mileage, and equipment of the vehicle. Disposal of the vehicle to be replaced shall be consistent with Section 5., below.

### **SECTION 5. Sale of Surplus Property**

- A. When a fixed asset is no longer needed or is inoperable and is not going to be or cannot be repaired, the item shall be sold as surplus property. Items to be removed from the inventory of fixed assets shall be reported

to the Board of Trustees. The report shall include purchase date, property tag number, make and model, serial number, purchase price, current value of item, and reason for disposal. All items to be sold as surplus property must be approved by the Board of Trustees prior to the sale.

- B. Surplus property shall be sold by one of the following methods:
1. Through legal advertisement in a newspaper of general circulation inviting sealed bids; or
  2. At an auction either conducted by the District or through a professional service; or
  3. As determined by the Board of Trustees during a public meeting.

Staff shall determine a fair price for the property and set a minimum bid on those items believed to have value. The District shall accept the highest bid for the item sold at auction. Sealed bids received through legal advertisement shall be accompanied by payment in the form of a guaranteed check or cashier's check. The bid will be awarded to the highest bidder during a public meeting. Checks received from unsuccessful bidders will be returned.

- C. Items not sold shall be donated to another governmental agency or non-profit organization, scrapped for parts, recycled, or properly disposed of in a landfill. Approval by the Board of Trustees shall be obtained prior to donating any surplus property to another governmental agency or non-profit organization.
- D. Proceeds from the sale of surplus property shall be treated as revenue for the fiscal year in which the property was sold.

## **ARTICLE XI**

### **INVENTORY**

#### **SECTION 1. Introduction**

Inventories consist of supplies, chemicals, furniture, and equipment. Supplies and chemicals shall not receive a property tag and shall be inventoried monthly or as needed to ensure that materials are used in the manner intended. Furniture and equipment shall receive a property tag and shall be inventoried at least once every six months to ensure that the items have not been lost or stolen.

#### **SECTION 2. Controls**

- A. The functions of ordering, authorizing, receiving, and conducting physical inventories shall be adequately separated to: (1) ensure that inventory transactions are proper, and (2) minimize the potential for inventory related defalcations. All proposed purchases shall be authorized prior to ordering, within budget limits and made in accordance with Resolution 92-12, Bid Regulations for Purchase of Supplies and Equipment, as amended January 8, 1993.
- B. Chemicals and supplies shall only be ordered when needed. A stock level shall be established and maintained to ensure that the goals of the District may be successfully and expediently performed.
- C. Storage areas shall be secured so that access to inventory is restricted to authorized personnel. Chemicals and supplies requiring special storage (i.e. temperature control, flammable storage, etc.) shall be stored according to product information to ensure that no damage occurs to the material, persons working in the area, and/or other property.
- D. Receipts of inventory items shall be recorded promptly and accurately by an individual without signature power.

#### **SECTION 3. Receiving**

- A. Inventory items received shall be inspected, counted, or weighed and appropriate receiving documents matched with invoices and purchase orders. Quantities of supplies and chemicals shall be recorded on the appropriate inventory sheet. Furniture and equipment (including all office furniture, electronic equipment, file cabinets, etc. regardless of purchase price) received shall receive a property tag and shall be recorded on the appropriate inventory sheet. Vehicles shall be numbered with sequential numbers followed by the last two digits of the year. For example, the



second vehicle received which was purchased in 1994 shall be numbered as 2-94.

- B. A list of all furniture and equipment receiving a property tag as well as all vehicles shall be forwarded to the Vector Control Joint Powers Agency for insurance purposes. The list shall include purchase date, property tag number, make and model, serial number, and purchase price including tax.

#### **SECTION 4. Physical Inventory**

- A. Inventory of supplies and chemicals shall be the responsibility of an individual who does not have authority to approve purchases. Inventory of supplies and chemicals shall be taken monthly or as necessary. Quantity on hand shall be compared with quantity disbursed. Unexplained differences shall be brought to the attention of the District Manager for investigation.
- B. Inventory of furniture and equipment shall be taken by two individuals; one of the individuals shall not have authority to approve purchases. Inventory of furniture and equipment including fixed assets shall be taken at least once every six months. The individuals taking inventory shall work together and shall record the condition of the items. Items not accounted for shall be brought to the attention of the District Manager for investigation.

## ARTICLE XII

### COMPUTER CONTROLS

#### SECTION 1. Physical Security Controls

- A. Physical security controls assist in safeguarding assets from accidental loss, damage, or theft. All personal computers shall be connected to surge protector to prevent damage due to power surges. Carbon dioxide fire extinguishers shall be located in each area where a computer is installed. Power cords/receptacles shall not be located in or near walkways to prevent accidental injury to staff and damage to computers and printers.
- B. Access to computers shall be limited to trained authorized personnel. Training shall include proper procedures for turning on and off hardware, using software, saving data, proper handling of accessories, and proper care of hardware. Training shall be conducted by experienced personnel and/or consultants.
- C. Management shall maintain an up-to-date inventory of all computers and printers listing the product and model number, serial number, date purchased, purchase price, and location. Inventory shall be conducted not less than every six (6) months.

#### SECTION 2. Data Security Controls

- A. Data security controls are designed to assist in preventing unauthorized access to or the accidental loss, destruction, or misuse of data resources. Security awareness training shall be given to all personnel. Data disks containing sensitive personnel, legal, payroll, etc. files shall be kept in a secure location with access to authorized personnel only.
- B. Software programs used to process payroll and accounts payable checks and record checking information shall require a password to access the program. Each individual authorized to utilize these software programs shall be assigned a password. Passwords shall be unique and not be "shared" by two or more individuals. Passwords shall be at least six characters and shall not be written on computers, keyboards, table top, etc. Passwords shall be changed at least every six months. Since the password can be changed by any individual possessing the Installation and System Guide and Systems Disk A to the software packages, these items shall be stored in a secure location and access shall be limited to authorized personnel.

- C. All data files shall be backed-up (copied) periodically. Frequency shall be determined by the critical nature of the data as well as the time necessary to re-enter data that could potentially be lost. Payroll and accounts payable data shall be backed-up not less than twice per month. Back up copies of critical information shall be stored in a secured insulated file cabinet that will provide fire protection for a minimum of one (1) hour. Data disks shall not be stored in the same location as hard copies.
- D. Hard copies of sensitive information (personnel, payroll, legal, etc.) shall be stored in a secured location. Extra copies shall be destroyed by means of shredding immediately if not needed.
- E. Copyrighted software shall be stored in a secured location protected from environmental damage and theft. Copies shall be made and used for District use only. Unauthorized copying in violation of copyright laws shall be prevented by management.

**ARTICLE XIII**  
**INVESTMENTS**  
**(Revised Dec 14, 2018)**

**SECTION 1. Purpose**

The Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District has a fiduciary responsibility to maximize the use of public funds entrusted to its care, manage those monies wisely and prudently, and protect those monies from financial catastrophes.

The objective of the District's investment program shall be to maintain a level of investment of all temporary idle funds as near 100% as possible, with due consideration given to safety, liquidity, yield, and cash flow requirements.

**SECTION 2. Investment Authority and Guidelines**

- A. District funds not required for foreseeable near term expenditures shall be designated for a long term use and shall be fully invested or deposited to maximize investment returns. Section 53601 of the Government Code provides authorization for investment of funds of local agencies.
- B. The District's Treasurer shall invest funds of the District under the prudent person rule (Civil Code §2261 et seq.) exercising judgment and care as it deems wise or expedient as allowable under current legislation of the State of California and other imposed legal restrictions.
- C. All District investments shall conform to the restrictions set forth in Section 53601 of the Government Code. The District's Treasurer shall utilize only those eligible investment instruments set forth below under Section 4, Allowable Investment Instruments.
- D. The Finance Committee shall serve as an oversight Committee to recommend investment instruments to the District Treasurer and review investment performance.
- E. No investment shall be made to mature for a period greater than two (2) years except for notes, bonds or other obligations of a state or federal governmental entity unless otherwise provided for in Government Code §53601. No more than fifty percent (50%) of the District's funds shall be

kept in one institution except the Los Angeles County Pooled Investment Fund and Local Agency Investment Fund. Certificates of Deposit at any financial institution shall not exceed \$250,000.

Any funds identified in the monthly report as necessary to meet expenditure requirements for the next six months shall be kept in the Los Angeles County Pooled Investment Fund and the Local Agency Investment Fund. If sufficient funds are not available in the Los Angeles County Pooled Investment Fund and the Local Agency Investment Fund to meet expenditure requirements for the next six months, then investments shall be sold pursuant to Section 5., below, for cash flow purposes and deposited in the Local Agency Investment Fund or the Los Angeles County Pooled Investment Fund.

- F. The District's Treasurer shall report monthly to the Board of Trustees the type of investments, issuers, date of purchase and maturity, dollar amount invested, yield, and current market value for all securities, investments, and moneys held by the District that are not held by a local agency or the State of California Local Agency Investment Fund and source of valuation. The monthly report shall state compliance of the portfolio with the adopted investment policy or the manner in which the portfolio is not in compliance, and shall include a statement denoting the ability of the District to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available. The District's Treasurer shall sign the monthly report as the preparer of the report.
- G. District investments in the Local Agency Investment Fund and Los Angeles County Pooled Investment Fund shall be reported monthly by providing the Board of Trustees with the most recent statement received by the District from these institutions. The fair market value of pool investments shall be calculated based on the total value of the pool and reported on the monthly reports.
- H. The Finance Committee, which shall be chaired by the District's Treasurer, shall meet quarterly to review all types of investments, issuers, date of purchase and maturity, dollar amount invested, yield, and current market value for all securities to ensure safety of District funds.

### **SECTION 3. Criteria for Selecting Investments and the Order of Priority**

#### **A. Safety**

The safety and risk associated with an investment refers to the potential

loss of principal, accrued interest, or a combination of these. The District's Treasurer shall employ investment instruments which are considered very safe.

**B. Liquidity**

Liquidity refers to the ability to convert investment holds to cash immediately with a minimal loss of principal or accrued interest. The District's Treasurer shall only invest those funds which are not required within a 12 month period from date of investment. For the purpose of this section, investments in the Los Angeles County Pooled Investment Fund and the Local Agency Investment Fund are considered liquid and funds invested are available upon demand with no or minimal loss of principal or accrued interest.

**C. Yield**

Yield is the dollar earnings the investment provides. The yield of the investment shall be considered after the fundamental requirements of safety and liquidity have been met.

**D. Maturity**

Projected cash flow requirements shall be the primary factor used in determining investment maturity terms. Yield consideration shall be the secondary factor used in determining maturity terms, with the expectation that longer maturity periods will generally yield greater returns on investments.

#### **SECTION 4. Allowable Investment Instruments**

The following are allowable investment instruments as provided for in Section 53601 of the Government Code and are the only investments specifically allowable as authorized investments for the District.

**A. County Treasurer Accounts**

All service charge and benefit assessment revenue shall be collected by the Los Angeles County Treasurer and shall be deposited into the Los Angeles County Treasury for use by the District. The Board of Trustees may rely on the County Treasurer to invest all surplus funds.

**B. Local Agency Investment Fund**

The Local Agency Investment Fund is managed by the Treasurer's Office, State of California. The total investment may not exceed the maximum allowed by the State.

**C. Negotiable Certificates of Deposit**

Negotiable Certificates of Deposit shall be made only with financial institutions which are fully insured by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation and issued by a nationally or state-chartered bank or a state or federal savings and loan association. The amount of deposit in any one institution shall not exceed the insured amount or 30% of surplus funds, which ever is less.

**D. United States Treasury Notes, Bonds, Bills or Certificate of Indebtedness**

Investments may be made in United States Treasury notes, bonds, bills, or certificates of indebtedness having the full faith and credit of the federal government pledged for the payment of principle and interest.

**E. Federally Sponsored Credit Agency Securities**

Investments may be made in the debt securities of the following U.S. Government sponsored corporation agencies:

Banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks

Federal Home Loan Bank Board

Tennessee Valley Authority

Obligations, participation, or other instruments of or issued by or fully guaranteed as to the principal and interest by the Federal National Mortgage Association

Guaranteed portions of Small Business Administration notes

Other instruments issued by a federal agency or a United States government-sponsored enterprise.

**F. California State and Municipal bonds**

Investments may be made in instruments issued by the State of California and its municipalities with consideration given to dates of maturity, yield, and whether such bonds are insured.

**G. Medium-Term Notes**

Investments may be made in medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any State operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized service. Purchase of medium term notes may not exceed thirty percent (30%) of the

District's surplus money.

**H. CalTRUST – Short to Medium Term Fund**

Investments may be made in this voluntary, local government, joint investment pool with a multi-billion dollar asset portfolio. Oversight is provided by a Board of Trustees and investment funds are managed by a contracted CalTRUST Asset Management Institution. All CalTRUST funds are in compliance with the California investment guidelines for public agencies.

**I. 115 Trust – GASB 45 Compliant IRS approved 115 OPEB Trust**

Funds may be deposited in this Trust in accordance with Section 115 of the Internal Revenue Code (IRC), an irrevocable trust (115 Trust) through which eligible California public agency employers may prefund their future annual pension contributions. A 115 Trust may be administered by the California Public Employees Retirement System (CalPERS) or through a private market.

Only those instruments listed above are allowable. The purchase of “derivatives” such as inverse floaters, dual index floaters, or inverse securities which produce higher than market rates of interest at purchase date (when interest rates are low) but have the possibility of producing low or no coupon rates as market interest rates rise through the life of the investment are strictly prohibited.

**SECTION 5. Sale of Investments**

Although the District invests with the intent to hold investments to maturity, sale of investments may be required prior to maturity.

- A. Investments may be sold prior to maturity for cash flow purposes.
- B. Losses on a sale before maturity are acceptable if the earnings from the reinvested proceeds will exceed the income that would have been generated by the old investment considering any capital loss of foregone interest on the original investment.
- C. Sale of investments prior to maturity must be authorized by the Finance Committee.

**SECTION 6. Safekeeping**



All broker-dealers shall be pre-qualified by completing a broker-dealer questionnaire provided by the District. All broker-dealers doing business with the District shall be required to read and acknowledge in writing that they have read and understood the investment policy. Investment transactions with a broker-dealer shall be conducted on a delivery versus payment method with the District's third party custodian.

Securities shall be delivered and held in third party safe-keeping by the District's bank. Local agency funds, under the direction of a trustee, will be held in the name of the District with the trustee executing investment transactions as directed by the Finance Committee.

### **SECTION 7. Investment Policy Revision**

This Investment Policy shall be reviewed and adopted annually by the Board of Trustees for relevance to ensure that all investments made are in compliance with state and local codes and laws and are consistent with current financial trends.

**ARTICLE XIV**  
**SALARY ADJUSTMENTS**

**SECTION 1. Purpose**

The Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District has determined that it is in the best interest of the District to set a salary adjustment policy to provide for competitive salaries.

**SECTION 2. Annual Review of Cost of Living Allowance**

- A. Cost of Living data shall be reviewed annually using the February Consumer Price Index - Urban Wage Earners and Clerical Workers (CPI-W) year end percent change.
- B. The Los Angeles-Anaheim-Riverside geographic area index will be used to calculate a cost of living allowance.
- C. Staff shall calculate salaries annually using the March CPI-W with a cap of 4%. All benefit and insurance costs will also be calculated to determine the true cost of the salary increase. No salary adjustment calculations will be presented when the CPI-W is negative.
- D. Proposed salary adjustments based on the CPI-W shall be presented annually to the Personnel and Finance Committees for recommendations.
- E. Salary adjustments based on the CPI-W shall not be automatic. Such adjustments shall only be approved by a majority vote of the Board of Trustees during the adoption of each fiscal years budget.

**SECTION 3. Salary Surveys**

- A. The salary survey shall be conducted every three (3) years during the month of April. Salary adjustments based on the salary survey shall not apply to the position of District Manager, except as provided in Section H, below.
- B. Staff shall request information from Mosquito Abatement and Vector Control Districts located in southern California that meet the following criteria:

- a. Minimum Annual revenue - \$650,000
  - b. Minimum Number of Employees - 12
- C. A complete list of position titles, job descriptions, and salaries shall be obtained from a minimum of five districts. The job responsibilities and minimum qualifications shall be evaluated based on comparable positions with SGVMVCD.
- D. A summary of salaries paid, responsibilities, and minimum qualifications shall be prepared for similar positions.
- E. The districts with the highest and lowest salaries for each position shall be rejected. From the remaining salaries, the mean high salary shall be calculated. If four or fewer similar positions are available to survey, either no salaries will be rejected or salaries from districts in other comparable areas of California will be obtained.
- F. If the District's salary is within 2% of the mean no adjustment shall be made. If the District's salary is less than 98% of the mean, the salary shall be adjusted to equal the mean.
- G. The salary survey and recommended adjustments shall be presented to the Board of Trustees in May of the year that the survey is conducted for Board approval. The approved adjustments shall be included in the budget presented to the Board in June and shall become effective with the first full pay period in July.
- H. The Personnel Committee may consider the survey and mean high salary for the position of District Manager to determine if the salary range for the position is competitive or when an adjustment to the salary is recommended. The Personnel Committee will conduct a performance evaluation of the District Manager annually during the month of April. Based on the performance evaluation, achievement of goals and objectives, conduct that leads to disciplinary action, and financial stability of the District, the Personnel Committee may recommend a salary adjustment for the District Manager. The adjustment shall only be granted upon a majority vote of the Board members present at a regular meeting of the Board of Trustees.

## ARTICLE XV

### FEE FOR DUPLICATION OF DISTRICT RECORDS

#### SECTION 1. Purpose

Public records of the District are open to inspection at all times during the office hours of the District and every citizen has a right to inspect any public record, except as provided in Government Code '6254. Pursuant to Government Code '6257, the District may impose fees covering the direct costs of duplication.

#### SECTION 2. Fee Schedule

- A. The direct cost fees for duplication of District records shall be equal to the cost of the copier divided by the number of copies expected through the life of the copier, plus the copier maintenance cost per copy which includes all cost to operate the copier except for the cost of paper, plus the cost of the paper. The cost of postage shall be included as a separate fee equal to the amount of the actual cost to mail the records for those persons unable to obtain the records at the District office.

The fee per copy shall be rounded to the nearest whole cent. If the calculation of the direct cost includes a fraction of a cent equal to or less than 0.49 cents, the direct cost will be rounded down to the nearest whole cent. If the calculation of the direct cost includes a fraction of a cent equal to or greater than 0.50 cents, the direct cost will be rounded up to the nearest whole cent.

Audio cassette tapes of recorded public meetings are retained for 30 days and may be duplicated during the 30 day period for a fee equal to the cost of the tape.

- B. The direct cost fees for duplication of District records shall be calculated annually based on the current copier maintenance contract and the current cost for paper during the month that the copier maintenance contract is renewed.
- C. The fee schedule shall be reviewed annually by the Finance Committee and distributed to all appropriate personnel in an Interoffice Memorandum and shall be made available to any person requesting a copy of District records.
- D. The fees for duplication shall not include staff time for retrieving or duplicating records.

**SECTION 3. Collection of the Fee**

- A. Persons requesting copies of public records via U.S. Mail shall be informed via U.S. Mail within 10 days of their request of the total cost to duplicate and mail the records. Upon receipt of the total payment, the records shall be mailed to the requesting person.
- B. Persons requesting copies of public records at the District office shall be given the copies of the records upon payment of the fees to the District.

**SECTION 4. Waiver of Fees**

Fees shall be waived for the following documents, agencies, and individuals:

- a. Documents requested by federal, state, or local agencies.
- b. Copies of documents pertaining to any charge or assessment levied by the District.
- c. Copies of Meeting Agendas requested by any individual, business, or agency.
- d. Copies of any educational materials distributed to individuals, businesses, or agencies within the boundaries of the District.
- e. Any documents that the Board of Trustees has taken action on to waive the fee during a public meeting at the request of the requesting party or for the purpose of achieving District goals.

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**RESOLUTION NO. 2006-02****A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT AMENDING BID REGULATIONS FOR THE PURCHASE OF SUPPLIES AND EQUIPMENT**

**BE IT RESOLVED BY** the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District, Los Angeles County, California, as follows:

**SECTION 1. Purchasing Agent**

The District Manager Shall act as a Purchasing Agent and the Director of Administrative Services shall act as Assistant Purchasing Agent for the District. The Director of Administrative Services shall have the authority to function as the Purchasing Agent in the absence of the District Manager.

The Purchasing Agent shall, within the limits provided in the fiscal year budget approved by the Board of Trustees (the "Board"), and except as hereinafter provided, purchase for the District all materials, supplies, furnishings, equipment, livestock, poultry, and other personal property of whatever kind and nature. No purchase of personal property by any person other than the Purchasing Agent or the Assistant Purchasing Agent shall be binding upon the District or constitute a lawful charge against any District fund.

**SECTION 2. Bidding Regulations**

**\$5,000 OR LESS:** Materials, goods, supplies and services of less than \$5,000 in value may be purchased on the open market without bidding.

**\$5,001 - \$20,000:** When the purchase of materials, goods, supplies or service(s) is valued between \$5,0001 - \$20,000, informal bidding shall be required. Such bidding may be accomplished by written request for bids sent to selected bidders or by telephone survey of prices, or by such other efforts directed towards obtaining at least three oral or written bids. The bid shall be awarded by the Purchasing Agent to the lowest responsible bidder unless the Purchasing Agent determines that the public interest requires a different action. In that event, the Purchasing Agent shall submit a report to the Board explaining the award.

**ABOVE \$20,001:** When the materials, goods, supplies or service(s) to be purchased exceeds \$20,001 in value, formal bidding shall be required. Such bidding process shall require that a notice be posted at the District office at least ten (10) days prior to the bid opening and that formal requests for bids be solicited either by newspaper publication, trade journal publication, or by use of a bid service. Sealed bids shall be solicited and the bid will be awarded by the Board to the lowest responsible bidder based on the Purchasing Agent's analysis and recommendations of the bids and bidders, unless the Board makes a determination that it would be in the public's best interest to do otherwise, which determination will be made in the record.

The Purchasing Agent shall first review all bids received to determine if they are responsive to the notice inviting bids. The Purchasing Agent is authorized to waive minor deviations and irregularities in the bids.

The Purchasing Agent shall also have the authority to inspect and test products intended to be used in any bid for quality and fitness for its intended purpose and may investigate the character and reputation of any bidder to determine if the bidder is responsible. The Purchasing Agent's determination and recommendation of the lowest responsible bidder shall be based on his/her analysis of these factors.

The contract shall be awarded by the Board to the lowest responsible bidder, except as otherwise provided. If two or more bids are the same, the District may accept any such bid. In its sole discretion, the Board may reject any and all bids received and it may readvertise for bids.

**SECTION 3. General Exceptions**

Bidding under this Resolution is not required when:

- (a) An emergency situation exists.
- (b) When the services of specialized professionals are required, such as scientist, engineers, attorneys, accountants, and technical advisors.
- (c) When the item can only be obtained from one vendor, or is otherwise unique because of its fitness for a particular use.
- (d) When any other governmental agency has determined to utilized a particular vendor for an item.
- (e) When the public interest may otherwise require that bidding be dispensed with provided that the facts constituting the basis for the exception shall be documented by the Board or Purchasing Agent, as appropriate, and retained as part of the District's official records for at least two (2) years.

**SECTION 4.** Resolution No. 92-12 is hereby rescinded.

PASSED, APPROVED AND ADOPTED by the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District this xx day of xxxxxx 2023, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

---

Becky Shevlin

President, Board of Trustees



ATTEST:

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Lloyd Johnson  
Secretary/Treasurer, Board of Trustees

APPROVED AS TO FORM:

---

Kelly M. Alhadeff-Black  
District Counsel

DRAFT

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT  
BID REGULATIONS FOR THE PURCHASE OF SUPPLIES AND EQUIPMENT**

**RESOLUTION NO. 2006-02**

**BE IT RESOLVED BY** the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District, Los Angeles County, California, as follows:

**SECTION 1.        Purchasing Agent**

The District Manager shall act as a Purchasing Agent and the Assistant District Manager shall act as Assistant Purchasing Agent for the District. The Assistant District Manager shall have the authority to function as the Purchasing Agent in the absence of the District Manager.

The Purchasing Agent shall, within the limits provided in the fiscal year budget approved by the Board of Trustees (the "Board"), and except as hereinafter provided, purchase for the District all materials, supplies, furnishings, equipment, livestock, poultry, and other personal property of whatever kind and nature. No purchase of personal property by any person other than the Purchasing Agent or the Assistant Purchasing Agent shall be binding upon the District or constitute a lawful charge against any District fund.

**SECTION 2.        Bidding Regulations**

**\$5,000 OR LESS:** Materials, goods, supplies and services of less than \$5,000 in value may be purchased on the open market without bidding.

**\$5,001 - \$20,000:** When the purchase of materials, goods, supplies or service(s) is valued between \$5,001 - \$20,000, informal bidding shall be required. Such bidding may be accomplished by written request for bids sent to selected bidders or by telephone survey of prices, or by such other efforts directed towards obtaining at least three oral or written bids. The bid shall be awarded by the Purchasing Agent to the lowest responsible bidder unless the Purchasing Agent determines that the public interest requires a different action. In that event, the Purchasing Agent shall submit a report to the Board explaining the award.

**ABOVE \$20,001:** When the materials, goods, supplies or a service(s) to be purchased exceeds \$20,001 in value, formal bidding shall be required. Such bidding process shall require that a notice be posted at the District office at least ten (10) days prior to the bid opening and that formal requests for bids be solicited either by newspaper publication, trade journal publication, or by use of a bid service. Sealed bids shall be solicited and the bid will be awarded by the Board to the lowest responsible bidder based on the Purchasing Agent's analysis and recommendations of the bids and bidders, unless the

**Resolution No. 2006-02**

Board makes a determination that it would be in the public's best interest to do otherwise, which determination will be made in the record.

The Purchasing Agent shall first review all bids received to determine if they are responsive to the notice inviting bids. The Purchasing Agent is authorized to waive minor deviations and irregularities in the bids.

The Purchasing Agent shall also have the authority to inspect and test products intended to be used in any bid for quality and fitness for its intended purpose and may investigate the character and reputation of any bidder to determine if the bidder is responsible. The Purchasing Agent's determination and recommendation of the lowest responsible bidder shall be based on his/her analysis of these factors.

The contract shall be awarded by the Board to the lowest responsible bidder, except as otherwise provided. If two or more bids are the same, the District may accept any such bid. In its sole discretion, the Board may reject any and all bids received and it may re-advertise for bids.

**SECTION 3. General Exceptions**

Bidding under this Resolution is not required when:

- (a) An emergency situation exists.
- (b) When the services of specialized professionals are required, such as scientist, engineers, attorneys, accountants, and technical advisors.
- (c) When the item can only be obtained from one vendor, or is otherwise unique because of its fitness for a particular use.
- (d) When any other governmental agency has determined to utilize a particular vendor for an item.
- (e) When the public interest may otherwise require that bidding be dispensed with provided that the facts constituting the basis for the exception shall be documented by the Board or Purchasing Agent, as appropriate, and retained as part of the District's official records for at least two (2) years.

**SECTION 4.** Resolution No. 92-12 is hereby rescinded.

**PASSED AND ADOPTED** by the Board of Trustees of the San Gabriel Valley Mosquito Abatement District at its meeting on January 13, 2006, by the following vote:

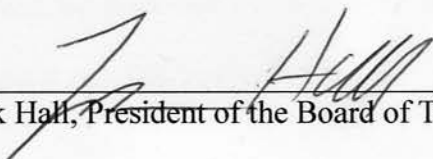
**Resolution No. 2006-02**

**AYES** Stephen Sham, Roger Chandler, Henry Morgan, Margaret Finlay, Ernest Gutierrez, George Vangel, Jeff Parriott, Robert Neher, David Barron, Elliott Rothman, Jeffrey Templeman, Chi Mui, Dan Arrighi, Tom Sykes, Mike Miller

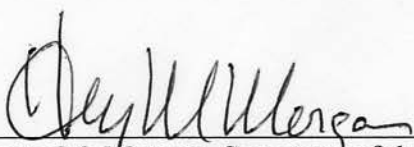
**NOES** Dan Kirby, Jacquelin McHenry

**ABSENT:** Joe Rocha, Louie Lujan, Joseph Tapia

**ABSTAIN**

  
\_\_\_\_\_  
Frank Hall, President of the Board of Trustees

**ATTEST:**

  
\_\_\_\_\_  
Henry M. Morgan, Secretary of the Board of Trustees

**Resolution No. 2006-02**

CERTIFICATE

STATE OF CALIFORNIA	)	
	)	SS.
COUNTY OF LOS ANGELES	)	

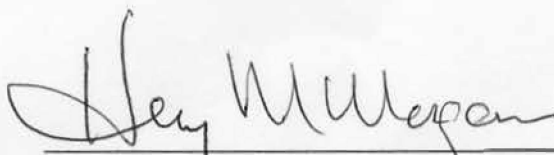
I, Henry M. Morgan, Secretary of the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District, do hereby certify that the foregoing revision of Resolution No. 94-02, Article VII, Credit Card Use, was duly passed, approved and adopted by the Board of Trustees of said District at a public meeting held on the 13th day of January 2006 that the said Resolution has never been revoked, rescinded, or set aside, and is now in full force and effect, and that it was so adopted by the following vote:

AYES: Stephen Sham, Roger Chandler, Richard Barakat, Henry Morgan, Margaret Finlay, Ernest Gutierrez, George Vangel, Jeff Parriott, Robert Neher, David Barron, Elliott Rothman, Jeffrey Templeman, Chi Mui, Janice Nelson, Dan Arrighi, Tom Sykes, Mike Miller

NOES: Jacquelin McHenry and Dan Kirby,

ABSTAIN:

ABSENT: Joe Rocha, Louie Lujan, Joseph Tapia




---

Henry M. Morgan, Secretary of the Board of Trustees of the San Gabriel Valley Mosquito & Vector Control District

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 30  
**Subject:** Investments  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 30 – INVESTMENTS**


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**Section 1. Purpose and Scope**

- A. The purpose of this policy is to comply with the requirements of *Cal. Gov. Code § 53600†*, and to provide clear guidance for the investment of all monies of the San Gabriel Valley Mosquito and Vector Control District (District). The District shall invest public funds in such a manner as to comply with state and local laws; ensure prudent money management; provide for daily cash flow requirements; and meet the objectives of the Policy, in priority order of safety, liquidity, and return on investment. Under authority granted by the Board of Trustees, the District Manager is responsible for investing the unexpended cash in the District Treasury.
- B. The investment policy applies to all investment activities and financial assets of the District as accounted for in the annual audit. This policy is applicable, but not limited to, all funds listed below:
1. General Fund
  2. Capital Funds
  3. Other Special Revenue Funds, Debt Service Funds, Internal Service Funds
  4. Any new fund created by the Board of Trustees unless specifically exempted.

**Section 2. Prudence**

- A. The standard of prudence to be used by the designated representative shall be the “prudent investor” standard and shall be applied in the context of managing the overall portfolio. Persons authorized to make investment decisions on behalf of local agencies investing public funds are trustees and therefore fiduciaries subject to the prudent investor standard which states, “When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency”.
- B. The District Manager and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures, and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from

expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

### **Section 3. Objectives**

A. The District's primary investment objectives, in order of priority, shall be:

1. **Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The District shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.
  - a. Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in issuers that carry the direct or implied backing of the U.S. Government (including, but not limited to, the U.S. Treasury, U.S. Government Agencies, and federally insured banks). The portfolio will be diversified so that the failure of any one issuer does not unduly harm the District's capital base and cash flow.
  - b. Market risk, (aka "interest rate risk") defined as market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long-term securities for the sole purpose of short-term speculation. Moreover, it is the District's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars. Limited exceptions will be granted for security swaps that would improve the portfolio's yield and/or credit quality.
2. **Liquidity:** The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.
3. **Return on Investments:** The District's investment portfolio shall have the objective of attaining a comparative performance measurement or an acceptable rate of return throughout budgetary and economic cycles. These measurements should be commensurate with the District's investment risk constraints identified in this policy and the cash flow characteristics of the portfolio.

### **Section 4. Delegation of Authority**

A. The Board of Trustees delegates to the District Manager/Treasurer the primary responsibility for the District's investment program and the authority to make investments on behalf of the District. The Finance and Audit Committee shall exercise oversight responsibilities pertaining to District investments and provide recommendations to the Board regarding the investment program. The Board of Trustees will retain ultimate fiduciary responsibility for the portfolio. The Board will receive monthly reports of all investment transactions and review the investment policy annually making any changes necessary by adoption. The Director of Administrative Services has the authority to facilitate and manage investments on the District's behalf, solely under the direction of the District Manager. All investments of the District shall be approved by the District Manager/Treasurer. No person may engage in an



investment transaction except as provided under the terms of this policy and the procedures established by the District Manager /Treasurer.

### **Section 5. Ethics and Conflicts of Interest**

- A. Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or impairs their ability to make impartial investment decisions. Additionally, the District Manager and the Director of Administrative Services are required to annually file applicable financial disclosures as required by the *Fair Political Practices Commission (FPPC)\**. Furthermore, Investment officials must refrain from undertaking personal investment transactions with the same individual(s) employed by the financial institution with whom business is conducted on behalf of the District.

### **Section 6. Authorized Dealers and Institutions**

- A. The District Manager will maintain a list of approved financial institutions authorized to provide investment services to the District. These may include “primary” dealers or regional dealers that qualify under *Securities & Exchange Commission Rule 15C3-1\**. Best practices include the following:
1. A determination that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy;
  2. The broker/dealer firms should have the ability to meet all their financial obligations in dealing with the Public Agency;
  3. The firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved;
  4. No public deposit shall be made except in a qualified public depository as established by the established state laws;
  5. All financial institutions and broker/dealers who desire to conduct investment transactions with the District shall supply the District Manager with audited financial statements, proof of FINRA certification, trading resolution, proof of State of California registration, a completed broker/dealer questionnaire, certification of having read the Public Agency’s investment policy and depository contracts.
- B. The District Manager shall conduct an annual review of the financial condition and registrations of qualified dealers & institutions.

### **Section 7. Authorized and Suitable Investments**

- A. Investment of District funds is governed by the *Cal. Gov. Code § 53600†*. Within the context of the limitations, the following investments are authorized, as further limited herein:
1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no

percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.

2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, and Los Angeles County Investment pool, may be used up to the maximum permitted by California State Law.
4. Negotiable Certificates of Deposit issued by nationally or state-chartered banks (FDIC insured institutions) or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio. Principal and accrued interest on these investments must not exceed the \$250,000 FDIC insurance limit. A maturity limitation of five years is applicable.
5. Time deposits or placement service deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 50% of the investment portfolio may be invested in this investment type. A maturity limitation of five years is applicable. Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.
6. Various daily money market funds administered for or by trustees, paying agents and custodian banks contracted by the San Gabriel Valley Mosquito and Vector Control District may be purchased as allowed under the State of California Government Code. Only funds holding U.S. Treasury or Government agency obligations can be used.

Authorized Investment Type	Government Code	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
Treasury Obligations (bills, notes, & bonds)	53601(b)	5 Years	N/A	100%	N/A
US Government Agency and Federal Agency Securities	53601(f)	5 Years	N/A	100%	N/A
Local Agency Investment Fund (LAIF)	16429.1	Upon Demand	N/A	As permitted by LAIF (currently \$65 million per account)	N/A
Los Angeles County Investment Pool	53684	Upon Demand	N/A	As permitted by County Treasurer (currently no limit)	N/A
Joint Powers Authority Pool	53601(p)	N/A	See § 8.3 (above)	None	N/A
Negotiable Certificates of Deposit	53601(i)	5 Years	N/A	30%	N/A
Placement Service Deposits	53601.8 and 53635.8	5 Years	N/A	50%	N/A

### Section 8. Investment Pools / Money Market Funds

- A. A thorough investigation of the investment pool/money market fund is required prior to investing, and on a continual basis. Best efforts will be made to acquire the following information:
1. A description of eligible investment securities, and a written statement of investment policy and objectives.
  2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
  3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
  4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
  5. A schedule for receiving statements and portfolio listings.
  6. Are reserves, retained earnings, etc. utilized by the pool/fund?
  7. A fee schedule, and when and how is it assessed.
  8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

**Section 9. Collateralization**

- A. Collateralization will be required on two types of investments: non-negotiable certificates of deposit and repurchase (and reverse repurchase) agreements. To anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for non-negotiable certificate of deposit and 102% for reverse repurchase agreements of principal and accrued interest.
- B. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained.
- C. The District may waive the collateralization requirements for any portion of the deposit that is covered by Federal Deposit Insurance.

**Section 10. Safekeeping and Custody**

- A. All security transactions shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third-party custodian designated by the Treasurer and evidenced by safekeeping receipts.

**Section 11. Diversification**

- A. The District shall diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. To promote diversification, no more than 5% of the portfolio may be invested in the securities of any one issuer, regardless of security type, excluding U.S. Treasuries, federal agencies, and pooled investments such as LAIF, money market funds, or local government investment pools.

**Section 12. Maximum Maturities**

- A. To the extent possible, the San Gabriel Valley Mosquito and Vector Control District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than five (5) years from the date of purchase. Any investment longer than five (5) years must be done with advance permission from Board of Trustees.

**Section 13. Internal Controls**

- A. The District Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, fraud, or misuse.
- B. Separation of functions between the District's District Manager or Director of Administrative Services is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.
- C. Investment decisions are made by the District Manager, executed by the Accounting Specialist, and confirmed by the Director of Administrative Services. All wire transfers initiated by the Accounting Specialist/Director of Administrative Services must be reconfirmed by the

appropriate financial institution to the District Manager. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

- D. The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Director of Administrative Services monthly. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the District's cash and investments that have a material impact on the financial statements. The District Manager shall review and assure compliance with investment process and procedures.

#### **Section 14. Reporting**

- A. The District's Treasurer shall report monthly to the Board of Trustees the following information:
1. Investment type (e.g., U.S. Treasury Note, U.S. Government Agency Bond)
  2. Name of the issuer (e.g., Federal Farm Credit Bank, Federal Home Loan Bank)
  3. Maturity date
  4. Yield to maturity
  5. Current market value and source of market value
  6. Par and dollar amount for each security the District has invested in
  7. Par and dollar amount on any money held by the District (e.g., LAIF balance, Cash Balance).
  8. Compliance of the portfolio to the investment policy, or manner in which the portfolio is not in compliance.
  9. A statement denoting the ability of the District to meet its expenditure requirements for the next six months or provide an explanation as to why sufficient money shall (or may not) be available.

#### **Section 15. Investment Policy Adoption and Revision**

- A. This Investment Policy shall be reviewed and adopted annually by the Board of Trustees for relevance to ensure that all investments made are in compliance with state and local codes and laws and are consistent with current financial trends.

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#### **Resources Cited**

1. \*Fair Political Practices Commission (FPPC): <https://www.fppc.ca.gov/>
2. \*\*Securities & Exchange Commission Rule 15C301 – Net Capital Rule

#### **Code Cited**

1. † California Government Code § 53600 et seq. Investment of Surplus

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 31  
**Subject:** Internal Controls  
**Category:** Fiscal  
**Adopted:** *Pending*  
**Revision(s):** 08/01/2023




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**POLICY NO. 31 – INTERNAL CONTROLS**


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**Section 1. Separation of Duties**

- A. An adequate separation of duties must exist to ensure that no one individual controls all key aspects of financial transactions. For the purpose of this policy, when the District Manager is absent, their duties will be fulfilled by the Director of Administrative Services and/or an alternate approved signatory.
- B. The persons who post invoices, prepare payroll and accounts payable checks, and makes deposits must not have signature power. The Accounting Specialist will fulfill these responsibilities. In the event the Accounting Specialist is absent, or the need arises, the Director of Administrative Services may delegate duties as they see fit.
- C. All payroll and accounts payable edits will be reviewed by the District Manager. The District Manager and/or Department Directors shall approve the time worked register and payables register prior to printing checks.
- D. Approved Signatories
1. Signatory authority will be reviewed by the Board annually and signatories will be named and approved.
  2. The following positions are eligible for signatory authority:
    - a. President (Trustee)
    - b. Vice President (Trustee)
    - c. Executive Committee Member (Trustee)
    - d. District Manager (Staff)
    - e. Department Director (Staff)
- E. The revolving fund shall be reimbursed as needed by preparing a trust warrant requisition for expenses incurred. Separation of duties include:
1. Director of Administrative Services – Prepares trust warrant requisition or delegates to staff in accordance with this policy.

2. Trust warrant shall be made payable to San Gabriel Valley Mosquito and Vector Control District.
  3. District Manager – Reviews the requisition for accuracy based on the expenses incurred and approves the requisition for withdrawal of funds.
  4. All requisitions shall be reviewed and approved by two approved signatories (including at least one trustee.)
  5. Requisitions shall be mailed to the County of Los Angeles Auditor-Controller.
  6. An email confirmation shall be received from the County of Los Angeles Auditor-Controller stating that the funds have been successfully transferred electronically to the District's operating fund.
- F. A reconciliation of all accounts shall be performed by an authorized District employee who does not have signature power. Reconciliation shall be performed as soon as possible after receipt of the statement and reviewed by the District Manager. The review shall include investigation of non-check and unusual reconciling items, such as withdrawals, electronic fund transfers, bank chargers, unexplained debits/credits, etc.

## **Section 2. Security of Forms**

- A. Checks shall be pre-numbered and purchased in the following quantities:
  1. Petty cash checks – Not to exceed 500 ea.
  2. Accounts payable – Not to exceed 1,000 ea.
- B. Blank checks shall not be pre-signed and shall be locked in a secure area.
- C. All voided checks shall be marked "VOID" and locked in a secure area. A notation shall be added to the A/P check register that the check was voided.
- D. All accounts payable payments shall require a purchase order which reflects the invoice amount approved by a department director or the District Manager.

## **Section 3. Signature Requirements**

- A. The following require two signatures from approved signatories (two trustees or one trustee and one staff member):
  1. Payroll checks and accounts payable checks.
  2. Trust warrant requisitions to reimburse the revolving fund.
  3. Trust warrant requisitions prepared for investment purposes.
- B. The following require two signatures from approved signatories (the District Manager and one trustee):



1. Electronic fund transfers and book entry transfers for the purpose of depositing or withdrawing from the District's LAIF account and other investment instruments.
- C. Two approved signatories must be present when initiating electronic fund transfers via phone to and from the District's LAIF account and other investment instruments.
- D. The following require one signature from the District Manager or approved staff signatory:
  1. Petty cash checks
  2. Purchase orders

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***Policy References***

1. *SGVMVCD: Policy No. 35 – Revolving Fund Bank Account*

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 32  
**Subject:** Receipts  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 32 – RECEIPTS**


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**Section 1. Revenue Receipts**

- A. Revenue receipts shall include assessments collected, interest received, receivables from contract services, and proceeds from the sale of surplus equipment.
- B. The District's primary revenue is an assessment placed on each non-exempt parcel of land within the boundaries of the District, collected by Los Angeles County in the same manner as property tax. Both current and prior year assessments are collected and deposited into the Los Angeles County Treasury in the District's PB1 fund.
1. The District is notified of distribution of the assessments and interest through the Countywide Accounting and Purchasing System (CAPS) on the Revenue Detail Report and Interest Earnings and Distribution Statement.
  2. Notification is generally three to four weeks after the close of the month.
  3. Assessment and interest revenue is reported on District financial statements during the month the notification is received.
  4. The fund balance in the general ledger shall be verified with the CAPS General Ledger Detail Activity Report to ensure proper posting.
- C. Trust warrant requisitions are prepared monthly and/or as needed to maintain revolving fund balances as described in *Policy No. 36\**. Requisitions prepared to reimburse the revolving fund will be equal to the liabilities for the period of reimbursement less any receivables deposited in the revolving fund.
- D. Interest
1. The District earns interest on the assessments collected and deposited in the Los Angeles County Treasury.
  2. The District earns interest on surplus funds invested in LAIF and other investment instruments.
    - a. Surplus funds are funds in excess of the revolving fund balance minimum as described in *Policy No. 36\*\**.

3. Interest is reported to the District either monthly, quarterly, biannually, or annually based on the investment type.
  4. The distribution of interest is reported on District financial statements during the month the District receives notification.
- E. Proceeds from the sale of surplus equipment and receivables from contract services shall be deposited in the revolving fund and posted to District financial statements during the month that proceeds are received. Trust warrant requisitions prepared that month to reimburse the revolving fund shall be adjusted accordingly to maintain target fund balances.

## **Section 2. Non-Revenue Receipts**

- A. Non-revenue receipts shall include refunds, reimbursement from employees, rebates, etc.
- B. Reimbursements from employees for non-approved personal expenses, traffic fines, and loss of equipment may be deducted from the employee's paycheck and shall be credited to the appropriate line item and reflected on financial statements for the month the deduction occurred. Employees shall sign a statement acknowledging the deduction prior to the withholding of their pay.
- C. Refunds, rebates, etc. shall be deposited in the revolving fund and credited to the appropriate line item and reflected on financial statements for the month in which they were received. Trust warrant requisitions prepared that month to reimburse the revolving fund shall be adjusted accordingly to maintain the target account balance.

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### ***Policies Cited:***

1. *SGVMVCD: Policy No. 36 – Fund Balance/District Reserves*
  - a. *\*Section 2. B. 1*
  - b. *\*\*Section 2. B. 2*

### ***This Policy is referenced in:***

1. *SGVMVCD: Policy No. 35 – Revolving Fund Bank Account*

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 33  
**Subject:** Accounts Payable  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 33 – ACCOUNTS PAYABLE**


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**Section 1. Scope and Purpose**

- A. Procedures and controls shall exist to ensure that all expenditures are legal, duly authorized, and necessary to achieve the goals and functions of the District. All disbursements shall be recorded accurately, reported promptly, and processed efficiently to ensure that expenses are paid in a timely manner to avoid late charges, finance charges, and to take advantage of discounts.

**Section 2. Purchasing**

- A. The cost of all purchases shall be within the limits of the line-item budget as established by the Board of Trustees unless otherwise approved by a majority vote of the Board of Trustees.
- B. All purchases shall require District Manager or Director level approval.
- C. All purchases shall be purchased consistent with Resolution 2006-02\*, as amended January 13, 2006. Although bidding may be dispensed with for purchases under \$5,000, every effort shall be made to obtain the item for the lowest price commensurate with quality, service, and reliability.

**Section 3. Receiving**

- A. The person making the purchase shall review the invoice for accuracy and compare quantities received with quantities purchased. If an item is back ordered, the quantity received and the quantity back ordered shall be notated on the invoice. The person making the purchase shall sign the invoice and indicate the account to be charged.
- B. Items received by mail or special delivery shall be checked against the packing slip and invoice. Items not received should be notated on the invoice. The person making the purchase shall sign the invoice and indicate the account to be charged.
- C. All items received will be checked immediately for damage.
- D. Signed invoices, receipts, and packing slips are turned into the Accounting Specialist as soon as purchases are received and verified.
- E. Fixed assets requiring an inventory number, as described in *Policy No. 38\*\**, shall be appropriately labeled, and added to the inventory list on date of receipt. The inventory list

shall state the date of purchase, item name or description, model number, serial number, location, and purchase price including applicable tax.

- F. Vehicles shall be numbered sequentially followed by the last two digits of the model year.

### **Section 3. Posting Invoices**

- A. Invoices shall be entered into the accounting program under the appropriate vendor. Entries shall include the invoice number, invoice date, invoice amount, and shall be distributed to the appropriate line-item account(s).
- B. If the vendor submits a monthly statement, all invoices shall be checked against the monthly statement. Errors shall be identified and corrected prior to payment.
- C. Once all invoices have been entered, an edit list will be generated. The Director of Administrative Services shall review the edit list for accuracy by comparing it to the invoices and Purchase Orders.
- D. Once the Director of Administrative Services approves the edit list, the Accounting Specialist shall post the invoices and print the Accounts Payable Register.

### **Section 4. Preparing Payments and Printing Checks**

- A. All open invoices shall be selected for payment and the Accounting Specialist shall print the checks.
- B. Printed checks shall be stored in a secure area until reviewed and signed by approved signatories.

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***Policies Cited:***

1. *\*SGVMVCD: Resolution 2006-02, Bid Recommendation for the Purchase of Supplies and Equipment*
2. *\*\*SGVMVCD: Policy No. 38 – Fixed Assets*

***This Policy is referenced in:***

1. *SGVMVCD: Policy No. 38 – Fixed Assets*

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 34  
**Subject:** Reconciliation of Accounts  
**Category:** Fiscal  
**Adopted:** *Pending*  
**Revision(s):** 08/01/2023




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**POLICY NO. 34 – RECONCILIATION OF ACCOUNTS**


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**Section 1. Revolving Fund Bank Account**

- A. The District's Revolving Fund Bank Account (Revolving Fund) shall be reconciled monthly when the bank statement is received. Reconciliation of the account shall be performed using the District's financial software. If the account does not balance, the Director of Administrative Services or designee must research and resolve the discrepancy.
- B. The District's "Sweep" Account is linked to the Revolving Fund and shall be reconciled monthly. Statement information for the Sweep Account is included in the Revolving Fund's bank statement. Reconciliation of the account will be performed using the District's financial software. If the account does not balance, the Director of Administrative Services or designee must research and resolve the discrepancy.

**Section 2. Los Angeles County PB1 Account**

- A. Revenue receipts from benefit assessments collected by Los Angeles County are deposited in the District's Los Angeles County PB1 Account (PB1 Account).
- B. The PB1 Account is used to reimburse the District's accounts payable and payroll activity each month. Reimbursement is processed via Trust Warrant submitted to the County.
- C. Each month the District will receive a CAPS report from the County. These reports are used to reconcile the PB1 account. The Balance Sheet Detail Activity page of the CAPS report provides a summary of the deposits to the PB1 Account, Trust Warrant activity, and interest earned on the account.
- D. The PB1 Account shall be reconciled monthly. Reconciliation of the account will be performed using the District's financial software. If the account does not balance, the Director of Administrative Services or designee must research and resolve the discrepancy.

**Section 3. Local Agency Investment Fund (LAIF)**

- A. Statements for the District's LAIF Account may be obtained through the LAIF online portal.
- B. Reconciliation of the account will be performed using the District's financial software. If the account does not balance, the Director of Administrative Services or designee must research and resolve the discrepancy.

**Section 4. District Funds in Other Investments**

- A. All accounts in this category must be reconciled monthly when the account statement is received. Reconciliation of the account will be performed using the District's financial software. If the account does not balance, the Director of Administrative Services or designee must research and resolve the discrepancy.

**Section 5. Financial Statements****A. Treasurer's Report**

- 1. A Treasurer's Report shall be prepared monthly and submitted as part of the Board of Trustees monthly agenda packet.
- 2. The Treasurer's Report shall provide a month end balance of District funds.
- 3. The Treasurer's Report shall provide a month end activity and reconciliation detail of all District accounts, including a total beginning and ending balance.

**B. Working Balance Report**

- 1. A Working Balance Report shall be prepared monthly and submitted as part of the Board of Trustees monthly agenda packet.
- 2. The Working Balance Report shall provide the District's fund balance at the beginning of the reporting period, minus the reserve balance and minus the monthly Claims List activity (accounts payable and payroll totals for the month).



**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 35  
**Subject:** Revolving Fund Bank Account  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 35 – REVOLVING FUND BANK ACCOUNT**


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**Section 1. Scope and Purpose**

- A. The Revolving Fund Bank Account (Revolving Fund), established pursuant to *Cal. Gov. Code § 53961†*, shall be used for the purpose of paying any approved expenditure of the District.

**Section 2. Controls**

- A. The Revolving Fund shall not exceed 110 percent of one-twelfth of the District's adopted budget for that fiscal year.
- B. All transactions shall require signatures from those duly authorized by the Board of Trustees as described in *Policy No. 31\**.
- C. The District Manager shall keep account of all receipts and disbursements from the fund. The District's Treasurer shall review all receipts and disbursements at least monthly.
- D. The Revolving Fund shall be reconciled monthly when the bank statement is received, as described in *Policy No. 34\*\**.
- E. Reconciliation of the account shall be performed through the District's financial software. If the account does not balance, the Director of Administrative Services or designee must research and resolve the discrepancy.
- F. The District's "Sweep" account is linked to the Revolving Fund and must be reconciled monthly, as described in *Policy No. 34\*\**. Statement information for the Sweep account is included in the Revolving Fund's bank statement. Reconciliation of the account will be performed through the District's financial software. If the account does not balance, the Director of Administrative Services or designee must research and resolve the discrepancy.

**Section 3. Deposits**

- A. Non-revenue receipts as described in *Policy No. 32\*\*\**, shall be deposited in the revolving fund. Trust warrant requisitions prepared that month to reimburse the revolving fund shall be adjusted accordingly to maintain the target account balance.
- B. Disbursements for authorized expenditures from the fund shall be reimbursed by Trust Warrant drawn from Los Angeles County PB1 account. Requisitions prepared to reimburse the

revolving fund will be equal to the liabilities for the period of reimbursement less any receivables deposited in the revolving fund.

- C. All deposits shall be reported to the Board of Trustees monthly on the List of Claims which shall indicate the general description of the deposits and the amount.

#### **Section 4. Disbursement of Funds**

- A. Funds dispersed for the purpose of meeting payroll expenses, purchase of equipment and supplies, and expenditures for capital improvements and fixed assets shall be issued by a check drawn on the revolving account.
- B. Funds dispersed for petty cash expenditures as described below in *Section 5*, shall be issued by a check drawn on the revolving fund account.
- C. All disbursements shall be reported to the Board of Trustees monthly on the List of Claims which shall indicate the general description of the disbursements and the amount.

#### **Section 5. Petty Cash**

- A. The petty cash account is included as part of the revolving fund account and requires controls to ensure that the expenditures are legal, duly authorized, and necessary to achieve the goals and functions of the District.
- B. Petty cash on hand shall not exceed one hundred dollars (\$100.00) in cash at any given time.
- C. Petty cash expenses shall be less than one hundred dollars (\$100.00) unless the item cannot be purchased with a P.O. on an open account or requires payment for product shipped C.O.D. and is needed immediately.
- D. Authorized District Staff requiring a petty cash check shall receive the check from the Director of Administrative Services. The purpose of the check must be explained, and an amount estimated.
- E. A petty cash check shall be issued for legitimate needs and shall be signed by the District Manager. The date, payee, and signature line shall be completed. For record keeping purposes only, a petty cash receipt shall be signed by the recipient and an entry shall be made to the petty cash log.
- F. Receipts for purchases using a petty cash check shall be submitted to the Director of Administrative Services and shall be recorded in the computerized accounting program. Entry shall include date, payee, amount, and account balance. The receipt shall be attached to the check register.
- G. Petty cash expenditures shall be reported to the Board of Trustees monthly on the List of Claims which shall indicate the general description of the purchase and the amount.

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**Policies Cited:**

1. \*SGVMVCD: Policy No. 31 – Internal Controls, Section 1.D
2. \*\*SGVMVCD: Policy No. 34 – Reconciliation of Accounts, Section 1
3. \*\*\*SGVMVCD: Policy No. 32 – Receipts, Section 2

**Code Cited:**

1. † California Government Code § - Mosquito Abatement or Vector Control Districts Establishing Fund

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 36  
**Subject:** Fund Balance/District Reserves  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 36 – FUND BALANCE/DISTRICT RESERVES**


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**Section 1. Scope and Purpose**

- A. This policy establishes amounts to be maintained in the District’s various unrestricted fund balance accounts and the procedures for reporting, within the District’s annual financial statements, the components of fund balance in the District’s governmental funds, in accordance with *GASB Statement No. 54†*.
- B. Determination of the appropriate level of unrestricted fund balances (alternatively referred to as “reserves”) is a policy decision. It is important to have a certain amount of resources available in the event unforeseen circumstances arise, to avoid having to curtail services or make other significant budget decisions that can adversely affect the population being served. Reserves serve as a type of insurance policy and as an effective risk management tool.
- C. The Government Finance Officers Association of the United States and Canada (GFOA) recommends that fund balance levels be directly related to the degree of uncertainty that a government faces: the greater the uncertainty, the greater the amount of reserves necessary. But at a minimum, GFOA recommends that general purpose governments maintain at least two months of operating revenues or operating expenditures as a general fund reserve. Factors to be considered in determining the proper level of reserves for the District include: the stability of District revenues; the volatility of future expenditures; long-term expenditure commitments and unfunded liabilities; exposure to significant one-time outlays (such as emergencies and future capital needs); future operating needs and cash flow/liquidity needs.

**Section 2. Levels of Fund Balances**

- A. It is the policy of the District to maintain sufficient unrestricted fund balance levels to mitigate current and future risks.
- B. While this policy establishes the target amounts of fund balances that the District wishes to maintain, specific fund balance levels will be set by the Board as part of its annual budget process.
- C. Once minimum reserve levels are reached, any appropriation of reserves below the stated minimum policy levels shall be accompanied by findings specifying the need for the use of the reserves and a plan for replenishment of the reserves within a reasonable period.
- D. Pursuant to a resolution or as part of the annual budget preparation process, the Board of Trustees, as the District’s highest level of decision-making authority, may commit fund

balances for specific purposes which commitment remains in effect until removed in the same manner in which the commitment was established.

### Section 3. Operating Fund

- A. The District shall strive to maintain an unrestricted fund balance in the Operating Fund equal to 20% or more of the annual Operating Fund expenditures. These funds are set aside to address risks facing the District related to revenue stability and expenditure volatility, including such items as economic downturns, limitations on increases to the District's benefit assessments, insurance and claims experience, and future operating needs.
- B. Revolving Fund
1. The Revolving Fund Bank Account (revolving fund), established pursuant to *Cal. Gov. Code § 53961++*, shall be used for the purpose of paying any approved expenditure of the District.
  2. The revolving fund is part of the District's operating fund and the revolving fund back account shall not exceed 110 percent of one-twelfth of the District's adopted budget for the fiscal year.
- C. Assigned Reserve Accounts
1. Assigned reserve accounts are a part of the District's operating fund. The following activities are shown as separate funds for budgeting purposes within the District's internal accounting records:
    - a. 3100 - Public Health Emergency
    - b. 3125 - Capital Projects
    - c. 3160 - Pension Liability
    - d. 3165 - Building/Facilities
    - e. 3170 - Vehicle Replacement
  2. Each of these separate budgetary funds has been established to set aside reserves for specific purposes, however, these funds can be combined, drawn down, or reappropriated in the event of a public health emergency, as determined by the Board of Trustees. The combined funds' minimum target is 20% of annual expenditures.
    - a. 3100 - Public Health Emergency
      - i. This fund has been established to set aside reserves for emergency vector control activities (in particular, aerial treatments). This fund's minimum target is 8% of annual expenditures. This fund is part of the District cash and investment pool and will earn interest based on its share of pooled assets.
    - b. 3125 - Capital Projects

- i. This fund has been established to accumulate reserves for long-term renewal improvements to existing facilities. This fund's minimum target is 5% of annual expenditures. This fund is part of the District cash and investment pool and will earn interest based on its share of pooled assets.
- c. 3160 - Pension Liability
  - i. The District's goal is to pay the annual required contribution (ARC) for the CalPERS and OPEB retirement programs, as determined and recommended by their respective actuaries, from the annual operating budget. In instances when this is not possible (for example, if the ARC increases significantly and unexpectedly due to adverse investment results), resources in this reserve may be used to fund the portion of the ARC that cannot be funded directly from the operating budget. In addition, funds in this reserve may be used to make additional discretionary payments (ADP) to reduce or eliminate UAAL. This fund's minimum target is 4% of annual expenditures. This fund is part of the District's cash and investments pool and will earn interest based on its share of pooled assets.
- d. 3165 - Building/Facilities
  - i. This fund was established to accumulate reserves for building and facilities needs and for rehabilitation of current facilities. This fund's minimum target is 2% of annual expenditures. This fund is part of the District's cash and investments pool and will earn interest based on its share of pooled assets.
- e. 3170 - Vehicle Replacement
  - i. This fund was established to accumulate reserves for future vehicle replacement and improvements. Funds from this reserve may be used as part of a planned fleet replacement schedule or in the event of an unexpected/unbudgeted need to add or replace a vehicle. This fund's minimum target is 1% of annual expenditures. This fund is part of the District's cash and investments pool and will earn interest based on its share of pooled assets.

#### **Section 4. Restricted Reserve Accounts**

A. Restricted reserve accounts are not part of the District's operating fund.

##### **1. 3180 – VCJPA Property Contingency Fund**

- a. The purpose of the Member Contingency Fund is to pay for items not covered under the District's pooled VCJPA programs. The valid and permissible reasons to deposit monies into the Member Contingency Fund include, but are not necessarily limited to:
  - i. Cover the costs of non-covered claims;
  - ii. Pay losses that exceed the coverage limits provided by the District;
  - iii. Pay potential assessments to pooled programs;

- iv. Cover negative balances that may occur in the retrospective adjustment process;
  - v. Pay environmental clean-up costs not covered by the VCJPA coverages;
  - vi. Pay retained limits/deductibles in all of the pooled and purchased programs (Auto Physical Damage, Property, Liability, Workers' Compensation, Employment Practices, etc.);
  - vii. Pay deposit premiums;
  - viii. Cover the costs of building or other capital repair, rehabilitation, replacement, or improvement projects.
- b. Additional information regarding the Member Contingency Fund can be found in the *VCJPA Bylaws\**.
2. IRS Section 115 Trust (CERBT)
- a. The District has established a Section 115 Trust (trust) to accumulate funds for this OPEB program (program). It is the District's goal to pay the program's annual required contribution, as determined and recommended by the actuary, from the operating budget. The program's operating costs will be reimbursed from the trust when actuarially determined and recommended as part of the program's biennial actuarial valuation.
  - b. In instances when the biennial actuarial valuation indicates there is an UAAL, the Board intends to eliminate such as soon as possible.

### **Section 5. Annual Review**

- A. The Board of Trustees shall annually review this Fund Balances/District Reserves policy and consider such changes, if any, that it deems appropriate. Such review shall occur in conjunction with the review and adoption of the annual District Budget.
- B. This policy has been prepared in accordance with *GASB Statement No. 54*<sup>†</sup>. No other policy or procedure supersedes the authority and provisions of this policy.

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#### **Codes Cited:**

- 1. <sup>†</sup> *Governmental Accounting Standards Series, Statement No. 54 of the Governmental Accounting Standards Board (GASB), Fund Balance Reporting and Governmental Type Definitions*
- 2. <sup>††</sup> *California Government Code § - Mosquito Abatement or Vector Control Districts Establishing Fund*

#### **Resources Cited:**

- 1. <sup>\*</sup> *Vector Control Joint Powers Agency (VCJPA) Bylaws, Amended June, 3, 2020*



**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 37  
**Subject:** Payroll  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 37 – PAYROLL**


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**Section 1. Pay Periods**

- A. Employees shall be paid six (6) days after the end of a pay period, on a Thursday.
- B. Work schedules are defined in *\*Policy No. 06, Section 2.*

**Section 2. Time Reporting**

- A. All non-exempt employees must accurately report all time worked by clocking in at the beginning of work, reporting meal breaks, and clocking out upon completing their workday.
  - 1. All time entries entered by the employee in the District time keeping software shall be approved by the employee to ensure accurate timekeeping.
  - 2. Employees are not allowed to use proxies to clock in or out, or to conduct any other time reporting form on their behalf.
- B. All non-exempt employees must accurately report all time worked by clocking in at the beginning of work, reporting meal breaks, and clocking out upon completing their workday.

**Section 3. Overtime**

- A. Overtime is defined in *\*\*Policy No. 06, Section 3.*
- B. Overtime shall be compensated at one and one-half (1-1/2) times the regular rate of pay.
- C. Non-exempt employees are entitled to overtime pay for those hours actually worked in excess of forty (40) hours in their designated work week. Overtime is not compensated unless the employee works more than forty hours in one workweek.
- D. All overtime work must be authorized in advance by an employee's department director, or in the case of emergency, as determined by the District Manager or designee.
- E. In lieu of receiving cash for overtime compensation, a non-exempt employee may elect to receive compensatory time off (CTO). The election to receive CTO shall be made by signing and submitting the "Method of Overtime Compensation" form to Human Resources.

Employees with compensatory time balances of sixty (60) hours shall be paid for all overtime work performed in excess of that amount.

#### **Section 4. Deductions**

- A. Each employee shall be required to file a W-4 and DE 4 upon employment for the purpose of withholding Federal and State income tax. Employees shall file a new W-4 and/or DE 4 prior to any change in marital status or number of exemptions.
- B. Every full-time employee shall have federal and state income tax, Medicare, California Public Employees Retirement System (CalPERS) 414H retirement contribution (employee), and any other federal and/or state required deductions withheld from their paycheck.
- C. Extra help employees shall have federal and state income tax, Social Security and Medicare withheld from their paycheck. Should an extra help employee work in excess of 1000 hours in a fiscal year, they are now eligible to participate in the California Public Employees Retirement System. The Social Security deduction would then cease and the CalPERS 414h retirement contribution deduction would then be deducted in place of Social Security.

#### **Section 5. Accrual and Use of Leave Time**

- A. Full time and part time regular, probationary, and limited term employees shall earn sick leave and vacation leave bi-weekly based on years of service.
- B. Sick and vacation leave will be accrued and posted in the District's timekeeping software system. The balance and use of each accrual shall be listed on the employee's pay stub.
- C. See *\*\*\*Policy No. 09* for additional information regarding sick leave accrual and use.
- D. See *\*\*\*\*Policy No. 11* for additional information regarding vacation leave accrual and use.

#### **Section 6. Preparation and Distribution of Payroll**

- A. The Accounting Specialist shall manage pay rates, deductions, and other factors related to an employee's pay in the District's time keeping/payroll system.
- B. The Accounting Specialist shall verify that all timecards in the District's time keeping system have been entered correctly and approved by both the employee and the department director.
  - 1. The Accounting Specialist shall contact the department director should an error or incorrect entry be noted on the digital timecard.
- C. Once all timecards are correct and verified, the Accounting Specialist will prepare and submit the payroll for processing to the district's third-party payroll vendor.
- D. Upon hand delivery of the paychecks to the district, the Accounting Specialist will review that all checks processed were received. The paychecks will be locked in a fireproof cabinet until time of distribution.

- E. On the pay day, the paychecks will be personally delivered to the employee by the Accounting Specialist or a designated appointee. Should an employee be absent on the pay date, the check will be held by the Accounting Specialist and given to the employee upon their return.

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***Policies Cited:***

1. *\*SGVMVCD: Policy No. 06 – Work Period, Section 2.*
2. *\*\*SGVMVCD: Policy No. 06 – Work Period, Section 3.*
3. *\*\*\*SGVMVCD: Policy No. 09 – Leave Provisions*
4. *\*\*\*\*SGVMVCD: Policy No. 11 – Vacation*

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 38  
**Subject:** Fixed Assets  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 38 – FIXED ASSETS**


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**Section 1. Acquisition**

- A. All expenditures for fixed assets shall be made under budgetary control. Control shall be maintained over the actual cost in relation to the amount authorized in the approved budget. When additional appropriations are required, authority must be obtained by a majority vote of the Board of Trustees during a public meeting.
- B. Fixed assets shall be:
  - 1. Non-consumable items with a purchase price greater than one thousand dollars (\$1,000).
  - 2. Computers, laptops, printers, monitors, mobile phones, and tablets regardless of price.
- C. Fixed assets shall be purchased consistent with *Resolution 2006-02\**, as amended January 13, 2006.

**Section 2. Receiving and Inventory**

- A. Items shall be received in accordance with *Policy No. 33\*\**.
- B. Signed invoices, receipts, and packing slips are turned into the Accounting Specialist as soon as purchases are received and verified.
- C. The Accounting Specialist shall identify purchases as fixed assets and immediately attach a property tag to the items. The property tag number shall be recorded on the receipt and corresponding P.O.
- D. The Accounting Specialist shall enter item(s) to the inventory list and include the date of purchase, property tag number, make and model number, serial number, location, and purchase price including tax.
- E. The Accounting Specialist shall report the newly inventoried property to the Vector Control Joint Powers Agency within five (5) business days for insurance purposes.
- F. Inventory of fixed assets shall be performed at least once every year. Any property not accounted for shall be immediately brought to the attention of the District Manager for investigation. See *Policy No. 39\*\*\**

**Section 3. Donations**

- A. Non-consumable property with a value of one thousand dollars (\$1,000) or greater offered by any individual or corporation for donation shall be approved by the Board of Trustees prior to accepting the donation. The individual or corporation must submit a letter of offer listing the item to be donated, approximate value, condition, and if applicable, source of consumable items necessary to operate equipment.
- B. Staff shall investigate if there is a conflict of interest associated with accepting the donation. If a conflict exists because the sole source of consumable items can only be purchased from the person or corporation making the donation, staff shall recommend not accepting the donation unless it is deemed to be in the best interest of the District.
- C. Staff shall not recommend accepting the donation if the donation is limited by conditional acceptance.
- D. If the Board of Trustees approves accepting the donation, an acceptance letter shall be signed by the President of the Board and given to the individual or corporation making the donation. The property shall be tagged and reported as described in Section 2 above.

#### **Section 4. Vehicle Replacement**

- A. Vehicles to be replaced should meet one of the following criteria:
  - 1. Ten years or older; or
  - 2. High mileage of 100,000 or greater; or
  - 3. Poor mechanical condition resulting in down time of ten percent (10%) or cost of repair exceeding fifty percent (50%) of the fair trade-in value; or
  - 4. Other factors such as safety concerns, costly damage due to accident or environmental factors; or mechanical inoperability.
- B. Disposal of vehicles shall be consistent with Section 5, below.

#### **Section 5. Sale of Surplus Property**

- A. When a fixed asset is no longer needed or is inoperable and is not going to be or cannot be repaired, the item shall be sold as surplus property.
- B. Items removed from the inventory of fixed assets shall be reported to the Board of Trustees. The report shall include purchase date, property tag number, make and model, serial number, purchase price, current value of item, reason for disposal, method of disposal, and proceeds from the sale.
- C. Disposal of fixed assets with an estimated value of \$5,000 or more shall be approved by the Board. Disposal of fixed assets with an estimated value less than \$5,000 shall be approved by the District Manager.
- D. Surplus property shall be sold by one of the following methods:

1. Through a legal advertisement in a newspaper of general circulation inviting sealed bids;  
or
  2. At an auction either conducted by the District or through a professional service; or
  3. As determined by the Board of Trustees during a public meeting.
- E. Staff shall determine a fair price for the property and set a minimum bid on those items believed to have value. The District shall accept the highest bid for items sold at auction or through a sealed bid process.
- F. No surplus property will be sold to employees or Board of Trustee members.
- G. Items not sold may be donated to another governmental agency, non-profit organization, scraped for parts, recycled, or properly disposed of in accordance with the Environmental Protection Agency.
- H. Proceeds from the sale of surplus property shall be treated as revenue for the fiscal year in which the property was sold.

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***Policies Cited:***

1. *\*SGVMVCD: Resolution 2006-02, Bid Recommendations for the Purchase of Supplies and Equipment.*
2. *\*\*SGVMVCD: Policy No. 33 – Accounts Payable, Section 3.*
3. *\*\*\*SGVMVCD: Policy No. 39 – Inventory*

***This Policy is referenced in:***

1. *SGVMVCD: Policy No. 33 – Accounts Payable*

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 39  
**Subject:** Inventory  
**Category:** Fiscal  
**Adopted:** *Pending*  
**Revision(s):** 08/01/2023




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**POLICY NO. 39 - INVENTORY**


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**Section 1. Scope**

- A. Inventories consist of chemicals, safety supplies and personal protective equipment (supplies), and fixed assets.

**Section 2. Controls**

- A. The functions of ordering, authorizing, receiving, and conducting physical inventories shall be adequately separated to:
1. Ensure that inventory transactions are proper.
  2. Minimize the potential for inventory related defalcations.
- B. Chemicals and supplies shall be ordered when needed. A stock level shall be established and maintained to ensure that the goals of the District may be successfully and expediently performed.
- C. Storage areas shall be secured so that access to inventory is restricted to authorized personnel. Chemicals and supplies requiring special storage (i.e. temperature control flammable storage, etc.) shall be stored according to product information to ensure no damage occurs to the material, persons working in the area, and/or other property.

**Section 3. Physical Inventory**

- A. Inventory of supplies, chemicals, and fixed assets shall be performed by individual(s) who do not have the authority to approve purchases.
- B. The following inventory schedules shall be maintained:
- |                                 |            |
|---------------------------------|------------|
| a. Chemicals                    | Monthly    |
| b. Supplies                     | Biannually |
| c. Fixed Assets and Electronics | Annually   |

- C. Unexplained discrepancies and items not accounted for shall be brought to the attention of the District Manager for investigation.

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***This Policy is referenced in:***

1. *SGVMVCD: Policy No. 38 – Fixed Assets*

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 40  
**Subject:** Credit Card Use  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 40 – CREDIT CARD USE**


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**Section 1. Purpose**

- A. The San Gabriel Valley Mosquito and Vector Control District (District) recognizes that the use of credit cards is a customary and economical business practice to improve cash management, reduce costs, and increase efficiency. Revolving charge/credit card accounts are important purchasing tools for procuring supplies and services relative to approved District business. The following policy shall be implemented to ensure proper procedures and protocols are set forth regarding District credit card use.

**Section 2. Controls**

- A. Revolving charge/credit card accounts shall be selected based on need and fiscal cost. To the greatest extent possible, the District shall select accounts charging low/no annual fees, processing fees, and offering financial incentives.
- B. The District shall ensure revolving charge/credit card accounts are paid in-full and on time to avoid incurring unnecessary finance charges/late fees.
- C. All purchases must be pre-authorized by the District Manager or the cardholder's department director.
- D. The cardholder/purchaser is responsible for obtaining receipts from credit card purchases. Receipts for approved purchases must be submitted and processed according to District practices and policies.
- E. Each employee issued a credit card for purchases must acknowledge in writing responsibility and liability for the credit card and receipt of the District's credit card use policy.

**Section 3. Distribution**

- A. The following personnel shall be issued a District CalCard (US Bank):
1. District Manager
  2. Department Directors

3. At the discretion of the District Manager, non-managerial staff who must make purchases and/or payments as part of their job duties and responsibilities on behalf of the District. When determining credit card issuance to non-managerial staff, the District Manager will assess whether it is inefficient and/or disruptive to the daily operations of the District to require a department director to make certain purchases.
- B. The following personnel shall be issued a District Fuel Card:
1. Employees who are assigned a District vehicle as part of their job duties and responsibilities on behalf of the District.
- C. The following personnel may be issued other District charge/credit cards:
1. At the discretion of the District Manager, employees who have job duties and responsibilities which could be facilitated by the use of a credit card and would benefit the District. When determining credit card issuance to an employee, the District Manager will assess whether it is inefficient and/or disruptive to the daily operations of the District to require a department director to make certain purchases.

### **Section 3. Administration**

- A. The Director of Administrative Services will be the responsible authority as the District Credit Card Administrator and/or Approving Official who will set up and maintain each credit card account(s) with the banking entities.
- B. The District Credit Card Administrator and/or Approving Official will be responsible for the overall administration and procurement of a credit card program by reviewing, reporting, and coordinating all aspects of the program. The administrator will act as the liaison between banking entities and individual District credit cardholders. Initiate and monitor disputes through closure.

### **Section 4. Procedures**

- A. All purchases made with a District credit card shall comply with *Policy No. 33\**.
- B. Purchases made with CalCards:
1. All CalCard expenditures must be accompanied by a receipt and reconciled with monthly statements by the cardholder.
  2. Each receipt submitted by the cardholder shall include the account number for which the expenditure shall be debited.
  3. Each reconciled statement shall be signed by the cardholder and submitted to the Accounting Specialist or designee.
- D. Purchases made with fuel cards:

1. Fuel cards may be used by authorized employees for district vehicle related fuel purchases only.
  2. When using the fuel card, the employee will:
    - a. Obtain receipt for fuel purchase.
    - b. Write employee name on receipt.
    - c. Write District vehicle number on receipt.
    - d. Write odometer reading of District vehicle on receipt.
    - e. Write last four digits of fuel card number on receipt.
    - f. Submit fuel purchase receipt to Accounting Specialist or designee.
  3. The Accounting Specialist or designee will reconcile the fuel card statements monthly.
- E. Purchases made with other charge/credit card:
1. All credit card expenditures must be accompanied by a receipt and reconciled with monthly statements by the cardholder.
  2. Each receipt submitted by cardholder shall include the account number for which the expenditure shall be debited.
  3. Each reconciled statement shall be signed by the cardholder and submitted to the Accounting Specialist or designee.
- F. All credit card expenditures will be verified against receipts for purchases. Any unexplained charges/disputed charges shall be brought to the attention to the District Manager and resolved immediately.
- G. If an employee loses a receipt, the employee will make a reasonable effort to obtain a copy from the seller. If a copy of the receipt cannot be obtained the employee shall submit an affidavit accounting for the lost information for expenditure to the Accounting Specialist or designee.

#### **Section 5. Loss or misuse of Credit Cards**

- A. Credit card loss or theft shall be reported to the Director of Administrative Services immediately upon first knowledge of loss or theft. Lost or stolen cards will be cancelled immediately.

- B. Unauthorized purchase and/or personal use of District credit cards is prohibited. Unauthorized purchases will become the responsibility of the employee/cardholder and must be reimbursed to the District.

### **Section 6. Disciplinary Action**

- A. A cardholder who fails to obtain and submit receipts as required, fails to responsibly ensure the security of District credit cards, or uses District credits cards inappropriately or without prior authorization may be subject to disciplinary action up to and including termination and/or legal action.

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***Policies Cited:***

1. *\*SGVMVCD: Policy No. 33 – Accounts Payable*

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**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 41  
**Subject:** Salary Adjustments  
**Category:** Fiscal  
**Adopted:** *Pending*  
**Revision(s):** 08/01/2023




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**POLICY NO. 41 – SALARY ADJUSTMENTS**


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**Section 1. Purpose**

- A. The Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District has determined that it is in the best interest of the District to set a salary adjustment policy to provide for competitive salaries.

**Section 2. Annual Review of Cost-of-Living Allowance**

- A. Cost of living data shall be reviewed annually using the February Consumer Price Index – Urban Wage Earners and Clerical Workers (CPI-W) year-end percent change.
- B. The Los Angeles-Anaheim-Riverside geographic area index will be used to calculate a cost-of-living allowance.
- C. Staff shall calculate salaries annually using the March CPI-W with a cap of four (4) percent. All benefit and insurance costs will also be calculated to determine the true cost of the salary increase. No salary adjustment calculations will be presented when CPI-W is negative.
- D. Proposed salary adjustments based on CPI-W shall be presented annually to the Personnel and Policy and Finance and Audit Committees for recommendations.
- E. Salary Adjustments based on the CPI-W shall not be automatic. Such adjustments shall only be approved by a majority vote of the Board of Trustees during the adoption of the fiscal year's budget.

**Section 3. Salary Surveys**

- A. The salary survey shall be conducted every three (3) years during the month of April. Salary adjustments based on the salary survey shall not apply to the position of District Manager, except as provided in Section H, below.
- B. Staff shall request information from Mosquito Abatement and Vector Control Districts located in southern California that met the following criteria:
1. Minimum annual revenue - \$650,000
  2. Minimum number of employees – Twelve (12)

- C. A complete list of position titles, job descriptions, and salaries shall be obtained from a minimum of five Districts. The job responsibilities and minimum qualifications shall be evaluated based on comparable positions with the District.
- D. A summary of salaries paid, responsibilities, and minimum qualifications shall be prepared for similar positions.
- E. The districts with the highest and lowest salaries for each position shall be rejected. From the remaining salaries, the mean high salary shall be calculated. If four or fewer similar positions are available to survey, either no salaries will be rejected or salaries from districts in other comparable areas of California will be obtained.
- F. If the District's salary is within 2% of the mean, no adjustment shall be made. If the District's salary is less than 98% of the mean, the salary shall be adjusted to equal the mean.
- G. The salary survey and recommended adjustments shall be presented to the Board of Trustees in May of the year that the survey is conducted for Board approval. The approved adjustments shall be included in the budget presented to the Board in June and shall become effective with the first full pay period in July.
- H. The Personnel and Policy Committee may consider the survey and mean high salary for the position of District Manager to determine if the salary range for the position is competitive or when an adjustment to the salary is recommended. The Personnel and Policy Committee and Executive Committee will conduct a performance evaluation of the District Manager annually during the month of April. Based on the performance evaluation, achievement goals and objectives, conduct that leads to disciplinary action, and financial stability of the District, the Committee may recommend salary adjustment for the District Manager. The adjustment shall only be granted upon a majority vote of the Board members present at a regular meeting of the board of Trustees.



**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

**Policy Number:** 42  
**Subject:** Fee for Duplication of District Records  
**Category:** Fiscal  
**Adopted:** Pending  
**Revision(s):** 08/01/2023




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**POLICY NO. 42 – FEE FOR DUPLICATION OF DISTRICT RECORDS**


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**Section 1. Purpose**

- A. Public records of the District are open to inspection at all times during the office hours of the District and every person has a right to inspect any public record, except as provided in *Cal. Gov. Code § 6254†*. Pursuant to *Cal. Gov. Code § 6253††*, the District may impose fees covering the direct costs of duplication.

**Section 2. Fee Schedule**

- A. The standard fee for duplication of public records shall be set at 10 cents per page for standard letter size documents (8.5 inches by 11 inches) or smaller. For larger documents, such as maps or blueprints, the fee may be reasonably adjusted based on actual costs incurred.
- B. Additional costs may apply for postage (e.g., first class U.S. Mail or expedited delivery), photographs, color reproductions, over-sized drawings, maps & charts. All payments are due at the time copies of records are requested.
- C. No fee shall be charged for the cost of duplication when the requested records are provided in an electronic format unless the actual cost of electronic media (such as USB drives) is incurred.
- D. The fees for duplication shall not include staff time for retrieving or duplicating records.

**Section 3. Collection of Fees**

- A. Persons requesting copies of public records shall be informed via the same method of communication as the request, within ten (10) days of their request of the total cost to duplicate and send the records. Upon receipt of the total payment, the records shall be sent to the requesting person.
- B. Persons requesting copies of public records at the District office shall be given the copies of the records upon payment of the fees to the District.

**Section 4. Waiver of Fees**

- A. Fees shall be waived for the following documents, agencies, and individuals:
1. Documents requested by federal, state, or local agencies.

2. Copies of documents pertaining to any charge or assessment levied by the District.
3. Copies of Meeting Agendas requested by any individual, business, or agency.
4. Copies of any educational materials distributed to individuals, businesses, or agencies within the boundaries of the District.
5. Any documents that the Board of Trustees has taken action on to waive the fee during a public meeting at the request of the requesting party or for the purpose of achieving District goals.

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**Codes Cited:**

1. † *California Government Code Section 6254 – Exemptions from disclosure*
2. †† *California Government Code Section 6253(b)*

DRAFT



## California Cooperative Liquid Assets Securities System

### What is California CLASS?

California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS offers public agencies a convenient method for investing in highly liquid, investment-grade securities carefully selected with the goal of optimizing yields while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds help assist public agencies in strengthening and diversifying their cash management programs in accordance with the safety, liquidity, and yield hierarchy that provides the framework for the investment of public funds.

### How is it governed and managed?

California CLASS is overseen and governed by a Board of Trustees. The Board is made up of public agency finance professionals who participate in California CLASS and are members of the Joint Powers Authority (JPA). The Board of Trustees has entered into an Investment Advisor and Administrator Agreement with Public Trust Advisors, LLC. Public Trust is responsible to the Board for all program investment and administrative activities as well as many of the services provided on behalf of the Participants.

### How can we participate?

Enrolling in California CLASS is simple. Public agencies may become Participants simply by filling out the Participant Registration Form that can be found in the document center on the California CLASS website. Public agencies may submit the completed registration packet to California CLASS Client Services for processing at [clientservices@californiaclass.com](mailto:clientservices@californiaclass.com). To obtain account forms and fund documents, visit [www.californiaclass.com/document-center/](http://www.californiaclass.com/document-center/).

### Sponsored By:



[www.calcities.org](http://www.calcities.org)



**California Special Districts Association**

*Districts Stronger Together*

[www.csda.net](http://www.csda.net)

### Participants

#### benefit from the following:

- Same-day availability of funds in Prime Fund (11:00 a.m. PT cut-off)
- Contributions by wire or ACH
- Ratings of 'AAAm' & 'AAAf/S1'
- Portfolio securities marked-to-market daily
- Secure online access for transactions and account statements
- No redemption notices for Prime Fund
- Participant-to-Participant transactions
- Dividends accrue daily and pay monthly
- No maximum contributions
- No minimum investment requirements
- No transaction fees\*
- Annual audit conducted by independent auditing firm\*\*
- Dedicated client service representatives available via phone or email on any business day

\*You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions.  
\*\*External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.



## What are the objectives of California CLASS?

### Safety

The primary investment objective of the California CLASS Prime fund is preservation of principal. Both California CLASS portfolios are managed by a team of investment professionals who are solely focused on the management of public funds nationwide. The custodian for California CLASS is U.S. Bank, N.A.

### Liquidity

When you invest in the California CLASS Prime fund, you have access to your funds on any business day. You must notify California CLASS of your funds transaction requests by 11:00 a.m. PT via the online transaction portal. There are no redemption notices for the daily-liquid California CLASS Prime fund. Enhanced Cash is a variable NAV fund that provides next-day liquidity and a one-day notification of redemption.

### Competitive Returns

California CLASS strives to provide competitive yields while adhering to the objectives of safety and liquidity. Participants can benefit from the investment expertise and institutional knowledge provided by the team of Public Trust professionals. The portfolio performance objective is strengthened by the knowledge of

California public agency cash flows that the Public Trust team possesses.

### Ease of Use

To make cash management streamlined and efficient, California CLASS includes many features that make it easy to access account information and simplify record keeping. Participants can transact on any business day via the California CLASS Online Transaction Portal at [www.californiaclass.com](http://www.californiaclass.com).

### Flexibility

You may establish multiple California CLASS subaccounts. You will receive comprehensive monthly statements that show all of your transaction activity, dividend accruals, and yield summaries. These statements have been specifically designed to facilitate public sector fund accounting and to establish a clear accounting and audit trail for your records.

### Legality

California CLASS only invests in securities permitted by California State Code Section 5360i; permitted investments are further restricted to those approved by the Board of Trustees as set forth in the California CLASS Investment Policies.

**Have Questions?** Contact us or visit [www.californiaclass.com](http://www.californiaclass.com) for more information.



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Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Please review the California CLASS Information Statement before investing. California CLASS is not a bank. An investment in California CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the California CLASS prime-style fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. Please review the California CLASS Information Statement(s) before investing. Past performance is not an indication of future performance. No assurance can be given that the performance objectives of a given strategy will be achieved. Any financial and/or investment decision may incur losses. California CLASS Prime is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit [www.spglobal.com](http://www.spglobal.com). California CLASS Enhanced Cash is rated by 'AAA-/SI' by FitchRatings. The 'AAA' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'SI' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'SI' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit [www.fitchratings.com](http://www.fitchratings.com). Ratings are subject to change and do not remove credit risk.



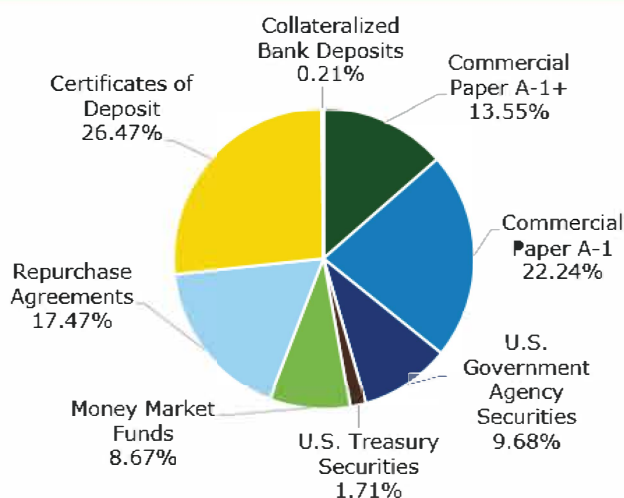
## California Cooperative Liquid Assets Securities System

### California CLASS Pool Fact Sheet

**Holistic cash management designed with you in mind**

California CLASS is a local government investment pool that was created under the Joint Powers Act. It allows eligible public agencies to invest their funds in a professionally managed Joint Powers Authority.

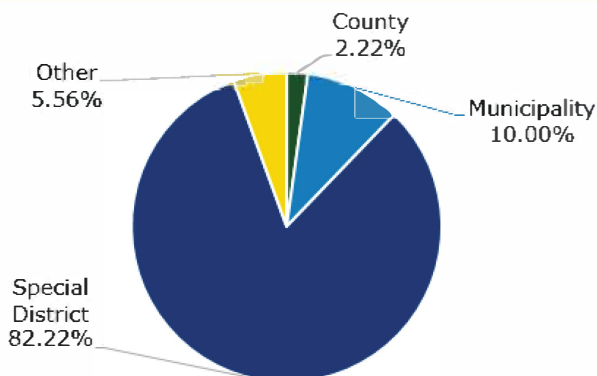
#### Portfolio Allocation\*



Participation is available to any California public agency under California Government Code 6500 and 6509.7. Investments are made in accordance with California Government Code Section 53601 and the California CLASS Investment Policies.

The California CLASS portfolio investment strategy prioritizes minimizing market risk and enhancing safety via diversified investments. Funds of the Participants are invested in prime or high grade, short-term fixed income instruments as illustrated to the left. We aim to provide competitive yields while adhering to all objectives of safety and liquidity. The California CLASS Prime Fund carries a 'AAAm' rating from S&P Global Ratings.

#### Participant Breakdown by Entity Type\*



#### California CLASS Board of Trustees

**Christina Turner**, Chair  
City Manager  
City of Morgan Hill

**Ryan Clausnitzer**, Vice Chair  
General Manager  
Alameda County Mosquito Abatement District

**George Harris**  
Director of Finance  
City of Lancaster

**Parker R. Hunt**  
Treasurer/Tax Collector  
Tehama County

California CLASS welcomes all public agencies without favor to one type. The Board membership represents the diversity of such agencies and works to maintain a product that services the needs of all California public agencies.

Visit us at [www.californiaclass.com](http://www.californiaclass.com)

Source: Public Trust Advisors® \*Data as of June 30, 2023. Data unaudited. Charts may not equal 100% due to rounding. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. California CLASS is not a bank. An investment in California CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the California CLASS Prime Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The California CLASS Prime Fund is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit [www.spglobal.com](http://www.spglobal.com). Ratings are subject to change and do not remove credit risk. Please review the California CLASS Prime Fund Information Statement before investing. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**