



POLICY COMMITTEE

REGULAR MEETING
 Friday, November 22, 2019 - 12:00 PM
 1000 Main Street, Cambria, CA 93428

AGENDA

- A. CALL TO ORDER
- B. ESTABLISH QUORUM
- C. CHAIRMAN'S REPORT
- D. AD HOC SUBCOMMITTEE REPORTS
 - i. Subcommittee on Disaster Preparedness
 - ii. Subcommittee on Veterans' Hall Fees
 - iii. Subcommittee on CCSD Policies

1. PUBLIC COMMENT

Members of the public may now address the Committee on any item of interest within the jurisdiction of the Committee but not on its agenda today. In compliance with the Brown Act, the Committee cannot discuss or act on items not on the agenda. Each speaker has up to three minutes. Speaker slips (available at the entry) should be submitted to the Committee Chairperson.

2. CONSENT AGENDA

- A. Consideration to Approve the October 31, 2019 Regular Meeting Minutes

3. REGULAR BUSINESS

- A. Discussion and Consideration of the Process by Which Items are Placed on the Committee's Meeting Agendas
- B. Discussion and Consideration of the Boards Response to the Committee's Concerns Regarding:
 - the expectations the Board holds for the committee,
 - protocols for interacting with staff & use of staff time,

- the process through which the committee will accomplish its work, and
 - the process by which the committee will receive feedback from the Board about the recommendations it receives from the committee
- C. Discussion and Consideration to Comment on the CCSD Committee Meeting Flow Chart
 - D. Discussion and Consideration to Propose Amendments to the Policy Committee's Bylaws
 - E. Discussion and Consideration of Proposal for Policies Related to Environmental Issues
 - F. Discussion of a Proposal for Policies Concerning the Maintenance and Upkeep of Cambria
 - G. Discuss and Review, in Coordination with the Finance Committee, of the Purchasing Policy and Consider Establishing a Policy for the Purchase of Used or Non-New Equipment by the District

4. FUTURE AGENDA ITEMS

5. ADJOURN



POLICY COMMITTEE

REGULAR MEETING

Thursday, October 31, 2019 - 2:00 PM
1000 Main Street, Cambria, CA 93428

MINUTES

A. CALL TO ORDER

Chairman Howell called the meeting to order at 2:00 p.m.

B. ESTABLISH QUORUM

A quorum was established.

Committee members present: Donn Howell, Gordon Heinrichs, John Nixon, John Rohrbaugh, Ted Key and Claudia Harmon,

Staff present: Monique Madrid, District Clerk

Public present: Cindy Steidel, CCSD Director

C. CHAIRMAN'S REPORT

Chairman Howell reported that the "Chairman's Report on the Policy Committee" has been revised to reflect discussion and recommendations at the October 9 meeting of the Committee. Chairman Howell presented a draft of a workflow chart for CCSD Standing Committees, requesting no action at this time. Chairman Howell also noted that the proposal for policies related to environmental issues would be placed on a future agenda.

D. AD HOC SUBCOMMITTEE REPORTS

i. Subcommittee on Disaster Preparedness- No action. Member Heinrichs noted that he is reviewing various documents, including Part 1 of a draft plan. Director Steidel noted that she and Director Pierson are an ad hoc Board Committee charged with the issue of disaster preparedness.

ii. Subcommittee on Veterans' Hall Fees – No action. Member Key is scheduling an appointment with General Manager Weingold to discuss the issues. Director Steidel noted that the Finance Committee also has been charged with the issue of Veteran's Hall fees. Directors Howell and Steidel will take the issue of (possible) conflict of Committee charges to the full CCSD Board.

1. PUBLIC COMMENT

Public Comment: None.

2. CONSENT AGENDA

A. Consideration to Approve the October 9, 2019 Special Meeting Minutes

Title: Motion to Approve the October 9, 2019 Special Meeting Minutes

Moved by: Key

Seconded by: Rohrbaugh

Ayes: 4

Nays: 1

Abstain: 1

Chairman Howell not voting

3. REGULAR BUSINESS

A. Discussion and Consideration Regarding Board Members' Use of Electronic Devices During Board Meetings Policy and Recommendation to Forward to the Board of Directors

Title: Motion to approve draft policy as approved by the Committee at the October 9 meeting, amended by the addition of the third paragraph (sentence) from Director Steidel's draft for the same policy. The addition becomes the second paragraph of the draft policy and ends with the word "materials."

Moved by: Key

Seconded by: Rohrbach

Ayes: 3

Nays: 2

Absent: 0

Chairman Howell not voting

B. Discussion and Consideration of Ad Hoc Committee's Recommendations Regarding Policy 1045 Legal Counsel and Auditor, Policy 1050 Overview of the General Manager's Role and Policy 1055 Legislative Advocacy

Title: Motion to withdraw the agenda item and refer it back to Ad Hoc Committee.

Moved by: Nixon

Seconded by: Rohrbach

Ayes: 5

Nays: 0

Absent: 0

Chairman Howell not voting

- C. Discussion of Questions Brought Forward by the Ad Hoc Subcommittee: The Ad Hoc Subcommittee Requests Clarification from the Board on the Process for Developing a Policy Handbook. Specifically, the Ad Hoc Committee is Asking the Following Questions:

- 1) Referring to the development of policy recommendations, what would be the committee's actions on how to interface with District Staff and Council on existing positions/functions for alignment of CSDA sample Policy with Board and staff expectations?
- 2) When questions and concerns of Board members arise on policy recommendations from the Policy Committee, without formal adoption or rejection by the Board, how can the Committee continue to move forward to obtain adoption?

Title: No Action. Chairman Howell will take the concerns/questions about Committee processes to the Board of Directors.

(Note; Chairman Howell confirmed that the Ad Hoc Committee on CCSD Policies is comprised of Members Harmon, Rohrbach, and Nixon.)

- D. Review of Cambria Community Services District's Transfer of Positions Municipal Code Section 8.04.100

Title: Motion to add the word "continuous" in the phrase "... at least fifty (50) continuous feet of street frontage", in CCSD Municipal Code 8.04.100, B.1.a.

Moved by: Harmon

Seconded by: Heinrichs

Ayes: 3

Nays: 2

Absent: 0

Chairman Howell not voting

4. FUTURE AGENDA ITEMS

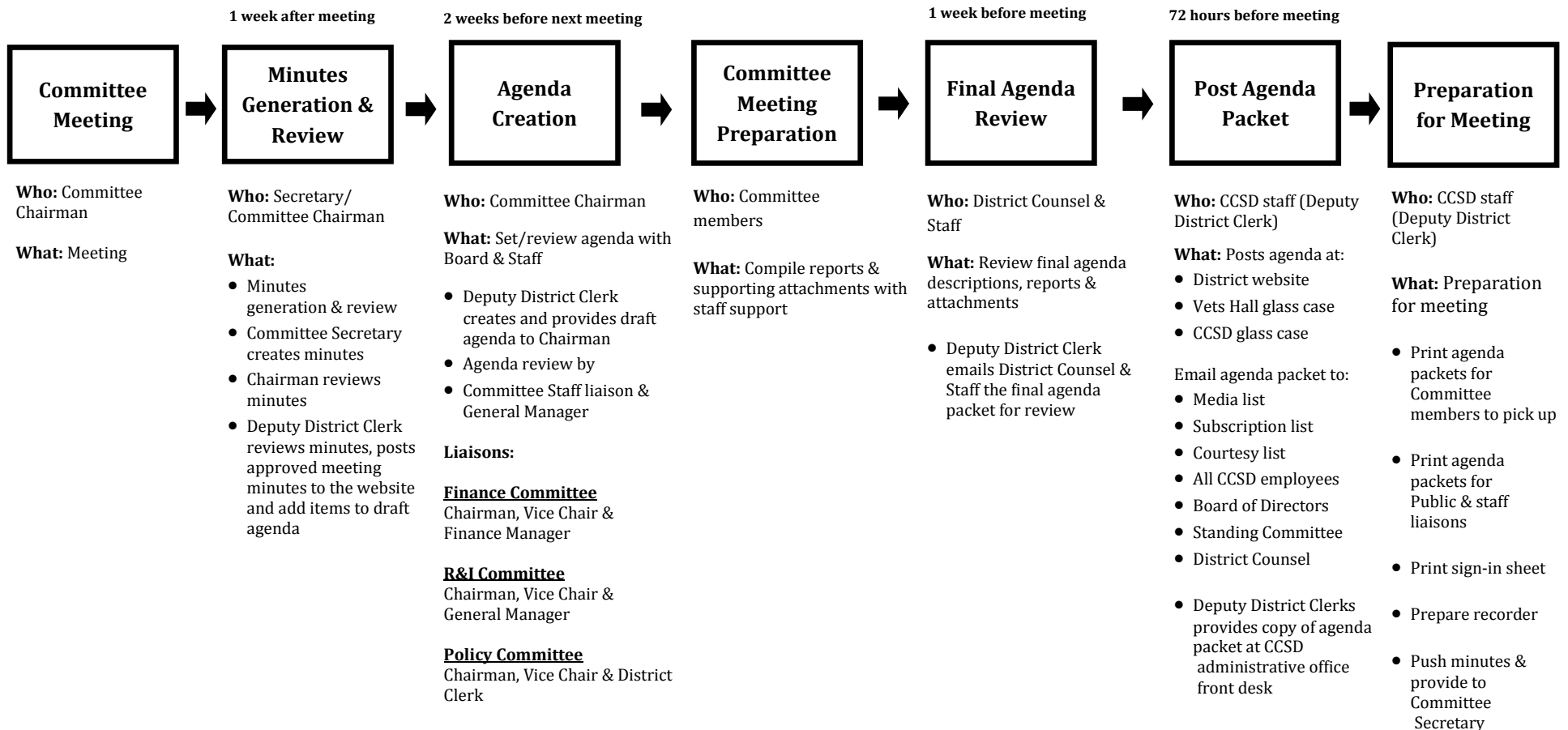
Chairman Howell asked for any future agenda items. Chairman Howell noted a future agenda will include review of a draft of a "CCSD Committee Flow Chart." Chairman Howell also noted that the Committee may be charged with developing a policy on maintenance of Cambria.

5. ADJOURN

Chairman Howell adjourned the meeting at 4:45 p.m.

CCSD Committee Meeting Flow Chart

Timeline





CAMBRIA COMMUNITY SERVICES DISTRICT

P.O. Box 65 • Cambria, CA 93428 • Telephone: (805) 927-6223 • Fax: (805) 927-5584

PURCHASING POLICY

I. PURPOSE

A. The Board of Directors for the Cambria Community Services District (“CCSD”) adopts the overall CCSD purchasing policy and implements it through the adoption of the annual budget, which is then administered by the General Manager. This policy will be used by CCSD staff to secure supplies and equipment at the lowest possible cost commensurate with quality needed and to exercise positive financial control over purchases. In the event that the CCSD does not have an approved budget, only essential goods and services may be obtained until such time as the annual budget is adopted. The responsibility for buying materials and services is assigned to staff members skilled in negotiating cost reductions and purchasing within the budgeted funds.

B. Goals of this policy—are:

- to purchase needed items at the best possible price and at the best possible value within the required deadlines and maintain the necessary support for CCSD operations; and
- to establish procurement standards that comply with requirements contained in Federal regulations to receive grant funding.

When the best possible value conflicts with the best possible price, a detailed justification for the best possible value shall be prepared.

C. At the beginning of each fiscal year the Finance Manager will issue a complete CCSD Budget approved by the Board of Directors. This budget contains the purchasing account titles, description of line items, and numbers corresponding with budgeted funds for each item. Each CCSD

department will receive its own budget for conducting purchasing transactions. It is the responsibility of each department manager to control spending and monitor the funds in the account line items that they are authorized to use. A monthly or quarterly status report will be issued showing a comparison between budgeted amounts and the department purchasing activity. All CCSD department purchases will be identified with the appropriate line item account number by the requestor. All unbudgeted expenditures that are approved and paid through the system are to be tracked. The following will occur if a department must purchase an item that that is not authorized on its chart of accounts:

1. Obtain the approval from a department that is authorized to purchase the items. This will require the authorized department manager to initial the purchase order.
2. The General Manager or Administrative Services Officer approves the purchase transaction.

II. PROCUREMENT STANDARDS

A. All materials, goods and services shall be procured using one of the following five methods of procurement.

1. **Procurement by micro-purchases.** Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold, currently \$3,000 established in Federal Code of Regulations (§200.67). To the extent practicable, micro-purchases will be distributed equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the price is reasonable.
2. **Procurement by small purchase procedures.** Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or property that do not cost more than the Simplified Acquisition Threshold, currently \$150,000, established in the Federal Code of Regulations. Price or rate quotations must be obtained from an adequate number of qualified sources.
3. **Procurement by sealed bids (formal advertising).** Bids for materials, goods and services will be publicly solicited and a firm fixed price contract (lump sum or unit price) will be awarded to the responsible bidder whose bid, conforming with all the material terms

and conditions of the invitation for bids is the lowest price. In order for sealed bidding to be feasible, the following conditions should be present:

- a complete, adequate and realistic specification or purchase description should be present;
- two or more responsible bidders are willing and able to compete effectively for the business; and
- the procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- Bids will be solicited from an adequate number of known suppliers;
- The invitation for bids will be publicly advertised;
- Sufficient time will be provided to allow bidders sufficient response time prior to the date set for opening the bids;
- The invitation for bids will adequately define the items or services in order for the bidders to properly respond;
- All bids will be opened publicly at the time and place prescribed in the invitation for bids;
- Any or all bids may be rejected if there is a sound documented reason; and
- A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder.

4. **Procurement by competitive proposals.** This method is used when conditions are not appropriate for the use of sealed bids and is normally conducted with more than one source submitting an offer and either a fixed price or cost-reimbursement type contract is awarded. The following requirements apply:

Requests for proposals which identify all evaluation factors and their relative importance will be publicized;
 Proposals will be solicited from an adequate number of qualified sources;
 Responders will be rated by a committee assigned by the General Manager with scores assigned for each evaluation factor;

Contracts will be awarded to the responsible firm whose proposal is most advantageous to the program with price and other factors included in the evaluation factors considered; and

CCSD will use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualification are evaluated and the most qualified competitor is selected consistent with the requirements of Government Code Section 4526, subject to negotiation of fair and reasonable compensation. This method cannot be used to purchase other types of services even if A/E firms are a potential source to perform the proposed effort. (Also see Section IX, herein, relating to Professional Services Agreements)

5. Procurement by non-competitive proposals. Procurement through solicitation of a proposal from only one source will be used only when one or more of the following circumstances apply.

- The item is only available from a single source;
- The public exigency or emergency for the requirement will not permit a delay from competitive solicitation; or
- After solicitation of a number of sources, competition is determined inadequate.

See Section IX(E) relating to sole source contracts for professional services.

B. Purchasing materials, goods and services from small and minority businesses, women's business enterprises, and labor surplus area firms. It is the express intent of CCSD to award as much business as practical to small and minority businesses, women's business enterprises and labor surplus area firms. To that end, the following policies shall apply:

- Qualified small and minority businesses and women's business enterprises will be included on all solicitation lists;
- Qualified small and minority businesses and women's' business enterprises will be directly solicited whenever they are a potential source of required materials or services;

- When economically feasible, requirements will be divided into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;
- When feasible, delivery schedules will be established that encourage participation by small and minority businesses and women's business enterprises;
- When appropriate, the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce will be consulted concerning maximizing the participation of small and minority businesses and women's business enterprises; and
- Prime contractors will be required to take the affirmative steps listed above.

C. Procurement of recovered materials. The District will comply and will require compliance by all contractors with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, in all of its procurement solicitations and contract awards. When a purchase price exceeds \$10,000, only items designated in guidelines of the EPA (40 FR part 247) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition will be purchased. Solid waste management services will be procured in a manner that maximizes energy and resource recovery.

III. SIGNING AUTHORITY

- A. The General Manager, or in his/her absence the Administrative Services Officer, is hereby authorized to sign on behalf of the CCSD the following documents:
1. Any documents necessary to conduct the general business of the CCSD that does not require prior approval of the Board of Directors.
 2. Any documents necessary to conduct the general business of the CCSD requiring approval of the Board, after said documents have received approval of the Board of Directors.
 3. Any agreements or other documents necessary to secure and receive state, federal, or other agency grants or loans.
 4. Any agreements or documents necessary for the receipt and/or disbursement of any grant monies contracted for by the CCSD.

IV. COMMITMENT AUTHORITY

- A. The General Manager and department heads identified below are responsible for conducting purchasing transactions within the guidelines and procedures set forth in this policy. Transactions involving contractual agreements must be reviewed and approved by District Counsel and are subject to Section VII.

<u>Employee</u>	<u>Category</u>
General Manager	Legal Services (at the direction of the Board). All categories listed below.
Administrative Services Officer	Parks and recreation planning and development materials and supplies. Human resources and training services. Departmental operational materials and supplies for Administration. Office supplies, dues and subscriptions, and travel arrangements. All categories listed below.
District Engineer	Engineering and professional consulting services. Departmental operational supplies for Water and Wastewater, and Property Management, repair, training, and maintenance materials, equipment rentals, employee clothing, fuel & oil, vehicle repair services and janitorial supplies.
Fire Chief	Departmental operational supplies, repair, training, and maintenance materials, equipment rentals, employee clothing, fuel & oil, vehicle repair services and janitorial supplies.

Finance Manager

Financial services and arrangements; audit engagements; office supplies; computer equipment.

V. APPROVAL REQUIREMENTS

- A. A system of approval limits is the next element of purchasing control. Within the authorized categories, employees may commit CCSD funds up to their maximum approval amounts. Department managers are authorized to purchase items that fall within the approved budget's amount for their department and account category. Department managers may delegate purchasing authority to any employee within his/her department as necessary.
- B. Board approval is required for all purchases of \$25,000 or more, unless the purchase is for equipment, materials or services that has been previously approved by the General Manager and is contained within the CCSD's budget. If the total price exceeds the budgeted amount by more than 5%, the General Manager's approval shall be required.
- C.
- D. A CCSD Purchase Order is required for all purchases greater than \$250.00. Exceptions to the policy are listed below. Any CCSD employee authorized by his/her department manager can sign a purchase order up to \$500.00. The department manager will provide a written list of his/her authorized employees, who can sign purchase orders, to the Finance Manager or his/her designee. The department manager will be responsible for updating the employee signatory list as needed.

Purchase Orders are not required for:

- Regular, recurring utility services.
- Payroll, including payroll vendor payments.
- Petty cash.
- Travel advances when a Travel Advance Claim form is used.
- Travel expenses when a Travel Expense Claim form is used.

- Credit card payment if related to approved travel or meeting expenses.

E. The following intermediate supervisory or management staff, as approved by the General Manager, can initiate and authorize a purchase order up to \$5,000.00:

- FACILITIES AND RESOURCES SUPERVISOR
- FIRE CAPTAIN
- WASTEWATER SUPERVISOR
- WATER SUPERVISOR

Purchases over \$5,000.00 will require the signature of a department manager.

VI. PURCHASE ORDER PREPARATION

- A. All formal purchase orders shall be prepared from a properly completed purchase order form. The form is designed to contain all the necessary information and signatures relevant to the purchase within the CCSD. The current purchase order form may be redesigned from time to time at the discretion of the General Manager, or his/her designee, whenever conditions warrant.
- B. Each purchase order shall include a purchase order number only after the appropriate approval procedures are completed. The purchase order form is used as a written order to a vendor and may be either an original order or may confirm a verbal order. This form may also serve as a written change order.
- C. Each purchase order form (Attachment P-1) shall be filled out by the CCSD employee prior to CCSD funds being obligated for a purchase and shall contain the following information:
1. Purchase order number, date, department, and who wrote it.
 2. To whom the purchase order is issued, together with a complete address.
 3. Quantity/unit and description of item(s) to be purchased.
 4. Account number to be charged.
 5. Unit price and extended amount (depending upon quantity).

6. If applicable, the words "OPEN PO" and "EXPIRATION DATE," not to exceed past the end of the current fiscal year, at the top of the purchase order form.
 7. The words "NOT TO EXCEED" if it is for a repetitive purchase or a contract amount.
 8. The total amount of the purchase order shall include charges for freight and tax, if applicable.
 9. The initial purchase order MUST have attached to it the following: the written quote or estimate or a copy of the contract, or other backup supporting documentation.
- D. The purchase order must be submitted immediately to the Finance Manager or his/her designee. The purchase order date must precede the order date.
- E. Any incomplete purchase orders will be returned to the department manager for completion.
- F. Insofar that it does not conflict with any other Purchasing Policy limitations, a purchase order may be exceeded by up to 10% of the original purchase order amount. No increase may be given for quoted prices.
- G. When a purchase order is intended to be used to issue a check, write "Check Request" on the purchase order.

VII. OPEN PURCHASE ORDERS

- A. A blanket or open purchase order can be used to reduce the time consuming process of filling out a purchase order form for each purchase when it is with the same vendor and for repeat materials.
- B. Open purchase orders are to be used when the CCSD will:
1. Purchase repetitive, specified services or items, or categories of items from the same vendor over a period of less than one year, or on a monthly basis.
 2. Order standard materials or maintenance supplies, which require numerous shipments.
 3. Obtain more favorable pricing through volume commitments.

- C. Open purchase orders generally should NOT be used when:
1. No benefit will be derived over and above a regular purchase.
 2. Prices are unknown at ordering time, or subject to change later without notice.
 3. Quality of vendor or service is questionable.
 4. Control over CCSD expenditures would be weakened significantly.
- D. An open purchase order differs from the normal purchase order only in the date entry block that now has a date range not to exceed past the end of the current fiscal year.
- E. Each year during the month of June, each department manager will review all department blanket purchase orders and reissue all necessary blanket purchase orders effective July 1.

VIII. QUOTATION

- A. The policy of obtaining competitive quotes applies to purchase of materials and/or services with an estimated price of greater than \$100 but less than \$25,000 and not covered by a contractual agreement.
- B. Types of quotations:
1. Verbal – Verbal quotations will be obtained for purchases of standard or non-complex materials with an estimated price of under \$1,000 and not covered by a contractual agreement. Prices are to be recorded on a quotation sheet that will serve as backup documentation after the order is placed and will be attached to the purchase order. The quotation sheet will be attached to the original purchase order and shall contain the name of the vendor, the person giving the quote, the date and time of the verbal quote, and the price quoted. A minimum of two (2) suppliers is acceptable for verbal requests providing the buyer is familiar with the market and prices of the materials in question.
 2. Written – Written requests for quotations (RFQ) will be sent to vendors under the following conditions:
 - a. Purchases estimated to exceed \$1,000, but less than a total of \$25,000.

- b. All capital equipment purchases exceeding \$1,000, but less than a total of \$25,000.
 - c. Non-standard conditions, requirements, instructions, etc.
 - d. Any occasion where more permanent documentation is advisable.
 - e. Any purchase based on best value rather than lowest price.
- D. Written requests for quotations will incorporate a clear and accurate description of the technical requirement of the material, product or service to be procured.
- 1. The description will not contain features which unduly restrict competition.
 - 2. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use.
 - 3. Detailed product specifications should be avoided if at all possible.
 - 4. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly state.
 - 5. The description will identify all requirements which the offerors must fulfill and all other factors to be used in evaluating the bids or proposals.
- E. The CCSD employee, when purchasing materials and/or services requiring written request for quotations, will solicit prices from three (3) or more vendors. After the quotations have been received and examined for completeness, a determination of the low bidder and award of the order will be made by the department manager and reviewed with the General Manager or Administrative Services Officer. The department manager or his/her designee will notify unsuccessful vendors that the quotations have been closed and the contract awarded.

IX. **BIDS**

A. For bids estimated to exceed the Simplified Acquisition Threshold established in the Federal Code of Regulations, (\$150,000 on June 1, 2015), the following actions must be taken:

- CCSD staff must make or have made an independent estimate of the expected cost before receiving bids or proposals;
- CCSD staff must negotiate a fair and reasonable profit as a separate element of the price of the contract considering things such the complexity of the work, the risk borne by the contractor, the contractor's investment, the quality of the contractor's past performance and industry profit rates in the surrounding geographical area for similar work;
- The cost plus a percentage of cost and percentage of cost methods of contracting will not be used.
- CCSD staff will ensure contracts include administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms and will specify sanctions and penalties to be applied in each circumstance;
- All contracts in excess of \$10,000 will include provisions for termination for cause and for convenience of the District including the manner by which it will be effected and the basis of settlement.

B. The CCSD may require a performance bond before entering a contract in such amount as it finds reasonably necessary to protect the interests of the CCSD. For purchasing contracts that exceed the Simplified Acquisition Threshold and for which grant funds have been received, the following minimum bonding requirements will be established:

- A bid guarantee from each bidder equivalent to five percent of the bid price consisting of a firm commitment such as a bid bond, certified check, or other negotiable instrument as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified;
- A performance bond on the part of the contractor for 100 percent of the contract price;
- A payment bond on the part of the contractor for 100 percent of the contract price to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

- C. At its discretion, the Board of Directors may reject any bids presented and re-advertise.
- D. The CCSD may dispense with bidding when an emergency is declared.

X. PROFESSIONAL SERVICES AGREEMENTS

- A. The CCSD may contract with any specially trained and experienced person, firm, or corporation for special services and advice in financial, economic, accounting, legal or administrative matters. Contracts for professional services are not subject to competitive bidding requirements. (Government Code Section 4526. Also, however, see Sections II(A)(4) and (5), herein)
- B. If the CCSD is seeking the professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms, special provisions apply. The selection must then be based upon the demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required. Government Code Section 4526 does not apply when the CCSD determines that the services are more of a technical nature and involve little professional judgment and that requiring bids would not be in the public interest. (Government Code Section 4529.)
- C. It is the policy of the CCSD to conform to the preceding paragraphs in using professional and other contract services whenever it is in the CCSD's best interest. This may be when outside professionals will be less expensive than in-house staff; a project or study is of a limited duration and not warranting permanent staff; or existing staff is unavailable to undertake the project or they lack the expertise and/or ability necessary.
- D. For contracts estimated to be less than \$25,000, the General Manager or department manager, or his/her designee, will solicit proposals from the qualified consultants and negotiate the fee.
- E. Sole source contracts are permitted only when the product or service has limited availability and/or is proprietary (copyrighted or patented), or under emergency conditions such as those implemented with an Emergency Operations Center situation or a State or Federal Disaster Declaration. Under such emergency conditions, the General Manager, or his/her

designee, with consultation of one or more Directors, has full authority to complete sole source purchasing transactions. In such situations, every attempt shall be made to obtain the best value to the CCSD. Only the minimal amount of goods and services required to address the emergency conditions shall be obtained and normal documentation and approvals shall be obtained in a timely fashion once the emergency situation has stabilized. (Also see Section II(A)(5))

XI. PURCHASES VIA DISTRICT CREDIT CARD

- A. The primary use of a CCSD credit card is for CCSD travel. All purchases using a CCSD credit card are subject to the same procedures as outlined previously in this policy, plus the following additional requirements:
1. All CCSD credit cards shall be issued on a department basis in the name of each department manager, the on-staff District Counsel, and each Board Member. The Administrative Services Officer shall manage the administration of CCSD credit cards.
 2. Only the General Manager, Administrative Services Officer, District Engineer, department managers, or Board Members are authorized to sign credit card purchases. Department managers can allow their department employees to use the department credit card; however, they are fully responsible for its care and control.
 3. Travel on CCSD business is to be paid for via CCSD credit card. Telephone calls to the CCSD when out of town, expenses related to travel by car on CCSD business, lodging and meals when out of town on CCSD business, and CCSD approved seminars and business meetings, are expenses authorized to be paid with the CCSD credit cards.

Credit card receipts **MUST BE** obtained for these expenses and turned in immediately upon return to the Finance Manager or his/her designee. If a credit card receipt is lost or misplaced, the receipt replacement form needs to be promptly filled out by the responsible party and turned in to the Finance Manager or his/her designee.

Other purchases requiring instant payment ability must be accompanied by a purchase order.

4. The credit limit on the CCSD credit cards shall be no more than \$5,000 for each department and on-staff, \$5,000 for each Director, and \$10,000 for the General Manager.
5. Credit card purchases for orders that are made via telephone or Internet are permitted in limited circumstances (e.g., offsite internet connections while traveling, on-line registrations, manual/resource guide/book orders, etc.). A receipt or quote sheet must be obtained and turned in immediately to the Finance Manager or his/her designee.
6. Personal purchases or spending on a CCSD credit card are prohibited. Any violation of this policy will result in loss of CCSD credit card privileges and may include disciplinary action.
7. Cash advances on any CCSD credit card are prohibited. Any violation of this policy will result in disciplinary action.

XII. CHECK SIGNING PROCEDURES

- A. All checks must have two (2) authorized signatures per the current bank resolution adopted by the CCSD Board of Directors.
 1. Checks in the amount of \$100,000 and greater require two (2) handwritten signatures, one of which shall be the General Manager's or his/her designee.
 2. Checks in the amount of \$25,000-\$99,999 require one (1) handwritten signature, which shall be the General Manager's or his/her designee, and one (1) computer generated signature.
 3. Checks in the amount of \$24,999 and less require two (2) computer-generated signatures.
- B. The General Manager has the authority to authorize employee signatories.
- C. The General Manager shall review and initial all issued checks in the amount of \$5,000 - \$24,999.

XIII. INVOICE APPROVAL PROCEDURES

- A. Invoices shall be approved based on the same monetary limits as applicable to Purchase Order signatory.

- B. Invoices should only be approved for payment if all related goods and/or services have been satisfactorily received. Registrations for seminars/workshops/classes are exempt from this process as are subscriptions, membership dues, and payments to government agencies. Any other prepayments require the approval of the Finance Manager.

XIV. PETTY CASH PROCEDURES

- A. The CCSD Finance Manager or his/her designee shall maintain a petty cash fund of \$300.00.
- B. This fund will be used to purchase items costing no more than \$25.00 and must be authorized by department managers or his/her designated employee.
- C. Purchase orders should be used whenever practical and receipts are required for reimbursement. There are no exceptions to the receipt rule.
- D. The CCSD Finance Manager or his/her designee shall perform a reconciliation of the petty cash fund on a monthly basis.

XV. CONFLICT OF INTEREST

- A. Employees must recuse themselves from all purchasing activities when a real or apparent economic conflict of interest exists. CCSD employees may not perform services for the CCSD on a contractual basis. Employees may not economically benefit from their employment within the CCSD except as related to their approved salary and benefits.
- B. Employees shall not use their employment status with the CCSD to obtain discounts or any other advantage for personal purchases. Unsolicited discounts offered by vendors for all CCSD employees are exempt.
- C. Failure of any employee to adhere to the provisions of this Section may be subject to disciplinary action in accordance with the CCSD's Personnel Policy, Procedures and Rules.

XVI. ADDITIONAL PURCHASING POLICIES AND PROCEDURES

- A. It is important for the CCSD to evaluate materials, equipment, and services of all current suppliers. Suppliers with a low rating can be viewed as costing the CCSD time and money, and, therefore, should be terminated upon documentation.
- B. In an effort to obtain the best prices possible, vendors contacted for quotes and/or bids shall be regularly reviewed to ensure competitive pricing and maintenance of vendor lists.
- C. Documentation associated with procurements exceeding the micro-purchase threshold, currently \$3,000 established in Federal Code of Regulations (§200.67) shall be maintained for auditing purposes for at least ten years. As a minimum, the following will be maintained:
- Technical specifications on procurements to ensure that the item or service specified is the one being proposed for acquisition;
 - Requests for proposals, invitation for bids, and/or independent cost estimates;
 - Any proposed or actual contract modifications that change the scope of the contract;
- D. All contracts exceeding micro-purchase threshold must include the equal opportunity clause provided under 41 CFR 60-1.4(b),
- E. All contracts in excess of \$2,000 will include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144 and 3146-3148) as supplemented. Contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. A contract will not be issued unless the contractor accepts the wage determination. CCSD will report all suspected or reported violations to the Federal Awarding Agency.
- F. All contracts in excess of \$2,000 will include a provision for compliance with the Copeland Anti-Kickback Act (40 U.S.C. 3145)
- G. All contracts in excess of \$100,000 that involve the employment of mechanics or laborers will comply with 40 U.S.C. 3702 and 3704 requiring that work in excess of the standard work week will be compensated at a rate of not less than one and a half times the basic rate of pay and further requiring that no laborer or mechanic may be required to work in

surroundings or under working conditions which are unsanitary, hazardous or dangerous.

- H. All contracts in excess of \$150,000 will comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations will be reported to the Federal awarding agency (if grant funds are involved) and to the Regional Office of the Environmental Protection Agency (EPA).
- I. Contracts will not be awarded to parties listed on the government wide exclusions in the System for Award Management (SAM).
- J. Contractors that apply or bid for an award exceeding \$100,000 will file the required certifications under the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) certifying that it has not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352.

XVII. REVIEW

This policy should be reviewed on an annual basis and changed where deemed appropriate to reflect changes in the CCSD's operations. The General Manager, acting with the Board of Directors, may at any time make changes to this policy to facilitate a more efficient purchasing process for the CCSD.

Attachment: Purchase Order Form