

RESOLUTION NO. 2021-2208

A RESOLUTION APPROVING BOARD FINANCE POLICIES FOR PURCHASING  
THE LAS GALLINAS VALLEY SANITARY DISTRICT

WHEREAS, the Board of Directors has determined that a comprehensive list of Policies and Procedures for the Board of Directors is in the best interest of the District.

WHEREAS, the Board of Directors has compiled a comprehensive list of Policies and Procedures to serve as the rules and regulations of the Board of Directors.

WHEREAS, the Board of Directors did adopt such comprehensive list of Policies and Procedures on July 9, 2009,

WHEREAS, such policies may need to be updated from time-to-time,

NOW THEREFORE, the Board of Directors of the Las Gallinas Valley Sanitary District approves the following revised policy F-90 Purchasing, Including Retaining Consultants, a copy of which is attached as Exhibit A.

The previously approved Board Finance Policy F-90 is hereby revoked and declared null and void.

If any policy or portion of a policy contained within the Policies and Procedures is in conflict with any legislation having authority over the Las Gallinas Valley Sanitary District, said legislation shall prevail.

The Policies and Procedures shall remain in effect until amended by at least a majority vote of the Board of Directors.


\* \* \* \* \*

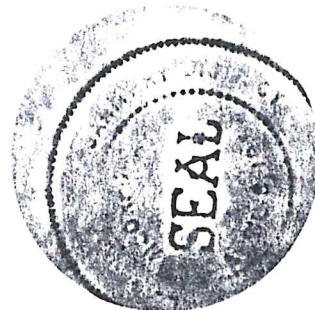
I hereby certify that the forgoing is a full, true, and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on the 25<sup>th</sup> of March 2021, by the following vote of the members thereof:

AYES, and in favor thereof Members: Clark, Elias, Murray, Schneidman, Yezman  
NOES, Members: None.  
ABSENT, Members: None.  
ABSTAIN, Members: None.

  
Teresa Lerch, District Secretary

APPROVED:

  
Crystal Yezman, President of Board of Directors



## F-90 PURCHASING, INCLUDING RETAINING CONSULTANTS

### Purpose

This policy establishes procedures for preparing and approving purchase orders; and preparing, reviewing, and approving contracts. It also covers legal requirements, petty cash, limits on General Manager purchases, the required "paper trail," conformance with received orders, and consultant arrangements.

**F-90-10 Vendors for Small Items.** To purchase small items -- such as office supplies, auto parts, and other miscellaneous items costing less than \$1,000 – the General Manager will set policies for selecting vendors. District accounts are awarded to firms at management discretion that support local businesses, enable the purchase of green and/or recycled products, as well as provide for competitive prices, discounts, service levels, and convenience.

**F-90-15 Petty Cash.** A Petty Cash fund shall be maintained in the District office having a balance-on-hand maximum of \$300.00. Petty cash may be advanced to District staff upon their request for the purpose of procuring item(s) or service(s) appropriately relating to District business. After said item(s) or service(s) have been obtained, a receipt for same shall be submitted to the District Administrative Assistant or Administrative/Financial Specialist I/II, and any remaining advanced funds shall be returned. The maximum petty cash advance shall be \$50.00. No personal checks shall be cashed in the petty cash fund. The petty cash fund shall be included in the District's annual independent accounting audit.

**F-90-20 Out-of-Pocket Expenses.** Whenever employees of the District incur "out-of-pocket" expenses for item(s) or service(s) appropriately relating to District business as verified by valid receipts, said expenses shall be reimbursed upon request from the District's petty cash fund or by check if needed. In instances when a receipt is not obtainable, the requested reimbursement shall be approved by the Administrative Services Manager prior to remuneration.

**F-90-30 Quotations.** To purchase items costing more than \$1,000, written quotations will be solicited from vendors and received by fax, or mail ~~prior to processing a purchase order~~. District Staff may approve purchase orders up to the amount of their purchasing authority per F-90-40. For all purchases between \$5,000 and \$15,000 three quotes will be obtained. In cases where the General Manager determines that certain products may provide a better service life, durability, meet a specific need or provide greater efficiency than other products he/she has the authority to order that product or engage the service without multiple quotes. The General Manager also has the authority to utilize specific maintenance and repair vendors as he/she deems appropriate or necessary.

**F-90-40 Purchasing Authority.** The purchasing authority listed below shall apply except as authorized by separate Board action for specific construction projects.

<b>Position</b>	<b>Authority</b>
Board of Directors	No Limit
General Manager	Contracts and Purchase Orders up to \$60,000 and budgeted informally bid construction contracts between \$60,001 and \$200,000.
Plant Manager	Purchases up to \$7,500
District Engineer	Purchases and budgeted informally bid construction contracts up to \$15,000
Collection System / <del>Maintenance</del> and / Safety Manager	Purchases up to \$7,500
Administrative Services Manager	Purchases up to \$7,500
District <del>Administrative Assistant</del> <u>Secretary</u>	Purchases up to \$5,000
Administrative/Financial Specialist <del>I/II</del>	Purchases up to <del>\$25,000</del>
Assistant/Associate Engineer	Purchases up to \$5,000
Environmental Services Director	Purchases up to \$5,000
Plant Operations and Maintenance Supervisor	Purchases up to \$5,000
<del>Buildings and Ground Maintenance Worker</del> <u>Skilled Maintenance Worker I/II</u>	Purchases up to \$-1,000
<del>Administrative Assistant</del>	<u>Purchases up to \$1,000</u>

For purchases in excess of \$15,000, staff will inform the Board of Directors regarding the item as soon as administratively feasible.

**F-90-50 Expense Authorization in the Absence of the General Manager.** In the absence of the General Manager, two (2) managers may sign the purchase order for amounts in excess of \$15,000. The General Manager will approve the purchase order prior to payment.

**F-90-60 Purchase Orders.** Purchases over ~~\$43,000~~ require a purchase order to be issued prior to ordering.

**F-90-70 Disbursements.** The District requires that all disbursements be properly approved and authorized. To ensure that internal control is maintained over cash disbursements the following procedures will be performed:

- Disbursements, whether by check or electronic transfer, shall be included on a Warrant List for Board approval.
- Disbursements made by check shall require two signatures.
  - Generally checks drawn from the Operating bank account will be signed by the General Manager and a Board Member.
    - In rare situations where either a Board Member or the General Manager is not available:
      - The Administrative Services Manager may sign in place of the General Manager; or
      - Two Board Members may sign in place of the General Manager; or
      - The General Manager and the Administrative Services Manager may sign in lieu of a Board Member signing.

- If such a situation occurs, the paid invoice and related support documents will be submitted with the Warrant list for approval by the Board at the next Board meeting.
- Checks drawn from the Petty Cash Checking account may be signed by two of the following: the General Manager, the Administrative Services Manager, or the Administrative/Financial Specialist.

**F-90-80 Contract Execution.** Regardless of expenditures and expense authorization levels, and unless otherwise authorized by the District Board, the Board (in the form of its President) and/or the General Manager shall remain the sole entities authorized to execute formal contracts on behalf of the District. Contracts shall include but not be limited to: Agreements with other governmental entities or non-governmental organizations (NGOs); professional services agreements; construction, maintenance services, equipment procurement, and material supply contracts; and amendments thereof.

**F-90-90 Consultants.** Consultants will be retained whenever in the judgment of the General Manager that there are not sufficient resources or expertise to accomplish a task.

- Prospective consultants shall be selected from experienced, competent and reliable firms or individuals to provide the necessary resource.
- For consulting expenditures below \$45,000, consultants may be selected sole-source on the basis of their qualifications and ability.
- For consulting procurements exceeding \$45,000, a competitive process may be followed with emphasis on professional capability, availability to complete the task as well as cost. Professional Services Contracts over \$45,000 shall be submitted to the Board for approval. However in the case where the Board deems it more prudent and in the best interest of continuity of services, a consultant contract may be awarded without a competitive process.
- Regular reports of consultant's progress shall be reviewed by the General Manager and reported to the Board.

**F-90-100 Internal Audit.** The General Manager is responsible to ensure that purchases and trade agreements adhere to District policy and sound business practices. The General Manager will ensure that files and records of purchase orders and other financial documentation are maintained to provide adequate control and administration, which is subject to audit and Board review.

<b>Resolution No. 2021-2208</b>	Date Approved: _____
<b>Ordinance No. 178</b>	Date Approved: June 20, 2019
President of the Board	Supersedes Resolution: June 28, 2018