

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SELMA-KINGSBURG-FOWLER COUNTY SANITATION DISTRICT
ESTABLISHING AN EXPENSE AND USE OF PUBLIC RESOURCES
POLICY AND REPEALING RESOLUTION NO. 2001-06**

Whereas, the Selma-Kingsburg-Fowler County Sanitation District (“District”) takes its stewardship over the use of its limited public resources seriously;

Whereas, public resources should only be used when there is substantial benefit to the District;

Whereas, such benefits include:

1. The opportunity to discuss the community’s concerns with local, state and federal officials;
2. Participating in a regional, state and national organizations whose activities affect the District;
3. Attending educational seminars designed to improve skill and information levels; and
4. Promoting public service and morale by recognizing such service.

Whereas, i) legislative and other regional, state and federal agency business is frequently conducted over meals; ii) sharing a meal with a regional, state and federal official is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the District’s policy concerns; and iii) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law;

Whereas, this policy provides guidance to elected and appointed officials on the use and expenditures of the District’s resources, as well as the standards against which those expenditures will be measured;

Whereas, this policy satisfies the requirements of California Government Code Sections 53232.2 and 53233.3;

Whereas, this policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources;

Whereas, this policy also supplements the definition of necessary and reasonable expenses for the purposes of federal and state income tax laws; and

Whereas, the District’s current policy on reimbursement of expenses needs to be updated.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Selma-Kingsburg-Fowler County Sanitation District:

SECTION 1. The Board hereby finds that the foregoing recitals are true and correct, and establish a factual basis for the District's adoption of this resolution.

SECTION 2. The Board hereby adopts this resolution establishing an expense and use of District resources policy as set for below.

SECTION 3. Official Duties and Authorized Expenses. District funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized District business.

A. Types of Activities. The following types of activities generally constitute the performance of official duties for which members of the District Board, the General Manager, and District employees may receive reimbursement **so long as the other requirements of this policy are met.**

1. Communicating with representatives of regional, state and national government on District-adopted policy positions;
2. Attending educational seminars designed to improve skill and information levels;
3. Participating in regional, state and national organizations whose activities affect the District's interests;
4. Recognizing service to the District (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
5. Attending District events; and
6. Implementing a District-approved strategy for attracting or retaining businesses to the District, which will typically involve at least one staff member.

B. Prior District Board Approval Required.

The following expenses require prior District Board approval:

1. Any expenditure which does not fall under Section 3A above;
2. International and out-of-state travel.

C. Prior General Manager Approval Required. With respect to the activities listed in Section 3A, all activities by District employees must be pre-approved by the General Manager.

D. No Reimbursement Allowed.

Examples of personal expenses that the District will not reimburse include, but are not limited to:

1. The personal portion of any trip;
2. Political or charitable contributions given;
3. Family expenses, including spouse's or domestic partner's expenses when accompanying official on agency-related business, as well as children- or pet-related expenses;
4. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym-, massage- and/or golf-related expenses), or other cultural events;
5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline;
6. Personal losses while incurred on District business. Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority before the expense is incurred; and
7. Alcohol and personal bar expenses.

SECTION 4. Cost Control Guidelines.

To conserve District resources and keep expenses within community standards, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the District will be limited to the costs that fall within the guidelines.

A. Transportation.

1. Airfare. Airfares that are equal or less than those available through the Enhanced Local Government Airfare Program offered through the League of California Cities (www.cacities.org) and the State of California (www.dgs.ca.gov/travel/programs/airfare.aspx) are presumed to be the most economical and reasonable for purposes of reimbursement under this policy.
2. Automobile.
 - a. District Vehicles. Whenever possible, a District vehicle should be the choice for transportation for District employees traveling to a conference, seminar, or meeting that is within surrounding areas. To drive a District-owned vehicle, an employee must possess a valid California driver's license. No District vehicle

may be left overnight at any personal residence without the authorization of the General Manager.

b. Use of a personal vehicle. If a District vehicle is not available, use of a personal vehicle is allowed. District employees traveling by personal automobile on District business are required to possess a valid California driver's license and carry, at the employee's expense, public liability and property damage insurance at the minimum required by law. Mileage reimbursement will be provided in accordance with the District Personnel Rules. If carpooling, only vehicle owner should be claiming a reimbursement or advance for mileage actually incurred (other passengers are not eligible for mileage reimbursement or advance). Any damage to a personal vehicle, required service or repairs occurring on the trip will be the employee's responsibility.

c. Mileage Reimbursement. Automobile mileage for the District Board, the General Manager, and District employees is reimbursed at Internal Revenue Service rates presently in effect (www.irs.gov). For 2015, the rate is 57.5 cents per mile. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating a vehicle. This amount does not include bridge and road tolls, which are also reimbursable. The Internal Revenue Service rates will not be paid for rental vehicles; only receipted fuel expenses will be reimbursed.

3. Car Rental. The use of a rental car is permitted when it is in the interest of the District to do so and all other methods of transportation have been exhausted. Personal medical insurance should already be covered under workers' compensation insurance when renting a vehicle for the District's business. If a rental car is retained over a weekend, such expenses are personal, except when used to travel on a weekend to another location on District business or the rental is part of a multiple-week training, seminar or conference and it is not feasible to return home. Rental rates that are equal to or less than those available through the State of California's website (www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx) shall be considered the most economical and reasonable for purposes of reimbursement under this policy.
4. Taxis/Shuttles. Taxi or shuttle fares may be reimbursed, including a 15 percent gratuity per fare, when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time efficiency.

B. Lodging.

Lodging expenses will be reimbursed or paid for when travel on official District business reasonably requires an overnight stay.

1. Conferences/Meetings. If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference

sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, see next section.

2. Other Lodging. Travelers must request government rates, when available. A listing of hotels offering government rates in different areas is available at the United States General Service Administration federal per diem rates (www.gsa.gov/portal/category100120). Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy.

C. Meals. When Board Members, the General Manager and District employees are attending a conference or other authorized activity and a meal or meals are provided as part of the activities, the District will not reimburse for separate meals unless dietary/medical needs require the purchase of a different meal and/or District-related business necessitates that the individual miss the meal provided. Reimbursement for meals shall be capped in accordance with United States General Service Administration federal per diem rates (www.gsa.gov/portal/content/100120). When requesting reimbursement for less than three meals per day, the per diem for each meal claimed shall be paid.

D. Telephone/Fax/Cellular.

Board Members, the General Manager and District employees will be reimbursed for actual telephone and fax expenses incurred on District business. Telephone bills shall identify which calls were made on District business. For cellular calls when the official has a particular number of minutes included in the official's plan, the official can identify the percentage of calls made on public business.

E. Internet.

Board Members, the General Manager and District employees will be reimbursed for Internet access connection and/or usage fees away from home, not to exceed \$15.00 per day, if Internet access is necessary for District business and if Internet access for District business is actually used.

F. Airport Parking.

Long-term parking must be used for travel exceeding 24 hours.

G. District Credit Card.

Expenses charged to the District credit card shall be subject to eligibility for approval based on the policies established herein.

H. Cash Advance Policy.

From time to time, it may be necessary for a Board Member, the General Manager or District employees to request a cash advance to cover anticipated expenses while traveling or

doing business on the District's behalf. Such request for an advance should be submitted to the General Manager 10 days prior to the need for the advance with the following information:

1. The purpose of the expenditure(s);
2. The anticipated amount of the expenditure(s) (for example, hotel rates, meal costs, and transportation expenses); and
3. The dates of the expenditure(s).

Any unused advance must be returned to the District treasury within two business days after return, along with an expense report and receipts documenting how the advance was used in compliance with this expense policy.

In the event the General Manager is uncertain as to whether a request complies with this policy, such individual must seek resolution from the District Board.

SECTION 5. Expense Report Content and Submission Deadline.

All cash advance and expense reimbursement requests must be submitted on an expense report form provided by the District. This form shall include the following advisory:

All expenses reported on this form must comply with the District policies relating to expenses and use of public resources. The information submitted on this form is a public record. Penalties for misusing public resources and violating the District's policies include loss of reimbursement privileges, restitution, civil and criminal penalties as well as additional income tax liability.

Expense reports must document that the expense in question met the requirements of this policy. For example, if a lunch meeting is with a legislator, the local agency official should explain whose meals were purchased, what issues were discussed and how those relate to the District's adopted legislative positions and priorities.

Officials must submit their expenses within 15 days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts are also part of the necessary documentation.

Inability to provide such documentation in a timely fashion may result in the expense being borne by the official.

SECTION 6. Audits of Expense Reports.

All expenses are subject to verification that they comply with this policy.

SECTION 7. Reports to District Board.

At the following District governing body meeting, each official shall briefly report on any Brown Act meetings attended at District expense as well as any conferences, educational seminars or meetings with legislators or other government officials.

SECTION 8. Compliance with Laws.

District officials should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act and other laws.

SECTION 9. Violation of This Policy.

Under California Government Code Section 53232.4, penalties for the misuse of public resources or for falsifying expense reports in violation of this policy may result in any or all of the following: (i) loss of reimbursement privileges, (ii) restitution to the District, (iii) civil penalties of up to \$1,000 per day and three times the value of the resources used under California Government Code Section 8314, and (iv) prosecution for misuse of public resources.

SECTION 10. Resolution No. 2001-06 is repealed.

SECTION 11. Effective Date.

This resolution shall be effective on the date of adoption.

CERTIFICATION

The foregoing resolution was introduced by Director Perea, seconded by Director Mendes and adopted on roll call on May 14, 2015 by the following vote:

AYES:	<u>Directors Montijo, Roman, Mendes, Perea and Chairman Cárdenas</u>
NOES:	<u>None</u>
ABSTENTIONS:	<u>None</u>
ABSENCES:	<u>None</u>



Ben Muñoz, Jr.,
Secretary of the Board of Directors