



## RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 Jackson Road, Rancho Murieta, CA 95683

Office - 916-354-3700 \* Fax - 916-354-2082

### FINANCE COMMITTEE

*(Directors John Merchant and Martin Pohl)*

Special Meeting

August 5, 2021 at 10:00 a.m.

**This meeting will be held via ZOOM** video conference only. You can join the conference by (1) logging on to <https://us02web.zoom.us/j/88053993307>, entering Meeting ID no. 880 5399 3307, and using the audio on your computer, or (2) dialing into 1-669-900-9128 and entering the meeting code 880 5399 3307. Those wishing to join with audio only can simply call the telephone number above and enter the code. Participants wishing to join the call anonymously have the option of dialing \*67 from their phone. Please refer to your telephone service provider for specific instructions. ***PLEASE NOTE – MOBILE DEVICE USERS MAY NEED TO INSTALL AN APP PRIOR TO USE AND MAC AND PC DESKTOP AND LAPTOP USES WILL REQUIRE YOU TO RUN A ZOOM INSTALLER APPLICATION – PLEASE FOLLOW DIRECTIONS AS PROVIDED BY ZOOM. IT IS RECOMMENDED YOU ATTEMPT TO LOGIN AT LEAST 5 MINUTES BEFORE THE START OF THE MEETING.***

### AGENDA

1. Call to Order
2. Comments from the Public
3. Finance Monthly Updates
  - Recruitment
  - Contract for ERP
  - General Update on Current Finance
4. Presentation for ERP RFP Vendor Selection
5. Discuss Procurement Policy
6. Discuss Credit Card Policy
7. Discussion on Collections for Final Bills
8. Directors and Staff Comments/Suggestions
9. Adjournment

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In compliance with the Americans with Disabilities Act, if you are an individual with a disability and you need a disability-related modification or accommodation to participate in this meeting or need assistance to participate in this teleconference meeting, please contact the District Office at 916-354-3700 or [awilder@rmcsd.com](mailto:awilder@rmcsd.com). Requests must be made as soon as possible.

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of this posting is August 3, 2021. Posting locations are: 1) District Office; 2) Rancho Murieta Association; 4) Murieta Village Association.

## MEMORANDUM

Date: July 28, 2021  
To: Board of Directors  
From: Paula O'Keefe, Director of Administration  
Subject: Monthly Finance Updates

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### Finance Updates

#### ***Current Finance Reporting***

Due to the lack of staffing, it has been difficult to determine the number of journal entries that have yet to be completed in Great Plains, the District's current financial system. After conducting significant research, there are existing entries that need to be researched for accuracy, with additional entries to be entered and reconciled before providing additional financial reporting to the Board. Further, bank reconciliations were partially completed, and staff are reviewing the entire FY 2020-21 to ensure all financials are current, accurate and complete prior to engaging in the annual audit. Staff are working diligently, including communications with our Auditor, to correct the entry errors, complete the bank reconciliations and complete the full fiscal year budgetary entries to ensure accurate reporting.

#### ***Contract for Enterprise Resource Planning - ERP***

We released a Request for Proposal (RFP) to solicit bids for the replacement of our various financial systems. This resulted in the selection of Tyler Technology. The District's consultant, Nabil Fares, will be providing an update to the status of the proposed submittal in a separate discussion item.

#### ***Recruitment***

The District has filled the Office Technician vacancy with Shelby Gonzalez. Shelby was hired in August of 2018 with the District as a gate officer and expressed an interest when the position became open. Shelby is a wonderful asset to our team; we are very happy to have her!

Recruitments for the Accounting Manager and Accountant positions are still open. We are continuing to interview as qualified applicants are received and hope to have these positions filled soon. The District will soon be replacing the Accounting Technician as well.

Recently staff were provided with analysis from Indeed, which provided great insight as to our limited applicant pools. Among the concerns discussed were: "areas of reach", lengthy job qualification descriptions, boosting job ads and mandatory District application to be completed to apply. This analysis exposed some areas of improvement with the District's "branding" and staff are working to update the information to expand our exposure and provide a clearer picture of the District. We have also increased the "area of reach" to capture more qualified applicants. Staff are hopeful that with the correct "re-branding" of the District and increased areas of exposure, we will bring in qualified staff to fill gaps in the Administration department.

The District is also contracting with two temporary agencies to bring in qualified staff on a temporary basis to assist with monthly financial operations and reporting.

## MEMORANDUM

Date: June 1, 2021  
To: Finance Committee  
From: Paula O'Keefe, Director of Administration  
Subject: Consider Adoption of District Policy P2021-04, Distribution and Use of District Credit Cards Policy Revision

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### **RECOMMENDED ACTION**

Review District Policy P2021-04, Distribution and Use of District Credit Cards Policy Revisions.

### **BACKGROUND**

In an ongoing effort to modernize District Policy, staff reviewed the Distribution and Use of District Credit Card Policy and made several revisions. These revisions further define proper uses and distribution of District Credit Cards. Staff have implemented a new CalCard handbook that includes procedures for processing all transactions, to be provided to all USBank CalCard cardholders.

### **SUMMARY**

Revisions have been made to the current policy. Upon Committee approval, this policy will be moved to the regular Board meeting August 18, 2021.



# Rancho Murieta CSD

Community Services District

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ERP Project

Proposal Response Analysis  
“ERP Bidders (Vendors) Evaluation Report”

08/03/2021

# Agenda

- Report Purpose
- Executive Summary
  - Background
  - Overall ERP Project Goals
  - Core System Requirements
  - Evaluation Summary
  - Recommendations
- Evaluation Approach and Methodology
  - Project Objectives
  - Wisely, Approach
  - Project Timeline (Example)
  - Summary of Activities
  - Evaluation Process
- Next Steps



# Report Purpose

To present recommendations regarding the review and assessment of the proposal received by the Rancho Murieta Community Services District (RMCS D) for a new Enterprise Resource Planning System in response to its Request for Proposals (RFP) for Software and Implementation Services for an Enterprise Resource Planning (ERP).

# Executive Summary

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RMCS D ERP Project

8/4/2021



# Background

## Project Assessment

- In April 2021, the District retained Adroit Government, Inc. (DBA Wisely), to assist the District in analyzing, assessing, and acquiring a new ERP to replace the Great Plains system.
- Wisely performed the following tasks:
  - Validate and document Functional, Technical and Management requirements
  - Develop a Requirements Package for inclusion in a bid package for a replacement solution
  - Facilitate educational vendor demos for staff
  - Facilitate vendor selection process
  - Assist with vendor negotiations



# Executive Summary

## Background

- The District's current financial management software is Great Plains, a product of Microsoft. It is a Windows-based environment that serves approximately ten employees. This system was initially purchased and implemented by the District in 1998.
- Since 1998, this solution supports financial, human resources, payroll, land management, work order, utility billing functions, fleet module, and inventory functions.
- As it does not meet many District requirements, the District created more than 10 standalone shadow systems (generally Microsoft Excel spreadsheets and Access databases) to store, manipulate and analyze data have been developed to support functionality not provided by the current system.
- The District also utilizes several other systems to handle payroll, invoices, timesheets, asset and human resource-related functionality and reporting.

# Executive Summary

## Background

- The District intends to replace its existing core financial, payroll, and human resources systems with a proven, commercial-off-the-shelf (COTS) ERP Solution.
- Replacement of the legacy systems represents a vital component of the District Board of Directors, and the District General Manager's goal of **achieving fiscal sustainability** through improved reporting capabilities that facilitate decision-making and efficient processes, thereby improving the District's organizational capacity, and it would also **strengthen the District's technology infrastructure**.



# Executive Summary

## Overall ERP Project Goals

- The goal of the ERP Project is to take advantage of a modern ERP Solution designed around best practices, which will allow the District to streamline and improve processes, resulting in timely, accurate, and easy-to-access information, specifically:
  - Resolve internal control deficiencies
  - Maximize business process efficiencies
  - Eliminate the need for standalone support systems
  - Streamline the flow of information throughout the organization
  - Improve reporting capabilities and support for decision-making
  - Sunset the legacy system(s)
  - Leverage modern technology to:
    - Maximize system availability and promote outstanding customer service
    - Deliver data through multiple devices, thereby optimizing the end-user experience
    - Lower Total Cost of Ownership
  - Establish a value-added partnership and culture, which will continue to deliver value to the District
  - Ensure District business processes conform to Industry Best Practices



# Executive Summary

## Core System Requirements

- The end-users drove the development of the system requirements. Plain language deliverables were established and the prospective vendor was measured against these deliverables in both the written and oral presentations. We used a straightforward language approach to facilitate a standard set of goals by both the technical and non-technical reviewers.
- The District issued an RFP for the following functional areas core financial and human resources functionality.

# Functional Areas

No	Functional Area
1	General Ledger and Financial Reporting
2	Purchasing
3	Bid and Contract Management
4	Accounts Payable
5	Budgeting - Operational, Personnel and Capital
6	Accounts Receivable and Cash Receipts
7	Fixed Assets
8	Project Accounting and Grant Management
9	Time Entry
10	Payroll
11	Human Resources, Personnel Management and Employee Relations
12	Benefits Administration
13	Learning and Performance Management
14	Utility Billing

# Executive Summary

- **Project Goals:**

- The recommended vendor specializes in government applications and implementations. Their proposal demonstrated a deep understanding of local government and districts operations and would eliminate the need for stand-alone systems.

- **Requirements:**

- The recommended vendor addressed the core system components and achieved a high score on meeting the District's functional requirements.

- **Solution Approach:**

- The recommended vendor was the only vendor with significant experience migrating data from legacy systems solution into their proposed solution. The evaluation team interpreted their response as one leading to a long-term successful partnership with the District.

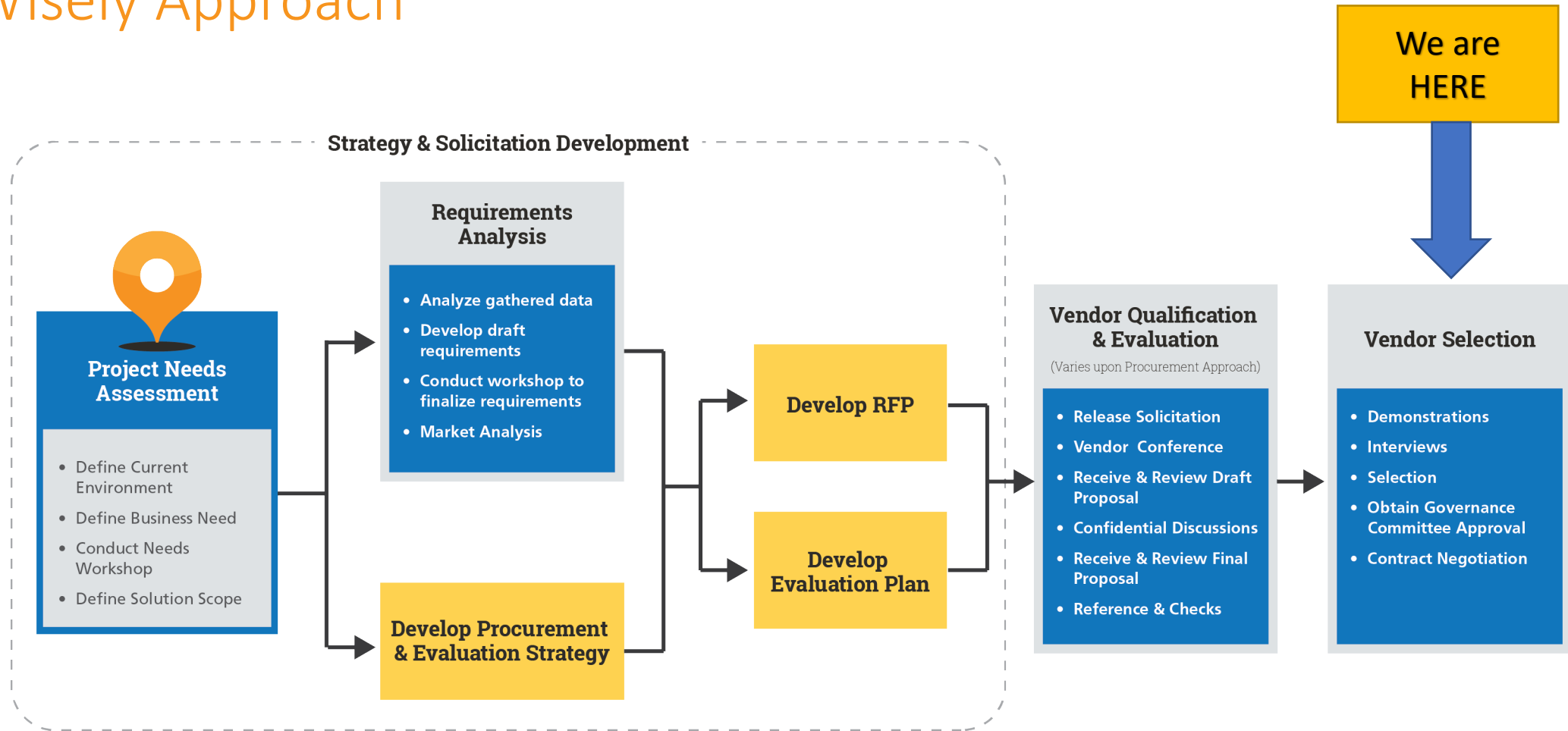
- **Value:**

- The proposed vendor's extensive background and understanding of municipal government operations were viewed as bringing significant value to the District during implementation, especially in the area of proposed business process changes that will be necessary.



# Background

## Wisely Approach





# ERP Software & Implementation Cost



## Executive Summary Recommendations

- For all the reasons above and more, the District Evaluation Team selected Tyler Technologies (Tyler) as the recommended vendor.
- Further, the Team recommends entering into negotiations with Tyler to determine if more favorable pricing can be obtained.

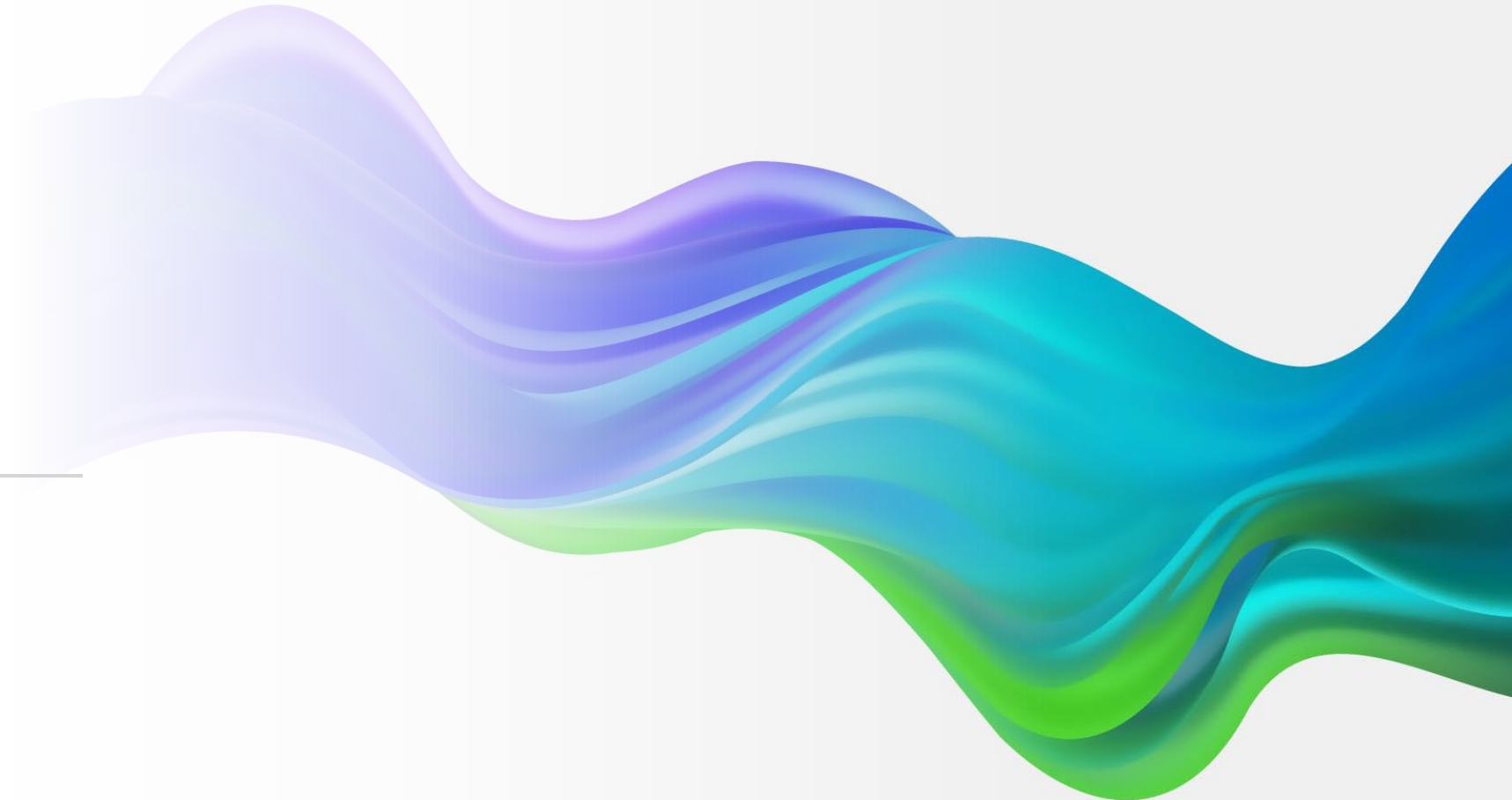


<b>TOTAL TEN-YEAR INVESTMENT</b>	
<b>Total Discounted One-Time Costs</b>	<b>\$100,220.00</b>
<b>Recurring Subscription Costs Years 1-10</b>	<b>\$552,162.90</b>
<b>Other In-Scope Costs</b>	<b>\$0.00</b>
<b>TOTAL TEN-YEAR INVESTMENT</b>	<b>\$652,382.90</b>



# Evaluation of ERP Vendor Proposals

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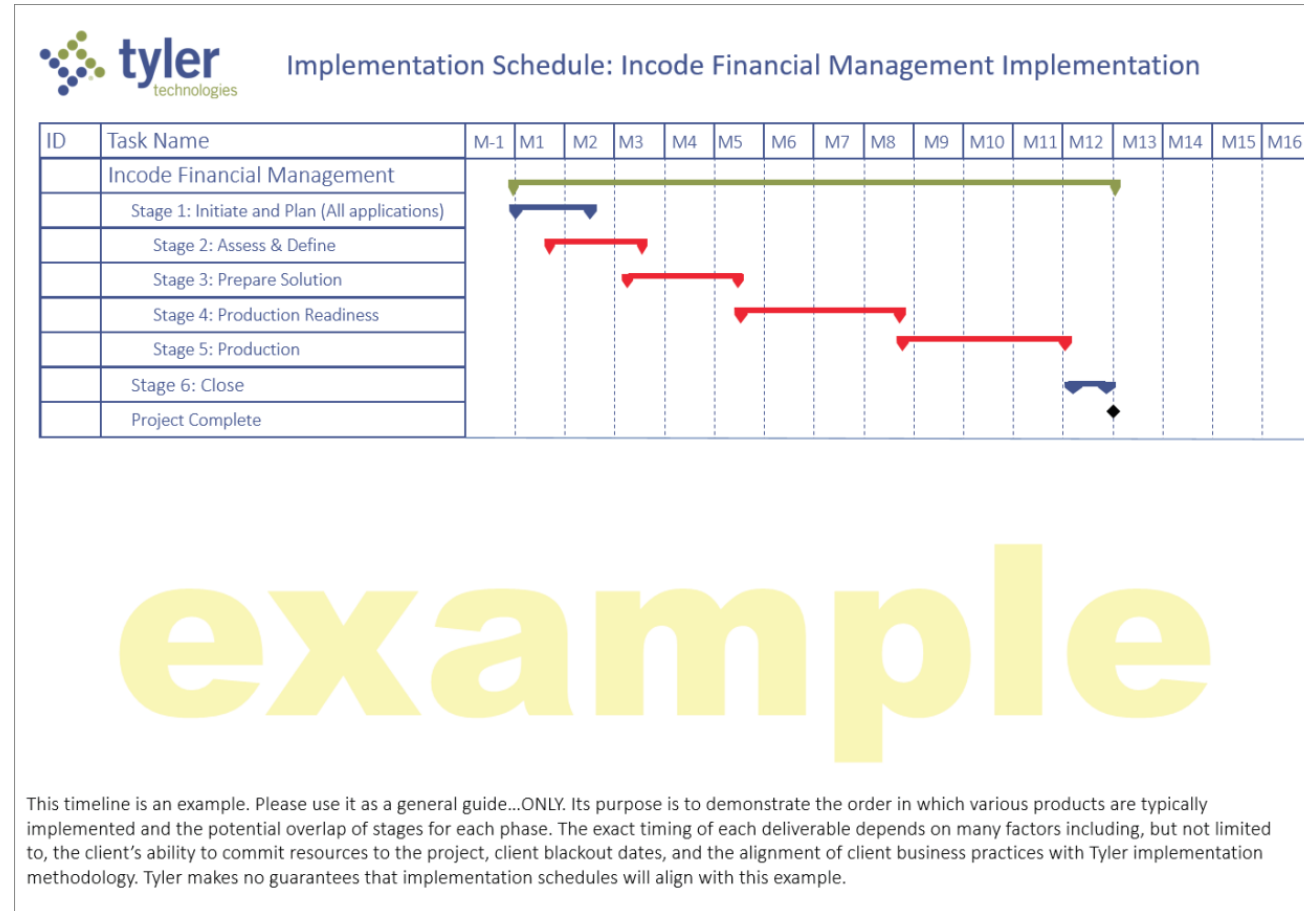
# Background

## Project Objectives

- The District's goal in replacing its exiting ERP system is to take advantage of a modern ERP solution that is designed around best practices, which will allow the District to streamline and improve processes, resulting in timely, accurate and easy-to-access information, specifically:
  - Resolve internal control deficiencies
  - Maximize business process efficiencies
  - Eliminate the need for standalone support systems
  - Streamline the flow of information throughout the organization
  - Improve reporting capabilities and support for decision-making
  - Sunset the legacy system(s)
  - Leverage modern technology to:
    - Maximize system availability and promote outstanding customer service
    - Deliver data through multiple devices, thereby optimizing the end-user experience
    - Lower Total Cost of Ownership
  - Establish a value-added partnership and culture, which will continue to deliver value to the District
  - Ensure District business processes conform to Industry Best Practices

# Background

## Proposed Project Timeline





## Recurring Subscription Costs

Subscription Frequency (Indicate whether monthly, quarterly, or annual basis)	Annual Subscription Fee
Vendor Comments on Subscription Costs	Annual Subscription Fee

Year 1 Subscription Costs	
Subscription Cost (Primary Software)	
Third-Party Subscription Cost	
Third-Party Subscription Cost	
<b>Total Subscription Cost (annual)</b>	<b>\$56,258.00</b>
<i>Amount Discounted (\$)</i>	<b>\$8,448.00</b>
<b>Total Discounted Subscription Amount - Year 1 Subscription Fees</b>	<b>\$47,810.00</b>

Recurring Subscription Fees - Years 2 - 10				
	Rate of Increase over Prior Year (as a percentage)	Subscription Costs (as a dollar amount)	Third-Party Subscription Costs (as a dollar amount)	
Year 2	0%	\$47,810.00	\$0.00	
Year 3	0%	\$47,810.00	\$0.00	
Year 4	5%	\$50,200.50	\$0.00	
Year 5	5%	\$52,710.53	\$0.00	
Year 6	5%	\$55,346.05	\$0.00	
Year 7	5%	\$58,113.35	\$0.00	
Year 8	5%	\$61,019.02	\$0.00	
Year 9	5%	\$64,069.97	\$0.00	
Year 10	5%	\$67,273.47	\$0.00	
<b>Ten Year Subscription Cost</b>		<b>\$552,162.90</b>		



**Other In-Scope Costs**  
(please specify the nature of these costs including whether they are one-time or recurring)

	Cost	Notes
Ongoing Disaster Recovery Costs	N/A	Include in the SaaS Annual Fees
Ongoing Infrastructure/Hardware Upgrade Costs		
Anticipated Future Upgrade Costs (Services)		Can take advantage of our Tyler EverGreen Philosophy
Anticipated Future Upgrade Costs (Other)		
Additional Environments		
Additional Databases		
Other: (Please describe)		
Other: (Please describe)		

**Year 1 Maintenance Costs**

Annual Maintenance - Year 1		
Custom Modification Maintenance - Year 1 (if applicable)		
Additional Maintenance Fees - Year 1		
Third-Party Maintenance Fees - Year 1		
<b>Total Recurring Maintenance Costs - Year 1</b>		<b>\$56,258.00</b>
<i>Amount Discounted (\$)</i>		<b>\$8,448.00</b>
<b>Total Discounted Maintenance Costs - Year 1</b>		<b>\$47,810.00</b>



# One-Time Costs

## Professional Services and Hardware Costs

	Costs	Vendor Notes (optional)
<b>Professional Service Costs and One Time Costs</b>	<b>\$95,720.00</b>	
<b>Project Management Costs</b>	<b>\$4,500.00</b>	<b>Project Management Across ERP</b>
<b>Training Costs</b>	<b>Included in Annual Fees</b>	<b>Included in Annual Fees</b>
<b>Software Customization Costs</b> <i>(Detail to be contained in responses to applicable requirements in Attachment B)</i>	<b>Included in Annual Fees</b>	<b>Included in Annual Fees</b>
<b>Data Conversion Costs</b> <i>(Detail to be contained in responses to applicable data conversion line items contained in Attachment B)</i>		<b>Included in One Time Fees</b>
<b>Interface Costs</b> <i>(Detail to be contained in responses to applicable interfaces contained in Attachment B)</i>		
<b>Server Hardware Costs</b>	<b>\$0.00</b>	<b>N/A</b>
<b>Third-Party Hardware Costs</b>	<b>\$0.00</b>	<b>No third party products</b>
<b>Third-Party Services Costs (including training, etc.)</b>	<b>\$0.00</b>	<b>No third party products</b>
<b>Expenses (miscellaneous)</b>	<b>\$0.00</b>	<b>N/A</b>
<b>Other (Specify in Vendor Notes)</b>	<b>\$0.00</b>	<b>N/A</b>
<b>Other (Specify in Vendor Notes)</b>	<b>\$0.00</b>	<b>N/A</b>
<b>Total One-Time Costs (Before Discounts)</b>	<b>\$100,220.00</b>	
<b>Amount Discounted (\$)</b>		
<b>Total Discounted One-Time Costs</b>	<b>\$100,220.00</b>	



# Evaluation Approach and Methodology

## Summary of Activities

- Defined the scope of the ERP project
- Developed the solution requirements
- Developed the ERP Solicitation Document
- Developed the RFP Associated Attachments
- Developed the Evaluation and Selection Process
- Issued the Request for Proposals (RFP)
- Established Evaluation Teams
- Evaluated one qualifying proposal



# Evaluation Approach and Methodology

## Evaluation / Recommendation Process

The Evaluation process steps included:

- Administrative Review of the proposal
- Initial independent review of proposal
- Reference checking
- Review of vendor response to clarify questions
- Initial Demonstration scheduled for Monday, 8/9/2021
- Development and demonstration of test scripts
- Reviewers re-evaluate their core needs
- Final recommendation to Board for approval



# Next Steps

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Engage with Tyler

**RANCHO MURIETA COMMUNITY SERVICES DISTRICT**

<b>Category:</b>	Financial	<b>Policy #</b> <del>2010-09P</del> <b>2021-04</b>
<b>Title:</b>	Distribution and Use of District Credit Cards	

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**PURPOSE**

This ~~statement~~ Policy is intended to provide policy and direction to District staff and protect the District against misuse of such credit cards, both to protect the assets of the District and to protect the District's credit.

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**BASIC POLICY AND OBJECTIVES**

~~It is the policy of the District that the General Manager shall determine who among the staff will hold a company credit card.~~

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Credit cards, including Cal-Card, gas cards and other revolving credit cards, will be issued to employees as designated by the General Manager. The CAL-Card is a credit card issued in the name of the cardholder and billed to the District. U. S. Bank does not conduct a credit check on your personal credit history before issuing you a purchasing card. Issued credit cards will remain the sole property of the District and will be issued in the names of both the authorized employee and the District. District-issued credit cards may be used only for approved or budgeted District business expenditures and only by the employee to whom the credit card is issued. -Employees shall not give the credit card issued in their name to any other employee, contractor or non-employee/person to make purchases. Personal charges may not be made to any District-issued credit card. If a purchase is made by credit card, the cardholder must be able to substantiate that the purchase was necessary and for District use. District credit cards must not be used for personal purchases.

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Credit card spending limits are recommended by the Department Manager and may differ from employee to employee depending on their purchasing responsibility. Maximum single purchase limit and maximum monthly limit are set for each card. The timeframe for a monthly limit is the 30-day billing cycle.

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All purchases must be substantiated. Purchases made with a District credit card without receipts may result in loss of credit card privileges. Misuse of the District's credit card for any personal expenses is prohibited and grounds for disciplinary action, including loss of all credit card privileges as well as possible termination of employment. In addition, the employee placing personal expenses on any District credit card will be required to immediately reimburse the District.

Credit cards are not to be used to circumvent other established purchasing procedures. They are not to be used to purchase materials, supplies and services that can be purchased through other established purchasing processes.

Credit card statements and supporting receipts may be subject to review by the District's Director of Administration. ~~Any late charges incurred by the District due to the late return of credit card receipts by cardholders will be paid by the cardholders personally.~~

#### USE OF DISTRICT CREDIT CARDS

The Cal-Card is a payment mechanism and does not preclude cardholders from adherence to all District procurement regulations, policies and procedures. The following conditions must be met when using the card.

1. Each single purchase may be comprised of multiple items, but the total cannot exceed the single purchase dollar limit assigned.
2. All methods to ensure cost effective purchases must be utilized prior to purchase.
3. Cardholders must follow their Department's administrative procedures to ensure that sufficient appropriations are available prior to making a purchase.
4. The District credit card must not be used for purchases when the cardholder has a personal interest or knowledge which would create a conflict of interest. An example is buying from a relative or close friend.
5. Intentional use of the credit card for other than official District purposes is expressly prohibited, will result in immediate cancellation of your purchasing card, and may result in disciplinary action. Cardholders in violation of this policy will be personally liable to the District for the amount of the purchase.

#### PROHIBITED USES:

U. S. Bank prohibits the following uses of the Credit Card:

- Wire Transfers and Money Orders
- Direct Marketing Insurance Services
- Manual and/or Automatic Cash Advances
- Foreign Currency, Money Order or Traveler's Checks
- Security Brokers and/or Dealers
- Overpayments
- Savings Bonds
- Timeshares
- Betting, Casino Gaming Chips, and Off-Track Betting
- Political and/or Religious Organizations
- Fines, Court Costs, Alimony, and Child Support
- Bail and Bond Payments

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- Tax Payments
- Government Loan Payments
- Automated Referral Services
- Furriers and Fur Shops
- Pawn Shops
- Dating and Escort Services
- Massage Parlors

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**RESTRICTED USES:**

Credit cards may not be used for purchasing services due to the complexity of IRS 1099 reporting requirements. The District has established the following restrictions:

- ✓ Personal use
- ✓ Ammunition and weapons
- ✓ Cash advances
- ✓ Fixed asset purchases and capitalized property
- ✓ Maintenance contracts and service agreements
- ✓ Work on District property by outside contractors
- ✓ Splitting of purchases to circumvent the purchasing authority thresholds of either procurement rules or daily card purchase limits

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**PROCEDURES**

A detailed list of cards including cardholder name, card number, expiration date, and credit limit shall be ~~maintained~~ kept by the District.

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Each cardholder will be provided with a Cal-Card handbook. Cardholders may use their District credit card only to pay for District approved expenditures. After each purchase, the detailed itemized receipt and a brief written description of the purpose of the expenditure (notated on the receipt) must be submitted to the District, to be attached to the monthly credit card statement. ~~The credit card charge slip by itself is not sufficient documentation. The cardholder must sign or initial the receipt and give it to the Accounting Assistant, who will reconcile the receipts with the monthly credit card statement. If any receipts are missing, it will be the cardholder's responsibility to either dispute the charge or supply the necessary itemized receipt in a timely manner. You will be responsible for paying any late charges resulting from your inability to produce the required receipt in a timely manner.~~

The cardholder is responsible for:

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1. Security of the CAL-Card
2. Appropriate use of the CAL-Card
3. Compliance with Purchasing Policies and Procedures
4. Reconciliation of CAL-Card

The approver (usually the manager) is responsible for:

1. Reviewing all charges
2. Ensuring all purchases are appropriate
3. Ensuring no prohibited items have been purchased
4. Ensuring all proper documentation is attached to the CAL-Card

Statement Use

**TRAVEL EXPENSES:**

The CAL-Card may be used to offset approved travel expenses such as rental car, airline tickets, hotel costs and meals within per diem limits (please do not purchase alcoholic beverages with your CAL-Card) and fuel (if driving a District vehicle, you may never use the CAL-Card for personal vehicle fuel).

**LOST OR STOLEN CARDS:**

Immediately notify U. S. Bank at 1-888-344-5696 (if you are outside the United States call collect to 1-701-461-2010), the General Manager and Department Manager of a lost or stolen card or if you believe that your account number has been compromised in any way. Please provide the following information: your complete name and card number, the date U. S. Bank Customer Service was notified, and any purchases made on the day the card was lost or stolen.

Under most circumstances, a new card with a new account number will be issued to you within 24 hours. The card should be delivered to the District's Director of Administration who will meet with you and give you the new card.

Staff should submit a request for a credit card to the Director of Administration (Program Coordinator), subject to the approval of the General Manager.

Upon leaving the District's employ, cardholders must return their credit card to the Director of Administration.

~~If your credit card is damaged, lost or stolen, immediately notify the Director of Administration. A new credit card will be provided to you as quickly as is practicable.~~

<b>Approved by Rancho Murieta Community Services District's Board of Directors</b>	<i>August 18, 2010</i>
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**Employee Acceptance:** By signing this agreement, I hereby represent that I have read, understand, and agree to the District's Distribution and Use of Credit Cards Policy ~~#2010-09P~~#2021-04.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name here

**Approved by Rancho Murieta Community Services District's  
Board of Directors**

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## RANCHO MURIETA COMMUNITY SERVICES DISTRICT

<b>Category:</b>	Financial	<b>Policy # P2021-04</b>
<b>Title:</b>	Distribution and Use of District Credit Cards	

### PURPOSE

This Policy is intended to provide policy and direction to District staff and protect the District against misuse of such credit cards, both to protect the assets of the District and to protect the District's credit.

### BASIC POLICY AND OBJECTIVES

Credit cards, including Cal-Card, gas cards and other revolving credit cards, will be issued to employees as designated by the General Manager. The CAL-Card is a credit card issued in the name of the cardholder and billed to the District. U. S. Bank does not conduct a credit check on your personal credit history before issuing you a purchasing card. Issued credit cards will remain the sole property of the District and will be issued in the names of both the authorized employee and the District. District-issued credit cards may be used only for approved or budgeted District business expenditures and only by the employee to whom the credit card is issued. Employees shall not give the credit card issued in their name to any other employee, contractor or non-employee/person to make purchases. Personal charges may not be made to any District-issued credit card. If a purchase is made by credit card, the cardholder must be able to substantiate that the purchase was necessary and for District use. District credit cards must not be used for personal purchases.

Credit card spending limits are recommended by the Department Manager and may differ from employee to employee depending on their purchasing responsibility. Maximum single purchase limit and maximum monthly limit are set for each card. The timeframe for a monthly limit is the 30-day billing cycle.

All purchases must be substantiated. Purchases made with a District credit card without receipts may result in loss of credit card privileges. Misuse of the District's credit card for any personal expenses is prohibited and grounds for disciplinary action, including loss of all credit card privileges as well as possible termination of employment. In addition, the employee placing personal expenses on any District credit card will be required to immediately reimburse the District.

Credit cards are not to be used to circumvent other established purchasing procedures. They are not to be used to purchase materials, supplies and services that can be purchased through other established purchasing processes.

Credit card statements and supporting receipts may be subject to review by the District's Director of Administration.

### USE OF DISTRICT CREDIT CARDS

The Cal-Card is a payment mechanism and does not preclude cardholders from adherence to all District procurement regulations, policies and procedures. The following conditions must be met when using the card.

1. Each single purchase may be comprised of multiple items, but the total cannot exceed the single purchase dollar limit assigned.
2. All methods to ensure cost effective purchases must be utilized prior to purchase.
3. Cardholders must follow their Department's administrative procedures to ensure that sufficient appropriations are available prior to making a purchase.
4. The District credit card must not be used for purchases when the cardholder has a personal interest or knowledge which would create a conflict of interest. An example is buying from a relative or close friend.
5. Intentional use of the credit card for other than official District purposes is expressly prohibited, will result in immediate cancellation of your purchasing card, and may result in disciplinary action. Cardholders in violation of this policy will be personally liable to the District for the amount of the purchase.

**PROHIBITED USES:**

U. S. Bank prohibits the following uses of the Credit Card:

- Wire Transfers and Money Orders
- Direct Marketing Insurance Services
- Manual and/or Automatic Cash Advances
- Foreign Currency, Money Order or Traveler's Checks
- Security Brokers and/or Dealers
- Overpayments
- Savings Bonds
- Timeshares
- Betting, Casino Gaming Chips, and Off-Track Betting
- Political and/or Religious Organizations
- Fines, Court Costs, Alimony, and Child Support
- Bail and Bond Payments

- Tax Payments
- Government Loan Payments
- Automated Referral Services
- Furriers and Fur Shops
- Pawn Shops
- Dating and Escort Services
- Massage Parlors

**RESTRICTED USES:**

Credit cards may not be used for purchasing services due to the complexity of IRS 1099 reporting requirements. The District has established the following restrictions:

- ✓ Personal use
- ✓ Ammunition and weapons
- ✓ Cash advances
- ✓ Fixed asset purchases and capitalized property
- ✓ Maintenance contracts and service agreements
- ✓ Work on District property by outside contractors
- ✓ Splitting of purchases to circumvent the purchasing authority thresholds of either procurement rules or daily card purchase limits

**PROCEDURES**

A detailed list of cards including cardholder name, card number, expiration date, and credit limit shall be maintained by the District.

Each cardholder will be provided with a Cal-Card handbook. Cardholders may use their District credit card only to pay for District approved expenditures. After each purchase, the detailed itemized receipt and a brief written description of the purpose of the expenditure (notated on the receipt) must be submitted to the District, to be attached to the monthly credit card statement.

The cardholder is responsible for:

1. Security of the CAL-Card
2. Appropriate use of the CAL-Card
3. Compliance with Purchasing Policies and Procedures
4. Reconciliation of CAL-Card

The approver (usually the manager) is responsible for:

1. Reviewing all charges
2. Ensuring all purchases are appropriate

3. Ensuring no prohibited items have been purchased
4. Ensuring all proper documentation is attached to the CAL-Card

Statement Use

**TRAVEL EXPENSES:**

The CAL-Card may be used to offset approved travel expenses such as rental car, airline tickets, hotel costs and meals within per diem limits (please do not purchase alcoholic beverages with your CAL-Card) and fuel (if driving a District vehicle, you may never use the CAL-Card for personal vehicle fuel).

**LOST OR STOLEN CARDS:**

Immediately notify U. S. Bank at 1-888-344-5696 (if you are outside the United States call collect to 1-701-461-2010), the General Manager and Department Manager of a lost or stolen card or if you believe that your account number has been compromised in any way. Please provide the following information: your complete name and card number, the date U. S. Bank Customer Service was notified, and any purchases made on the day the card was lost or stolen.

Under most circumstances, a new card with a new account number will be issued to you within 24 hours. The card should be delivered to the District's Director of Administration who will meet with you and give you the new card.

Staff should submit a request for a credit card to the Director of Administration (Program Coordinator), subject to the approval of the General Manager.

Upon leaving the District's employ, cardholders must return their credit card to the Director of Administration.

<p><b>Approved by Rancho Murieta Community Services District's Board of Directors</b></p>	
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**Employee Acceptance:** By signing this agreement, I hereby represent that I have read, understand and agree to the District's Distribution and Use of Credit Cards Policy P#2021-04.

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Date

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Signature

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Print name here

## MEMORANDUM

Date: July 28, 2021  
To: Finance Committee  
From: Paula O'Keefe, Director of Administration  
Subject: Address Outstanding Unpaid Final Bills

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### RECOMMENDED ACTION

Staff recommend authorization to contract with CB Merchant to collect outstanding final bills.

### BACKGROUND

Staff reviewed outstanding balances due for Escrow related payments within our billing system. We discovered approximately \$14,000 in past due bills from customers who have moved from their residences without paying their final bill. Attempted to collect payments from prior customers, is a task that can create an additional burden on already overwhelmed staff who are attempting to track down payments for current. The District has approximately \$80,000 in outstanding current residential customer past due payments and finance staff continue to reach out for collection in attempts to work with residents to bring their accounts current.

Finance staff recommends that we contract with CB Merchant to manage the collections of the outstanding final bills to allow the District to make these accounts whole and write off the difference remaining as bad debt. CB Merchant has the ability to track down prior customer by accessing information that the District is no longer privy to. This will allow a third party to collect without taking up significant staff time.

### SUMMARY

Upon Committee approval, staff will work with CB Merchant to provide them the listing of outstanding final bills.