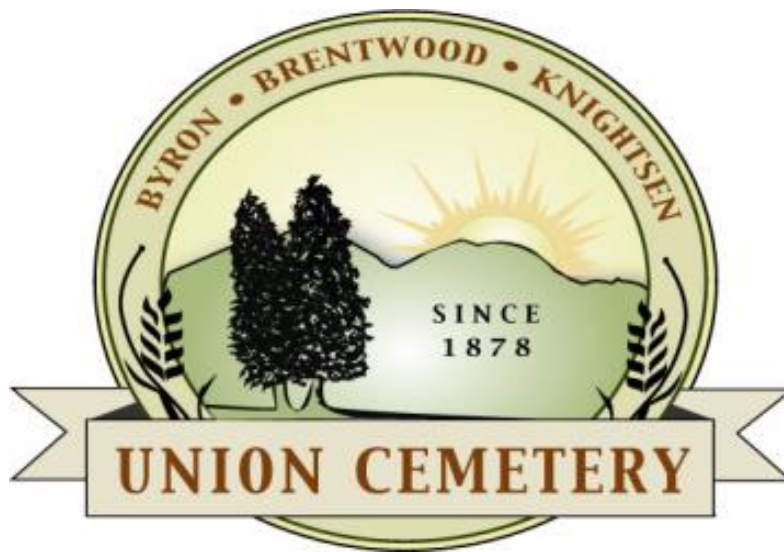


BYRON-BRENTWOOD-KNIGHTSEN UNION

CEMETERY DISTRICT

ACCOUNTING POLICIES AND PROCEDURES MANUAL



**Approved at a regular meeting of the
Board of Trustees on December 17, 2024**

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1. INTRODUCTION

This manual puts in place basic accounting, billing, and cash control policies and procedures designed to protect and secure Byron-Brentwood-Knightsen Union Cemetery District (BBKUCD), ensure the maintenance of accurate records of financial activities, and ensure compliance with governmental and private funding source reporting requirements. Where this manual conflicts with specific Federal or State regulations or with BBKUCD's Board policy, the regulations or board policy shall prevail.

1.1. RESPONSIBILITIES

1.1.1. The Board of Trustees formulates financial policies, delegates' administration of the financial policies to the District Manager, and reviews operations and activities.

1.1.2. The District Manager has responsibility for all operations and activities, including financial management.

1.1.3. Exceptions to these policies may be made on an individual basis, as necessary, with the approval of the District Manager.

1.1.4. The Cemetery Services Coordinator and District Assistant are responsible to the District Manager for all financial operations.

1.2. GENERAL POLICIES

1.2.1. Current job descriptions are maintained for all employment positions, indicating duties and responsibilities.

1.2.2. There are separations of financial duties and responsibilities so that no staff member has sole control over cash receipts, bank reconciliations or other accounting functions.

1.2.3. The Board of Trustees and District Manager annually review Financial Procedures.

1.2.4. Separate General Ledger accounts are maintained as required by funding source regulations.

1.2.5. Accounting forms and timesheets are typewritten or completed in ink. Pencil, whiteout, or correction tape are not to be used.

1.2.6. Passwords must comply with organizational standards. They are to be treated confidentially and are not shared with other staff. Policies may be established requiring the expiration

of passwords where appropriate. All passwords and subsequent changes are to be provided to the District Manager immediately.

1.3. COMPLIANCE WITH EXTERNAL POLICIES

BBKUCD’s accounting policies and procedures are consistent with:

1.3.1. Generally Accepted Accounting Principles (GAAP).

1.3.2. OMB Circular A-133 “Audits of States, Local Governments, and Non-Profit Organizations”.

1.4. SECURITY AND ACCESS

To ensure that only authorized staff can access the financial, personnel, payroll, computer, on-line and paper records of the organization:

1.4.1. The District Manager determines security and access.

1.4.2. Access to computer or on-line systems for accounting, personnel, payroll, and online and phone banking is controlled by Board resolution naming those within the District who are authorized to access banking information (identified as signers on the accounts). The District Manager or Office Manager assign passwords. Within each system, access permission is set to allow the appropriate level of access depending on staff positions and job duties.

1.4.3. Upon separation of a staff member, the password is immediately locked to prohibit any unauthorized activities or entries and keys to BBKUCD’s office(s) are returned.

2. OVERVIEW OF BBKUCD ACCOUNTING SYSTEM

The financial records of BBKUCD are maintained on QuickBooks Accounting Software using the accrual basis of accounting. Access to the accounting system is controlled to maintain the reliability and integrity of the data. Monthly or more frequent reconciliations are completed between activity transacted through the Contra Costa County Treasurer and / or Five Star Bank.

The District Manager will set security to allow different levels of access. The District Manager has full access to the entire system including set-up and administration. The Cemetery Services Coordinator

has full access to the system in order to fulfill accounting duties such as issuing payroll and accounts payable in the event of the District Manager's absence.

2.1. DATA BACKUP

Backup is done daily to assure that the data is secure and will not be lost in the event of a computer failure. Daily backups are done to an external hard drive. In the event of a fire or other catastrophe at the BBKUCD Office, the external hard drives are removed from the office on a monthly basis and kept at a secured off-site location determined by the District Manager. Year-end backups are kept indefinitely. Data stored on CDs or thumb drives are stored in a locked cabinet in the BBKUCD Office.

2.2. FUNDS RECEIVED

The funds received policies and procedures ensure that all in-coming funds are properly recorded and safeguarded through separation of duties and proper documentation. The District Manager designates which staff are authorized to collect in-coming BBKUCD funds.

2.3. FUNDS DISBURSED

Specialized procedures govern check writing and petty cash procedures. Only the District Manager, or Board of Trustees may authorize the issuance of checks. Two authorizations are required for the issuance of checks from all BBKUCD checking accounts. Checks are stored in a locked cabinet which only the District Manager, and Cemetery Services Coordinator have access to. Petty cash access is also limited to the District Manager, Cemetery Services Coordinator and District Assistant.

2.4. PAYROLL SYSTEM

Access to the payroll system is controlled to assure accurate and confidential data. Access is limited to the accounting staff responsible for payroll processes. Payroll is processed by the Cemetery Services Coordinator and / or by the District Manager if the Cemetery Services Coordinator is unavailable.

Payroll data from employee timecards are processed through QuickBooks Payroll Service. The Cemetery Services Coordinator will process payroll. All payroll time cares and paychecks are submitted to the District Manager for approval and signing.

3. DETAILED ACCOUNTING PROCEDURES

3.1. FUNDS RECEIVED

3.1.1. Cash is not accepted.

3.1.2. Mail is to be opened promptly and distributed by the Cemetery Services Coordinator or District Assistant.

3.1.3. All checks, money orders and credit card payments are promptly logged into the District's billing system maintained by the Cemetery Services Coordinator and then given to the District Manager for confirmation. The Cemetery Services Coordinator and District Assistant will restrictively endorse the back of any checks received prior to distributing to the bank for deposit.

3.1.4. Documentation for receipts in the form of printouts from the District's billing system is provided with the checks for processing and deposit.

3.1.5. Funds awaiting bank deposit are kept in a locked file/safe with access limited to staff designated by the District Manager.

3.1.6. The Cemetery Services Coordinator verifies the checks for documentation received and prepares deposits for delivery to the bank. The District Manager will confirm deposits monthly.

3.1.7. The Cemetery Services Coordinator is responsible for processing the deposits at least once per week, preferably on Fridays.

3.1.8. Credit card deposits are made as needed by the Cemetery Services Coordinator.

3.1.9. The deposit is entered into the accounting system by the District Manager and/or Cemetery Services Coordinator and then filed in chronological order into a Receipts file/folder for the month.

3.1.10. At the end of the month, the District Manager and/or Cemetery Services Coordinator totals all payments entered in the QuickBooks billing system verifying that all bank account totals add up to total funds received for the month and then prints out the log for the Board of Trustees and the

office file. Bi-Annually the deposits should be cross-referenced with the Contra Costa County Auditor/Controllers general ledger, Fund 360300, for confirmation purposes.

3.2. RECEIPTS

3.2.1. Receipts are assigned by the District Manager to the Cemetery Services Coordinator and other District staff that may receive payments.

3.2.2. The staff is responsible for safeguarding the receipts.

3.2.3. Receipts must be kept in a secure place at all times.

3.2.4. Receipts consist of two-part, pre-numbered forms. They should be used in numerical order and filled out completely. The original is to be given to the person (customer) from whom funds have been received. The second copy (yellow) is to be attached to the check or cash collected and given to the Cemetery Services Coordinator for processing.

3.2.5. Receipts may be voided, but the original and yellow copy of any voided receipt must remain in the file, in numerical order, until confirmation by District Manager.

3.2.6. Bi-Annually all deposits should be cross-referenced with the Contra Costa County Auditor/Controllers general ledger, Fund 360300, and / or Five Star Bank for confirmation purposes.

3.3. PETTY CASH

The purpose of a Petty Cash Fund is to facilitate small purchases or reimbursements needed in the day-to-day operations of the organization, without going through the check writing process.

The limit for the petty cash fund is set by the Board of Trustees.

3.3.1. Petty cash is kept in a locked box and secured in a locked filing cabinet, safe or locked desk. Only the District Manager and Cemetery Services Coordinator will have keys to the box.

3.3.2. Disbursements of up to \$150 may be made from the petty cash fund for miscellaneous expenses. Disbursements in excess of this may be made with prior approval of the District Manager.

3.3.3. If funds are requested to make a purchase, the purchaser must complete a Petty Cash receipt for the amount of funds received prior to custodian providing the requested funds.

3.3.4. The purchaser must submit receipts for all purchases to the custodian of the fund, including change if funds were requested prior to purchase. In the case of a lost receipt, the District

Manager or Board of Trustees may approve a disbursement based on a memo describing the item and cost.

3.3.5. The custodian will ensure that the petty cash slip is properly completed, and a proper receipt is attached.

3.3.6. The custodian will ensure that the petty cash box contains receipts and cash totaling the amount of the fund at all times.

3.3.7. Any irregularities in the petty cash fund are reported immediately to the District Manager.

3.3.8. Loans will not be made from petty cash funds.

3.3.9. Requests to replenish the fund are completed by the custodian and approved by the District Manager. Petty cash replenishment shall come from: (1) cash payments, documented on the Cash Box Balance Sheet or if cash is not available a withdrawal can be made from the BBKUCD's Checking account.

3.3.10. The District Manager will periodically make unannounced checks for petty cash. A "Cash Box Balance Sheet" spreadsheet is maintained by the District Manager and/or Cemetery Services Coordinator. It is completed each time the cash box is checked to insure there are no irregularities.

The Balance Sheet shows the beginning cash count, income/expense receipts, ending cash count. Irregularities will be addressed immediately.

3.4. PURCHASING POLICY

The Purchasing policy and procedures are designed to ensure that disbursements are properly made based on adequate documentation and proper authorization. All employees are required to follow this policy for all purchases of the Byron-Brentwood-Knightsen Union Cemetery District. All costs should be considered including sales tax, freight, and installation in defining "purchase" price for comparison with the dollar thresholds indicated in this policy.

It is the intent of this policy to ensure that District purchases are cost effective, encourage competition, and follow all applicable laws. Nothing in this policy shall preclude the District from using its own labor resources to complete any project for ordinary upkeep, maintenance, or repairs.

3.4.1. General Policy Provisions

For architectural, landscape architectural, engineering, environmental, land surveying, construction management and other professional services which are similar and require professional or expert judgment; selection will be based upon demonstrated competence and on qualifications for the types of services to be performed, provided at fair and reasonable prices.

Orders for public works projects over \$5,000 shall require the payment of prevailing wages as mandated by California Law (California Labor Code Section 1720). Public works projects include construction, alteration, demolition, or repair and/or maintenance work.

Orders for unbudgeted capital improvement items must be authorized by the Board of Trustees at a properly noticed meeting prior to the order being placed.

3.4.1.1. Local Purchases \$0.00 to \$1,000

A completed "Request for Purchase" (RFP) shall be submitted to the District's District Manager along with an invoice or receipt which has been approved by the appropriate supervisor.

Local purchases are defined as those purchases made within the District service boundaries or Brentwood/Antioch/Pittsburg areas. Any purchases outside these defined areas are not considered local purchases, including purchases made online.

3.4.1.2. Other Purchases \$0.00 to \$5,000

An approval by the District Manager is required for all purchases over \$1,000.

3.4.1.3. Purchases of \$5,000.01 to \$10,000

A purchase order is required. An order shall be approved by the District Manager prior to the order being placed. In the absence of the District Manager, the Board Chair should be contacted for approval of any purchases that are considered an emergency or when the health and welfare of the community is involved.

3.4.1.4. Purchases of \$10,000.01 - \$25,000.00

District staff will obtain three (3) competitive quotes (if available) and approval by the District Manager (and by the Board of Trustees for any unbudgeted purchases) prior to the order being placed.

3.4.1.5. Purchases exceeding \$25,000.01

District staff will obtain a minimum of three (3) competitive quotes (if available) or follow formal public bidding/competitive procedures when required as outlined in the Public Contract Codes; and all purchases shall be approved by the Board of Trustees. Participating in, matching other government, or

purchasing coalition contracts which have recently been competitively awarded qualifies as having met the formal public competitive requirement.

3.4.2. Formal Bidding Procedures

For budgeted capital improvement outlay purchases or unbudgeted purchases, the District Manager will request authorization to advertise for bids from the Board of Trustees.

The responsible party will submit to the District Manager completed specifications for the item(s) to be bid on. Upon request, the District Manager will assist in developing specifications.

The District Manager will review all Requests for Proposals or other solicitation documents before publication and conduct all bidding procedures except for those that are conducted by outside consulting firms.

Note: Any changes which increase the cost of a formally bid public works project must also be approved by the Board of Trustees.

3.4.2.1. Exemptions from Bidding

1. Purchase of services (excluding new construction, alteration, maintenance, or repair services). Also, if service is a substantial or critical portion of an article purchase, other methods of solicitation may be considered including but not limited to bid award based upon best value or solicitations which consider other cost, quality, or service factors.
2. Purchase of commodities or services of (utilities) light, water, power, heat, transportation, telephone service or other means of communication. Or means for the disposition of garbage, sewage or refuse matter.
3. When contracting with suppliers awarded State of California price schedules, commodity contracts, master agreements, cooperative agreements, and other types of agreements that leverage the state's buying power (for goods, information technology, and services).

3.4.2.2. Exceptions to Bidding

In any of the following instances, the requirements of bidding may be dispensed with if decided by the Board of Trustees:

1. When the item (merchandise or service) can be obtained from only one source.
2. When the item is required or is economically preferable to match or be compatible with other furnishings, materials, or equipment presently on hand and the purchase is made

from the manufacturer or supplier who supplied other such furnishings, materials, or equipment.

3. When the item has been standardized by the District and can be purchased from only one source or is purchased from the original manufacturer or supplier.
4. When the Board of Trustees determines that due to special circumstances, it is in the District's best interest to purchase an item or enter into a contract without compliance with the bidding procedures (i.e., competitive proposals would not be useful, would not produce an advantage or would be undesirable, impractical, or impossible).
5. When all bids are considered unsatisfactory or excessive and are rejected by the Board of Trustees by a two-thirds vote (PCC 20206.1), the District may do any necessary work and make necessary expenditures in lieu of contracting for the proposed work.
6. When the Board of Trustees declares an emergency by a two-thirds vote (PCC 22050), after finding that conditions will not permit a delay resulting from a competitive solicitation for bids. All actions thereafter taken will be reported to the Board until the emergency action is terminated (at the earliest possible date that conditions warrant).

Nothing in the policy shall prevent the District Manager of the District from ordering any action necessary and appropriate to respond to sudden, unexpected occurrences that pose a clear and imminent danger requiring immediate action to prevent, or mitigate the loss or impairment of life, health, property, and essential public services.

If any portion of this policy is in conflict with rules, regulations or legislation having authority over the Byron-Brentwood-Knightsen Union Cemetery District, said rules, regulations or legislation shall prevail.

3.4.3. Approvals and Authorization

3.4.3.1. The Board of Trustees and District Manager will authorize the following expenditures: General operations and maintenance expenses, payroll, purchases of equipment, contracts for services, any purchase over the amount of \$1,000. The District Manager has the authority to purchase items in excess of \$2,500 if the items were approved by the Board of Trustees as part of the annual budget and/or at a regular meeting of the Board. Authorization for expenditures may be delegated. The delegation of expenditure authority will be in writing and approved by the Board of Trustees.

3.4.3.2. Payment for supplies or services will be made based on invoices, not statements.

3.4.3.3. Requests for Payment (RFP) are submitted with the original invoice attached. The RFP is signed by an authorized staff member indicating approval of the expenditure.

3.4.3.4. The District Manager process RFP/Invoices. Each invoice is stamped "ENTERED" when entered as a payable in the accounting system and the check stub and all corresponding documentation is stapled together and retained per the Record Retention Policy.

3.4.4. Missing Invoices

If an invoice for services or supplies is lost, a memo explaining the expense and detailing the cost is submitted with the Request for Payment for approval by the District Manager and District Treasurer.

3.4.5. Vendor Documentation

All vendors must submit an IRS Form W-9 Request for Taxpayer Identification and Certification or equivalent to the Accounting Department, prior to payment. A determination has been made by the District Manager on the need to file an annual IRS Form 1099-MISC or IRS Form 1099-NEC. on payments made to vendors. Form W-9's should be mailed to all current vendors each year prior to Form 1099 preparation to assure information is current.

3.4.6. Check Writing Procedures

3.4.6.1. Checks are processed as needed.

3.4.6.2. Checks are written through the District's accounting software. The District Manager will designate Cemetery Services Coordinator with access to the check printing system.

3.4.6.3. Checks are automatically numbered by the accounting system maintained by the District Manager.

3.4.6.4. Checks are not to be postdated or made out to cash.

3.4.6.5. The "Payment Record" portion of the check printed by QuickBooks is attached to the RFP/Invoice plus any other documentation, such as purchase orders or shipping documents, and filed by alphabetical order of the vendor's name in the District's vendor files maintained by the Cemetery Services Coordinator.

3.4.6.6. Voided or spoiled checks will be stamped in red "VOID" over the payee, amount and the signature areas and then given to the Auditor/Controller, with a copy to be placed in the District's file for voided checks. The voided check number should then be voided in QuickBooks.

3.4.6.7. Checks are recorded on the Warrant Transmittal Sheet by the District Manager and/or the Cemetery Service Coordinator and given to the Board of Trustees at the following regular Board Meeting, for review and approval.

3.4.7. Check Approval Process

This procedure is designed to ensure that all checks have adequate documentation and authorization and that there are no missing checks or checks written to phantom vendors.

3.4.7.1. The warrants are reviewed for proper account coding, appropriateness of expenditure, and currently must contain two current Board member signatures. However, checks written from the Five Star Bank checking account by Cemetery Services Coordinator, will be reviewed, cross reference with the corresponding invoice and signed by the District Manager. All written checks will be given to the Board at the following Board meeting for review and approval.

3.4.7.2. If there are no questions to be resolved, the signed checks are returned to the Cemetery Services Coordinator as authorization to mail or release the check to the vendor.

3.4.7.3. Checks are mailed to vendors by the office staff unless specific arrangements have been made in advance for pickup of checks at the office. If a check is picked up, the person picking up the check must provide identification which agrees with the payee on the check or must have verifiable written authorization from the payee to pick up the check.

3.4.8. Electronic Payment and Transfers

These procedures ensure that unauthorized transfers will not be made. Procedures may vary based on the system of the banking institution. These guidelines pertain to both the District's investment account with the Local Agency Investment Fund (LAIF) as well as all other accounts the District holds.

3.4.8.1. The required documentation for all transfers is the same as for Requests for Payment.

3.4.8.2. Electronic banking allows wire transfers, electronic transfers, stop payments on checks, and account balance inquiries to be initiated and completed via computer or telephone.

3.4.8.3. Wire transfers, electronic transfers, and stop payments shall be set up by the District Manager after written approval is received from the Board Chair and District Treasurer.

3.4.8.4. Password security is set to allow wire transfers, electronic transfers, and stop payments to be set up by staff designated by the Board of Trustees.

3.4.8.5. Transfers can only be set up by the District Manager or the Cemetery Services Coordinator and can only be transferred between Byron-Brentwood-Knighten Union Cemetery District accounts.

3.4.8.6. When a wire transfer, electronic transfer, or stop payment has been set up by the accounting staff, the documentation supporting the transaction is given to the District Manager for verification and approval before the transaction is initiated.

3.4.8.7. Electronic transfers from the Local Agency Investment Account (LAIF) are approved by the District Manager and the Board Chair and completed by the District Manager. Electronic transfers into the LAIF account can be completed by the District Manager or the Cemetery Services Coordinator without prior approval. All transfers shall be reported at the next regular meeting of the Board. The LAIF accounts shall be established so that only transfers into valid Byron-Brentwood-Knighten Union Cemetery District accounts may occur.

3.5. PAYROLL

These procedures are designed to assure that payroll is based on proper authorization and required documentation, is paid at the approved rate, is only paid to actual employees, and to assure that proper and timely reporting is made to federal, state, and local taxing authorities. Byron-Brentwood-Knighten Union Cemetery District uses QuickBooks Payroll Service to assist the District Manager and/or Cemetery Services Coordinator to manually process payroll and required payroll tax deposits.

3.5.1. BBKUCD payroll is processed on a bi-weekly basis. Pay periods are made up of a two-week period which ends every other Saturday. Pay dates are a week from the pay period end date, every other Friday but checks may be issued earlier if approved by the District Manager.

3.5.2. Payroll is based on time sheets completed by employees and approved by the District Manager. Each time sheet reflects the cost centers to which the employees' time is charged.

3.5.3. Time sheets will reflect the use of sick, vacation, or other leave time, if applicable. Overtime for non-exempt employees requires the prior approval of the employee's supervisor.

3.5.4. Time sheets must be completed in ink with no whiteout or correction tape. Changes are initiated by the employee. The time sheet will be signed by both the employee and the District Manager.

3.5.5. Salary and/or benefit changes must be approved by the District Manager. A memo detailing the changes and the effective day shall be maintained in the employee's personnel file.

3.5.6. Payroll records are maintained by the District Manager and/or the Cemetery Services Coordinator in a confidential manner. Information regarding payroll will not be discussed with other staff. Files must be in locked cabinets with access limited to designated personnel.

3.5.7. Documents that verify tax withholding and authorize other deductions such as health insurance premiums or voluntary contributions are filed in the payroll files by the District Manager. Separate files containing the I-9 forms for each current employee and are maintained by the District Manager and/or the Cemetery Services Coordinator.

3.6. PAYROLL PREPARATION AND PAYMENT

3.6.1. Payroll is prepared from employee time sheets which have been completed and signed by the employee and reviewed, approved, and signed by the District Manager and/or the Cemetery Services Coordinator.

3.6.2. The District Manager and/or the Cemetery Services Coordinator will check each time sheet for computational errors.

3.6.3. Hours worked by the cost center are entered into the payroll system for documentation.

3.6.4. For salaried staff, computation of partial pay periods will be based on the percentage of the pay period worked.

3.6.5. The District Manager or other designee reviews the payroll vouchers or checks, to assure that all of the checks are for actual employees or other required payments (i.e. garnishments).

3.6.6. Payroll tax deposits are made by the District Manager and/or the Cemetery Services Coordinator.

3.7. PURCHASING

3.7.1. Leases

3.7.1.1. Only the Board of Trustees can sign lease agreements.

3.7.1.2. The Accounting Department will maintain copies of all leases. An RFP authorizing payment of the lease for the fiscal year is maintained by the Accounting Department. The District Manager and Board of Trustees will review the RFP annually.

3.7.2. Consultant/Contract Services

3.7.2.1. In accordance with the District’s Bylaws, all contracts for materials and supplies for construction or completion of any building, structure, or improvement, when the costs exceed \$25,000 shall be contracted in accordance with the provisions of Section 20680 of the California Public Contract Code.

3.7.2.2. The District has an “Agreement for Consultant Services” contract that should be used for all consultants or contract services. The contract was provided by the District’s legal counsel and was written specifically for our agency.

3.7.2.3. The Board of Trustees will review and approve proposed projects, usually a “Scope of Work” from the consultant, at properly noticed meetings of the Board. The Board of Trustees may authorize the Board Chair or the District Manager to sign the contract once the project and/or Scope of Work is approved.

3.7.2.4. Consideration is made regarding in-house capabilities to accomplish services before contracting for them.

3.7.2.5. Written contracts clearly defining the work to be performed are maintained for each consultant and contract services by the District Manager.

3.7.2.6. The qualifications and reasonable charges for fees are considered in hiring consultants and proof of insurance and Form W-9, at minimum, will be required.

3.7.2.7. Requests for Payments will be issued for all payments to consultants or professional services.

3.7.3. Furniture and Equipment

3.7.3.1. All furniture and equipment purchases must be pre-approved by the District Manager.

3.8. LOANS

3.8.1. Third Party Loans

3.8.1.1. Loans from outside sources (other agencies, banks, etc.) are authorized through board action and initiated by the District Manager or other designee.

3.8.1.2. Upon repayment of funds, the promissory note is returned to the District Manager.

3.8.1.3. Loans from the District to an employee are prohibited.

3.9. BANK ACCOUNTS

The Board of Trustees may authorize by resolution the Board Chair, and/or District Manager to establish bank accounts and set signatory authority.

3.9.1. Bank accounts are established to meet the needs of the organization for separation of funds and the specific requirements of funding sources. Separate accounts for specific federal or state programs which exceed the FDIC limits must be collateralized by the bank to ensure the safety of the deposit. All other accounts, where possible, are established to maximize the use and earnings of cash.

3.9.1.1. The District Manager shall maintain a complete listing of all accounts and the account numbers.

3.9.1.2. Bank Reconciliations for each account are completed monthly by the District Manager with a copy reviewed by the District Treasurer.

3.9.1.3. The District Manager receives the bank statements unopened to assure that they remain intact.

3.9.1.4. The District Manager or designee reviews reconciled bank statements monthly.

3.9.1.5. Outstanding checks more than 90 days old are investigated and stop payments issued as deemed necessary by the District Manager. Replacement checks are reissued after appropriate documentation has been collected.

3.9.2. Surplus Equipment

3.9.2.1. Determination of Surplus Property

The term "surplus property" shall mean any property other than real property that is no longer needed or usable by the District. The District Manager shall annually review the District's equipment and

inventory and complete a surplus property form for each item deemed surplus. The District Manager shall present a list of surplus property to the Board for its review and approval prior to disposition of the property.

3.9.2.2. Methods of Disposition

The District Manager is responsible for the disposition of District surplus property. Once the Board has approved the list of surplus property, the District Manager shall determine which of the following methods of disposition to use; the priority for disposition shall be in the order listed below:

1. Trade In – Property declared as surplus may be offered as a trade-in for credit toward the acquisition of new property. All trade-in offers will be submitted for the review and approval of the District Manager.
2. Return to Manufacturer – Surplus property may, when possible, be returned to the manufacturer for buy-back or credit toward the purchase of new property.
3. Sale – The District may offer surplus property for sale. All surplus property is for sale “as-is” and “where-is” with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility, or usability of the property offered for sale.
4. Appropriate methods of sale are as follows:
 - a. Public Auction – Surplus property may be sold at public auction. The District may contract with a professional auctioneer.
 - b. Sealed Bids – Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsive bidder.
 - c. Negotiated Sale – Surplus property may be sold directly to a purchaser if it is determined that only one known buyer is available or interested in acquiring the property.
 - d. Selling for Scrap – Surplus property with a minimal fair market value may be sold as scrap.
5. Donation or Disposal – If the District is unable to sell surplus property after using the methods provided in sections 1 through 3, above, or if the cost of locating a buyer exceeds the estimated sale price of surplus property, the property may be donated to a charitable organization, recycled, destroyed, or disposed of as junk.

3.9.2.3. Proceeds

All sales of surplus property shall be paid to the District by certified check, money order, or in manner agreeable to the District Manager. The District Manager shall be authorized to sign bills of sale and any other documents evidencing the transfer of title to such surplus property by and on behalf of the District.

3.9.2.4. District Employees and Officers

District employees, directors and officers are prohibited from purchasing surplus property offered for sale by the District.

4. OTHER FINANCIAL SAFEGUARDS

4.1. PERSONNEL RECORDS SYSTEM

Access to the personnel records system is controlled to assure confidentiality, privacy, and appropriate access to records and reliability of data. Access is limited to the District Manager, and key administrative staff. Hard copy personnel files are maintained in locked file cabinets. The files contain all personnel related information in sections, including:

4.1.1. Employee selection documents (resume, application, test results, offer letter, etc.).

4.1.2. Employee performance documents (evaluations and disciplinary actions).

4.1.3. Employee development (training certificates, education records, specialized licenses).

4.1.4. Miscellaneous data (employee handbook receipt, requests to inspect personnel file, leave of absence requests, attendance records, letter of resignation, termination records and other employment related documents).

Additionally, one file containing all Form I-9's for current employees eligible to work in the United States is maintained. Access is controlled by the **District Manager**.

4.2. DISTRICT CREDIT CARDS

Bryon-Brentwood-Knightsen Union Cemetery District authorizes credit cards for key staff for the purpose of facilitating business purchases including business travel that is not easily managed through normal disbursement processing. Due to the potential for theft, misuse, and auditing problems, use of

Bryon-Brentwood-Knightsen Union Cemetery District credit cards is monitored carefully. The **District Manager** reviews all credit card purchases, and **the District Manager and District Treasurer** must approve all payments. Misuse of credit cards or failure to follow these procedures will lead to restrictions or loss of credit card privileges.

4.2.1. Card Use - Each card holder is given instruction when they receive the card designed to ensure that the cards are used for Bryon-Brentwood-Knightsen Union Cemetery District business only and to protect against misuse and theft and must sign a declaration of his/her understanding.

4.2.2. Lost or Stolen Cards - The **District Manager** must be notified immediately if a card is lost or stolen. If the **District Manager** is unavailable, the **Cemetery Services Coordinator** or other designee will be contacted.

4.2.3. Credit Limits - Appropriate credit limits are established by the **Board of Trustees** for each card and a list of all card holders and card holder numbers is maintained by the **District Manager**. **In an effort to minimize disruptions to District operations, the District Manager may adjust the card holder's credit limit for one-time purchases approved by the Board of Trustees.**

4.2.4. Termination of Credit Cards - Credit cards for employees who resign or are terminated are canceled immediately by the **District Manager**.

4.3. EMPLOYEE BENEFITS

These procedures are designed to ensure that employees receive the appropriate benefits as specified in the Personnel Policy.

4.3.1. Paid Time Off

4.3.1.1. Vacation, sick leave, and comp time balances are maintained by the **District Manager** on a computerized spreadsheet and in QuickBooks Payroll software. Balances appear on employee paycheck vouchers.

4.3.1.2. Bryon-Brentwood-Knightsen Union Cemetery District funds the vacation accrual on a monthly basis to ensure that Bryon-Brentwood-Knightsen Union Cemetery District liability for accrued leave is fully funded.

4.3.1.3. Sick leave is not funded. There is no liability for payment to an employee for accrued sick leave when an employee leaves Bryon-Brentwood-Knightsen Union Cemetery District employment.

4.3.1.4. The District Manager is responsible for processing all requests for time off and ensuring employees are provided with paid time off benefits as outlined in the BBKUCD Employee Handbook.

4.3.2. RETIREMENT

Bryon-Brentwood-Knightsen Union Cemetery District offers Contra Costa County Employees' Association. Employees' share of \$100 will be deducted out of their biweekly paycheck.

4.3.3. Health Reimbursement Account

The Health Reimbursement Account, and established District policy, allows for reimbursement of certain medical, dental, and other expenses. The **Cemetery Services Coordinator** processes reimbursements and **maintains confidential health documents from employees. The District Manager maintains the non-confidential records and** sends reports to participating employees. Employees who participate in the HRA plan send reimbursement requests to the **Cemetery Services Coordinator**. Reimbursement checks are processed as a fund disbursement. The complete Health Reimbursement Account Policy is maintained by the **Cemetery Services Coordinator** and is available for review during regular business hours.

4.3.4. Other Employee Benefits

The District Manager is responsible for the administration and documentation of all benefits as listed in the BBKUCD Employee Handbook. The benefits may be adjusted by a majority vote of the Board of Trustees at a properly noticed meeting of the Board.

4.4. TRAVEL

Travel policies and procedures ensure that all travel costs are pre-authorized, documented and are consistent with applicable regulations.

4.4.1. Mileage Reimbursement

4.4.1.1. The reimbursement rate for privately owned vehicles is the rate paid by Federal agencies for the use of private vehicles, unless otherwise established by the **Board of Trustees**, not to exceed the current GSA rates.

4.4.1.2. Mileage reimbursement forms must be completed in ink or typed and signed by the employee and submitted with timecards to the Cemetery Services Coordinator, for approval and payment.

4.4.1.3. Mileage Reimbursement records are maintained by the **District Manager or Cemetery Services Coordinator**.

4.4.1.4. Employees are required to have proof of auto insurance on file with the **District Manager**. Employees will not be reimbursed for mileage unless proof of insurance is on file for the period in which mileage is incurred.

4.4.2. Travel out of service area

4.4.2.1. Travel out of the Bryon-Brentwood-Knightsen Union Cemetery District service area must be pre-approved by the **District Manager** or other designee. Travel out of state requires pre-approval by the **Board of Trustees**.

4.4.2.2. Federal per diem guidelines apply unless otherwise established by the board, not to exceed the current Federal GSA rates. Exceptions may be approved by the **Board of Trustees**.

4.4.2.3. Following a trip, employees will submit to the **District Manager** a properly authorized Travel Expense Report. The report must detail all expenses, and required receipts must be attached.

4.4.3. Board of Trustees Travel and Reimbursements

4.4.3.1. Bryon-Brentwood-Knightsen Union Cemetery District Board members may be paid allowances and reimbursements for business expenses incurred in the performance of their duties.

4.4.3.2. Claims for reimbursement must be approved by the **District Manager**.

4.5. PROPERTY, INVENTORY AND CONTROL

Bryon-Brentwood-Knightsen Union Cemetery District property inventory procedures provide for management control of Bryon-Brentwood-Knightsen Union Cemetery District owned property and documentation of property for potential insurance losses and tax reporting. All property in excess of \$250.00 in value but less than the established capitalization threshold at the time of original purchase is included in inventory.

4.5.1. Bryon-Brentwood-Knightsen Union Cemetery District will maintain property records to reflect furniture and equipment purchased, including tagging of these items, and include location, changes, deletions, etc.

4.5.2. Every year a physical inventory and of all furniture and equipment plus estimates of supplies on hand is completed prior to year end. Any discrepancies are brought to the attention of the District Manager for appropriate action.

4.5.3. Equipment to be retired is documented with an explanation for release. The listing of equipment to be retired is authorized by the District Manager. Any salvage value received is noted on the records as miscellaneous income.

4.5.4. FIXED AND CAPITAL ASSETS

Bryon-Brentwood-Knightsen Union Cemetery District has established a capitalization threshold of \$5,000.00 for property expected to benefit the operations of the organization for multiple years to be considered a fixed asset.

4.5.4.1. All property with an acquisition cost in excess of \$5,000 is purchased with Bryon-Brentwood-Knightsen Union Cemetery District funds so that no property has federal character.

4.5.4.2. The cost of all property acquired through federal, or state funds will be clearly designated on the Statement of Financial Position as Paid in Capital, including depreciation of such assets.

4.5.4.3. Capital Assets include buildings and improvements.

4.5.5. EQUIPMENT DEPRECIATION

The purpose of depreciation is to recognize the decreased value of the property over time (useful life) and to quantify this 'usage' as an expense to each cost center deriving benefit from its use.

4.5.5.1. A fixed asset, as previously defined, is depreciated according to the Bryon-Brentwood-Knightsen Union Cemetery District Depreciation Policy.

4.5.5.2. The Depreciation Policy sets the useful life of property types (Buildings, Capital Assets, Furniture & Equipment, Vehicles, etc.) which may differ from depreciation methods used for income tax purposes.

4.5.5.3. Depreciation Schedules are prepared for the full fiscal year utilizing the guidelines of the Depreciation Policy.

4.5.5.4. A separate schedule is made for each property/asset type. The schedule is maintained by the **District Manager**. As depreciable property is purchased, it is added to the depreciation schedule in the month following purchase/installation.

4.5.5.5. A recurring journal entry is set up for posting each month, charging the depreciation expense to the appropriate program(s).

4.6. AUDITS

Bryon-Brentwood-Knightsen Union Cemetery District is required to have a financial audit on an annual basis. Periodically, as determined by the Board, a Request for Proposal is sent to audit firms qualified to provide the type of audit that meets Bryon-Brentwood-Knightsen Union Cemetery District and/or funder need. The Audit Committee is responsible for soliciting bids, interviewing firms, and making the recommendation to the Board of Trustees when selecting the firm to be awarded the audit contract. Acceptance of the audit contract will be evidenced by a signed audit engagement letter that contains the type of service to be provided, the timeframe for providing the service, the cost for the service including incidental expenses, the term of the engagement and a clause stating "if unanticipated issues arise during the course of the audit that will result in additional fees, the audit firm will notify the Audit Committee for approval prior to incurring additional costs".

The audit is reviewed in detail by the board by the auditor and accepted by the Board of Trustees based upon recommendation by the Audit Committee.

4.7. GRANTS AND CONTRACTS

Contract and grant documents are reviewed and approved by appropriate program staff, as well as the **District Manager**, prior to being approved by the **Board of Trustees**.

4.7.1. The **District Manager** will carefully review each award to ensure that Bryon-Brentwood-Knightsen Union Cemetery District will be in compliance with all financial provisions.

4.7.2. Original copies of signed grants and contracts are filed in the contract file with copies to the **District Manager**.

4.7.3. The **District Manager** will assign appropriate general ledger account numbers and customer numbers for each new grant or contract.

4.7.4. The **District Manager** will designate the appropriate staff responsible for the preparation of reports, payment requests and/or invoices.

4.7.5. The **District Manager** will maintain individual contract files containing copies of the grant/contract, any amendments, relevant correspondence regarding the grant/contract, and reports of expenditures or billings.

4.7.6. A log of all grants/contracts is maintained by administrative staff detailing grant/contract numbers, effective dates, and reporting requirements.

4.8. BUDGETS

Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements. Budgets should use reasonable assumptions of income and expenses. All budget assumptions should be documented to facilitate a thorough analysis and evaluation, not only of the budget, but of the actual revenue and expenditures as they relate to the budget.

4.8.1. The organization budget is prepared by the **District Manager with input from the Community Services Coordinator and employees. Budgets are estimates of the financial transactions for the year, based on previous years' spending and evaluating operation changes or needs.**

4.8.2. Budgets are submitted to the **District Manager** for review and approval prior to submission to the **Board of Trustees**.

4.8.3. The **District Manager** will submit an annual organization budget to the Board of Trustees for their approval.

4.8.4. The Operations & Maintenance (O&M) and Capital Improvement Projects (CIP) budgets are established and approved by the Board of Trustees. **A long-term (5 – 15 year) plan for the Asset Management Program and Capital Improvements shall be reviewed annually and modified as needed.**

4.8.5. Reports outlining budgeted amounts compared to actual spending will be presented to the Board of Trustees once per month at the regular meeting of the Board. This may be changed by Board action to once per quarter.

4.9. INTERNAL REPORTING

Reports assist the Board of Trustees, District Manager, and funders with managing and controlling of program activities and financial resources.

4.9.1. Monthly financial reports, including a revenue and expense report for all accounts and balance sheet where appropriate, will be provided to the **Board of Trustees** at their regular monthly meeting.

4.9.2. It is the responsibility of the **District Manager** to ensure that all financial reports are submitted on a timely basis.

5. RECORD RETENTION

The purpose of this policy is to provide guidelines to staff regarding the retention or disposal of BBKUCD records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements. “Definitions for Records Retention and Disposal Policy” can be found in Appendix A and “Record Retention and Storage Summary” in Appendix B of this manual.

Vital and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

5.1. AUTHORIZATION

The Board of Trustees authorize the District Manager to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, specified below.

5.2. GUIDELINES

Pursuant to the provisions of California Government Code 60200 through 60203, and the guidelines prepared by the State Controller's office and the Controller's Advisory Committee for Special Districts, the following qualifications will govern the retention and disposal of records of the Bryon-Brentwood-Knightsen Union Cemetery District.

5.2.1. Duplicate records, papers and documents may be destroyed at any time without the necessity of Board authorization or copying to photographic or electronic media.

5.2.2. Originals of records, papers, and documents more than two (2) years old that were prepared or received in any manner other than pursuant to State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media.

5.2.3. In no instances are records, papers, or documents to be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.

5.2.4. Records, papers, or documents which are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:

5.2.4.1. The record, paper or document is photographed, microphotographed, reproduced on film of a type approved for permanent photographic records by the National Bureau of Standard, or copies to an approved electronic media;

5.2.4.2. The device used to reproduce such record, paper, or document on film, or retrieves and prints the document from the electronic media, is one which accurately reproduces the original thereof in all details; and,

5.2.4.3. The photographs, microphotographs, or other reproductions on film are placed in conveniently accessible files and provisions are made for preserving, examining, and using the same, together with documents stored via electronic media.

5.2.4.4. Any accounting record except the journals and ledgers which are more than five years old, and which were prepared or received in any manner other than pursuant to State statute may be authorized for destruction, provided that:

5.2.5. There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc;

5.2.6. There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;

5.2.7. Said audit report or reports were prepared pursuant to procedures outlined in Government Code Section 26909 and other State or Federal audit requirements, and that; and,

5.2.8. Said audit or audits contain the expression of an unqualified opinion.

5.2.9. Any accounting record created for a specific event or action may be destroyed upon authorization five years after said event has in all respects terminated. Any source document detailed in a register, journal, ledger, or statement may be authorized for destruction five years from the end of the fiscal period to which it applies. The following may be destroyed at any time:

5.2.9.1. Duplicated (original-subject to aforementioned requirements).

5.2.9.2. Rough drafts, notes or working papers (except audit).

5.2.9.3. Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files.

5.2.10. All payroll and personnel records shall be retained indefinitely. Originals may upon authorization be destroyed after seven years retention, provided said records have been microfilmed and qualify for destruction section 4, above. Payroll and personnel records include the following:

5.2.10.1. Accident reports, injury claims and settlements.

5.2.10.2. Medical history.

5.2.10.3. Injury frequency charts.

5.2.10.4. Applications, changes, and terminations of employees.

5.2.10.5. Insurance records of employees.

5.2.10.6. Timecards.

5.2.10.7. Classification specifications (job descriptions).

5.2.10.8. Performance evaluation forms.

5.2.10.9. Earning records and summaries.

5.2.10.10. Retirements.

5.2.11. Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution may be destroyed if microfilmed as provided for in section 4, above. Terms and conditions of bonds warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than ten years if microfilmed as provided for in section 4, above. Paid bonds, warrant certificates and interest coupons may be destroyed after six months if detailed payment records are kept for ten years.

5.2.12. Minutes of the meetings of the Board of Trustees are usually retained indefinitely in their original form. However, they may upon authorization be destroyed if said minutes are microfilmed as provided for in section 4, above. Recording tapes (or other media) of Board meetings will be kept for a period of one year from the date of the recorded meeting, after which they will be destroyed.

5.2.13. Construction records, such as bids, correspondence, change orders, etc., shall not be kept in excess of seven years unless they pertain to a project which includes a guarantee or grant and, in that event, they shall be kept for the life of the guarantee or grant plus seven years. As-built plans for any public facility or works shall be retained as long as said facility is in existence.

5.2.14. Contracts should be retained for its life plus seven years. Any unaccepted bid or proposal for the construction or installation of any building, structure or other public work which is more than two (2) years old may be destroyed.

5.2.15. Property records, such as documents of title, shall be kept until the property is transferred or otherwise no longer owned by the District.

5.3. RETENTION OF ELECTRONIC MAIL (E-MAIL) POLICY

5.3.1. The purpose of this portion of the policy is to: provide guidelines to staff regarding the retention or disposal of Bryon-Brentwood-Knightsen Union Cemetery District electronic mail (“e-mail”) which generates correspondence and other documentation considered public records (hereinafter “Official District Records”) in need of protection/retention in accordance with the California Public Records Act (Gov. Code §§ 6250-6276.48). The Bryon-Brentwood-Knightsen Union Cemetery District’s (the “District”) e-mail system is intended as a medium of communication only. Therefore, the District’s e-mail system should not be used to store or maintain documents, including, but not limited to, Official District Records.

5.3.2. Periodically the District receives requests for inspection or production of documents pursuant to the Public Records Act, as well as demands by subpoena or court order for documents. In the event a records request or court-issued demand is made for e-mail, the employees having control over such e-mail, once they become aware of the request or demand, shall use their best efforts, by any responsible means available, to temporarily preserve any e-mail which is in existence until it is determined whether such e-mail is subject to preservation, public inspection or disclosure.

5.3.3. The Public Records Act states that “public records” include “any writing containing information relating to the conduct of the public’s business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics.” (Gov. Code § 6252, subd. (e).) The Public Records Act also defines “writing” as “handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof, and any record thereby created, regardless of the manner in which the record has been stored.” (Gov. Code § 6252, subd. (g), emphasis added.)

5.3.4. According to the preceding definitions, e-mail messages and any attachments regardless of format are, in fact, public records and are subject to the provisions of the Public Records Act as well as legal requirements for retention of public records. The preceding definitions also include any messages sent through a smartphone or other electronic device that end up as e-mail to or from any District employee.

5.3.5. It is the responsibility of individual employees to determine if e-mail is an Official District Record which must be retained in accordance with the District’s Records Retention Policy. Generally, an e-mail message and any attachments regardless of format may be considered an Official District Record if it: (1) is created or received in connection with official District business; (2) documents the formulation and implementation of District policies and decisions; or (3) initiates, authorizes or completes a transaction of official District business.

5.3.6. Preliminary drafts, notes or interagency or intra-agency memoranda which are not retained by the District in the ordinary course of business are generally not considered to be Official District Records subject to disclosure.

Employees are encouraged to delete documents which are not otherwise required to be kept by law or whose preservation is not necessary or convenient to the discharge of your duties or the conduct of the District’s business. Examples of e-mail messages that are not generally considered Official District Records may include: (1) personal messages and announcements not related to official District business; (2) messages with attached copies or extracts of documents distributed for convenience or reference (with the original documents being preserved according to the District’s Records Retention Policy); and (3) messages that are essentially cover notes or distribution slips. The District’s General

Counsel can assist you in determining whether an e-mail message is required to be retained and/or is necessary or convenient to the discharge of your duties or the conduct of the District's business.

5.3.7. Any e-mail message, including any attachments regardless of format, which can be considered an Official District Record must be preserved in accordance with the retention periods specified in the District's Records Retention Policy. The District employee who sends an e-mail that qualifies as an Official District Record should be the person responsible for preserving that e-mail, but persons responsible for a particular program or project file shall also be responsible for preserving all e-mail they send or receive related to that program or project. District employees may print and file hard copies of e-mail messages that must be preserved. Employees may also save e-mail messages electronically, in electronic folders separate from their regular e-mail inboxes. However, e-mail messages must not be stored in an employee's regular inbox, since the District's automatic maintenance system will periodically delete e-mails from all inboxes. Many types of e-mail can also be stored electronically as a Word document. The District's Information Technology staff can assist employees with setting up electronic folders or other methods of electronically archiving e-mail messages. However, all e-mail messages that are retained electronically must be easy to retrieve, view and print out, if necessary.

5.3.8. For projects that involve two or more employees, any e-mails pertaining to a specific project should be retained in that project's central file(s). Employees should work with Information Technology staff on the best method for central storage of e-mails on a project to make sure the e-mails remain easily accessible to everyone.

5.3.9. In addition, any e-mail messages that relate to a claim or a potential claim against the District must be preserved. Likewise, any e-mail messages that may relate to a lawsuit filed against the District, even if a subpoena or court order for such e-mail messages has not yet been issued, must be preserved. Under newly enacted federal rules regarding electronic discovery, any information stored electronically, including e-mail messages, must be produced for a requesting party. A court can impose severe penalties if e-mail messages relevant to a lawsuit are deliberately destroyed when it is known, or should have reasonably been anticipated, that a claim or lawsuit could be filed against the District. There are no penalties if electronic information is "lost" through "the routine operation of an electronic information

system” (i.e., automatic deletion after a period of time; automatic overwriting of backup tapes, etc.). (Rule 37(f) of the Federal Rules of Civil Procedure.) However, the District has a duty to preserve any relevant data when there is even a hint of possible litigation. Therefore, when District employees become aware of a potential claim, an actual claim, or a lawsuit against the District, they must preserve any e-mail messages and attachments that have any information relevant to that matter. The District’s General Counsel can provide you with guidance on these issues.

6. RISK MANAGEMENT AND INSURANCE

In the implementation of the Risk Management, Bryon-Brentwood-Knightsen Union Cemetery District will insure those risks which Bryon-Brentwood-Knightsen Union Cemetery District deems appropriate using an insurance professional who is knowledgeable about the market, who understands or is willing to learn about Bryon-Brentwood-Knightsen Union Cemetery District operations, is an assertive advocate for Bryon-Brentwood-Knightsen Union Cemetery District’s interests, and is organized and responsive to Bryon-Brentwood-Knightsen Union Cemetery District’s needs. Special District Risk Management Association (SDRMA) has covered the BBKUCD for a number of years, providing us with both Liability and Worker’s Compensation coverage.

7. INVESTMENT POLICY

Byron-Brentwood-Knightsen Union Cemetery District has adopted an Investment Policy in compliance with the California Government Code 53646, and subsections 53646(a), 53646(b)(1), 53646(c), and 53646(e). The Investment Policy is a separate document entitled, “BYRON-BRENTWOOD-KNIGHTSEN UNION CEMETERY DISTRICT STATEMENT OF INVESTMENT POLICY.” This document can be found on BBKUCD’s web site at:

<https://www.bbku.cd.org/district-transparency>

BYRON-BRENTWOOD-KNIGHTSEN UNION CEMETERY DISTRICT Records Retention

The purpose of this policy is to: provide guidelines to staff regarding the retention or disposal of Byron-Brentwood-Knightesen Union Cemetery District's (BBKUCD) records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

1. Death and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

2. The Board of Directors authorize the General Manager to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, specified below.

3. Pursuant to the provisions of California Government Code §§60200 through 60203, and the guidelines prepared by the California Secretary of State's office, the California State Archives Division, and the State Controller's office, the following qualifications will govern the retention and disposal of records of the BBKUCD.
 - A. Duplicate records, papers and documents may be destroyed at any time without the necessity of Board authorization or copying to photographic or electronic media.

 - B. Originals of records, papers, and documents more than two years old that were prepared or received in any manner other than pursuant to State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media.

 - C. In no instances are records, papers, or documents to be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.

 - D. Records, papers, or documents which are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:
 1. The record, paper or document is photographed, microphotographed, reproduced on film of a type approved for permanent photographic records by the National Bureau of Standard, or copied to an approved electronic media.

 2. The device used to reproduce such record, paper, or document on film, or retrieves and prints the document from the electronic media, is one which accurately reproduces the original thereof in all details; and,

 3. The photographs, microphotographs, or other reproductions on film are placed in conveniently accessible files and provisions are made for preserving,

examining, and using the same, together with documents stored via electronic media.

4. Any accounting record except the journals and ledgers which are more than five years old, and which were prepared or received in any manner other than pursuant to State statute may be authorized for destruction, provided that:

A. There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc.

B. There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;

C. Said audit report or reports were prepared pursuant to procedures outlined in Government Code Section 26909 and other State or Federal audit requirements, and that;

D. Said audit or audits contain the expression of an unqualified opinion.

5. Any accounting record created for a specific event or action may be destroyed upon authorization five years after said event has in all respects terminated. Any source document detailed in a register, journal, ledger, or statement may be authorized for destruction five years from the end of the fiscal period to which it applies.

6. All payroll and personnel records shall be retained indefinitely. Originals may upon authorization be destroyed after seven years retention, provided said records have been microfilmed and qualify for destruction section 4, above. Payroll and personnel records include the following:

A. Accident reports, injury claims and settlements.

B. Applications, changes, and terminations of employees.

C. Classification specifications (job descriptions).

D. Performance evaluation forms.

E. Earning records and summaries.

F. All assessing records may upon authorization be destroyed after seven years retention from lien date; however, their records may be destroyed three years after the lien date when said records are microfilmed as provided for section 4, above.

G. Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution may be destroyed if microfilmed as provided for in section 3090.4.4, above. Terms and conditions of bonds warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than ten years if microfilmed as provided for in section 4, above. Paid bonds, warrant certificates and interest coupons may be destroyed after six months if detailed payment records are kept for ten years.

7. Minutes of the meetings of the Board of Directors are usually retained indefinitely in their original form. However, they may upon authorization be destroyed if said minutes are microfilmed as provided for in section 4, above. Recording tapes (or other media) of Board meetings will be kept for a period of one year from the date of the recorded meeting, after which they will be destroyed.

A. Construction records, such as bids, correspondence, change orders, etc., shall not be kept more than seven years unless they pertain to a project which includes a guarantee or grant and, in that event, they shall be kept for the life of the guarantee or grant plus seven years. As-built plans for any public facility or works shall be retained as long as said facility is in existence.

B. Contracts should be retained for its life plus seven years. Any unaccepted bid or proposal for the construction or installation of any building, structure or other public work which is more than two years old may be destroyed.

C. Property records, such as documents of title, shall be kept until the property is transferred or otherwise no longer owned by the District.

Appendix A **Definitions for Records Retention and Disposal Policy**

1. AUTHORIZATION. Approval from the General Manager, as authorized by the District's Board of Directors.

2. ACCOUNTING RECORDS. Include but are not limited to the following:

a. SOURCE DOCUMENTS

- (1) Invoices
- (2) Warrants
- (3) Cash Receipts
- (4) Bank Statements
- (5) Bank Deposits
- (6) Checks
- (7) Bills
- (8) Various accounting authorizations taken from Board minutes, resolutions, or contracts

b. JOURNALS

- (1) Cash Receipts
- (2) Accounts Receivable or Payable Register
- (3) Check or Warrant (payables)
- (4) General Journal
- (5) Payroll Journal

c. LEDGERS

- (1) Expenditure
- (2) Revenue
- (3) Accounts Payable or Receivable Ledger
- (4) Construction
- (5) General Ledger
- (6) Assets/Depreciation

d. TRIAL BALANCE

e. STATEMENTS (Interim or Certified - Individual or All Fund)

- (1) Balance Sheet
- (2) Analysis of Changes in Available Fund Balance
- (3) Cash Receipts and Disbursements
- (4) Inventory of Fixed Assets (Purchasing)

f. JOURNAL ENTRIES

g. PAYROLL and PERSONNEL RECORDS include but are not limited to the following:

- (1) Accident reports, injury claims and settlements
- (2) Applications, changes, or terminations of employees
- (3) Earnings records and summaries
- (4) Insurance records of employees
- (5) Job Descriptions
- (6) Timecards

h. OTHER

- (1) Inventory Records (Purchasing)
- (2) Capital Asset Records (Purchasing)
- (3) Depreciation Schedule

3. LIFE. The inclusive or operational or valid dates of a document.

4. RECORD. Any paper, bound book or booklet, card, photograph, drawing, chart, blueprint, map, tape, microfilm, or other document, issued by or received in a department, and maintained and used as information in the conduct of its operations.

5. RECORD COPY. The official District copy of a document or file.

6. RECORD SERIES. A group of records, filed together, and having the same reference and retention value.

7. RECORDS CENTER. The site was selected for storage of inactive records.

8. RECORDS DISPOSAL. The planning for and/or the physical operation involved in the transfer of records to the Records Center, or the authorized destruction of records pursuant to the approved Records Retention Schedule.

9. RECORDS RETENTION SCHEDULE. The consolidated, approved schedule list of all District records which timetables the life and disposal of all records.

10. SALES, BURIAL AND DEATH RECORDS. Records which, because of the information they contain, are essential to one or all the following:

- a. The resumption and/or continuation of operations;
- b. The recreation of legal and financial status of the District, in case of a disaster;
- c. The fulfillment of obligations to bondholders, customers, and employees.

BBKUCD Records include but are not limited to the following:

- (1) Agreements
- (2) Annexations and detachments
- (3) Audits
- (4) Contract drawings
- (5) Deeds
- (6) Depreciation schedule
- (7) District insurance records
- (8) Documents relating to the formation, change of organization, or reorganization of the district
- (9) Employee accident reports, injury claims & settlements
- (10) Employee earning records
- (11) Employee insurance records
- (12) Facility improvement plans
- (13) Individual claims/settlements
- (14) Inventory
- (15) Ledgers
- (16) Licenses & permits (to operate)
- (17) Loans & grants
- (18) Maps
- (19) Minutes of Board meetings
- (20) Pending Claims or litigation documents
- (21) Payroll register
- (22) Policies, Rules & Regulations
- (23) Rights of ways & easements
- (24) Spray permits
- (25) Statements of Economic Interest
- (26) Warrant/Voucher register
- (27) Warrants (with backup)