



ADMINISTRATIVE POLICIES AND PROCEDURES

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These Administrative Policies and Procedures are intended to guide the Executive Director of the Commission in administrative practices, including procurement, contract administration, securing professional services, grant administration, grant application, personnel recruitment and selection, and interview guidelines. These procedures may be modified if warranted by extraordinary conditions. These policies are established by the Executive Director of the Commission and may be modified by the Executive Director as he or she deems necessary.

I. PROCUREMENT

The following policies and procedures shall be followed by the El Dorado County Transportation Commission (EDCTC) staff in securing equipment and supplies and in the award and execution of contracts for professional services.

A. POLICIES

1. The Executive Director's office shall be responsible for EDCTC procurement administration.
2. All items or services over \$1,000 shall be purchased from the lowest bidder in a competitive process unless a sole source procurement is justified.
3. A sole source justification must be approved by the Executive Director. Sole source is justified when: 1) only one firm or vendor can provide the product or service, 2) time would prevent a formal bidding process, 3) a previously provided service is being continued.
4. Items shall be purchased on the basis of the lowest price except from a Disadvantaged Business Enterprise (DBE) provided that the DBE price is within 5% of the overall low price with a difference not to exceed \$2,000. In all cases, the item shall be purchased from a responsible, qualified vendor.
5. The item or service to be procured shall be included in the approved EDCTC budget.
6. "Open" purchase orders, i.e., "master bids" may be issued provided that the procedures described below are followed.

B. PROCEDURES

1. Purchases of \$1,000 or less
 - a. Items purchased by staff member shall be authorized by the Executive Director.
 - b. Submit documentation (i.e. receipts) to the Administrative Services Officer.
2. Purchases of \$1,001-\$5,000
 - a. Unless sole source is justified, a minimum of two vendors should be contacted to obtain bids before the purchase.
 - b. Approval of Executive Director required together with the rationale for the purchase.
 - c. Item or service shall be purchased by staff member authorized by the Executive Director.
 - d. Documentation shall be submitted to the Administrative Services Officer.
3. Contracts and Purchases over \$5,000
 - a. Must obtain Commission approval. If special conditions arise relative to health, safety, or essential operating needs, it may be necessary to enter contracts for amounts over \$5,000 without prior approval of the Commission. The Commission shall be informed and shall ratify any action taken under special conditions at the first available meeting of the Commission.

- b. Procedures for the selection and contracting of professional services are detailed in the Professional Services Policies and Procedures section.

C. DEPRECIATION POLICY

EDCTC in accordance with 2 CFR 225 Cost Principles for State Local and Indian Tribal Governments, Appendix B Selected Items of Costs, item 15 a. (2), utilizes a depreciation policy as follows:

“15 a. (2) “Equipment” means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of (a) the capitalization level established by the governmental unit for financial statement purposes, or (b) \$5000.”

- EDCTC’s fixed assets are defined as assets with a useful life greater than one year and costing \$1,000 or more in aggregate.
- Depreciation will generally be calculated on the straight line method using the estimated useful life of the assets as determined by the Internal Revenue Service.

D. DISPOSAL OF SURPLUS PROPERTY

The Commission shall dispose of surplus property through a negotiated contract with an auction company. The auction company shall be responsible for the transportation, sales, and advertisement of the property for the purpose of selling at a public auction.

The Executive Director will bring to the Commission a list of property to be designated as surplus property. Commission members and staff are not eligible to bid on Commission property designated as surplus property for auction unless otherwise determined by the Commission.

The Commission may make available to community based organizations engaged in the pursuit of public purposes those items of surplus property found by the Commission not required or adequate for EDCTC use. The transfer of personal property to such organizations shall be made in accordance with Government Code §25365 and §25372 and pursuant to a written agreement.

Property found to be beyond economical repair or of no value shall, at the discretion of the Executive Director, be disposed of in any manner the Executive Director deems appropriate. Such determination of no value shall exempt items from placement in the surplus pool.

II. CASH MANAGEMENT POLICY

The Executive Director is authorized to sign checks for scheduled, budget, and approved expenses up to \$15,000. All checks over \$15,000 require a second signature. Commission approval is required to increase this amount. This section, Cash Management Policy, may be taken as a lone agenda item without the full Administrative Policies and Procedures to request the increase.

The EDCTC Executive Director, Chair, Vice Chair, and one other Commissioner are authorized signers. Annually, to coincide with the election of the new Chair and Vice Chair, the Administrative Services Officer is responsible for obtaining updated Umpqua Account Agreements and confidential signer information.

III. INVESTMENT POLICY

A. INTRODUCTION

The following is the investment policy and guidelines of the El Dorado County Transportation Commission presented in accordance with §53600 et seq of the California Government Code.

This investment policy is intended to provide a guideline for the prudent investment of EDCTC money not immediately required to meet the financial obligations of the Commission and applies to all activities of the EDCTC with regard to investing the financial assets of the Administrative and Trust Funds.

B. BASIC POLICY AND STATEMENT OF OBJECTIVES

It is the objective of this policy to provide a system which will accurately monitor and forecast revenues and expenditures so the EDCTC can invest funds to the fullest extent possible. Funds of the EDCTC will be invested in accordance with sound treasury principles with the following priorities:

1. **Safety of Principal:** Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal. The Executive Director shall evaluate, or cause to be evaluated, each potential investment, seeking both quality in issuer and in underlying security or collateral.
2. **Liquidity:** Investments shall be made whose maturity dates are compatible with cash flow requirements and which will permit easy, rapid conversion into cash without substantial loss of value.
3. **Return on Investment:** Investments shall be undertaken to attain market rates of return, consistent with constraints imposed by the safety objectives and cash flow consideration.

C. PRUDENCE

The Executive Director will put forth his or her best efforts to forecast accurately the revenues and cash needs of the Commission, in order to provide for investment of monies to the fullest extent possible.

EDCTC shall manage the investment portfolio under the Prudent Person Rule which states, in essence, that “a Trustee shall exercise the judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.” The application of this rule opens up a broad spectrum of investment opportunities as long as the investment is deemed prudent and is permissible under currently effective legislation of the State of California and this policy.

Specifically, investments will be made only in securities and with financial institutions in which EDCTC is legally empowered to invest such funds, in accordance with the terms and conditions of §53600 through §53693 of the Government Code of California.

D. ACCEPTABLE INVESTMENT INSTRUMENTS

The Commission’s portfolio may include investments only in the following instruments:

1. **Passbook Savings Accounts and Money Market/ Management Checking Accounts:** These savings accounts may be maintained in local branches of commercial banks and/or savings and loans associations. Amounts maintained in

- such accounts shall be fully insured by the United States Government or collaterally in a manner acceptable to the EDCTC.
2. **State Local Agency Investment Fund (LAIF):** The LAIF was established by the State of California to enable treasurers to place funds in a pool for investments. There is a limitation of \$40 million per agency subject to a maximum of fifteen (15) total transactions per month.
 3. **Certificates of Deposit:** Cash may be invested only in federally insured or fully collateralized certificates of deposit. Collateral for given investment, when applicable, must be in accordance with California Government Code §53600 et seq.

The investment institution must meet the following criteria to be considered by EDCTC:

- The institution must not be less than four (4) years old;
- The institution must maintain a new worth-to-asset ratio of at least 3.5%, and a positive earnings record;
- The institution must be located in California.

E. PROHIBITED INVESTMENT PRACTICES AND INSTRUMENTS

Certain investment practices and instruments are inconsistent with the first objective of this policy – safety of invested funds, and therefore are prohibited.

The EDCTC shall not engage in leveraged investing, such as margin accounts or any form of borrowing for the purpose of investment.

F. SUMMARY

The EDCTC will strive to maintain the level of investment of funds not immediately active as near to 100% as possible. However, the basic premise underlying the Commission's investment policy is to insure the safety of principal and to provide funds when needed.

In order that the EDCTC Board may monitor the handling of invested funds, a full report detailing all investments will be submitted on an annual basis.

The Executive Director will review this Policy at least once a year and may modify the Policy as appropriate to the EDCTC needs and current law.

IV. CONTRACT ADMINISTRATION

A. CONTRACTING PROCEDURES

1. **Overall Coordination:** The lead staff member for the particular project, under the direction of the Executive Director, coordinates and manages the Request for Proposals (RFP) process; this includes the development of a schedule for the RFP process, organization of a consultant selection committee, development of a bidders list, and preparation of an advertisement.
2. **RFP Preparation:** The lead staff member, under the direction of the Executive Director, prepares the RFP according to the procedures described in Professional Services Policies and Procedures, Section IV.
3. **Issuance of RFP:** After Executive Director approval, the lead staff member issues the RFP in accordance with Professional Services Policies and Procedures, Section IV.
4. **Close of RFP Deadline:** Upon close of the RFP deadline, the lead staff member:
 - a. Coordinates an evaluation of the proposal and checks references as outlined in

Professional Services Policies and Procedures, Section IV. Interviews with applicants will be held if deemed necessary

- b. Notifies the successful bidder and the unsuccessful bidders of the results of the selection process. The Commission reserves the right to reject all bids.
- c. Upon completion of contract negotiation, prepares consultant contract agreement and submits such agreement to legal counsel for review and approval. Upon approval by legal counsel, the agreement is then transmitted to the consultant for execution, with the consultant returning two signed copies. Both signed agreements shall then be executed by the Executive Director of EDCTC, and one signed agreement shall be returned to the consultant. The other signed agreement shall be entered in the EDCTC contract file.

V. PROFESSIONAL SERVICES, POLICIES, AND PROCEDURES

These policies and procedures pertain to any and all agreements for services including services of attorneys, planners, engineers, consultants, or other individuals or organizations possessing a high degree of technical skill, and all other types of agreements under which the contract provides services that are required by the EDCTC but not furnished by EDCTC staff.

The purpose of this procedure is to ensure an open, fair, and competitive process for selection of qualified professional consultants to perform work for the EDCTC.

A. POLICIES

1. A Request for Proposal (RFP) will be issued whenever there is a need for work to be performed by other than EDCTC staff.
2. The RFP shall contain all information necessary for a prospective bidder to adequately submit a proposal for the completion of the project. An RFP should contain sufficient information as to the required form and particulars of the service sought so that the proposals received can be equitably compared on the basis of the same facts and information.
3. Contracts for services anticipated to cost less than \$5,000 may be awarded through direct negotiation. At the discretion of the Executive Director, the RFP process may be omitted in such circumstances.
4. EDCTC will take all reasonable steps to ensure that disadvantaged business enterprises (DBEs) have the maximum opportunity to compete for and perform contracts.

B. FORM AND CONTENT OF THE REQUEST FOR PROPOSALS

An RFP should contain, but not be limited to, all of the following:

1. **Introduction:** This section of the RFP should set forth and describe, as appropriate, the agency requesting the services.
2. **Background:** This section of the RFP should provide pertinent background information relative to the project.
3. **Project Summary and Description:** This section of the RFP should provide summary information about the agreement, including the source of funds, invoicing requirements, and the contract award process.
4. **Scope of Work and Services:** This section of the RFP should provide a detailed description of the scope of work necessary to complete the project. The focus should be on the types of activities and results expected. The scope of work and services may be stated such that the proposer may develop a creative approach to the work.

5. **Contract Deliverables:** This section of the RFP should describe the tasks, schedules, and intermediate products that are expected. This section will describe the expected end result of the work effort.
6. **Contact Persons:** This section of the RFP should include information relative to the EDCTC lead staff member.
7. **Project Timetable:** This section of the RFP should include all dates pertinent to the RFP, including: issuance of the RFP, closing date for receipt of proposals, date finalists are to be contacted to schedule interviews, interview schedule, anticipated contract award, and start of project.
8. **General Conditions:** This section of the RFP should include information relative to EDCTC limitations, contract award process, RFP Addendum requirements, and contract arrangements.
9. **Proposal Content and Organization:**
 - a. **Transmittal Letter:** The transmittal letter should include the name, title, address, phone number, and original signature of an individual with authority to negotiate on behalf of and to contractually bind the consulting firm, and who may be contacted during the period of proposal evaluation.
 - b. **Table of Contents:** A listing of the major sections in the proposal and the associated page number.
 - c. **Introduction:** In this section, the proposer should demonstrate an adequate understanding of the role and relationships of EDCTC.
 - d. **Technical Approach:** This should include a summary of the proposed approach, and explanation of the consultant's intended role as related to the project, a thorough explanation of the consultant's proposed course of action, and an itemized description of the proposed project schedule and the deliverables to be produced.

Project Management: The proposer must explain the project management system and practices designed to assure that the project is completed within the scheduled time frame and that the quality of the required products will meet the requirements.
 - f. **Consultant and Subcontractor Staff:** The proposal must describe the qualifications and experience of each professional who will participate in the project, including a resume for each member of the project team. A project manager must be designated, and an organizational chart showing the manager and all project staff must be included. If a subcontractor will be used, the proposer must include a letter from the subcontractor committing to perform the work.
 - g. **Consultant Qualifications and References:** The proposal must describe the nature and outcome of projects previously conducted by the consultant that are related to the work described within the RFP. Descriptions should include client contact names, addresses, and phone numbers. Up to two samples of the consultant's work on closely related projects may be included with the proposal, if available.
 - h. **Cost Proposal:** The cost proposal shall describe both the total and the detailed price for which the consultant will commit to complete the total scope of work and end products.
10. **Proposal Evaluation and Selection:** This section of the RFP should describe the process for the evaluation of contracts detailed in the Awarding of Contracts section.
11. **Payment Schedule:** This section of the RFP should include the process for invoicing EDCTC for payment for work performed. EDCTC may withhold ten percent (10%) of all payments until the successful completion of the project and delivery and acceptance of all final products.

C. REQUEST FOR PROPOSALS DISTRIBUTION

The RFP will be issued and posted on the EDCTC website, social media, and advertised in newspapers of general circulation as necessary. Firms identified as having potential for selling the item or providing the service, including those in established EDCTC consultant files, will be notified of the intentions of EDCTC to accept proposals. Any qualified firm or consultant requesting an RFP will be provided one and placed on a consultant list for future distribution.

EDCTC will take all reasonable steps to ensure that Disadvantaged Business Enterprises (DBEs) are afforded a maximum opportunity to participate in the proposal process.

D. AWARDING OF CONTRACTS

1. **Evaluation of Proposals:** A panel of technically competent persons, including appropriate staff members, will be formed to evaluate the proposals. Each proposal will be evaluated for its responsiveness to the RFP and the established evaluation criteria. The panel will formulate a recommendation for selection to the Executive Director. The evaluation panel's analysis of proposals will be documented.
2. **Interviews and Reference Checks:** Based upon the recommendation of the evaluation panel, consulting firms may be interviewed pending further consideration. Regardless of whether interviews are conducted, professional references provided by the consultant will be contacted.
3. **Contract Negotiations and Execution:** Based on the recommendation of the review panel and the reference checks, the Executive Director shall select and notify one bidder who has been selected for contract negotiations. Contracts of \$5,000 or more must be approved by the Commission.

Once approval is granted, the Executive Director has the authority to approve and sign any and all necessary documentation on behalf of the EDCTC.

E. CONTRACT MODIFICATIONS

Occasionally, situations may arise in which the EDCTC or consultant may wish to modify the cost, scope, or products of a contract.

1. **Modification Proposal:** Modifications may be proposed by the EDCTC or the consultant.
2. **Analysis:** The lead staff member, in conjunction with the consultant and Executive Director, performs an analysis of the proposed modification, including change to timelines, products, and costs.
3. **Determination:** Based on the analysis, the Executive Director makes a determination on the proposed modification.
 - a. Minor Modifications. Minor changes may be executed on the decision of the Executive Director, which is considered final.
 - b. Major Modifications. Major changes, including those which increase contract costs by \$5,000 or more, must be approved by the Commission.
4. **Execution:** Based on the determination of the Executive Director or Commission action, the modification is executed after review and approval of legal counsel.

VI. GRANT ADMINISTRATION

A. GRANT AGREEMENTS

1. **Receipt:** EDCTC receives agreements to perform work as specified in the approved Overall Work Program (OWP).
2. **Administration:** Each grant will have a Project Manager designated by the Executive Director.
3. **Administrator Responsibilities:** The designated Project Manager:
 - a. Records receipt of agreement
 - b. Reviews grant conditions
 - c. Obtains review by legal counsel
 - d. Obtains authorized EDCTC signatures
 - e. Transmits executed agreement to appropriate parties
 - f. Notifies appropriate staff of agreement approval
 - g. Files agreement in EDCTC Agreement file

B. THIRD PARTY AGREEMENTS WITH PARTICIPATING AGENCIES

Third party agreements with participating agencies describe grants which are awarded to and administered by EDCTC, but whose tasks are performed by another government agency.

1. **Agreement Preparation:** Project Manager prepares agreement including:
 - a. Continuing cooperative agreement
 - b. Resolution for Performance of Services, including an authorization to incur costs
2. **Agreement Documentation:** Project Manager enters agreement into pending file and transmits agreement to third party for execution. In order for costs to be incurred on a project (work element), there must be a management authorization letter countersigned by the appropriate EDCTC project manager and the participating agency manager.

The Project Manager receives and files executed agreements and management letters from the participants.

C. THIRD PARTY AGREEMENTS WITH CONSULTANTS

Third party agreements with consultants describe grants which are awarded to and administered by EDCTC, but whose tasks are performed by a consultant.

1. **Determination to Contract:** Prior to soliciting bids for consultant to perform work specified in the OWP, the lead staff member assigned to the work and the Executive Director develop a recommendation whether to use a consultant or EDCTC staff to perform the work.
2. **Requests for Proposals (RFP):** When the use of a consultant contract is deemed necessary, procedures outlined in the Contract Administration section shall be followed.

VII. GRANT APPLICATION POLICIES AND PROCEDURES

A. DEVELOPMENT

1. **Initiation:** EDCTC staff initiates development of the concept for a new grant by the staff member transmitting the proposal to the Executive Director. The proposal should include:
 - a. A brief description of the grant activity
 - b. Relationship of the grant activity to EDCTC planning program

- c. EDCTC capacity to perform
- d. Total budget estimate
2. **Concept Approval:** The Executive Director evaluates the grant application concept and makes a recommendation to the Commission. Commission approval is required for all grant funded projects as specified in the approved Overall Work Program.
3. **Application Development:** Once the grant concept is approved, the application is developed. Under the direction of the Executive Director, the lead staff member coordinates the development of the grant. The staff member prepares the proposal development schedule and the budget, the administrative "boiler plate", and transmittal letter. The staff member also prepares the detailed grant program description (i.e., work program, estimate of resources, staff weeks, and direct costs).
4. **Application Approval:** The Executive Director reviews and finalizes the grant proposal and transmits the grant application to the funding agency.

VIII. RECORDS MANAGEMENT

The purpose of a records management program is to apply efficient and economical methods to the creation, utilization, maintenance, retention, preservation, and disposal of all EDCTC records. Files shall be reviewed for purging once each year by the Executive Director. A record of purged files shall be maintained. The adopted Retention Schedule will be followed.

A. PUBLIC RECORDS POLICY

A component of the records management system is the procedure for providing access to public records. The EDCTC will follow the Procedure for Disclosure of Public Records adopted by the Commission, Resolution 93/94.03 pursuant to Government Code Section 6250.