

AGENDA
REGULAR BOARD MEETING OF THE
SAN ELIJO JOINT POWERS AUTHORITY
NOVEMBER 18, 2025 AT 8:30 A.M.
SAN ELIJO WATER CAMPUS – BOARD MEETING ROOM
2695 MANCHESTER AVENUE
CARDIFF BY THE SEA, CALIFORNIA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS/PUBLIC COMMENT PERIOD (NON-ACTION ITEM)
5. NEW HIRES, AWARDS AND RECOGNITION –

Recognition of Service to SEJPA –

Daniel Verdon – 5 Years

Recognition of Recent Achievement –

Evan Fox – State Water Resources Control Board – Wastewater Treatment Plant
Operator Grade III

6. * **CONSENT CALENDAR**
7. * [APPROVAL OF MINUTES FOR OCTOBER 21, 2025 MEETING](#)
8. * [APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT
REPORTS – OCTOBER 2025](#)
9. * [WASTEWATER TREATMENT REPORT – SEPTEMBER 2025](#)
10. * [RECYCLED WATER REPORT – SEPTEMBER 2025](#)
11. * [REPORTABLE MEETINGS](#)
12. * [SAN ELIJO JOINT POWERS AUTHORITY FINANCIAL POLICIES](#)
13. * [PURPOSELY LEFT BLANK](#)

14. * [PURPOSELY LEFT BLANK](#)

15. * ITEMS REMOVED FROM CONSENT CALENDAR

Items on the Consent Calendar are routine matters and there will be no discussion unless an item is removed from the Consent Calendar. Items removed by a "Request to Speak" form from the public will be handled immediately following adoption of the Consent Calendar. Items removed by a Board Member will be handled as directed by the Board.

REGULAR AGENDA

16. [CAPITAL PROGRAM UPDATE & FACILITY PLAN WORKSHOP](#)

1. Discuss and take action as appropriate.

Staff Reference: Director of Infrastructure and Sustainability

17. GENERAL MANAGER'S REPORT

Informational report by the General Manager on items not requiring Board action.

18. GENERAL COUNSEL'S REPORT

Informational report by the General Counsel on items not requiring Board action.

19. BOARD MEMBER COMMENTS

This item is placed on the agenda to allow individual Board Members to briefly convey information to the Board or public, or to request staff to place a matter on a future agenda and/or report back on any matter. There is no discussion or action taken on comments by Board Members.

20. CLOSED SESSION

None.

21. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Tuesday, December 09, 2025 at 8:30 a.m.

NOTICE:

The San Elijo Joint Powers Authority's open and public meetings comply with the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C Section 12132), and the federal rules and regulations adopted in implementation thereof. Any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting of the SEJPA Board of Directors, may request such modification or accommodation from Michael T. Thornton, General Manager, (760) 753-6203 ext. 72.

The agenda package and materials related to an agenda item submitted after the packet's distribution to the Board are available for public review in the lobby of the SEJPA Administrative Office during normal business hours. Agendas and minutes are available at www.sejpa.org. The 2025 SEJPA Board meetings schedule, adopted following the January 2025 SEJPA Board Meeting, is available at [SEJPA Board Meeting Dates](#).

AFFIDAVIT OF POSTING

I, Michael T. Thornton, Secretary of the San Elijo Joint Powers Authority, hereby certify that I posted, or have caused to be posted, a copy of the foregoing agenda on the SEJPA website at www.sejpa.org, and in the following locations:

- San Elijo Water Campus (formerly known as San Elijo Water Reclamation Facility), 2695 Manchester Avenue, Encinitas, California
- City of Encinitas, 505 South Vulcan Avenue, Encinitas, California
- City of Solana Beach, 635 South Highway 101, Solana Beach, California

The original agenda was published on Thursday, November 13, 2025, at least 72 hours prior to the meeting, in accordance with Government Code Section 54954.2(a).

Date: November 18, 2025

A handwritten signature in black ink, appearing to read 'M. Thornton', is written over a horizontal line.

Michael T. Thornton, P.E.
Secretary / General Manager

Agenda Item No. 07

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON OCTOBER 21, 2025
AT THE SAN ELIJO WATER CAMPUS

Kristi Becker, Chair

Luke Shaffer, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Tuesday, October 21, 2025, at 8:30 a.m., at the San Elijo Water Campus.

1. CALL TO ORDER

Board Chair Becker called the meeting to order at 8:31 a.m.

2. ROLL CALL

Directors Present:

Board Chair

Kristi Becker

Vice Chair

Luke Shaffer

Board Member

David Zito

Board Member

Jim O'Hara (arrived 8:38 a.m.)

Others Present:

General Manager

Michael Thornton

Director of Operations

Christopher Trees

Director of Infrastructure and Sustainability

Thomas Falk

Director of Finance and Administration

Kevin Lang

Administrative Coordinator

Vanessa Hackney

SEJPA Counsel:

Snell and Wilmer

Tracie Stender

City of Encinitas/San Dieguito Water District

Principal Engineer

Elmer Alex

City of Solana Beach:

Public Works Director

Orelia DeBaal

3. PLEDGE OF ALLEGIANCE

Board Chair Becker led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

Recognition of Service to SEJPA:

Michael (Mike) Thornton – 25 Years

Awards -

WaterReuse Association of California:

2025 Outreach and Education Program of the Year – Water Career Day

Recycled Water Customer of the Year – Encinitas Ranch Golf Association

6. CONSENT CALENDAR

Agenda Item No. 7	Approval of Minutes for the September 16, 2025 Board Meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report – September 2025
Agenda Item No. 9	Wastewater Treatment Report – August 2025
Agenda Item No. 10	Recycled Water Report – August 2025
Agenda Item No. 11	Reportable Meetings
Agenda Item No. 12	As-Needed Professional Engineering Services Agreement Amendment with Trussell Technologies
Agenda Item No. 13	Purposely Left Blank
Agenda Item No. 14	Purposely Left Blank

Moved by Board Chair Becker and seconded by Board Member Zito to approve the Consent Calendar.

Motion carried with the following vote of approval:

AYES:	Becker, Shaffer, O'Hara, Zito
NOES:	None
ABSENT:	None
ABSTAIN:	None

16. SAN ELIJO JOINT POWERS AUTHORITY RECYCLED WATER PROGRAM – PROPOSED WHOLESALE AGREEMENT AMENDMENT 7

Director of Finance and Administration, Kevin Lang, reported that since the execution of the original wholesale Agreement with Santa Fe Irrigation District (SFID), SFID and SEJPA have

worked together to amend the agreement when needed for contractual items. The Agreement's current Sixth Amendment is set to expire on June 30, 2031, which includes a provision expiring June 30, 2026 limiting annual price increases to no greater than five (5) percent annually.

Staff met with representatives from SFID to collaboratively develop the proposed Seventh Amendment to the Agreement for Sale of Reclaimed Water. The Amendment will suspend the annual cap on price increases to align with San Elijo's recently adopted recycled water rates for calendar years 2026 through 2029, establish framework for the next recycled water cost of service study, and more closely align SFID's minimum annual purchase volume with that of other recycled water customers by lowering it from 375 AF to 325 AF per year through 2031.

Moved by Board Member Zito and seconded by Vice Chair Shaffer to:

1. Authorize the General Manager to execute the Seventh Amendment to the Agreement for the Sale of Reclaimed Water to the Santa Fe Irrigation District, subject to final negotiations with the Santa Fe Irrigation District and review by General Counsel.

Motion carried with the following vote of approval:

AYES: Becker, Shaffer, O'Hara, Zito
NOES: None
ABSENT: None
ABSTAIN: None

17. 2026 CLASSIFICATION AND COMPENSATION STUDY

Director of Finance and Administration Kevin Lang presented information on the upcoming 2026 Classification and Compensation Study. SEJPA employees are currently working under the final year of a four-year Labor Agreement (Resolution No. 2025-02), which expires on June 30, 2026. In accordance with the Agreement's Competitiveness Assessment Decision provision, SEJPA is required to conduct a study and present the findings and recommendations to the Board of Directors prior to the Agreement's conclusion.

Staff recommended that an external firm conduct the 2026 study to provide an independent, market-based perspective. Reward Strategy Group (RSG) was recommended for this engagement, as the firm was recently selected to perform a similar study for the Encina Wastewater Authority, one of SEJPA's primary regional labor competitors.

The Board has previously indicated that positioning compensation between the 60th and 65th percentile of the labor market for comparable roles would help maintain competitiveness and support recruitment and retention goals. Table 1 outlines the agencies selected for benchmarking in the study.

Table 1 – Public agencies selected for Classification and Compensation Study

- | | |
|-------------------------------|--|
| • City of Encinitas | • Leucadia Wastewater District |
| • City of Escondido | • Olivenhain Municipal Water District |
| • City of Oceanside | • Padre Dam Municipal Water District |
| • City of San Clemente | • Santa Margarita Water District |
| • City of Solana Beach | • South Orange County Wastewater Authority |
| • Encina Wastewater Authority | • Vallecitos Water District |

The estimated cost to complete the Classification and Compensation Study is \$35,000 to \$40,000, depending on the final scope and number of comparator agencies. Sufficient funds are included in the Fiscal Year 2025 and 2026 operating budgets.

Moved by Vice Chair Shaffer and seconded by Board Member Zito to:

1. Provide guidance to the staff on any additional considerations or modifications for the completion of the Classification and Compensation Study; and
2. Authorize the General Manager to negotiate and execute an Agreement with Reward Strategy Group (RSG) for completion of the 2026 Classification and Compensation Study, based on the attached quote.

Motion carried with the following vote of approval:

AYES: Becker, Shaffer, O'Hara, Zito
NOES: None
ABSENT: None
ABSTAIN: None

18. **WANKET TANK LEAK MITIGATION**

Director of Infrastructure and Sustainability, Tom Falk, reported that SEJPA has substantially completed the planned Wanket Tank Refurbishment project to convert a 50-year-old potable water concrete tank into a recycled water storage facility. The 3-million-gallon tank will provide critical operational storage, enabling SEJPA to meet peak summer demands and store recycled water during storm events. This additional capacity increases system flexibility and helps relieve pressure on the ocean outfall.

Following completion of the identified restoration activities at the Wanket Tank, SEJPA connected the tank to the recycled water system and filled it to test for watertightness. Although the tank was found to be structurally sound, a persistent leak was detected shortly after filling. SEJPA monitored the leak to measure flow rates and help identify potential leak locations.

In order to identify the location of the leak, staff mobilized underwater divers to perform dye testing. Based on the results of testing and inspection, the project engineer and specialty contractors concluded that the leakage is most likely originating from multiple small cracks or gaps within the floor slab and lower wall joints.

The project engineer, with staff concurrence, recommends applying a liquid-applied urethane coating system across the tank floor, all joints, and four feet up the walls. This coating is specifically designed for tank waterproofing.

The additional coating and professional services work will exceed the previously approved project budget by approximately \$870,000. SEJPA has sufficient cash on hand from the recycled water loan to fund the work.

Completion of the Wanket project remains one of SEJPA's highest-priority recycled water projects. The work is expected to retain eligibility for approximately \$885,000 in Proposition 1 Grant funding and up to \$1 million in Title XVI WIIN reimbursement.

The Wanket project budget adjustment will be accommodated by reprioritizing upcoming projects through the 2025 Facility Plan Update, ensuring fiscal prudence while maintaining system reliability and long-term value.

Moved by Board Member O'Hara and seconded by Vice Chair Shaffer to:

1. Authorize the General Manager to finalize negotiations and execute Contract Change Order No. 3 (CCO 3) with J.R. Filanc Construction in an amount of \$775,645 and extend the completion date as necessary to install interior coating in the Wanket Tank; and
2. Authorize the General Manager to execute Amendment 4 with CDM Smith in an amount of \$73,615 to provide construction management and inspection services for additional work and extend schedule on Wanket Tank Refurbishment Project; and
3. Authorize the General Manager to execute Amendment 5 with Ardurra in an amount of \$43,205 for additional engineering services on the Wanket Tank Refurbishment Project.

Motion carried with the following vote of approval:

AYES: Becker, Shaffer, O'Hara, Zito
NOES: None
ABSENT: None
ABSTAIN: None

19. ACCEPT THE BIOSOLIDS DEWATERING FACILITY IMPROVEMENTS CONSTRUCTION PROJECT

Director of Infrastructure and Sustainability, Tom Falk, presented the completion of the Biosolids Dewatering Facility Improvements Project (Project). The Project was identified as a high priority project for San Elijo in the 2015 Facility Plan. The project was awarded in January 2023 to GSE Construction in the amount of \$8,687,200.

In September 2025, GSE Construction completed the final contract scope for the Biosolids Dewatering Facility Improvement Project. Acceptance of the project by SEJPA and the filing of the Notice of Completion (NOC) will initiate closeout of the public works contract with the contractor, sub-contractors and suppliers. SEJPA will file the NOC with the San Diego

County Clerk and final retention payment will be made to the Contractor after acceptance and recordation of the NOC.

This project was completed within the Board-approved budget.

Moved by Board Member O'Hara and seconded by Vice Chair Shaffer to:

1. Authorize the General Manager to Accept the Biosolids Dewatering Facility Improvements (including MS-2 Replacement) Project on behalf of the SEJPA and record the project Notice of Completion.

Motion carried with the following vote of approval:

AYES: Becker, Shaffer, O'Hara, Zito
NOES: None
ABSENT: None
ABSTAIN: None

20. GENERAL MANAGER'S REPORT

General Manager, Michael Thornton, reported that on Friday, October 4, he presented at the Encinitas Historical Society on the history and public value of wastewater treatment in Encinitas.

He also reminded the Board that SEJPA will host the second annual Water Career Day at the SEJPA campus on Wednesday, October 22, 2025, an event designed to promote careers in the water and wastewater industry.

21. GENERAL COUNSEL'S REPORT

None.

22. BOARD MEMBER COMMENTS

None.

23. ADJOURNMENT

The meeting adjourned at 9:38 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, November 18, 2025 at 8:30 a.m.

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS

For the Month of OCTOBER 2025

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
45720	Advanced Air & Vacuum	Services - Maintenance	RW air compressor service	\$ 450.00
45721	Allied Storage Containers	Equipment Rental/Lease	20' and 40' storage containers - Sep	359.89
45722	ASCE Membership	Dues & Memberships	ASCE membership renewal - M. Thornton	321.00
45723	At&T	Utilities - Internet	Phone service - Sep	764.93
45724	Scott Best	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
45725	Brenntag Pacific, Inc	Supplies - Chem - Odor, Chemicals	Sodium Hydroxide and Citric Acid	6,411.35
45726	California Water Technologies	Supplies - Chem - Ferric Chlo	Ferric chloride solution	12,581.28
45727	County of San Diego	Fees - Permits	Permits	4,193.00
45728	Del Mar Blue Print	Printing	Grant signage	54.38
45729	Dixieline Lumber Company	Repair Parts Expense, Supplies - Shop & Field	Various supplies	378.46
45730	Dudek & Associates	Services - Engineering	GIS mapping and graphics development	1,240.00
45731	EDCO Waste & Recycling Service	Utilities - Trash	Sep trash disposal	520.68
45732	ERA	Supplies - Lab	Various lab supplies	327.20
45733	Eurofins Calscience, LLC	Services - Laboratory	Water sample testing	1,810.50
45734	Excel Landscape, Inc.	Services - Landscape	Irrigation upgrade and grounds maintenance service - Sep	10,001.20
45735	Evan E Fox	Seminars/Education	Employee reimbursement - WWTO grade III exam fee	399.00
45736	gafcon	Services - Professional, Contractors	Labor compliance for SW Capture and Wanket Tank - Aug	3,596.23
45737	Global Power Group Inc.	Services - Maintenance	Generator annual preventative maintenance	6,445.19
45738	Golf Carts and More Inc	Vehicle Maintenance	Operations cart battery conversion	4,078.74
45739	Grainger, Inc.	Shop Tools and Equip.	Various supplies	544.30
45740	The Hardwood & Hardware Co.	Capital Outlay	Building supplies	420.09
45741	Hardy Diagnostics	Supplies - Lab	Various lab supplies	832.79
45742	Helix Environmental Planning	Services - Professional	Environmental consulting - SW Capture and Reuse	729.84
45743	Leaf & Cole, LLP	Services - Accounting	Audit services - FY 24/25	3,350.00
45744	Liquid Environmental Solution	Services - Grease & Scum, Git & Screenings	Roll off box and pumping service	478.50
45745	Managed Mobile, Inc	Vehicle Maintenance	Vehicle maintenance	4,739.35
45746	McMaster-Carr Supply Co.	Repair Parts Expense	Various supplies	754.29
45747	MISCOWATER	Repair Parts Expense	Ferric chloride pump tubing	943.28
45748	Nautilus Environmental, Inc	Services - Laboratory	Laboratory toxicity testing services - Aug 25	1,215.00
45749	Cosby Oil Company, Inc	Fuel	Fuel - Sep	1,505.91
45750	Nth Generation	Licenses	Enterprise license renewal	200.70
45751	Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo	Procurement of Sodium Hypochlorite	11,336.72
45752	Otis Elevator Company	Services - Maintenance	Elevator maintenance - Sep	221.62
45753	PE Instruments	Services - Maintenance	Lomas Santa Fe flow meter calibration and installation	584.32
45754	Pencoco Inc.	Supplies - Chem - Odor	Liquid calcium nitrate	8,599.88
45755	Precision Balance Specialist	Services - Maintenance	Calibration of lab balances	405.00
45756	RingCentral, Inc	Utilities - Telephone	Phone service	530.90
45757	Robert Half International, Inc	Services - Temp	Temp service period ending - 08/08/25	2,780.92
45758	Rusty Wallis, Inc.	Supplies - Shop & Field	Water softener, tank service and salt bags	373.77
45759	Santa Fe Irrigation District	Utilities - Water	Water	115.80
45760	San Dieguito Water District	Utilities - Water	Water	3,338.16
45761	Snell & Wilmer L.L.P	Services - Legal	General counsel through Aug	3,658.80
45762	SWRCB	Dues & Memberships	Grade III certification application fees - E. Fox	311.00
45763	Tesco Controls	Services - Professional	SCADA support services	16,537.50
45764	Christopher A. Trees	Subsistence - Travel/Rm & Bd	Employee reimbursement - WEFTEC conference various expenses	1,837.48
45765	Trussell Technologies, Inc	Services - Professional	T1 - Operational support from - Aug	5,325.50

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS

For the Month of OCTOBER 2025

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
45766	USA Bluebook	Supplies - Chemicals, Shop & Field, Lab	Various lab supplies	2,504.32
45767	Valley CM, Inc.	Services - Professional	Management and inspection services - Aug	2,275.00
45768	Daniel Verdon	Supplies - Lab	Employee reimbursement - Lab supplies	126.07
45769	Verizon Wireless	Utilities - Telephone	08/11/25 - 09/10/25	615.02
45770	Volt Management Corp	Services - Temp	Internship program and temp service	13,892.16
45771	Benefits Coordinators Corp.	Dental/Vision	Vision - Oct	443.90
45772	WageWorks	Payroll Processing Fees	Admin fee - Sep	170.75
45773	Sterling Infosystems, Inc	Preemployment Screening	Security clearance report	181.23
45774	Abila	Licenses	Accounting software support and subscription	788.64
45775	Adam Kaye	Services - Professional	Public communications	600.00
45776	Aflac	EE Deduction Benefits Payable	Aflac - Oct	1,075.74
45777	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling and reuse - Sep	18,123.85
45778	Akeso Occupation Health	Services - Medical	Hearing test and physical exams	210.00
45779	At&T	Utilities - Internet	Internet service - Sep	2,183.33
45780	Atlas Copco Compressors LLC	Repair Parts Expense	RW air compressor parts	597.59
45781	Automation Direct	Repair Parts Expense	Lomas Santa Fe VFD	3,696.90
45782	Black & Veatch	Services - Engineering	Dewatering facilities upgrades through 09/05/25	3,745.00
45783	Boot World, Inc.	Uniforms - Boots	Safety boots - D. Kreinbring	223.00
45784	CA. Office Cleaning, Inc.	Services - Janitorial	Office and window cleaning	3,390.00
45785	Carollo Engineers	Services - Engineering	Engineering services through Sep	12,838.50
45786	CS-Amsco	Repair Parts Expense	Digester area gas valve	3,085.55
45787	City of Encinitas	Service - IT Support	Admin network - Oct	6,860.00
45788	ERA	Supplies - Lab	Various lab supplies	483.44
45789	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	962.00
45790	GHE Repair Service, Inc.	Services - Maintenance	Autoclave service	839.75
45791	Global Power Group Inc.	Services - Maintenance	Generator annual preventative maintenance	7,355.25
45792	Grainger, Inc.	Repair Parts Expense	Various supplies	997.08
45793	GSE Construction Company Inc.	Services - Contractors	Biosolids facilities improvements - Aug	182,042.84
45794	Hach Company	Supplies - Lab	Recycling bucket for lab	735.07
45795	Hardy Diagnostics	Supplies - Lab	Various lab supplies	984.91
45796	Idexx Distribution, Inc.	Supplies - Lab	Various lab supplies	1,479.59
45797	Manufacturers Edge	Repair Parts Expense	Odor scrubber recirculation pump	5,195.53
45798	McMaster-Carr Supply Co.	Repair Parts Expense	Various supplies	1,568.47
45799	MetLife - Group Benefits	Dental/Vision	Dental - Nov	3,045.70
45800	MUNIQUEIP, LLC	Repair Parts Expense	Hidrostal jockey pump liner	2,085.85
45801	Napa Auto Parts	Vehicle Maintenance	Various supplies	11.96
45802	Nash Fabricators	Services - Maintenance	Lomas Santa Fe P.S. flow meter installation	3,393.58
45803	The Nyhart Company	Services - Accounting	Actuarial services - Calpers full GASB 75 report FY 25	6,800.00
45804	Oasis Palm Nursery, Inc.	Services - Maintenance	Fall service - Palm maintenance	600.00
45805	Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo	Procurement of Sodium Hypochlorite	11,208.26
45806	Olivenhain Municipal Water Dis	Rent	Pipeline rental payment - Sep	13,275.00
45807	OneSource Distributors, Inc.	Repair Parts Expense	PLC parts	1,962.73
45808	Otis Elevator Company	Services - Maintenance	Elevator maintenance - Oct	221.62
45809	Michael Piper	Seminars/Education, Supplies - Office	Employee reimbursement - ABPA exam fees, phone screen repair and cover	522.55
45810	RingCentral, Inc	Utilities - Telephone	Phone service	532.36
45811	Rising Tide Partners, LLC	Services - Professional	Communication services - Sep 25 and Water Career Day	2,208.75

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS

For the Month of OCTOBER 2025

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
45812	Rusty Wallis, Inc.	Supplies - Shop & Field	Water softener, tank service and salt bags	503.25
45813	Safe Hearing America	Services - Professional	Hearing test evaluations	750.00
45814	Southern Contracting Comp.	Services - Maintenance	Lomas Santa Fe VFD repair	1,000.00
45816	Void			-
45815	Sunbelt Rentals	Equipment Rental/Lease	Equipment rental	1,521.86
45817	Unifirst Corporation	Services - Uniforms	Uniform service	621.09
45818	Underground Service Alert/SC	Services - Alarm	Dig alert and safe excavation	136.78
45819	USA Bluebook	Repair Parts Expense, Supplies - Lab	Various lab supplies	770.67
45820	Valley CM, Inc.	Services - Professional	Management and inspection services - Aug and Sep	32,170.25
45821	Verizon Wireless	Utilities - Telephone	Cell phone service - 09/08/25 - 10/07/25	707.66
45822	Volt Management Corp	Services - Temp	Internship program and temp service	2,569.60
45823	VWR International, Inc.	Supplies - Lab	Various lab supplies	689.34
45824	WateReuse	Dues & Memberships	2026 Annual membership dues	1,708.26
45825	World Water Works, Inc.	Repair Parts Expense	DAFT Nikuni pump parts	1,318.60
45826	Michael Thornton	Subsistence - Travel/Rm & Bd	Employee reimbursement - Various expenses	2,653.76
45827	Robert Half International, Inc	Services - Professional	Contracted job search fees	21,400.00
45828	Advanced Air & Vacuum	Services - Maintenance	RW air compressor service	2,736.43
45829	Affordable Drain Services	Services - Maintenance	Jett/Vac truck - Eden Gardens Pump Station & wet well	1,275.00
45830	Albertsons Companies	Services - Medical	Flu vaccinations	94.00
45831	Allied Storage Containers	Equipment Rental/Lease	20' and 40' storage containers - Oct & Nov	720.67
45832	Atlas Copco Compressors LLC	Repair Parts Expense	Recycled water air compressor parts	191.60
45833	Miguel A Becerra	Repair Parts Expense	Employee reimbursement - Various supplies	311.82
45834	Black & Veatch	Services - Engineering	Facility plan update through 09/05/25	38,682.50
45835	Brax Process and Pump Equip.	Services - Maintenance	Area 3 hot water pump service	1,540.00
45836	Brenntag Pacific, Inc	Supplies - Chem - Odor	Sodium Hydroxide	1,733.78
45837	Carollo Engineers	Services - Engineering	Engineering services through Sep	1,084.50
45838	D & R Crane, Inc.	Services - Maintenance	Crane inspections and preventative maintenance	2,550.00
45839	Westbound Solar 2, LLC	Utilities - Solar Power	Solar - Sep	12,805.73
45840	EDCO Waste & Recycling Service	Utilities - Trash	Trash service - Oct	520.68
45841	Encina Wastewater Authority	Services - Laboratory	Heterotrophic plate count analysis	175.74
45842	City of Encinitas	Board Expense	Board meeting reimbursements - Jul - Sep 25	1,120.00
45843	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	600.00
45844	Excel Landscape, Inc.	Services - Landscape	Grounds and maintenance service - Oct	4,382.00
45845	J.R. Filanc Construction Co.	Services - Contractors	Wanket Tank Refurbishment - Aug	256,500.00
45846	Grainger, Inc.	Repair Parts Expense, Supplies - Shop & Field	Various supplies	8,753.82
45847	Hardy Diagnostics	Supplies - Lab	Various lab supplies	1,778.94
45848	Helix Environmental Planning	Services - Professional	Environmental consulting - SW Capture and Reuse	441.25
45849	Integrity Municipal Systems	Repair Parts Expense	Odor scrubber #1 parts	5,204.33
45850	Jackson & Blanc	Services - Maintenance	Ductwork maintenance - Moonlight Beach Pump Station	3,300.00
45851	Lee Michael Konicke	Subsistence - Travel/Rm & Bd	Employee reimbursement - CASA conference various expenses	486.73
45852	Leaf & Cole, LLP	Services - Accounting	Audit services - FY 24/25	8,330.00
45853	McMaster-Carr Supply Co.	Repair Parts Expense	Various supplies	3,161.29
45854	Joshua C McTaggart	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
45855	North State Environmental	Fees - Disposal	Various lab supplies	4,366.69
45856	Cosby Oil Company, Inc	Fuel	Fuel - Oct	1,317.60
45857	Olivenhain Municipal Water Dis	Services - Professional	Rincon NSDWRC support services & Woodward and Curran NSDWRC support Prop 1 Rd 2	569.90

SAN ELIJO JOINT POWERS AUTHORITY **PAYMENT OF WARRANTS** **For the Month of OCTOBER 2025**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
45858	Pacific Pipeline Supply	Repair Parts Expense, Shop Tools and Equip.	Various supplies	2,608.58
45859	PE Instruments	Services - Maintenance	Annual flow meter calibrations	4,637.28
45860	Peerless Materials Co., LLC	Supplies - Shop & Field	Various supplies	679.04
45861	Penn Valley Pump Co., Inc.	Repair Parts Expense	Various supplies	2,698.35
45862	Concepcion Yani Reyes-Heyer	Subsistence - Travel/Rm & Bd	Employee reimbursement - CalPERS conference various expenses	732.06
45863	San Dieguito Water District	Utilities - Water	Water	1,111.38
45864	Sloan Electric Company	Repair Parts Expense	Gas flare motor and odor scruber #2	1,712.67
45865	Snell & Wilmer L.L.P	Services - Legal	General counsel through Sep	2,857.37
45866	SWRCB	Dues & Memberships	D2 Certificate renewal - M. Piper	60.00
45867	Sunbelt Rentals	Equipment Rental/Lease	Equipment rental	3,267.59
45868	Tesco Controls	Services - Professional	SCADA support services	7,110.00
45869	Traffic Safety Store	Shop Tools and Equip.	Various supplies	1,953.06
45870	VEGA Americas, Inc	Repair Parts Expense	Various supplies	4,317.23
45871	Verizon Wireless	Utilities - Telephone	09/11/25 - 10/10/25	617.23
45872	Volt Management Corp	Services - Temp	Internship program and temp service	960.96
45873	Benefits Coordinators Corp.	Dental/Vision	Vision - Nov	426.10
45874	VWR International, Inc.	Supplies - Lab	Various lab supplies	2,311.75
45875	WageWorks	Payroll Processing Fees	Admin fee - Oct	170.75
On-line 1143	Mission Square	ICMA Retirement	ICMA - 401a	7,869.05
On-line 1144	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	9,180.43
On-line 1145	P.E.R.S.	Medical Insurance - Pers	Health - Oct	50,715.99
On-line 1146	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Oct Pay Period	25,372.51
On-line 1147	Blue Triton Brands Inc	Supplies - Lab	Kitchen and lab supplies	266.93
On-line 1148	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - Feb through Jul true up	216,795.22
On-line 1149	BankCard Center	Supplies - Safety, Lab	Various supplies	23,314.63
On-line 1150	Mission Square	ICMA Retirement	ICMA - 401a	8,206.77
On-line 1151	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	9,157.45
On-line 1152	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Oct Pay Period	27,458.48
On-line 1153	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 09/09/25 - 10/07/25	102,529.67
On-line 1154	Sun Life Financial	Life Insurance/Disability	Life and disability - Nov	3,031.29
On-line 1155	YZ-IGCG	Repair Parts Expense	Various supplies	4,816.49
On-line 1156	CA. Dept. of Tax & Fee Admin.	Repair Parts Expense	Use Tax - 07/01/25 - 09/30/25	544.00
On-line 1157	Noren Products, Inc	Repair Parts Expense	AC Unit	4,983.00
On-line 1158	P.E.R.S.	Medical Insurance - Pers	Health - Nov	47,507.70
On-line 1159	Blue Triton Brands Inc	Supplies - Lab	Kitchen and lab supplies	521.85
On-line 1160	WM Corporate Services, Inc.	Services - Sediment Disposal	Roll off bins - Sep	4,202.65
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 10/03/2025	132,196.76
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 10/17/2025	132,299.56
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 10/31/2025	128,438.34
				<u><u>\$ 1,862,879.58</u></u>

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS SUMMARY**

**For the Month of OCTOBER 2025
As of OCTOBER 31, 2025**

PAYMENT OF WARRANTS

\$ 1,862,879.58

I hereby certify that the demands listed and covered by warrants are correct and just to the best of my knowledge, and that the money is available in the proper funds to pay these demands. The cash flows of SEJPA, including the Member Agency commitment in their operating budgets to support the operations of SEJPA, are expected to be adequate to meet SEJPA's obligations over the next six months. I also certify that SEJPA's investment portfolio complies with the SEJPA's investment policy.



Kevin Lang
Director of Finance and Administration

SAN ELIJO JOINT POWERS AUTHORITY
STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS
AND INVESTMENT INFORMATION

As of OCTOBER 31, 2025

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND <i>(OCTOBER 2025 YIELD 4.212%)</i>	\$ 6,749,822.56
CALIFORNIA BANK AND TRUST <i>(OCTOBER 2025 YIELD 0.01%)</i>	205,118.34
U.S. Bank <i>(OCTOBER 2025 YIELD 4.40%)</i>	13,061,236.45
PARS <i>(SEPTEMBER 2025 YIELD 2.06%)</i>	1,144,341.38
TOTAL RESOURCES	<u>\$ 21,160,518.73</u>

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

November 18, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: WASTEWATER TREATMENT REPORT – SEPTEMBER 2025

RECOMMENDATION

No action required. This memorandum is submitted for information only.

DISCUSSION

Monthly Treatment Facility Performance and Evaluation

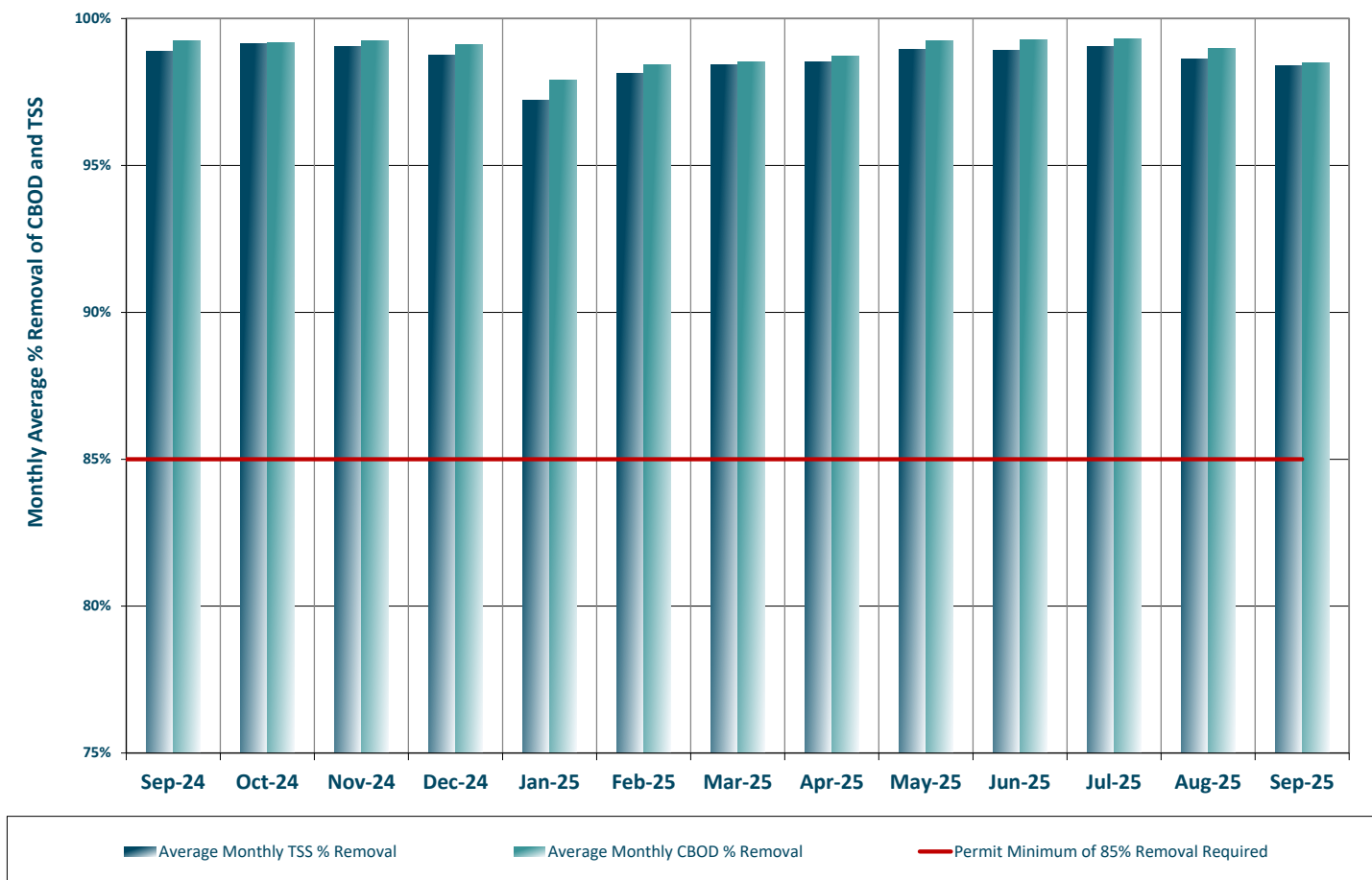
Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all National Pollutant Discharge Elimination System (NPDES) ocean effluent limitation requirements for the month of September 2025. The primary indicators of treatment performance include the removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD). SEJPA is required to remove a minimum of 85 percent of the TSS and CBOD from the wastewater. Treatment levels for **TSS** and **CBOD** were **98.4** and **98.5** percent removal, respectively, during the month of September.

Exceptional Water Treatment



Figure 1 (below) shows historic treatment performance trends for the removal of TSS and CBOD over the last 13 months compared to the permit minimum removal requirement of 85%.

Figure 1: Wastewater Treatment Performance of the SEJPA % Removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD)



Figures 2 and 3 (below) show historic influent vs effluent TSS and CBOD concentration fluctuations in the strength of the wastewater being received and discharged by the SEJPA.

FIGURE 2: TREATED EFFLUENT FLOWS REMOVAL OF TSS

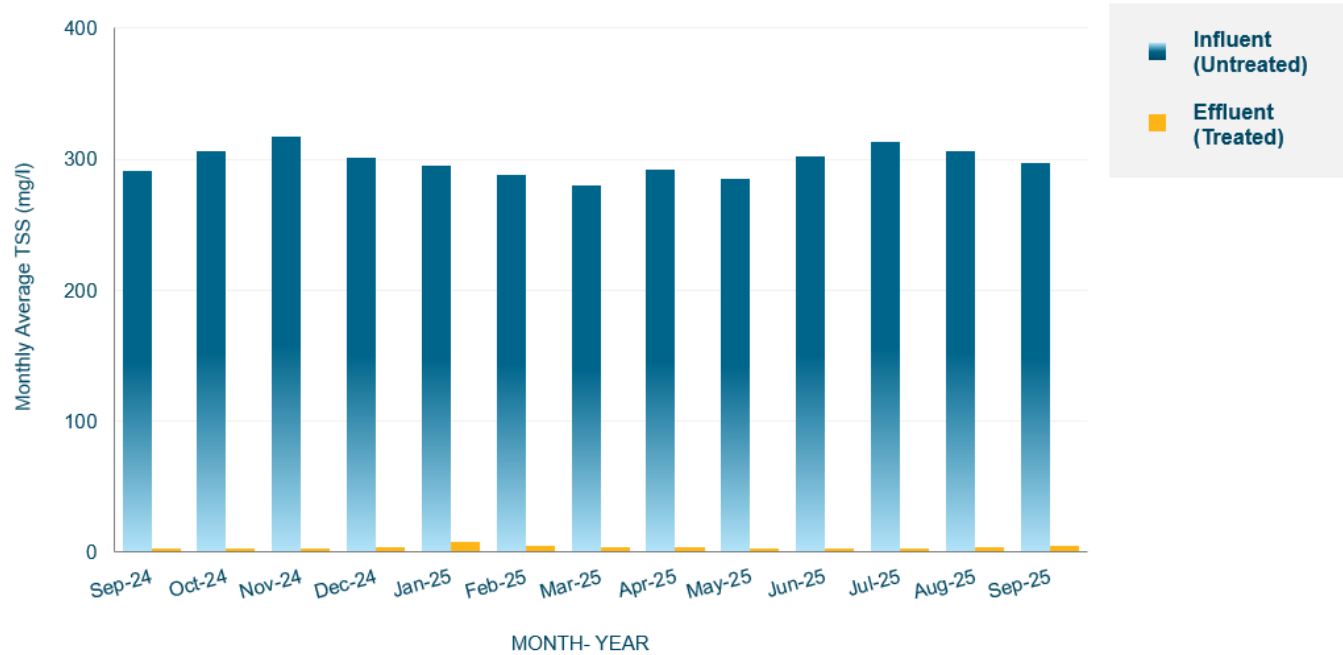


FIGURE 3: TREATED EFFLUENT FLOWS REMOVAL OF CBOD

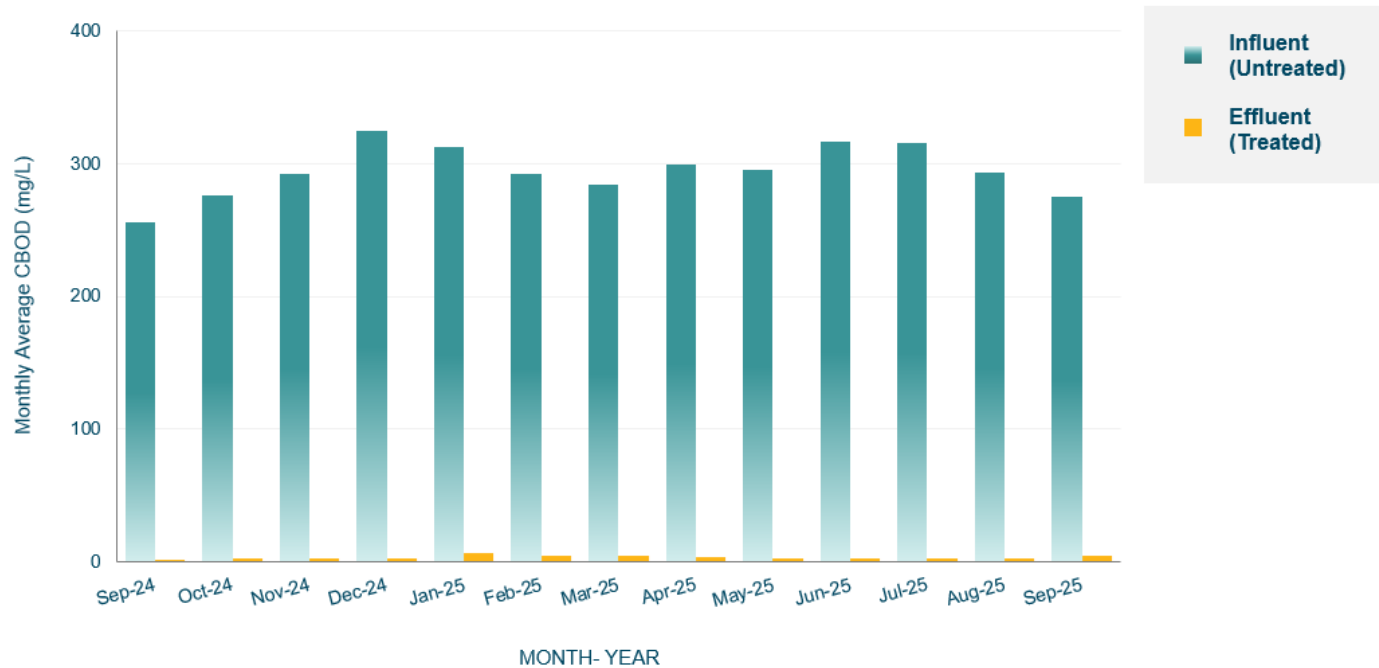


Table 1 provides a summary of influent and effluent flows for September. Average daily influent volumes were measured for each contributing agency. During this reporting period, roughly 63% of the influent was treated and beneficially reused as recycled water, while the balance was conveyed to the ocean outfall.

TABLE 1 – INFLUENT AND EFFLUENT FLOWS IN SEPTEMBER

	Influent (mad)	Recycled Water (mad)	Effluent (mad)*
Cardiff Sanitary Division	1.230	0.779	0.451
City of Solana Beach	1.050	0.665	0.385
Rancho Santa Fe SID	0.187	0.119	0.068
City of Del Mar	0.426	0.270	0.156
Total San Elijo Water Campus Flow	2.893	1.833	1.060

* Effluent is calculated by subtracting the recycled water production from the influent wastewater.

Table 2 (below) presents the historical average and unit influent rates per month for each of the contributing agencies during the past 3 years. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each agency during this same time. The annual update in July 2025 for the City of Solana Beach shows a decrease in EDUs due to reconstruction of the Solana Highlands apartment complex.

TABLE 2 - SAN ELIJO WATER CAMPUS MONTHLY REPORT - FLOWS AND EDUS

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)					CONNECTED EDUs					AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)				
	CSD	RSF	SB	DM	TOTAL DESIGN	CSD	RSF	SB	DM	TOTAL EDUS	CSD	RSF	SB	DM	TOTAL PLANT
Jul-22	1.124	0.129	0.948	0.438	2.639	8,557	583	8,142	2,616	19,898	131	221	116	179	133
Aug-22	1.163	0.133	0.929	0.448	2.673	8,557	583	8,142	2,616	19,898	136	228	114	185	134
Sep-22	1.139	0.125	0.904	0.381	2.549	8,557	584	8,142	2,616	19,899	133	214	111	158	128
Oct-22	1.083	0.128	0.890	0.295	2.396	8,557	584	8,142	2,616	19,899	127	219	109	122	120
Nov-22	1.205	0.124	0.879	0.336	2.544	8,557	585	8,142	2,616	19,900	141	212	108	138	128
Dec-22	1.186	0.133	0.906	0.374	2.599	8,557	585	8,142	2,616	19,900	139	228	111	151	131
Jan-23	1.630	0.200	0.979	0.379	3.188	8,557	585	8,142	2,616	19,900	190	342	120	153	160
Feb-23	1.323	0.167	0.930	0.371	2.791	8,557	585	8,142	2,616	19,900	155	286	114	149	140
Mar-23	1.892	0.255	1.044	0.392	3.583	8,557	585	8,142	2,616	19,900	221	436	128	154	180
Apr-23	1.244	0.187	0.915	0.303	2.649	8,557	586	8,142	2,616	19,901	145	319	112	123	133
May-23	1.184	0.167	0.879	0.295	2.525	8,557	586	8,142	2,616	19,901	138	285	108	120	127
Jun-23	1.185	0.144	0.891	0.413	2.633	8,557	586	8,142	2,616	19,901	136	282	109	171	132
Jul-23	1.160	0.146	0.949	0.446	2.701	8,557	586	8,166	2,616	19,925	136	249	116	182	136
Aug-23	1.242	0.177	0.954	0.494	2.867	8,559	586	8,166	2,622	19,933	145	302	117	200	144
Sep-23	1.161	0.161	0.885	0.371	2.578	8,559	586	8,166	2,622	19,933	136	275	108	152	129
Oct-23	1.125	0.163	0.870	0.308	2.466	8,559	587	8,166	2,622	19,934	131	278	107	125	124
Nov-23	1.246	0.186	0.961	0.409	2.802	8,559	588	8,166	2,622	19,935	146	317	118	149	141
Dec-23	1.313	0.173	1.011	0.377	2.874	8,559	588	8,166	2,622	19,935	153	294	124	133	144
Jan-24	1.416	0.190	1.055	0.380	3.041	8,569	588	8,166	2,622	19,945	165	323	129	134	152
Feb-24	1.788	0.256	1.099	0.422	3.565	8,569	588	8,166	2,622	19,945	209	436	135	151	179
Mar-24	1.395	0.200	1.061	0.352	3.008	8,616	588	8,166	2,639	20,009	162	340	130	125	150
Apr-24	1.313	0.216	1.036	0.368	2.933	8,620	588	8,166	2,639	20,013	152	368	127	130	147
May-24	1.294	0.196	1.017	0.349	2.856	8,620	588	8,166	2,639	20,013	150	334	125	125	143
Jun-24	1.275	0.191	1.058	0.508	3.032	8,620	588	8,166	2,639	20,013	148	325	130	184	152
Jul-24	1.310	0.185	1.076	0.494	3.065	8,620	588	8,166	2,639	20,013	152	315	132	182	153
Aug-24	1.279	0.166	1.090	0.512	3.047	8,621	588	8,178	2,639	20,025	148	283	133	188	152
Sep-24	1.278	0.165	1.034	0.399	2.876	8,621	588	8,178	2,657	20,043	148	281	126	147	143
Oct-24	1.296	0.160	1.019	0.340	2.815	8,621	591	8,178	2,657	20,046	150	271	125	122	140
Nov-24	1.250	0.184	0.967	0.482	2.883	8,621	591	8,178	2,657	20,046	145	312	118	165	144
Dec-24	1.231	0.182	1.079	0.408	2.900	8,621	593	8,178	2,657	20,048	143	307	132	134	145
Jan-25	1.242	0.187	1.105	0.381	2.915	8,621	593	8,178	2,657	20,048	144	316	135	124	145
Feb-25	1.321	0.186	1.120	0.408	3.035	8,621	593	8,178	2,657	20,048	153	314	137	134	151
Mar-25	1.374	0.214	1.133	0.390	3.111	8,621	593	8,178	2,657	20,048	159	361	139	129	155
Apr-25	1.221	0.210	1.084	0.367	2.882	8,621	593	8,178	2,657	20,048	142	354	133	122	144
May-25	1.220	0.202	1.071	0.371	2.864	8,621	593	8,178	2,657	20,048	142	341	131	123	143
Jun-25	1.204	0.190	1.071	0.524	2.989	8,621	593	8,178	2,657	20,048	140	321	131	175	149
Jul-25	1.206	0.204	1.109	0.502	3.021	8,621	593	8,126	2,657	19,996	140	344	136	168	151
Aug-25	1.227	0.213	1.090	0.556	3.086	8,621	594	8,126	2,680	20,020	142	359	134	187	154
Sep-25	1.230	0.187	1.050	0.426	2.893	8,623	596	8,126	2,680	20,025	143	314	129	142	144

CSD: Cardiff Sanitary Division

RSF: Ranch Santa Fe Community Service District

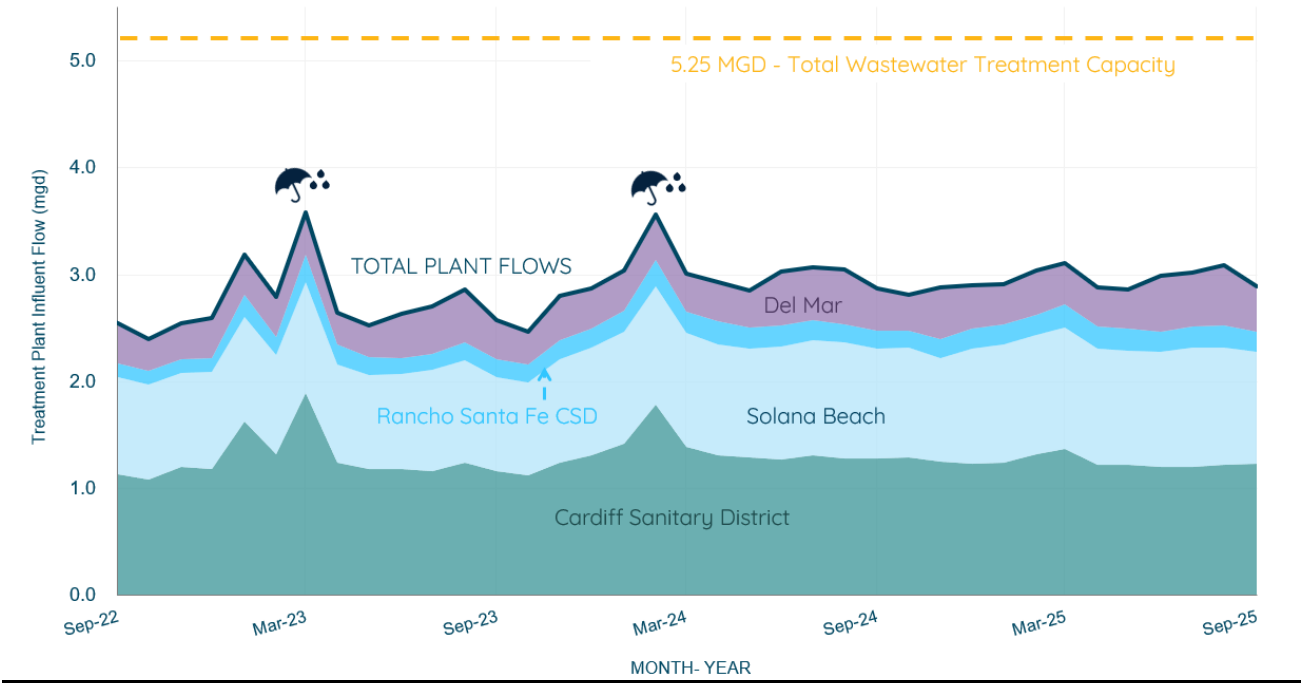
SB: Solana Beach

DM: City of Del Mar

EDU: Equivalent Dwelling Unit

Figure 4 (below) presents the 3-year historical average daily flows per month for each contributing agency. This is to provide a historical overview of the average flow treated for each agency. Also shown in Figure 4 is the total wastewater treatment capacity of the water campus, 5.25 mgd, of which the Cities of Encinitas and Solana Beach each have the right to 2.2 mgd, Rancho Santa Fe Community Service District leases 0.25 mgd, and the City of Del Mar leases 0.60 mgd.

FIGURE 4: SEJPA AVERAGE DAILY FLOWS OVER THE PAST 3 YEARS



City of Escondido Flows

The average and peak flow rate for the month of September 2025 from the City of Escondido's Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below in Table 3.

TABLE 3 – CITY OF ESCONDIDO FLOWS

	Flow (mgd)
Escondido (Average flow rate)	7.3
Escondido (Peak flow rate)	17.8

Connected Equivalent Dwelling Units

The City of Solana Beach and the City of Del Mar updated the number of connected EDUs reported to the SEJPA in September 2025, memorializing updates effective July 1, 2025. The connected EDUs for Solana Beach were reduced due to the reconstruction of Solana Highlands apartments. The City of Encinitas and Rancho Santa Fe CSD update their connected EDUs report every month. The number of EDUs connected for each of the Member Agencies and lease agencies is reported in Table 4 below.

TABLE 4 – CONNECTED EDUs BY AGENCY

	Connected (EDU)
Cardiff Sanitary Division	8,623
Rancho Santa Fe SID	596
City of Solana Beach	7,789
San Diego (to Solana Beach)	337
City of Del Mar	2,680
Total EDUs to System	20,025

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

November 18, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: RECYCLED WATER REPORT – SEPTEMBER 2025

RECOMMENDATION

No action required. This memorandum is submitted for information only.

DISCUSSION

Recycled Water Production

In September 2025, recycled water demand totaled 153.6 acre-feet (AF), supplied by 153.4 AF of recycled water and 0.2 AF of supplemental potable water. Demand was 13.9% below the budgeted projection of 178 AF, primarily due to a 23-day meter reading period that began September 2 and ended September 25 in an effort to align meter readings with our water purveyors.

During September, SEJPA experienced intermittent, low level coliform sample detection. In response, staff increased clarification and disinfection chemical dosing and adjusted biological treatment processes. These corrective actions successfully kept coliform results within compliance limits.

SEJPA's investigation indicated that the exceedances were likely related to centrate returned from the new centrifuge equipment, which temporarily affected biological activity in the aeration basins, reduced sand filter performance, and impaired disinfection effectiveness.

Staff continues to assess capital improvement options to prevent recurrence and will present recommendations to the Board as part of the 2025 Facility Plan.

Figure 1 (attached) provides a ten-year history of annual recycled water demand and rainfall, illustrating the correlation between precipitation and irrigation demand. Figure 2 compares September recycled water use over the past ten years, and Figure 3 shows budgeted versus actual recycled water sales for FY 2025-26.



Michael T. Thornton, P.E.
General Manager

FIGURE 1: RECYCLED WATER DEMAND AND RAINFALL COMPARISON

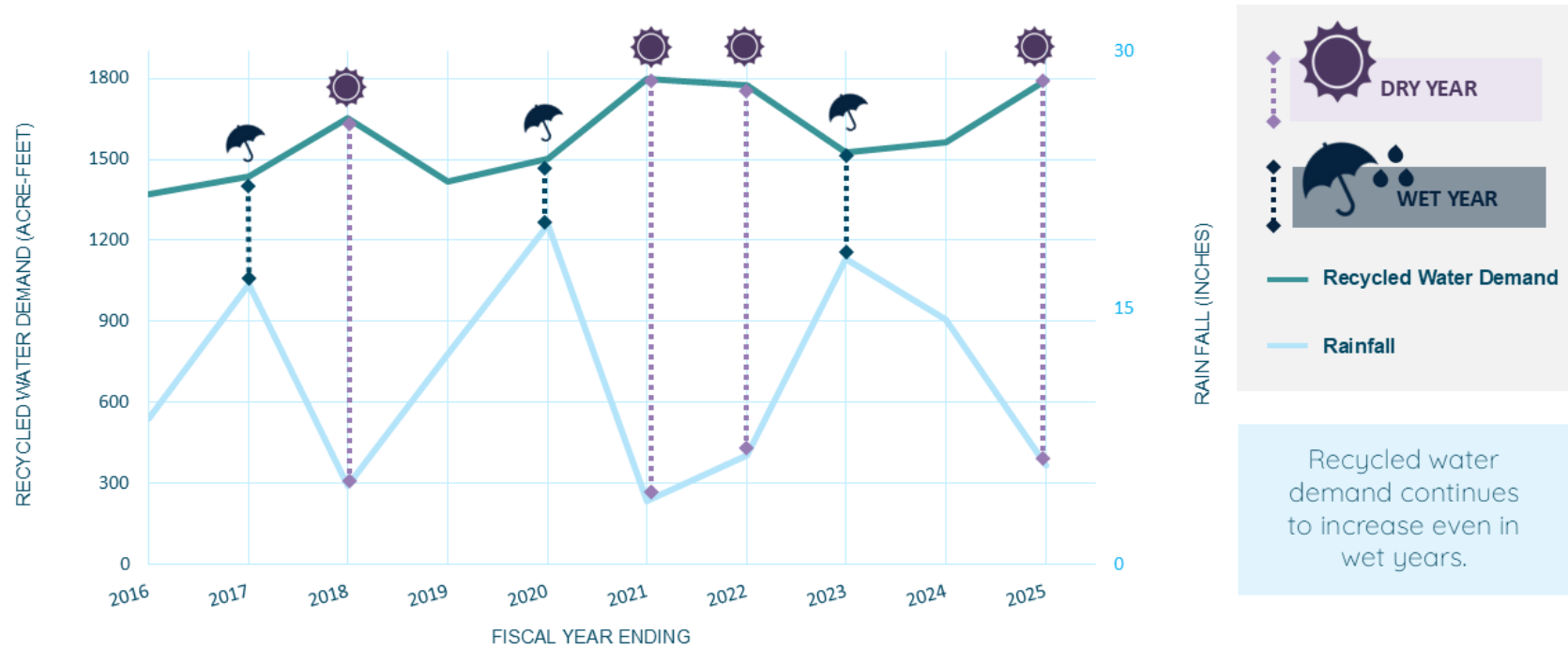


FIGURE 2: SEPTEMBER RECYCLED WATER DEMAND

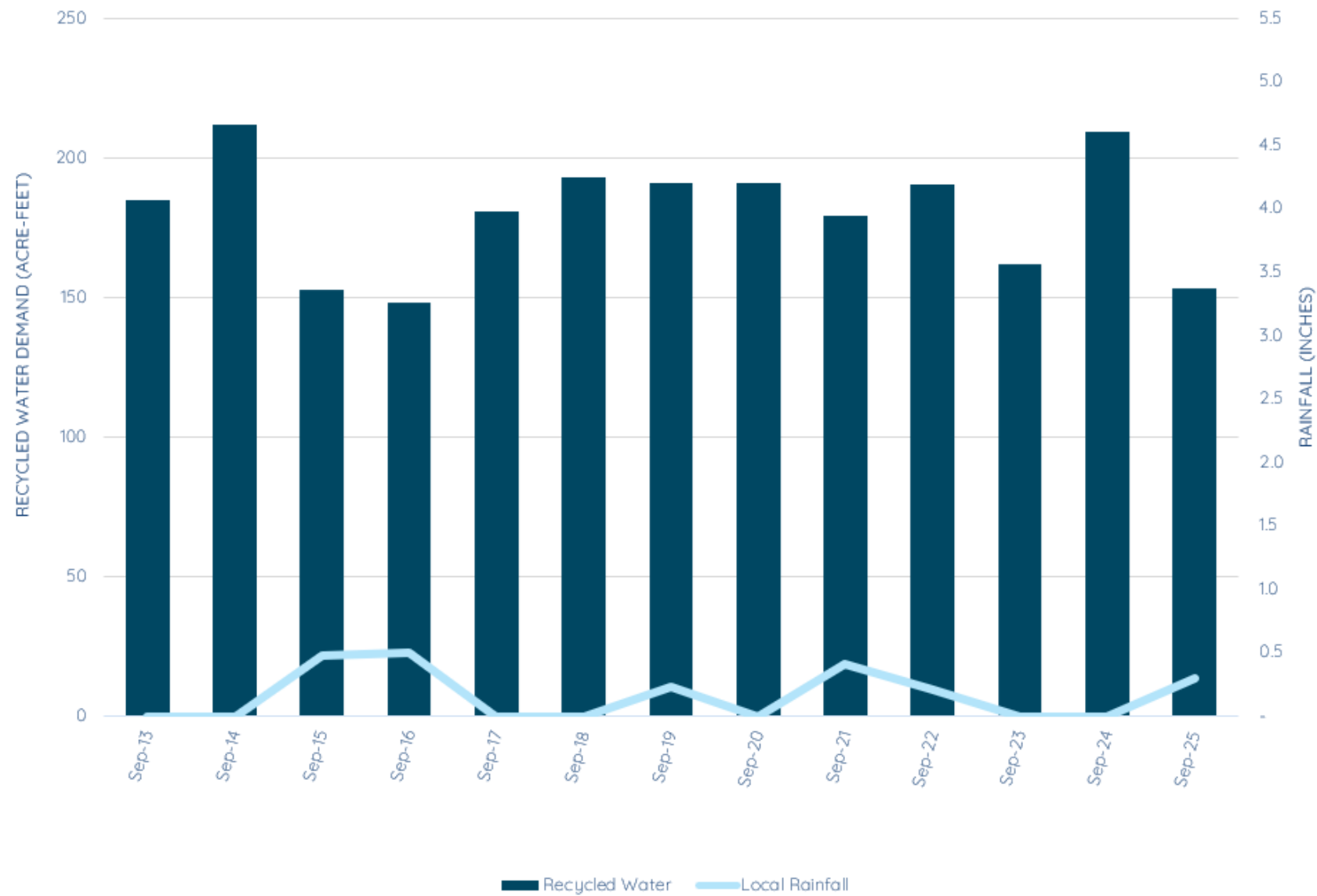
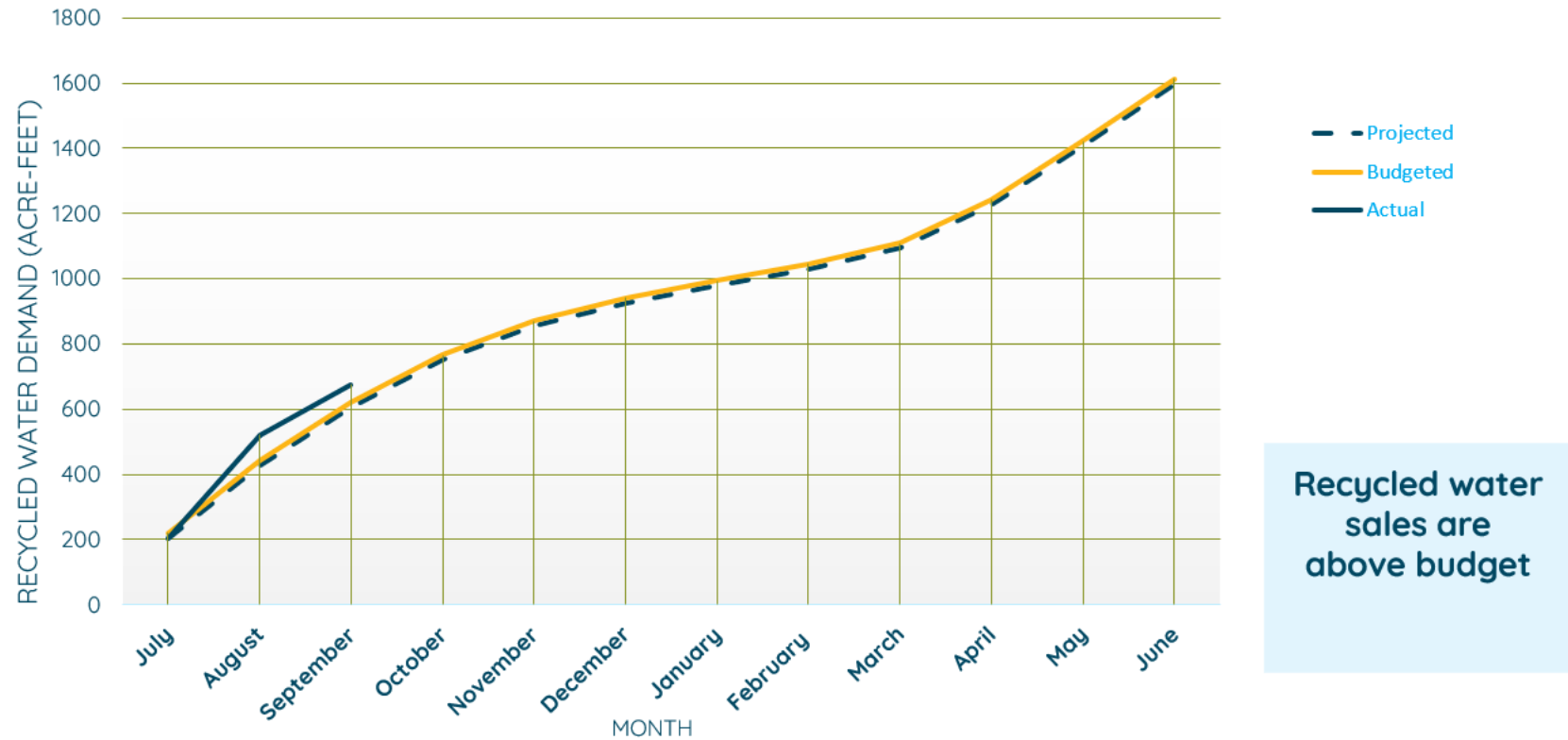


FIGURE 3: FY2024/25 CUMULATIVE DEMAND VS BUDGET



*

AGENDA ITEM NO. 11

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

November 18, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: REPORTABLE MEETINGS

RECOMMENDATION

No action required. This memorandum is submitted for information only.

BACKGROUND

The General Manager or his designee may meet monthly with one or more Board Members in preparation for the Board Meeting.

DISCUSSION

The following meetings have taken place since previously reported:

- Meeting to review Board Meeting Agenda with Chairperson Becker on October 17, 2025

FINANCIAL IMPACT

Per the SEJPA Restatement Agreement, SEJPA offers the Board Member \$160 for each reportable meeting, which the Board Member may choose to accept or reject. These meetings are accounted for in our annual budget.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

November 18, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY FINANCIAL POLICIES

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt the following San Elijo Joint Powers Authority financial policies:

- FIN02 – Accounts Payable Policy
- FIN03 – Purchase Card Policy
- FIN04 – Bank Reconciliation Policy
- FIN05 – Cash Receipts Policy
- FIN06 – Grant Administration Policy
- FIN07 – Surplus Property Policy
- FIN08 – Year-end Purchase Policy

2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) continues its commitment to financial transparency, accountability, and operational excellence through the formal adoption and memorialization of its financial practices into comprehensive policy documents. These policies are intended to establish clear, written standards to guide financial operations, ensure compliance with local, state, and federal regulations, and promote best practices in public financial management.

Following the prior approval of SEJPA's Procurement Policy (designated as FIN01) and Conflict of Interest Policy (designated as FIN09), staff is now finalizing additional financial management policies to promote consistent standards and procedures across all fiscal activities. The policy listing outlined below strengthens internal controls, enhances operational consistency, and provides a structured framework for training, transparency, and informed decision-making.

DISCUSSION

The financial policy listing includes the policies below with their summary of what they address:

Policy #	Policy Name	Policy Summary
FIN01	Procurement Policy	Establishes guidelines and procedures for acquiring goods and services, ensuring that purchases are conducted ethically, efficiently, and in compliance with organizational standards.
FIN02	Accounts Payable Policy	Establishes guidelines for processing, recording, and payment of vendor invoices and payables.
FIN03	Purchase Card Policy	Provides procedures for issuance, use, and management of Purchasing Cards. Sets requirements for authorized use, documentation, reconciliation, internal controls, and compliance.
FIN04	Bank Reconciliation Policy	Outlines monthly bank reconciliation procedures to ensure accuracy and integrity of financial records.
FIN05	Cash Receipts Policy	Details procedures for receipt, recording, deposit, and reconciliation of cash receipts.
FIN06	Grant Administration Policy	Provides standards for grant management, ensuring compliance with federal (2 CFR), state, and GAAP requirements. Covers grant application, budgeting, expenditure, reporting, audit, and closeout.
FIN07	Surplus Property Policy	Sets procedures for identifying, declaring, and disposing of surplus property.
FIN08	Year-End Purchase Policy	Establishes controls for year-end purchases to support compliance with GAAP. Requires proper authorization, documentation, and recording of purchases.
FIN09	Conflict of Interest Policy	Establishes standards and procedures to identify, disclose, and manage situations where personal interests could compromise, or appear to compromise, the integrity and objectivity of organizational decisions to comply with federal, state, and local regulations.

Collectively, these policies provide a strong foundation for SEJPA's financial integrity and accountability. Given the sensitivities surrounding the handling of check payments, and related transactions, it is a best practice to present these financial control policies for formal Board approval. Doing so ensures transparency, reinforces public trust, and demonstrates SEJPA's ongoing commitment to sound fiscal governance.

Additionally, the Finance Department continues to develop, memorialize, and document other internal policies addressing key operational areas such as fixed asset management, month-end and annual close procedures, and other financial processes. Each policy includes scheduled review timelines and designated responsible parties to promote continuous improvement and alignment with evolving

regulations and best practices. Together, these efforts institutionalize SEJPA's financial management framework and reaffirm the agency's dedication to responsible governance and public confidence.

FINANCIAL IMPACT

None.

It is recommended that the Board of Directors:

1. Adopt the following San Elijo Joint Powers Authority financial policies:

- FIN02 – Accounts Payable Policy
- FIN03 – Purchase Card Policy
- FIN04 – Bank Reconciliation Policy
- FIN05 – Cash Receipts Policy
- FIN06 – Grant Administration Policy
- FIN07 – Surplus Property Policy
- FIN08 – Year-end Purchase Policy

2. Discuss and take action as appropriate.

Respectfully submitted,



Kevin Lang, CPA
Director of Finance and Administration

All policies have been grouped together as

Attachment 1:

- FIN02 - Accounts Payable Policy**
- FIN03 - Purchase Card Policy**
- FIN04 - Bank Reconciliation Policy**
- FIN05 - Cash Receipts Policy**
- FIN06 - Grant Administration Policy**
- FIN07 - Surplus Property Policy**
- FIN08 - Year-end Purchase Policy**

FIN02	Accounts Payable Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Purpose

The purpose of this Accounts Payable Policy and Procedure is to establish clear guidelines for the processing, recording, and payment of vendor invoices and other payables at San Elijo JPA. This policy ensures consistency, accuracy, and compliance with applicable regulations and internal controls.

Scope

This policy applies to all employees and departments involved in the accounts payable process at San Elijo JPA.

Policy Statement

San Elijo JPA is committed to the timely and accurate payment of all valid invoices for goods and services received, in accordance with contractual terms, applicable laws, and organizational best practices.

Key Definitions

- **Accounts Payable:** Amounts owed by San Elijo JPA to vendors or suppliers for goods and services received but not yet paid for.
- **Invoice:** A formal request for payment issued by a vendor, detailing the goods or services provided.
- **Vendor:** Any individual or entity supplying goods or services to San Elijo JPA.
- **Payment:** The disbursement of funds to settle outstanding invoices in accordance with agreed-upon terms.
- **Freelance:** An individual who provides specialized services or expertise to San Elijo JPA on a contract basis, rather than as an employee or permanent supplier.

Roles and Responsibilities

- **Accounts Payable Staff:** Responsible for receiving and routing invoices for approval, processing invoices and maintaining records.
- **Accounting Supervisor:** Approves payment batches and oversees the payable process, ensuring accuracy and adherence to internal controls. Also enters ACH payments and uploads each into Positive Pay.
- **Administrative Coordinator:** Responsible for reviewing and approving new vendor setups, maintaining the vendor master file semi-annually, and ensuring all required tax and documentation are collected. Also initiates and reviews purchase orders to confirm budget availability, proper account coding, and procurement policy compliance. Lastly, creating contract tracking worksheets following execution of contracts or amendments.

FIN02	Accounts Payable Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- **Receiving Staff:** Any SEJPA employee who verifies goods or services have been received satisfactorily and if designated, approve invoices within the authority provided in the Procurement Policy (FIN01). Ensure coding to the proper accounts.
- **Director of Finance and Administration:** Oversees the accounts payable function and monitors compliance.
- **General Manager:** Provides final approval for payments exceeding established limits per the procurement policy and ensures policy compliance.
- **Director of Operations** – Assist with positive pay approvals and releases.
- **Contract Manager** – Is a SEJPA employee designated to coordinate communications with the contracted vendor, draft contractual agreements and amendments, oversee the work of the contracted vendor, and approve contract invoices for AP payment based on their authority levels, as proscribed in policy FIN01 – Purchasing Policy.

Procedures

1. Vendor Setup and Maintenance

- All vendors must provide required tax and other documentation (W-9, insurance, etc.).
- The Administrative Coordinator or designee reviews and approves new vendor setups and maintains the vendor master file semi-annually.

2. Contracts

- Formalized contracts for goods and services, and their amendments or change orders, are approved according to the Procurement Policy FIN01.
- Once approved and executed, the Administrative Coordinator creates/updates the contract worksheet for each contract (including subsequent amendments) for invoices to be logged and tracked against the purchasing authority in the contract.
- When invoices are received for contracts, they are sent to the contract manager who validates the invoice and ensures all goods and services have been received.
- The Contract Manager will review account coding and provide the approved invoice packet or authorization to the Accounting Technician for processing.

3. Purchase Cards

- When utilizing a Purchasing Card for a purchase, a purchasing request must be emailed to the administrative coordinator who will review the request and obtain the proper approvals in accordance with the purchasing policy, and make the purchase through a website or vendor.

FIN02	Accounts Payable Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- b. Physical cards under the custody of the Director of Finance and Administration are able to be requested for in person purchases. Once the purchase is made, the card must be immediately returned to the Director.
- c. All purchases, documentation and Purchasing Card process are completed according to the Purchase Card Policy FIN03, and do not follow the purchase order creation section below.

4. Purchase Order Creation

- a. The purchase order process begins when a quote/contract for goods or services is sent to a department manager or director who will approve the purchase. Following approval (to include electronic approval via email) the request is sent to the Administrative Coordinator or their designee.
- b. Upon receipt, the Administrative Coordinator reviews the budget to ensure sufficient funds are available, confirms the appropriate account coding, and secures approval for the purchase in accordance with the established Procurement Policy (FIN01).
- c. Once approval is obtained, a purchase order is issued to the purchaser, authorizing them to initiate the transaction with the vendor. The Administrative Coordinator saves the PO, any supporting documents and approvals for later matching with the invoice and receiving documents.
- d. After the goods or services are received, Receiving Staff verifies that all items ordered were received and in good condition by initialing the packing slip. The approved packing slip is then provided to the Administrative Coordinator for matching against the previously prepared PO packet, including the invoice and all related receiving documents.

This packet is then forwarded to the Accounting Technician for processing, ensuring all documentation is included for payment and recordkeeping.

5. Invoice Receipt and Verification

- a. Accounting Technicians are responsible for receiving and date-stamping invoices. This responsibility may be delegated to another employee; however, it is not permitted to delegate this task to the Accounting Supervisor.
 - 1. When invoices are received for contracts, they are sent to the contract manager who validates the invoice and ensures all goods and services have been received.
 - 2. The Contract Manager will review account coding and provide the approved invoice packet or authorization to the Accounting Technician for processing.
 - 3. The Accounts Payable Staff enters the invoices into the contract worksheet and verifies the purchasing authority listed in the contract is followed.

FIN02	Accounts Payable Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- b. Invoices are matched with the purchase orders and receiving reports according to the Procurement Policy FIN01, where applicable.
- c. Discrepancies are investigated and resolved prior to processing.

6. Invoice Approval

- a. Invoices must be reviewed and approved in accordance with the Procurement Policy.
- b. Approval must confirm that goods/services have been received and are satisfactory.
- c. Approvals are documented via signature or electronic workflow.

7. Payment Processing

- a. Approved invoices are entered into the accounting system for payment processing.
- b. Payments to vendors will be scheduled and completed on a bi-weekly basis. To be included in the Friday bi-weekly check run, invoices must be received and entered by Wednesday. Critical payments that miss the deadline may be approved for inclusion in the check run upon approval of the Director of Finance and Administration.
- c. The Accounting Supervisor reviews payment batches prior to posting. The Director responsible for the goods and services received will also review the invoice packets for final coding, as required in the Policy FIN01
- d. The Accounting Technician will request checks from the Accounting Supervisor and print checks bi-weekly.
- e. The Accounting Supervisor stores check stock in a locked cabinet. The Accounting Supervisor orders checks as needed and confirms that the check number sequence is accurate to account for all SEJPA blank checks.
- f. Printed checks are provided to General Manager for signature. If the General Manager is unavailable, the checks will be provided to the Director of Operations for signature.
- g. Once check and ACH payments are approved, the Accounting Supervisor will upload into SEJPA's banking portal a Positive Pay File which enters check number, check date, amount, and payee into the system. When checks are presented for payment by recipients, the Positive Pay process confirms key details, ensuring that all payments have been previously authorized. The Accounting Supervisor or the Director of Operations releases and clears Positive Pay exceptions on a daily basis.
- h. Payments are only issued via check or ACH. Credit cards may only be used to pay for items unable to be contracted through regular procurement methods, and in accordance with the PCard Policy (FIN03).

8. Recordkeeping

- a. All invoices, payment records, and supporting documentation are retained in accordance with federal, state and local regulations.

FIN02	Accounts Payable Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

9. Dispute Resolution

- a. Disputes regarding invoices or payments are investigated promptly by Finance Department Staff.
- b. The Director of Finance and Administration and the Contract Manager are notified of unresolved issues and facilitate resolution with vendors.

Internal Controls

1. Segregation of duties is maintained between invoice processing, approval, and payment functions. This means one person may not complete all duties, each must be completed by a different employee.
2. Monthly reconciliation of accounts payable ledger to general ledger is required.
3. A semi-annual review of vendor master file to remove inactive or duplicate vendors will be completed.
4. Purchase orders, contracts and payments exceeding \$50,000, or other amounts outlined in the Procurement Policy, require approval from the Board of Directors. If a purchase order or contract has been approved by the Board, the subsequent payment on that purchase order or contract does not require Board approval.
5. Checks that remain unclaimed after 90 days will be processed according to California State regulations.
6. A listing of outstanding checks is reviewed during the preparation of the bank reconciliation each month for identification for stale or uncleared checks older than six months. If any are identified, the AP staff will contact check recipients to ensure checks were received. If they were lost or misplaced, a stop payment will be placed on the check, the check voided in the accounting system and reissued to the recipient. All checks unable to be followed up on will be forwarded to the State of California through the escheatment process.

Compliance

All accounts payable activities must comply with applicable federal, state, and local regulations, as well as San Elijo JPA's internal policies. The organization is responsible for remaining current with changes in laws and requirements that may affect accounting and recordkeeping practices. Staff should consult with legal or compliance personnel as necessary to ensure that all reconciliations and related documentation meet or exceed regulatory standards. ***California specifically regulates payment to Freelance Contractors as specified below. Staff should be aware that this may require deviation from stated procedures in this policy and MUST be followed as stated below.***

FIN02	Accounts Payable Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Freelance Contracts and Timely Payment:

San Elijo JPA is committed to compliance with California law regarding freelance and contract workers. Effective 2025, all freelance and contract engagements must be documented with formal written contracts that clearly outline the scope of work, payment terms, and deadlines.

Payments to freelance and contract workers must be made promptly in accordance with the agreed terms and no later than the statutory deadlines set forth by California regulations.

The Accounting Supervisor is responsible for ensuring that all freelance contracts are properly executed and that payments are processed in a timely manner.

The Director of Finance and Administration is responsible for being familiar with and ensuring adherence to the CalPERS regulations required for freelance contractors.

Review and Updates

This policy shall be reviewed and revised by the Director of Finance and Administration every five years, or as necessitated by changes in processes, regulations, best practices, or organizational requirements.

Cross References

The following internal policies are referenced and are included as part of the accounts payable process. Staff are expected to review all the policies listed to facilitate payment of valid invoices for goods and services in accordance with contractual terms, relevant laws, and organizational procedures.

- FIN01 - Procurement Policy
- FIN03 – Purchasing Card Policy

FIN03	Purchasing Card Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Purpose

The purpose of this policy is to provide clear guidelines and procedures for the issuance, use, and management of Purchasing Cards (Pcards) at San Elijo Joint Powers Authority (JPA). This policy aims to promote efficient purchasing processes, ensure compliance with applicable regulations, and safeguard San Elijo JPA's financial integrity.

Scope

This policy applies to all employees, officers, and authorized representatives of San Elijo JPA who are issued a Pcard or who are involved in the oversight and administration of Pcard transactions.

Policy Statement

San Elijo JPA authorizes the use of Pcards for the procurement of goods and services necessary for official business. All Pcard transactions must comply with this policy, established spending limits, and applicable laws and regulations.

Key Definitions

- **Purchasing Card (Pcard):** A credit card issued by San Elijo JPA to authorized employees, officers, or representatives, enabling them to procure goods and services for official business that cannot be procured under typical purchasing procedures, in accordance with this policy.
- **Cardholder:** An individual who has been issued a Pcard and is responsible for its proper use, documentation, and compliance with all relevant guidelines.
- **Approving Director:** The individual assigned to review and approve cardholder statements, ensuring all transactions are appropriate and in line with policy.

Roles and Responsibilities

- **Director of Finance and Administration:** Responsible for issuing Pcards, maintaining records, monitoring usage, and providing training.
- **Cardholder:** Responsible for using the Pcard in accordance with this policy, retaining receipts, and submitting documentation for reconciliation.
- **Approving Director:** Reviews and approves monthly Pcard statements and ensures expenditures are appropriate.
- **Accounting Technician:** Responsible for entering transactions to the proper accounts and entering them into the finance system.
- **Administrative Coordinator:** Responsible for reconciling Pcard statements monthly, for coding transactions, and ensuring all backup documentation is received and accurate.
- **Finance Department:** Conducts audits, manages the overall program, and ensures compliance.

FIN03	Purchasing Card Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Procedures

1. Issuance and Activation

- a. Cardholders must sign a Cardholder Agreement acknowledging receipt and understanding of this policy.

2. Transaction Documentation

- a. Cardholders must obtain and retain itemized receipts for all purchases and provide them to the Administrative Coordinator by close of business on the day the transaction occurred. If the transaction occurs after the close of business, the receipt must be provided by the close of business the following day. **A receipt showing only the total charge is not acceptable.**

3. Review and Reconciliation

- a. Monthly statements will be provided to Administrative Coordinator for review, coding, and reconciliation within 10 business days.
- b. Discrepancies must be reported promptly to the Director of Finance and Administration.
- c. After reconciliation, the full reconciliation packet is forwarded to the accounting technician for entry.

4. Security and Lost/Stolen Cards

- a. All physical credit cards are kept in a locked box in the custody of the Director of Finance and Administration. Cards are requested and then provided to staff needing to make a purchase. Credit card numbers are not allowed to be saved in individual employee's vendor accounts for vendors other than those with an open Purchase Order for the purchase of goods and services.
- b. Lost or stolen cards must be reported immediately to the Director of Finance and Administration.
- c. The Director of Finance and Administration will arrange for card cancellation and replacement.

5. Card Suspension and Termination

- a. Pcards may be suspended or revoked for misuse, failure to follow policy, or termination of employment.
- b. Upon separation from San Elijo JPA, cardholders must return their Pcard and resolve any outstanding transactions.

Internal Controls

To maintain the integrity of the Pcard program, a series of internal controls are built into this policy:

FIN03	Purchasing Card Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

1. Segregation of duties, where different individuals are responsible for authorizing transactions, processing payments, and reviewing statements.
2. Access to Pcards is limited to authorized personnel, and all transactions must be supported by appropriate documentation.
3. Regular reconciliations and management reviews help detect and prevent errors or inappropriate activity.
4. Any suspected misuse or irregularities should be reported immediately to the Director of Finance and Administration for investigation.

Compliance

The Finance Department will conduct periodic audits of Pcard activity to ensure compliance. Non-compliance may result in disciplinary action, including termination of card privileges or employment.

If an employee fails to provide documentation to support their purchases on a Pcard, and is unable to obtain a new copy of the receipt, the employee must submit a memo/email to the Director of Finance and Administration explaining the following:

1. What business purpose was the charge for?
2. Why was the receipt unavailable?
3. What steps will be taken to ensure proper documentation is procured in the future.

Authorized Use

1. Pcards may be used for the purchase of goods and services required for official San Elijo JPA business.
2. Purchases must not exceed established transaction or monthly limits.
3. Pcards may only be used for items unable to be contracted, administrative expenses, or for emergency purchases, and an Approving Director has provided specific approval prior to use.
4. Pcards must not be used for personal expenses, cash advances, or prohibited items (e.g., alcohol, entertainment, gifts, etc).
5. Credit card purchases are not to be split to make purchases which exceed the authorized pre transaction or maximum monthly limits.

Review and Updates

This policy will be reviewed every five years or as necessary to reflect changes in regulations, procedures, or organizational needs.

FIN03	Purchasing Card Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Cross Reference

- FIN01 – Procurement Policy
- FIN02 – Accounts Payable Policy

FIN03	Purchasing Card Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Appendix A: Purchasing Card Cardholder Policy Agreement

This Cardholder Policy Agreement must be read, understood, and signed by all employees issued a Purchasing Card (Pcard).

1. I acknowledge receipt of the company-issued Pcard and agree to use it solely for authorized business purposes in accordance with the Pcard Policy.
2. I understand that I am responsible for obtaining and retaining all receipts and supporting documentation for purchases made with the Pcard.
3. I agree to submit all required documentation promptly and to follow established procedures for reconciliation and approval of Pcard transactions.
4. I understand the Pcard may only be used with prior authorization from my manager and only when the typical purchase process delineated in the Procurement and Accounts Payable Policies is unable to be utilized.
5. I will not use the Pcard for personal expenses or non-business-related purchases or any unauthorized expense per the Pcard Policy.
6. I understand that non-compliance with Pcard policies and procedures may result in disciplinary action, including revocation of card privileges and/or employment termination.
7. I agree to report lost or stolen cards immediately to the Finance Department and to cooperate with any audits or investigations related to Pcard usage.
8. In the event that the JPA communicates any changes to the list of restricted purchases outlined in the Policy, I agree to comply with any additional restrictions communicated to me on the effective date of receipt of notification of the change

By signing below, I confirm that I have read, understand, and agree to comply with the terms and conditions outlined in the Pcard Policy and this Cardholder Policy Agreement.

Cardholder Name (Print):	
Signature:	
Date:	

FIN04	Bank Reconciliation Policy	
		
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Purpose

The purpose of this policy is to establish a standard procedure for performing monthly bank reconciliations for San Elijo JPA. This ensures the accuracy and integrity of financial records, facilitates the detection of errors or irregularities, and supports sound financial management.

Scope

This policy applies to all bank accounts maintained by San Elijo JPA, including but not limited to operating, payroll, and any special purpose accounts.

Policy Statement

San Elijo JPA is committed to maintaining accurate and complete financial records. Bank reconciliations must be performed monthly, reviewed, and approved by designated personnel to ensure all transactions are properly recorded and any discrepancies are promptly addressed.

Key Definitions

- **Bank reconciliation:** The process of comparing the organization's financial records with bank statements to identify and resolve any differences.
- **General ledger (GL):** The official accounting record where all financial transactions are summarized.
- **Discrepancy:** Any inconsistency between the bank statement and the general ledger that requires investigation and correction.

Roles and Responsibilities

- **Accounting Supervisor:** Responsible for preparing monthly bank reconciliations for all bank accounts.
- **Director of Finance and Administration:** Responsible for reviewing and approving all completed reconciliations.

Procedures

1. **Obtain Bank Statements**
 - a. Retrieve official bank statements directly from the bank's secure online portal or via mailed statements at the close of each month.
2. **Access General Ledger**
 - a. Obtain the general ledger (GL) transaction report for the corresponding period.
3. **Reconcile Transactions**

FIN04	Bank Reconciliation Policy	
		
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- a. The Accounting Supervisor will enter any receipt transactions required for new ACH revenue transactions found on the bank statement.
- b. Compare each transaction on the bank statement with entries in the GL, clearing them in the accounting records. Ensure all bank-imposed fees and interest earnings reflected on the bank statement are identified and appropriately recorded in the general ledger as part of the monthly reconciliation process.
- c. Identify and document any discrepancies, such as:
 - outstanding checks
 - deposits in transit
 - bank errors
 - posting errors

4. Adjust and Document

- a. Prepare a reconciliation statement, listing all reconciling items and adjustments. The Accounting Supervisor will prepare and post all adjustments required, documenting review approvals through the Journal Voucher system.
- b. Attach supporting documentation for all adjustments.

5. Review

- a. The completed bank reconciliation, along with supporting documents, shall be reviewed by the Director of Finance and Administration for accuracy and completeness.

6. Approval

- a. Once the bank reconciliation is approved and reviewed, the cleared check list is signed, and the bank reconciliation will be locked and closed for the period.
- b. The name of the preparer and the approver must be delineated on the bank reconciliation prior to locking and closing for the period.
- c. Lastly, the Month-End Closing Checklist will be initialed and dated for completion.

7. Retention

- a. Maintain all bank reconciliations and supporting documentation in accordance with federal, state and local regulations.

8. Resolution of Discrepancies

- a. The Accounting Supervisor will Investigate and identify a solution for any discrepancies within 10 business days of discovery. Any discrepancies unable to be resolved by the Accounting Supervisor within 10 business days must be reported to the Director of Finance and Administration.

FIN04	Bank Reconciliation Policy	
		
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- b. The Accounting Supervisor or designee will document all actions taken to resolve discrepancies.

Internal Controls

1. To ensure proper internal controls, the staff member responsible for preparing the bank reconciliation must not be the same individual who authorizes or processes individual payments or receipts according to the Accounts Payable and Cash Receipt Policy.
2. Bank reconciliations shall be completed within 15 calendar days following the end of each month.
3. Periodic internal audits of the reconciliation process will be conducted to ensure compliance with this policy and to identify opportunities for improvement.

Compliance

All bank reconciliation procedures must adhere to applicable federal, state and local regulations. The organization is responsible for remaining current with changes in laws and requirements that may affect accounting and recordkeeping practices. Staff should consult with legal or compliance personnel as necessary to ensure that all reconciliations and related documentation meet or exceed regulatory standards.

Review and Updates

This policy will be reviewed every five years or updated as necessary to reflect changes in regulations, best practices, or organizational structure.

Cross Reference

The following internal policies are referenced and are included as part of the accounts payable process. Staff are expected to review all the policies listed to facilitate payment of valid invoices for goods and services in accordance with contractual terms, relevant laws, and organizational procedures.

- FIN02 - Accounts Payable Policy
- FIN05 - Cash Receipt Policy

FIN05	Cash Receipts Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Purpose

The purpose of this document is to delineate the formal procedures for the receipt, recording, deposit, and reconciliation of cash receipts at San Elijo Joint Powers Authority (JPA). This policy ensures consistency, accuracy, and compliance with applicable regulations and internal controls.

Scope

This policy is applicable to all employees, departments, and authorized agents of San Elijo JPA who are engaged in the collection, handling, and documentation of cash, checks, electronic funds transfers (EFT), and other forms of monetary receipts.

Policy Statement

San Elijo JPA is dedicated to the management of cash receipts, mandating that all received funds shall be promptly, accurately, and consistently recorded, deposited, and reconciled. The principles of segregation of duties, timeliness of transactions, and comprehensive documentation are essential internal controls to mitigate the risk of misappropriation and error.

Key Definitions

- **Cash Receipts:** All monetary funds received by San Elijo JPA, encompassing cash, checks, money orders, and electronic transfers. No third-party checks will be accepted without prior approval from the Director of Finance and Administration.
- **GAAP:** Generally Accepted Accounting Principles, the standardized framework of guidelines for financial accounting.
- **Deposit:** The procedure of placing received funds into an authorized San Elijo JPA banking institution.

Roles and Responsibilities

- **Accounting Technician:** Responsible for receiving payments by mail and entering cash or cash equivalents into the Receipts Check Log.
- **Financial Analyst or Administrative Coordinator:** Prepare and execute deposits according to policy, ensuring funds are placed in an authorized banking institution.
- **Accounting Supervisor:** Responsible for entering ACH received. Conduct regular reconciliations of receipts and bank statements to verify accuracy. Report any discrepancies to management for investigation and resolution.
- **Director of Finance and Administration:** Oversees the accounts receivable function, monitors compliance, maintains SEJPA bank accounts, and approves the reconciliation of deposits.

FIN05	Cash Receipts Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Procedures

1. Receipt of Funds

- Only personnel explicitly designated by San Elijo JPA are permitted to receive cash, checks, or other payments on behalf of the organization.
- All receipts must be recorded utilizing the Receipts Check Log and pre-numbered check deposits slips.
- All checks must be made payable to "San Elijo JPA" and must be restrictively endorsed with "For Deposit Only" immediately upon receipt.

2. Recording of Receipts

- All cash receipts shall be recorded in the official accounting system no later than five business days after the day of receipt.
- All relevant supporting documents, including invoices and remittance advice, must be attached to the corresponding receipt record.

3. Deposit of Funds

- Cash and checks shall be deposited into the authorized bank account no later than five business days after the receipt is recorded in the official accounting system.
- All deposits are to be made exclusively to San Elijo JPA's officially designated depository accounts.
- Deposit slips must be prepared in duplicate; one copy shall be retained for the organization's internal records.

4. Security and Safeguarding of Funds

- All cash and checks must be stored in a secure, locked facility until deposit is completed.

5. Reconciliation

- The Director of Finance and Administration, or designee, will reconcile the check log against bank deposit records regularly. If a designee is utilized, the reconciliation may not be completed by an individual who is engaged in the receipt or deposit processes.
- The Finance Department is responsible for reconciling all cash receipts and deposits to the general ledger and monthly bank statements according to the SEJPA FIN04: Bank Reconciliation Policy.
- Any identified discrepancies shall be investigated and resolved immediately, with all findings reported to Director of Finance and Administration.

FIN05	Cash Receipts Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

6. Records Retention

- a. All records pertaining to cash receipts, including logs, deposit slips, supporting documentation, and reconciliation records, shall be retained in accordance with all applicable federal, state, and local regulations.

Internal Controls

1. Segregation of duties is required so that no single individual is responsible for both the receipt, deposit of funds, or their reconciliation. SEJPA uses system-based workflows that will enforce multi-level review and approval.
2. Access to cash/check will be regularly reviewed and updated. Access permissions, including physical keys, will be changed immediately when staff leave or switch roles. A log will be maintained with dates and reasons for changes.
3. Regular financial statement audits shall be conducted to assess compliance with established procedures and identify potential areas for improvement.
4. The Department of Finance and Administration will perform periodic review of receipts to further strengthen oversight and prevent misappropriation or errors.

Compliance

All cash receipt activities must comply with applicable federal, state, and local regulations, as well as San Elijo JPA's internal policies. The organization is responsible for remaining current with changes in laws and requirements that may affect accounting and recordkeeping practices. Staff should consult with legal or compliance personnel as necessary to ensure that all reconciliations and related documentation meet or exceed regulatory standards.

All personnel responsible for cash handling must participate in periodic training sessions regarding this policy and its procedures.

Review and Updates

This policy will be reviewed every five years by the Finance Department and shall be revised more often as necessary to maintain continuous compliance with GAAP, and prevailing best practices.

Cross Reference

The following internal policies are referenced and are included as part of the accounts payable process. Staff are expected to review all the policies listed to facilitate payment of valid invoices for goods and services in accordance with contractual terms, relevant laws, and organizational procedures.

- FIN04 - Bank Reconciliation Policy

FIN06	Grant Administration Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Purpose

The purpose of this policy is to establish procedures and standards for the administration of grants by the San Elijo Joint Powers Authority (SEJPA). This policy ensures compliance with applicable federal regulations, particularly 2 CFR (Code of Federal Regulations Title 2, Grants and Agreements).

Scope

This policy applies to all San Elijo JPA staff involved in grant management, including grant application, acceptance, budgeting, expenditure, reporting, and closeout activities for federal, state, and other grant funding sources. This policy is designed to comply with applicable California Government Code, State Controller's Office guidance, and federal regulations including 2 CFR Part 200. The most restrictive laws/regulations apply when two or more regulations conflict.

Policy Statement

San Elijo JPA will manage all grant funds in accordance with 2 CFR requirements and GAAP. All grant-related activities must be carried out with integrity, transparency, and accountability to ensure proper stewardship of public funds.

Key Definitions

- **Grant:** A financial award provided by federal, state, or other funding sources to support specific projects or activities that align with the objectives of the San Elijo JPA.
- **2 CFR:** Title 2 of the Code of Federal Regulations, which outlines federal regulations for grants and agreements, including administrative requirements, cost principles, and audit requirements.
- **Subrecipient:** An entity that receives a subaward from the JPA to carry out part of a federal or state grant program but does not include an individual who is a beneficiary of such a program.
- **Pass-Thru Agency:** An entity that receives a grant award and passes funding through to a subrecipient while maintaining responsibility for compliance with applicable requirements.
- **Internal Controls:** Processes and procedures implemented to provide reasonable assurance regarding the effective and efficient use of grant funds, reliability of financial reporting, and compliance with applicable laws and regulations.

Roles and Responsibilities

- **General Manager:** Provides oversight of grant management, reviews and approves grant opportunities, and ensures alignment with JPA strategic objectives.
- **Director of Finance and Administration:** Oversees financial management of grants, ensures proper budgeting and accounting in accordance with 2 CFR, maintains internal controls, and oversees recordkeeping requirements.

FIN06	Grant Administration Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- **Program Managers:** Identify relevant grant opportunities, assist in application preparation, and coordinate program implementation and reporting requirements.
- **Grant Accountant/Finance Staff:** Maintain accurate records of grant revenues and expenditures, ensure segregation of funds, and support financial reporting and compliance.
- **Board of Directors:** Approves official acceptance of grant awards and provides governance oversight.

Procedures

1. Grant Application and Acceptance

- Pre-Award Review:** All grant opportunities must be reviewed by the General Manager, Director of Finance and Administration, and relevant program managers to ensure alignment with the SEJPA's strategic objectives and compliance requirements. Ongoing obligations extending beyond the funding period, such as maintenance, should be evaluated for feasibility of accepting the grant.
- Authorization:** Grant applications must be approved by the General Manager or designee prior to submission.
- Award Acceptance:** Upon notification of award, official acceptance must be documented and approved by the JPA Board. Should the SEJPA be a subrecipient of an award, the Subrecipient Agreement will be approved by the Board of Directors or their designee.

2. Grant Budgeting and Accounting

- Budget Development:** Grant budgets must be prepared in accordance with 2 CFR Part 200, ensuring that all costs are allowable, allocable, and reasonable.
- Segregation of Funds:** Grant funds must be accounted for separately from other SEJPA funds. Each grant must have a unique General Ledger and Project Code for tracking revenues and expenditures.
- Grant Capital Asset Management:** Ensure all capital assets acquired with grant funds are properly identified, recorded, safeguarded, and tracked in accordance with federal regulations and SEJPA policies. Procedures must be in place for inventory management, periodic verification, and appropriate disposition of grant-funded assets according to the Surplus Property Policy (FIN07).
- Revenue Recognition:** Grant revenue should be recognized when all eligibility requirements have been met and the grantor's conditions for earning the funds are satisfied, in accordance with applicable accounting standards.
- Match Funding Recording and Reporting:** All match funding contributions must be documented in the financial records and tracked in the General Ledger using separate codes. Reports on match funding, including both cash and in-kind contributions, must be

FIN06	Grant Administration Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

prepared and submitted in accordance with grantor requirements and included in all relevant financial reports.

- f. **Timekeeping for Labor Expenses:** Accurate time records must be maintained for all personnel costs charged to grants. Employees whose salaries or wages are paid in whole or in part with grant funds must document their time and effort in accordance with grant requirements and to ensure that labor expenses are properly allocated and verifiable. Labor time charged to a grant must be recorded in a minimum of 30-minute increments, and the work completed by the employee must be summarized daily.

3. Grant Expenditures

- a. **Allowable Costs:** All expenditures must comply with the terms and conditions of the grant award and must be allowable (examples of allowable and unallowable expenses found in Attachment A to this policy).
- b. **Timing of Recognition:** Expenditures should be recognized when the goods or services have been received and the obligation to pay has been incurred, in accordance with the terms of the grant agreement and applicable accounting standards.
- c. **Documentation:** All grant-related transactions must be supported by appropriate documentation, including invoices, contracts, and receipts.
- d. **Approval Process:** Expenditures must be reviewed and approved by authorized personnel according to the Procurement Policy FIN01, Purchase card Policy FIN03, Accounts Payable Policy FIN02, and Year-End Purchases Policy FIN08 prior to payment.

4. Grant Reporting

- a. **Financial Reporting:** The Finance Department must prepare and submit all required financial reports, or if a subrecipient the supporting documentation used to prepare the reports, including:
 - I. Quarterly and annual financial statements detailing grant fund expenditures and balances
 - II. Federal Financial Reports (such as SF-425 or other prescribed formats) as required by the grantor
 - III. Budget-to-actual comparisons
 - IV. Drawdown and reimbursement requests with supporting documentation
 - V. Any ad hoc financial reports required by the funding agency

5. Grant Compliance and Audit

- a. **Compliance Monitoring:** The Director of Finance and Administration will regularly monitor grant activities for compliance with 2 CFR 200, including allowable costs,

FIN06	Grant Administration Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

reporting, and documentation. The Director may designate other employees to assist with monitoring as needed, while maintaining proper segregation of duties.

- b. **Annual Audit:** A Single audit is required if federal expenditures exceed \$750,000/year for any fiscal year ending before September 30, 2025, or \$1,000,000/year for fiscal years ending after September 30, 2025.
- c. **Corrective Actions:** Any audit findings or instances of noncompliance must be addressed promptly through corrective action plans. Corrective action plans must be submitted to the funding agency for approval.

6. Grant Closeout

- a. **Final Reporting:** The Finance Department with assistance from others shall prepare and submit all required final financial and performance reports.
- b. **Disposition of Assets:** Any assets purchased with grant funds will be disposed of in accordance with grantor requirements and as provided in the SEJPA Surplus Property Policy.
- c. **Recordkeeping:** San Elijo JPA will comply with federal record retention requirements as outlined in 2 CFR § 200.333. All financial records, supporting documents, statistical records, and other pertinent grant-related materials must be retained for a minimum of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report. If any litigation, audit, or claim involving the records is initiated.

Internal Controls

The agency must maintain the internal controls stated throughout all Financial Internal Policies of SEJPA, and as prescribed in 2 CFR §200.302–303. These include:

- a) All recipient and subrecipient financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by the terms and conditions; and tracking expenditures to establish that funds have been used in accordance with Federal statutes, regulations, and the terms and conditions of the Federal award.
- b) Providing a comparison of expenditures with budget amounts for each Federal award.
- c) Written procedures for determining the allowability of costs which can be found in the grant compliance matrix.
- d) Effective control over and accountability for all funds, property, and assets. The recipient or subrecipient must safeguard all assets and ensure they are used solely for authorized purposes.
- e) Take prompt action when instances of noncompliance are identified.

FIN06	Grant Administration Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- f) Take reasonable cybersecurity and other measures to safeguard information including protected personally identifiable information (PII) and other types of information.

Review and Updates

This policy shall be reviewed every five years and updated as necessary to ensure ongoing compliance with federal, state, and local regulations, as well as best practices in grant administration.

Cross References

The following internal policies are referenced and are included as part of the accounts payable process. Staff are expected to review all the policies listed to facilitate payment of valid invoices for goods and services in accordance with contractual terms, relevant laws, and organizational procedures.

- 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, also known as the Uniform Guidance
- FIN01 – Procurement Policy
- FIN02 – Accounts Payable Policy
- FIN03 – Purchase card Policy
- FIN08 – Year-End Purchase Policy
- FIN09 – Conflict of Interest Policy

This policy is intended to be utilized in conjunction with the grant compliance matrix maintained by the Finance Department. The compliance matrix provides supplemental information regarding federal requirements such as:

1. Federal Procurement Standards and Thresholds
2. Conflict of Interest Policy Requirements
3. Single Audit Requirements
4. NEPA Compliance Requirements (environmental clearance)**
5. Buy America, Build America (BABA) Compliance
6. Davis Bacon Act Provisions and Compliance
7. Required Federal Contract Provisions

**It is important to note that NEPA Clearance must be completed and approved by the funding agency prior to any action that limits the SEJPA choice (choice prohibiting actions), such as signing a contract for work, purchasing equipment or construction materials, or acquisition of land.

FIN06	Grant Administration Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Attachment A: Allowable and Unallowable Project Costs

Examples of Allowable Costs

- **Personnel:** Salaries and wages for staff directly working on the project (2 CFR §200.430).
- **Fringe Benefits:** Health insurance, retirement contributions, etc. (2 CFR §200.431).
- **Travel:** Travel necessary for project implementation (2 CFR §200.475).
- **Equipment:** Purchase of equipment used directly for the project (2 CFR §200.439).
- **Supplies:** Materials and supplies used in the project (2 CFR §200.314).
- **Contractual:** Costs of contractors or consultants (2 CFR §200.318–327).
- **Construction:** Direct construction costs such as labor and materials.
- **Environmental Compliance:** NEPA documentation and permitting.
- **Indirect Costs:** Negotiated rate or 15% de minimis (2 CFR §200.414).
- **Training:** Training directly related to project implementation (2 CFR §200.472).

Examples of Unallowable Costs

- **Entertainment:** Amusement, social activities, etc. (2 CFR §200.438).
- **Alcoholic Beverages:** Any costs of alcoholic drinks (2 CFR §200.423).
- **Lobbying:** Costs to influence legislation (2 CFR §200.450).
- **Fundraising:** Costs of fundraising campaigns (2 CFR §200.442).
- **Fines and Penalties:** Costs from violations of laws (2 CFR §200.441).
- **Bad Debts:** Uncollectible accounts (2 CFR §200.426).
- **Goods/Services for Personal Use:** Housing, personal vehicles, etc. (2 CFR §200.445).
- **Interest and Financing Costs:** Interest on borrowed capital (2 CFR §200.449).
- **Proposal Preparation for Other Projects:** Costs for unrelated proposals (2 CFR §200.460).
- **Unapproved Capital Expenditures:** Capital costs not pre-approved (2 CFR §200.439).

FIN06	Grant Administration Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Attachment B: Checklist for after a Federal Award is Received

This checklist can be used to verify that activities have been completed, and proper expenditures are allocated to a federally funded project. Please refer to the **Grant Compliance Matrix** for more detailed information about each of these items.

- ☐ Check that National Environmental Policy Act (NEPA) clearance is obtained and environmental review requirements are satisfied for all applicable activities **PRIOR** to any other action taken on the project. Refer to the **Grant Compliance Matrix** documentation for further information
- ☐ Confirm adherence to Davis Bacon Act, ensuring prevailing wage rates are paid to laborers and mechanics on federally funded construction projects.
- ☐ Confirm that all contracts include the required federal contract provisions as specified by applicable regulations.
- ☐ Confirm that project budgets do not include entertainment expenses, such as amusement, recreation, or social gatherings.
- ☐ Verify that alcoholic beverages are not purchased with project funds.
- ☐ Ensure no lobbying costs, expenses intended to influence legislation, are claimed.
- ☐ Check that fundraising campaign expenditures are excluded from all financial reports.
- ☐ Review and remove any fines or penalties resulting from legal violations.
- ☐ Make sure bad debts, including uncollectible accounts, are not submitted for reimbursement.
- ☐ Exclude any costs for goods or services intended for personal use, such as housing or personal vehicles.
- ☐ Disallow interest charges from borrowed capital or other financing activities unless specifically permitted.
- ☐ Confirm that proposal preparation expenses for unrelated projects are not billed to the current grant.
- ☐ Ensure all capital expenditures have received prior approval and exclude any unapproved capital costs.
- ☐ Verify compliance with Build America, Buy America Act (BABA) requirements, ensuring procurement of iron, steel, manufactured products, and construction materials meets federal standards.

FIN07	Surplus Property Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Purpose

This procedure outlines the steps San Elijo must follow to manage, declare, and dispose of surplus property in accordance with Federal, State and local regulations. The goal is to ensure legal compliance, transparency, and accountability when handling surplus property.

Scope

This procedure applies to all departments and personnel within San Elijo that are responsible for the management, declaration, and disposal of surplus property. It covers all categories of surplus items, including but not limited to real property, equipment, vehicles, furniture, and materials, regardless of their value or condition. The scope includes the identification, approval, and disposal processes to ensure compliance with relevant regulations and internal policies.

Policy Statement

San Elijo is committed to managing surplus property in a manner that upholds legal requirements, promotes transparency, and ensures accountability. All surplus items will be handled in accordance with applicable federal, state, and local regulations, and internal policies. The agency prioritizes fair and ethical practices in the declaration, approval, and disposal of surplus property to protect public interests and maintain organizational integrity.

Key Definitions

- **Surplus Property:** Any property owned by San Elijo that is no longer needed for agency operations, including equipment, vehicles, furniture, and materials. Trading an old asset for a new asset of the same kind, such as a vehicle, does not meet the definition of “surplus property” unless the old asset is retained, and not traded for value when purchasing the new asset.
- **Disposal:** The process of selling, donating, recycling, or discarding surplus property.

Roles and Responsibilities

- **Department Directors:** Responsible for routinely reviewing departmental assets, identifying surplus items, completing Surplus Property Forms, and submitting them to the Director of Finance and Administration.
- **Director of Finance and Administration:** Reviews all surplus property submissions, verifies the surplus status, maintains records, and coordinates the approval and notification processes as required by policy.
- **Board of Directors:** Reviews and approves the disposal of surplus property with an estimated value of over \$5,000 and ensures that all actions taken are documented through official Board resolutions.
- **All Employees:** Expected to report unused or obsolete items to their department managers and support compliance with surplus property procedures.

FIN07	Surplus Property Policy	
		
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Procedure

1. Identification of Surplus Property

- Department managers shall periodically review assets and identify items no longer required for operational needs.
- Complete a Surplus Property Form, describing the item, its condition, and its estimated value.
- Submit the form to the Director of Finance and Administration for verification.

2. Approval Process

- The Director of Finance and Administration reviews submissions and confirms the property is surplus.
- For items with an estimated value of over \$5,000, the Board of Directors' approval is required. Estimated value will be determined through sales or advertisements for similar items in a similar condition. The comparable items will be part of the supporting documentation sent to the Board.
- Maintain documentation for all items declared surplus, including Board resolutions for high-value items.

3. Notification and Public Posting

- Post notice of surplus property on the San Elijo website/in local public venues for at least 15 days.
- Notify relevant public agencies (school districts, parks, housing authorities) as required by law, giving priority for purchase or reuse.

4. Methods of Disposal

- Sale:** Conduct public auction, sealed bid, or direct sale as appropriate. Employees will be permitted to purchase items with a stated value of less than \$500. The employee purchasing the item may not be the same employee that establishes the items value. No discounts or other consideration will be given to employees; they must purchase the item at the stated value. Use licensed auctioneers or third-party platforms if necessary.
- Donation:** Donate to nonprofit organizations or other public agencies.
- Recycling or Disposal:** Arrange for environmentally responsible recycling or disposal of items that cannot be sold or donated, complying with hazardous waste regulations.

5. Records and Reporting

- Maintain a Surplus Property Log, recording item description, disposition method, recipient, and sale price (if applicable).

FIN07	Surplus Property Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- b. Upon sale, the Finance Department will credit proceeds from the asset sales to the originating funding source. A gain/loss on the sale will be recorded and all remaining costs and accumulated depreciation of assets will be removed.
- c. Retain all documentation for at least five years.
- d. Annually report surplus property activities to the Board of Directors and include in public records.

Internal Controls

1. All transactions must be reviewed and approved by designated supervisory staff prior to completion.
2. Maintain separation of duties by involving multiple staff members in the evaluation, sale, donation, or disposal of property.
3. Regularly reconcile the Surplus Property Log with supporting documentation to detect discrepancies or unauthorized actions.
4. Any irregularities or suspected violations must be promptly reported to management for investigation and corrective action.

Disposition of Federal Assets

1. When equipment acquired under a federal award is no longer needed for the original project, program, or for other activities currently or previously supported by a Federal agency, SEJPA must request disposition instructions from the Federal agency or pass-through entity if required by the terms and conditions of the Federal award. See 2 CFR 200 for additional requirements for surplus property acquired with Federal Funds.
2. If asset is valued at more than \$5,000, the Board of Directors approval is superseded by federal agency action required for the disposal of assets. However, the requirement to inform the Board of Directors of these transactions remains.

Compliance

1. Ensure all procedures comply with California Government Code Sections 54220–54232 (Surplus Land Act), and any applicable environmental laws when selling surplus land.
2. Provide staff training on surplus property procedures and legal requirements.
3. Conduct periodic internal audits of surplus property disposals.

Review and Updates

This procedure will be reviewed every five years or as needed to remain compliant with changes in federal, state and local laws and regulations.

FIN07	Surplus Property Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Cross References

This policy does not cross reference other internal policies.

FIN07	Surplus Property Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Appendix A: Surplus Property Disposition Form

This Surplus Property Disposition Form shall be completed for each item evaluated for surplus status in accordance with the procedures set forth in this policy.

Date of Submission	
Property Identification and Description, identify if this is a capital asset or supplies.	(Include asset tag number, make/model, serial number, and any distinguishing features)
Current Physical Location	
Date of Original Acquisition (if known)	
Funding Source for Acquisition	(Specify: Federal, State, Local, Grant, Other)
Justification for Surplus Designation	(E.g., item is obsolete, no longer required, damaged, or superseded)
Proposed Method of Disposition	(E.g., sale, donation, disposal, transfer, other)
Federal Disposition Instructions (if applicable)	(Attach authorization or instructions from relevant federal agency, if required)
Supporting Documentation Attached	(List all attached documents such as Surplus Property Log entries, receipts, agency correspondence, etc.)
Staff Members Participating in Evaluation/Disposition (Print Name(s))	
Management Reviewing (Print Name)	
Additional Notes and Comments	

Signatures

Prepared by: _____ Date: _____
 Reviewed by: _____ Date: _____
 Approved by: _____ Date: _____

Instructions:

1. Please ensure all sections of the form are completed.
2. Attach all pertinent supporting documentation.
3. Submit the completed form to the Director of Finance and Administration for formal review and approval.
4. Retain a copy with the Surplus Property Log and make available for internal audit per policy.

FIN08	Year-End Purchase Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Purpose

The purpose of this policy is to establish procedures and controls for year-end purchases at San Elijo JPA to ensure compliance with internal policies. This policy aims to promote transparency, accuracy, and accountability in financial reporting, safeguarding the integrity of the Authority's accounting records.

Scope

This policy applies to all staff, managers, and departments involved in the procurement of goods and services that are recorded in the fiscal year-end financial statements.

Policy Statement

Year-end purchases must be managed in a manner that ensures financial transactions are properly authorized, documented, and recorded appropriately. All purchases intended for the current fiscal year must reflect actual receipt of goods or services before the end of the fiscal period. Purchases made or received after the fiscal year-end must be recorded in the subsequent period.

Key Definitions

- **Fiscal Year-End:** The official closing date of the Authority's accounting period, after which all financial transactions are recorded in the subsequent fiscal year.
- **Generally Accepted Accounting Principles (GAAP):** A set of standardized accounting rules and procedures used to ensure consistency, transparency, and accuracy in financial reporting.
- **P-Card (Procurement Card):** A corporate credit card issued to authorized employees for the purchase of goods and services on behalf of the Authority.
- **Proof of Receipt:** Documentation such as a packing slip, delivery confirmation, or service completion report that verifies goods or services have been received.

Roles and Responsibilities

- **Department Directors:** Ensure timely submission and processing of year-end purchase requests and supporting documentation.
- **Finance Department:** Oversee compliance, perform accruals, and conduct cut-off testing in line with GAAP.
- **Director of Finance and Administration:** Responsible for compliance with year-end purchasing policies, reviewing pre-paid purchases, and ensuring accurate fiscal year recording of expenditures. Responsible for communicating year-end purchase process to Departments each year.
- **All Employees:** Adhere to approved procedures and maintain accurate records for all year-end purchases.

FIN08	Year-End Purchase Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

Procedures

1. Cut-Off Date for Year-End Purchases

- All purchases intended for inclusion in the current fiscal year must be completed, with goods or services received by the close of business on June 30 each year. Capital asset purchases may cross the fiscal year, with payment being made prior to receipt of the asset. The asset will be placed into service in the year in which it is completed or available for its intended use, not paid. An adjusting entry for pre-paid items will be required at year end to account for any of these transactions.
- Invoices for goods or services received after the year-end date will be recorded in the following fiscal year.
- Purchases should not be made with P-Cards and reconciled in the current year if the goods or services are not delivered in the current year. Purchase orders should not be entered for goods or services that will not be paid for or received until the next fiscal year. The Director of Finance and Administration must be notified of pre-paid goods or services, so the budget for the next fiscal year is reduced by expenses paid in current fiscal year.

2. Authorization and Approvals

- All year-end purchases require standard authorization according to the Authority's procurement policy (FIN01).
- Additional year-end review and approval by the Finance Department is required for purchases exceeding pre-established thresholds as communicated by the Director of Finance and Administration each year.

3. Documentation Requirements

- Proof of receipt (packing slip, delivery confirmation, or service completion report) must be attached to the purchase order before payment is processed.
- All transactions must be supported by appropriate documentation, including purchase orders, invoices, and receiving reports.

4. Accruals

- The Finance Department will review outstanding purchase orders and invoices at year-end to identify goods or services received but not yet invoiced. These will be accrued in accordance with GAAP.
- Invoices covering goods or services delivered in two fiscal years (e.g., June and July) must be split by delivery date for correct year-end reporting. For lump sum invoices spanning fiscal years without daily detail, allocate costs daily.

5. Review and Compliance

FIN08	Year-End Purchase Policy	
	Responsible Party: Director of Finance and Administration	Effective Date: November 18, 2025
		Next Review Date: November 18, 2030

- a. The Finance Department is responsible for monitoring compliance with this policy and reporting any deviations or exceptions to management.
- b. Periodic training will be provided to ensure staff understand year-end purchasing requirements and GAAP standards.

Compliance

All staff involved in the year-end purchasing and financial reporting process are required to adhere strictly to this policy. Compliance will be monitored through periodic audits and internal reviews conducted by the Finance Department. Specifically looking for purchases made, and goods/services not received, and Pcard transactions that crossed the fiscal year or were not in accordance with the Purchase Card Policy FIN03. Any identified non-compliance will be addressed promptly, and corrective measures will be implemented to prevent recurrence. In addition, staff are encouraged to report any concerns or potential violations to management for further investigation.

Review and Updates

This policy will be reviewed every five years by the Finance Department and updated as needed to reflect changes in GAAP, regulatory requirements, and SEJPA procedures.

Cross References

The following internal policies are referenced and are included as part of the accounts payable process. Staff are expected to review all the policies listed to facilitate payment of valid invoices for goods and services in accordance with contractual terms, relevant laws, and organizational procedures.

- FIN01 – Procurement Policy
- FIN02 – Accounts Payable Policy
- FIN03 – Purchase Card Policy

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

November 18, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Infrastructure and Sustainability

SUBJECT: CAPITAL PROGRAM BOARD WORKSHOP

RECOMMENDATION

No action required. This memorandum is submitted for information only.

BACKGROUND

The San Elijo Joint Powers Authority's (SEJPA) Capital Program advances the agency's mission to protect public health and the environment by investing in infrastructure that supports sustainable, reliable, resilient facilities. SEJPA is updating its long-term infrastructure planning documents to guide the next generation of capital investments and operational strategies.

SEJPA's current facility plan, completed in 2015, resulted in nearly \$60 million in improvements through four implementation phases that will conclude in early 2026. The 2025 Facility Plan builds on this foundation with a focus on asset management, capital project planning, and a 10-year Capital Improvement Program (CIP). In collaboration with SEJPA's wastewater agency partners, the Facility Plan also includes condition assessments and planning for wastewater pump stations operated and maintained by SEJPA. The 2025 Facility Plan will provide a framework for aligning infrastructure renewal with financial planning, enhancing communication with customer agencies, and pursuing external funding to maximize the value of local resources.

DISCUSSION

The 2025 Facility Plan Update will establish SEJPA's capital priorities across the Water Campus, Recycled Water System, Ocean Outfall, and remote pump station facilities. Over the past year, SEJPA has worked closely with its consultants to:

- Conduct site investigations and multidisciplinary condition assessments of the San Elijo Water Campus and 14 remote sites;
- Document institutional knowledge through staff interviews and operational input;
- Assess needs of mission-critical facilities and modern workforce;
- Review current and anticipated future regulations;
- Complete targeted technical studies; and
- Develop and define potential projects.

Projects will be prioritized using a Triple Bottom Line approach, evaluating social, financial, and environmental benefits. The prioritization process will consider improvements for climate resilience and provide flexibility for evolving regulatory requirements. The resulting CIP will serve as SEJPA's roadmap for reinvestment in infrastructure over the next decade (2026-2035), guiding project sequencing, funding priorities and strategies, and timing to ensure reliable operations, regulatory compliance, and environmental stewardship. Representative project areas include:

- Asset Renewal: Rehabilitation and replacement of aging mechanical, electrical, and structural systems, along with deployment of advanced SCADA, automation, and control technologies to enhance process performance, energy efficiency, and system reliability.
- Mission-Critical Facilities: Modernization of laboratory and maintenance facilities to strengthen operational readiness, regulatory compliance, and workforce effectiveness. Improvements include consolidated warehousing, improved inventory control, modern tools, and ergonomic workspaces.
- Resiliency and Sustainability: Hardening of facilities against wildfire and severe weather, expansion of renewable energy (solar and biogas), and upgrades to treatment and recycled water systems to improve reliability, maximize resource recovery, and reduce environmental impact.
- Regulatory Compliance: Infrastructure and process upgrades necessary to maintain compliance with evolving water, air, and biosolids regulations.

The workshop will be conducted in an interactive format to solicit Board input on the prioritization process and long-term fiscal considerations.

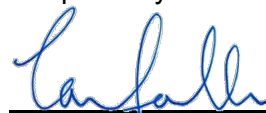
FINANCIAL IMPACT

There is no financial impact associated with this staff report.

RECOMMENDATION

No action required. This memorandum is submitted for information only.

Respectfully submitted,



Thomas (Tom) C. Falk, P.E., PMP
Director of Infrastructure and Sustainability