

**DEL NORTE COUNTY FAIRGROUNDS RECREATION AND PARK DISTRICT**

**AGENDA**

SPECIAL MEETING

Tuesday, April 23, 2019 at 10:30 a.m.

Meeting Location: Del Norte Fairgrounds Board Room, 421 Highway 101 North, Crescent City, CA \*

**BOARD OF DIRECTORS**

Steven Westbrook – President  
Doug Wakefield – Vice President  
Sabina Renner – Secretary  
Rich Wier  
Robyn Holt

1. **10:30 a.m. Call the meeting to order and take roll.**
  - Pledge of Allegiance
  - **COMMENT PERIOD:** Members of the public may address the Board of Directors on matters that are within the authority and jurisdiction of the Board. If you are addressing the Board regarding a matter listed on the agenda, you may be asked to hold your comments until the Board takes up that matter. For matters not on the agenda, The Board cannot comment or otherwise consider a Public Comment matter until such items have been properly noticed for a future meeting agenda.
2. **Consent Agenda:** (Discussion/Action by the Board) All items on the Consent Agenda are to be approved in one motion unless Board Member requests separate action on a specific item.
  - a. Approve expenditures processed for payment since the prior meeting.
  - b. Approve Minutes from Special Meeting of March, 12, 2019.
  - c. Approve Financial Statements received since the prior meeting.
3. **New Business:**
  - a. Discussion and consideration of adoption of **Resolution 2019-01** entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DEL NORTE COUNTY FAIRGROUNDS RECREATION AND PARKS DISTRICT SETTING THE DATE, TIME AND LOCATION FOR REGULAR MEETINGS. Take action as necessary and appropriate.
  - b. Review the **Financial and Accounting Policies and Procedures** document of the Del Norte County Fairgrounds Recreation and Parks District, dated November 17, 2015, for possible amendments to the document. Give direction to staff on possible amendments and return the amended document to the Board for further review and adoption at a future meeting. Take action as necessary and appropriate.
  - c. Review and discuss the Performance Audit of the 41<sup>st</sup> District Agricultural Association – Del Norte County Fair, performed by the California Department of Food and Agriculture, Audit Department, for the period of January 1, 2017 through December 31, 2018, Management Report #19-007. Take action as necessary an appropriate.

- d. Discussion and consideration of establishing a Post Office Box at the U.S. Post Office branch at Second and H Streets for the receipt of the District's mail. A copy of the application and fee schedule are included in the agenda. If approved, designate which size box should be applied for, the rental term, and authorize the President, or specified designee, to sign the application on behalf of the District. Take action as necessary and appropriate.
4. **Old Business:**
  - a. Receive a verbal report from Wilma Madden on the status of the creation of a separate website for the District by Kurt of Digi-gardin. Provide input to staff on what items the Board members envision being included on the website for public access. Take action as necessary and appropriate.
5. **Committee Reports:**
  - a. **Finance Committee** – Discussion and consideration of scheduling a meeting of the Finance Committee. Determine date, time, and location of the meeting. Take action as necessary and appropriate.
6. **Board Comments:** Members of the Board of Directors may comment on District business, request clarification, information or that items be included in future agendas. No action will be taken, but direction may be given to staff and items scheduled for future agendas.
7. **Adjournment:** Adjourn to the next Regular Session meeting on Tuesday, May 28, 2019 at 10:30 a.m. at the Del Norte Fairgrounds Board Room.

*\* Pursuant to the Americans with Disabilities Act, anyone requiring reasonable accommodation to attend or participate in any Board of Directors meeting should contact the District one (1) week in advance whenever possible. At the present time, such requests to the District may be made by leaving a message at the Del Norte Fairgrounds office at (707)464-9556 and the message will be forwarded to the District.*

# Statement

Black Rice & Luna LLP  
 710 H. Street  
 Crescent City, CA 95531  
 (707) 464-7637  
 acarpen@attyblack.com

|          |
|----------|
| Date     |
| 4/1/2019 |

To:

D. N County Fairgrounds Rec & Park Dist  
 421 US-101  
 Crescent City, CA 95531

|            |  | Amount Due          | Amount Enc.         |                       |            |
|------------|--|---------------------|---------------------|-----------------------|------------|
|            |  | \$574.00            |                     |                       |            |
| Date       | Transaction  | Amount              | Balance             |                       |            |
| 02/28/2019 | Balance forward  |                     | 328.00              |                       |            |
| 03/01/2019 | PMT  | -123.00             | 205.00              |                       |            |
| 03/04/2019 |  | 164.00              | 369.00              |                       |            |
|            | Legal Service Martha D. Rice: Draft Agreement - W Madden<br>--- Legal Service Martha D. Rice, 0.8 @ \$205.00 = 164.00  |                     |                     |                       |            |
| 03/11/2019 |  | 41.00               | 410.00              |                       |            |
|            | Legal Service Martha D. Rice: Revise Agreement with W. Madden<br>--- Legal Service Martha D. Rice, 0.2 @ \$205.00 = 41.00  |                     |                     |                       |            |
| 03/22/2019 |  | 82.00               | 492.00              |                       |            |
|            | Legal Service Martha D. Rice: Phone call with Wilma Madden re PRA<br>request, records organization, regular meeting dates, etc<br>--- Legal Service Martha D. Rice, 0.4 @ \$205.00 = 82.00           |                     |                     |                       |            |
| 03/27/2019 |  | 82.00               | 574.00              |                       |            |
|            | Legal Service Martha D. Rice: Meeting with Wilma Madden regarding<br>records organization, meetings, committees and PRA request response<br>--- Legal Service Martha D. Rice, 0.4 @ \$205.00 = 82.00 |                     |                     |                       |            |
| CURRENT    | 1-30 DAYS PAST DUE   | 31-60 DAYS PAST DUE | 61-90 DAYS PAST DUE | OVER 90 DAYS PAST DUE | Amount Due |
| 369.00     | 205.00   | 0.00                | 0.00                | 0.00                  | \$574.00   |

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|----------|
| Date     |
| 3/1/2019 |

|  |
|--|
| To:  |
| D. N County Fairgrounds Rec & Park Dist<br>421 US-101<br>Crescent City, CA 95531 |

|            |   | Amount Due          | Amount Enc.         |                       |            |
|------------|---|---------------------|---------------------|-----------------------|------------|
|            |   | \$205.00            |                     |                       |            |
| Date       | Transaction   | Amount              | Balance             |                       |            |
| 01/31/2019 | Balance forward   |                     | 123.00              |                       |            |
| 02/06/2019 | Legal Service Martha D. Rice:Email SW, DW re special meeting<br>--- Legal Service Martha D. Rice, 0.2 @ \$205.00 = 41.00                              | 41.00               | 164.00              |                       |            |
| 02/06/2019 | Legal Service Martha D. Rice:Respond to L. Sutter PRA<br>--- Legal Service Martha D. Rice, 0.2 @ \$205.00 = 41.00                                     | 41.00               | 205.00              |                       |            |
| 02/14/2019 | Legal Service Martha D. Rice:Submit PRA response to L. Sutter and docs<br>--- Legal Service Martha D. Rice, 0.3 @ \$205.00 = 61.50                    | 61.50               | 266.50              |                       |            |
| 02/27/2019 | MDR: Email L. Sutter re request for Dec records<br>--- Legal Service of Martha D. Rice, 0.1 @ \$205.00 = 20.50  | 20.50               | 287.00              |                       |            |
| 02/27/2019 | Legal Service Martha D. Rice:Email D. Wakefield, Westbrook re Brown act, office space, WM<br>--- Legal Service Martha D. Rice, 0.1 @ \$205.00 = 20.50 | 20.50               | 307.50              |                       |            |
| 02/28/2019 | Legal Service Martha D. Rice:Respond to L. Sutter PRA (dec)<br>--- Legal Service Martha D. Rice, 0.1 @ \$205.00 = 20.50                               | 20.50               | 328.00              |                       |            |
| CURRENT    | 1-30 DAYS PAST DUE  | 31-60 DAYS PAST DUE | 61-90 DAYS PAST DUE | OVER 90 DAYS PAST DUE | Amount Due |
| 205.00     | 0.00  | 0.00                | 0.00                | 0.00                  | \$205.00   |



1776 TRIBUTE ROAD, SUITE 100 SACRAMENTO, CA 95815

**046757**

**3/31/2019**

**\$165.00**

03/19 FlexNet

Del Norte Co. Recreation & Park District  
 421 Highway 101 North  
 Crescent City, CA 95531

| <b>Terms:</b> Due and payable upon receipt of invoice |            |              |               |
|---|------------|--------------|---------------|
| <b>Description</b>                                    | <b>Qty</b> | <b>Price</b> | <b>Amount</b> |
| General Ledger Module                                 | 1.00       | 25.00        | 25.00         |
| Accounts Payable Module                               | 1.00       | 25.00        | 25.00         |
| Accounts Receivable Module                            | 1.00       | 25.00        | 25.00         |
| Bank Rec Module                                       | 1.00       | 15.00        | 15.00         |
| Timeshare   | 1.00       | 65.00        | 65.00         |
| User Charges - 1 users                                | 1.00       | 10.00        | 10.00         |
| <b>Total Invoice:</b>                                 |            |              | <b>165.00</b> |



1776 TRIBUTE ROAD, SUITE 100 SACRAMENTO, CA 95815

**046863**

**3/31/2019**

**\$125.00**

03/19 Accounting 3/03/19-03/30/19

Del Norte Co. Recreation & Park District  
 421 Highway 101 North  
 Crescent City, CA 95531

| <b>Terms:</b> Due and payable upon receipt of invoice |            |              |               |
|---|------------|--------------|---------------|
| <b>Description</b>                                    | <b>Qty</b> | <b>Price</b> | <b>Amount</b> |
| Renee Hours - Bank Recs, Financials, JE, Recon        | 2.50       | 50.00        | 125.00        |
| <b>Total Invoice:</b>                                 |            |              | <b>125.00</b> |



**MINUTES  
DEL NORTE COUNTY FAIRGROUNDS  
RECREATION AND PARK DISTRICT  
March 12, 2019**

On March 12, 2019 the Del Norte County Fairgrounds Recreation and Park District Board of Directors special meeting was called to order at 10:30 a.m. by President Steven Westbrook.

**RECREATION AND PARK DIRECTORS PRESENT**

Steven Westbrook  
Richard Wier  
Robyn Holt  
Sabina Renner  
Doug Wakefield

**DIRECTORS EXCUSED**

**OTHERS PRESENT**

Kim Floyd    41<sup>st</sup> DAA CEO

**ADOPT ROLL CALL**

Taken

**PUBLIC FORUM**

No public comment.

**CONSENT AGENDA**

Public Comment – None

Motion made by Director Wier and seconded by Director Renner to approve the consent agenda items a -c for the Park and Recreation Fair District.

Director Holt-Yes, Director Renner -Yes, Director Wakefield- Yes and Director Wier -Yes

Motion Carried.

**DISCUSSION AND POSSIBLE ACTION REGARDING HIRING AN IT PERSON TO BUILD THE REC AND PARKS OWN WEBSITE THAT WOULD LINK TO THE 41<sup>ST</sup> DAA WEBSITE AND HANDLE SOCIAL MEDIA ACCOUNTS**

Director Wakefield contacted a gentleman out of Brookings who charges \$450 for initial set up of the website and \$120 per year. He will make sure that everything is up to date. He will also create Recreation and Park District email addresses for each board member. Director Westbrook asked if they would have control on what is put on the website. Director Wakefield informed him that they would approve everything that was to be put on the website. Director Wakefield also stated that in order for Digigardin to start right away he would need an initial down payment of \$235.00.

No public comment.

A motion was made by Director Renner to approve hiring Digigardin to build the website and also to pay him a down payment of \$235.00. Director Holt seconded the motion.

Director Holt – Yes, Director Renner – Yes, Director Wakefield – Yes, Director Wier - Yes

Motion Carried.

**DISCUSSION AND POSSIBLE ACTION REGARDING APPROVING CONTRACT WITH WILMA MADDEN TO PROVIDE BILLING SERVICES AND ADMINISTRATIVE SERVICES FOR THE REC AND PARKS.**

Attorney Martha Rice updated the insurance agreement on the contract. The contract states that it will pay Ms. Madden \$25 per hour. She will be providing the minutes, working with CFSA regarding the financial and paying the bills. Ms. Madden will also work closely with 41<sup>st</sup> DAA CEO Kim Floyd regarding items that need to be added to the agenda regarding the 41<sup>st</sup> DAA. She has a lot of experience and knowledge. Director Holt asked for the last sentence on #7 to taken out.

No public comment.

Director Wakefield made a motion to approve the contract for Wilma Madden with the last sentence in #7 removed. Director Holt Seconded the motion.

Director Holt – Yes, Director Renner – Yes, Director Wakefield – Yes, Director Wier - Yes

**DIRECTORS COMMENTS**

Director Westbrook would like the 41<sup>st</sup> DAA member to attend the ad hoc committee meetings because they are a very critical piece of the Strategic Plan.

Next Board Meeting will be April 23 at 10:30am.

**CLOSING COMMENTS**

Meeting adjourned at 11:15am

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District President

---

District Secretary

Del Norte Fairgrounds Trust  
**Balance Sheet**  
February 28, 2019

**Unaudited**

**ASSETS**

|               |                            |                     |
|---------------|----------------------------|---------------------|
| 638 010 00000 | Cash Del Norte Fairgrounds | 1,240,790.49        |
|               | Total Assets               | <u>1,240,790.49</u> |

**LIABILITIES AND FUND EQUITY**

|               |                                   |                     |
|---------------|-----------------------------------|---------------------|
| 638 010 07100 | Fund Balance Available            | 459,997.29          |
| 638 010 07110 | Designated Reserve                | 780,793.20          |
|               | Total Liabilities and Fund Equity | <u>1,240,790.49</u> |

**AUDITOR OF DEL NORTE COUNTY**  
**THE TREASURER OF DEL NORTE COUNTY, CRESCENT CITY, CA. HAS RECEIVED OF**  
**AUDITOR-CONTROLLER.**

**Department:** AUDITOR-CONTROLLER

**Authorization No:** 77831

**By:** ST CK

**Date:** 3/28/2019

**Cash:** 0.00

**Check:** 71,649.22

**TOTAL:** 71,649.22

| <b>ACCOUNT</b> | <b>DEBIT</b> | <b>CREDIT</b> | <b>DESCRIPTION</b>           |
|----------------|--------------|---------------|------------------------------|
| 638-010-00000  | 71,649.22    | 0.00          | Cash - Del Norte Fairgrounds |
| 638-010-07100  | 0.00         | 50,154.45     | Fund Balance Available       |
| 638-010-07110  | 0.00         | 21,494.77     | Designated Reserve           |
| <b>TOTAL:</b>  | 71,649.22    | 71,649.22     |                              |

**BARBARA LOPEZ, TREASURER**

**CLINTON SCHAAD, AUDITOR**

**BY:** \_\_\_\_\_



**DEPUTY**

**BY:** \_\_\_\_\_



**DEPUTY**

DEPARTMENT COPY

# AP Payments Check Register

Del Norte Parks and Recreation  
Renee

Thursday, April 18, 2019 9:38:26AM  
Page 1

| Reference | Date      | Vendor | Vendor Description                 | Net Pay | Merge # |
|-----------|-----------|--------|------------------------------------|---------|---------|
| 2080      | 3/12/2019 | CFSA   | California Fair Services Authority | 620.00  | 4       |
| 2079      | 3/11/2019 | CFSA   | California Fair Services Authority | 130.42  | 5       |
| 2082      | 3/12/2019 | DigiG  | DigiGardin                         | 235.00  | 6       |

Total Payments: 3

Total Amount: 985.42

**DEL NORTE COUNTY FAIR, 41ST DAA**  
**Recreational & Park District**  
**BALANCE SHEET**  
**March-19**

|  | <u>18/19</u>            | <u>17/18</u>    |
|--|-------------------------|-----------------|
| <b>ASSETS</b>                            |                         |                 |
| <b>ASSETS</b>                            |                         |                 |
| Cash - Central Coast CU Checking Members | 385,661                 | 0               |
| Cash - Central Coast CU Savings          | 50                      | 0               |
| Accounts Receivable                      | 0                       | 0               |
| Deferred Charges                         | 0                       | 0               |
| Cash - County of Del Norte               | <u>1,284,936</u>        | <u>0</u>        |
| <b>TOTAL ASSETS</b>                      | <u><u>1,670,647</u></u> | <u><u>0</u></u> |
| <b>LIABILITIES &amp; EQUITY</b>          |                         |                 |
| <b>LIABILITIES</b>                       |                         |                 |
| Accounts Payable/WC Payable              | 0                       | 0               |
| Designated Reserve - Co of Del Norte     | 794,037                 | 0               |
| Funds Bal Available - Co of Del Nort     | <u>490,899</u>          | <u>0</u>        |
| <b>TOTAL LIABILITIES</b>                 | <u><u>1,284,936</u></u> | <u><u>0</u></u> |
| <b>EQUITY</b>                            |                         |                 |
| Net Resources - Rec & Park District      | 500,438                 | 0               |
| Net Income                               | <u>(114,727)</u>        | <u>0</u>        |
| <b>TOTAL EQUITY</b>                      | <u><u>385,711</u></u>   | <u><u>0</u></u> |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>    | <u><u>1,670,647</u></u> | <u><u>0</u></u> |

# Trial Balance

Current (3/1/2019 - 3/31/2019)

Del Norte Parks and Recreation  
Renee

Unit Of Measure: \$

Thursday, April 18, 2019 9:36:27AM

Page 1

| Account   | Beginning Balance        | Debit         | Credit         | Net Activity        | Ending Balance        |
|---|--------------------------|---------------|----------------|---------------------|-----------------------|
| 11900-00-900-A Cash - Rec & Park Dist CCU Checking #S51 | 386,646.40               |               | 985.42         | 985.42-             | 385,660.98            |
| 11910-00-900-A Cash - Rec & Park Dist CCU Savings #S50  | 50.00                    |               |                | 0.00                | 50.00                 |
| 15000-00-900-A Cash - County of Del Note                | 1,213,286.94             | 71,649.22     |                | 71,649.22           | 1,284,936.16          |
| 21200-00-900-A Accounts Payable-Rec & Park District     | 125.00-                  | 985.42        | 860.42         | 125.00              | 0.00                  |
| 22800-00-900-A Designated Reserve - Park & Rec Fair     | 772,542.14-              |               | 21,494.77      | 21,494.77-          | 794,036.91-           |
| 25900-00-900-A Funds Balance Available - Co of Del Nort | 440,744.80-              |               | 50,154.45      | 50,154.45-          | 490,899.25-           |
| 29300-00-900-A Net Resources - Rec & Park District      | 500,437.81-              |               |                | 0.00                | 500,437.81-           |
| 60000-11-900-A Insurance Fees - Rec & Park District     | 41.92-                   |               |                | 0.00                | 41.92-                |
| 65000-11-900-A Other Expenses - Rec & Park District     | 7,367.50                 |               |                | 0.00                | 7,367.50              |
| 69000-11-900-A Professional Service-Rec & Park District | 6,540.83                 | 860.42        |                | 860.42              | 7,401.25              |
| 94500-00-900-A Other Operating Exp-Rec & Park District  | 100,000.00               |               |                | 0.00                | 100,000.00            |
| <b>\$ Grand Totals</b>                                  | <b>Beginning Balance</b> | <b>Debits</b> | <b>Credits</b> | <b>Net Activity</b> | <b>Ending Balance</b> |
|   | 0.00                     | 73,495.06     | 73,495.06      | 0.00                | 0.00                  |

# General Ledger Detail

**Current period 3 (3/1/2019 - 3/31/2019)**

Del Norte Parks and Recreation  
Renee

Unit: \$

Thursday, April 18, 2019 9:38:55AM  
Page 1

| Date                     | Posting Description                | Reference                                       | Source   | Merge # | Debit        | Credit        | Balance      |
|--------------------------|------------------------------------|---|--|---------|--------------|---------------|--------------|
| <b>11900-00-900-A</b>    |                                    | <b>Cash - Rec &amp; Park Dist CCU Checking</b>  |  |         |              |               | 386,646.40   |
| 3/11/2019                | Summarized AP Payments             | Payments  | AP-Payment   | 3       |              | 130.42        |              |
| 3/11/2019                | California Fair Services Authority | Check: 2079                                     |  |         |              |               | 130.42       |
| 3/12/2019                | Summarized AP Payments             | Payments  | AP-Payment   | 3       |              | 855.00        |              |
| 3/12/2019                | California Fair Services Authority | Check: 2080                                     |  |         |              |               | 620.00       |
| 3/12/2019                | DigiGardin                         | Check: 2082                                     |  |         |              |               | 235.00       |
| 11900-00-900-A           |                                    | Net:  | 985.42-  |         | 0.00         | 985.42        | 385,660.98   |
| <b>11910-00-900-A</b>    |                                    | <b>Cash - Rec &amp; Park Dist CCU Savings</b>   |  |         |              |               | 50.00        |
| <b>15000-00-900-A</b>    |                                    | <b>Cash - County of Del Note</b>                |  |         |              |               | 1,213,286.94 |
| 3/28/2019                | Fund Deposit 03/31/2019            | Mar bal   | GL-Manual  |         | 71,649.22    |               |              |
| 15000-00-900-A           |                                    | Net:  | 71,649.22  |         | 71,649.22    | 0.00          | 1,284,936.16 |
| <b>21200-00-900-A</b>    |                                    | <b>Accounts Payable-Rec &amp; Park Distric</b>  |  |         |              |               | 125.00-      |
| 3/1/2019                 | Summarized AP Invoices             | Invoices  | AP-Invoice   |         |              | 495.00        |              |
| 3/1/2019                 | California Fair Services Authority | Invoice: 046320                                 | 2019 Auto Liability Lump Sum                                       |         |              |               | 495.00       |
| 3/11/2019                | Summarized AP Payments             | Payments  | AP-Payment   | 3       | 130.42       |               |              |
| 3/11/2019                | California Fair Services Authority | Check: 2079                                     |  |         |              |               | 130.42       |
| 3/12/2019                | Summarized AP Invoices             | Invoices  | AP-Invoice   |         |              | 365.42        |              |
| 1/1/2019                 | California Fair Services Authority | Invoice: 046159                                 | 2019 Est WC Lump Sum   |         |              |               | 130.42       |
| 3/12/2019                | DigiGardin                         | Invoice: 095                                    | Web Design/Host  |         |              |               | 235.00       |
| 3/12/2019                | Summarized AP Payments             | Payments  | AP-Payment   | 3       | 855.00       |               |              |
| 3/12/2019                | California Fair Services Authority | Check: 2080                                     |  |         |              |               | 620.00       |
| 3/12/2019                | DigiGardin                         | Check: 2082                                     |  |         |              |               | 235.00       |
| 21200-00-900-A           |                                    | Net:  | 125.00   |         | 985.42       | 860.42        | 0.00         |
| <b>22800-00-900-A</b>    |                                    | <b>Designated Reserve - Park &amp; Rec Fai</b>  |  |         |              |               | 772,542.14-  |
| 3/28/2019                | Fund Dep 03/28/19 auth 77831       | Mar bal   | GL-Manual  |         |              | 21,494.77     |              |
| 22800-00-900-A           |                                    | Net:  | 21,494.77-   |         | 0.00         | 21,494.77     | 794,036.91-  |
| <b>25900-00-900-A</b>    |                                    | <b>Funds Balance Available - Co of Del I</b>    |  |         |              |               | 440,744.80-  |
| 3/28/2019                | Fund Dep 03/28/19 auth 77831       | Mar bal   | GL-Manual  |         |              | 50,154.45     |              |
| 25900-00-900-A           |                                    | Net:  | 50,154.45-   |         | 0.00         | 50,154.45     | 490,899.25-  |
| <b>29300-00-900-A</b>    |                                    | <b>Net Resources - Rec &amp; Park District</b>  |  |         |              |               | 500,437.81-  |
| <b>60000-11-900-A</b>    |                                    | <b>Insurance Fees - Rec &amp; Park District</b> |  |         |              |               | 41.92-       |
| <b>65000-11-900-A</b>    |                                    | <b>Other Expenses - Rec &amp; Park District</b> |  |         |              |               | 7,367.50     |
| <b>69000-11-900-A</b>    |                                    | <b>Professional Service-Rec &amp; Park Dist</b> |  |         |              |               | 6,540.83     |
| 3/1/2019                 | Summarized AP Invoices             | Invoices  | AP-Invoice   |         | 495.00       |               |              |
| 3/1/2019                 | California Fair Services Authority | Invoice: 046320                                 | 2019 Auto Liability Lump Sum, Gen Liab Ins - Non Owned& Hired Auto |         |              |               | 500.00       |
| 3/1/2019                 | California Fair Services Authority | Invoice: 046320                                 | 2019 Auto Liability Lump Sum, Li Lump Sum discount                 |         |              |               | 5.00-        |
| 3/12/2019                | Summarized AP Invoices             | Invoices  | AP-Invoice   |         | 365.42       |               |              |
| 1/1/2019                 | California Fair Services Authority | Invoice: 046159                                 | 2019 Est WC Lump Sum   |         |              |               | 130.42       |
| 3/12/2019                | DigiGardin                         | Invoice: 095                                    | Web Design/Host  |         |              |               | 235.00       |
| 69000-11-900-A           |                                    | Net:  | 860.42   |         | 860.42       | 0.00          | 7,401.25     |
| <b>94500-00-900-A</b>    |                                    | <b>Other Operating Exp-Rec &amp; Park Dis</b>   |  |         |              |               | 100,000.00   |
| <b>\$ Grand Totals</b>   |                                    | Beginning Balance                               | Net Activity   |         | Total Debits | Total Credits | Balance      |
|                          |                                    | 0.00  | 0.00   |         | 73,495.06    | 73,495.06     | 0.00         |
| <b>\$ Trial Balances</b> |                                    |   |  |         | Total Debits | Total Credits | Balance      |
|                          |                                    |   | Prior:   |         | 1,713,891.67 | 1,713,891.67  | 0.00         |
|                          |                                    |   | Activity:  |         | 73,495.06    | 73,495.06     | 0.00         |
|                          |                                    |   | Ending:  |         | 1,785,415.89 | 1,785,415.89  | 0.00         |

**DEL NORTE COUNTY FAIR, 41ST DAA**  
**RECREATIONAL & PARK DISTRICT**  
**Statement of Operations**  
**March 31, 2019**

|                              | <b>Acct.<br/>No.</b> | <b>Current YTD<br/>3/31/2019</b> | <b>Budget<br/>18/19</b> | <b>Balance of<br/>Budget</b> | <b>% Used<br/>18/19</b> |
|------------------------------|----------------------|----------------------------------|-------------------------|------------------------------|-------------------------|
| <b>REVENUES:</b>             |                      |                                  |                         |                              |                         |
| Sales Tax Revenues           | RECS                 | -                                | 502,264                 | 502,264                      | 0%                      |
| <b>TOTAL REVENUES</b>        |                      | <b>-</b>                         | <b>502,264</b>          | <b>502,264</b>               | <b>0%</b>               |
| <b>EXPENSES:</b>             |                      |                                  |                         |                              |                         |
| Administrative Expenditures  | RECA                 | 14,727                           | 27,000                  | 12,273                       | 55%                     |
| Prior Year Expenditures      | RECP                 | -                                | -                       | -                            | 0%                      |
| Capital Expenditures         | RECC                 | -                                | -                       | -                            | 0%                      |
| Other operating Expenditures | RECO                 | 100,000                          | 250,000                 | 150,000                      | 40%                     |
| <b>TOTAL EXPENSES</b>        |                      | <b>114,727</b>                   | <b>277,000</b>          | <b>162,273</b>               | <b>41%</b>              |
| <b>TOTAL NET GAIN/LOSS</b>   |                      | <b>(114,727)</b>                 | <b>225,264</b>          | <b>339,991</b>               | <b>-51%</b>             |

**Resolution No.  
2019-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
DEL NORTE COUNTY FAIRGROUNDS RECREATION AND  
PARK DISTRICT SETTING THE DATE, TIME AND LOCATION  
FOR REGULAR MEETINGS**

WHEREAS, the Board of Directors for the Del Norte County Fairgrounds Recreation and Park District desires to set a new date and time for its regular meetings; and

WHEREAS, the Brown Act (Gov. Code § 54950, et seq.) requires that the Board of Directors set a date, time and location for regular meetings of the Board by official action.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Del Norte County Fairgrounds Recreation and Park District that the regular meetings of the board will be held on the following day, time and location:

REGULAR MEETINGS

Day: 4<sup>th</sup> Tuesday of each month

Time: 10:30 a.m.

Location: Del Norte County Fairgrounds Board Room  
241 U. S. Highway 101 North  
Crescent City, CA 95531

**BE IT FURTHER RESOLVED**, that this Resolution takes effect April 23, 2019 and that Resolution No. 2016-01 is hereby repealed and rescinded.

**PASSED and ADOPTED** this 23rd day of April, 2019 at a special meeting of the Board of Directors by the following polled vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Steven Westbrook, President

ATTEST:

\_\_\_\_\_  
Sabina Renner, Secretary

# **Financial and Accounting Policies & Procedures**

**November 17, 2015**

**Del Norte County  
Fairgrounds  
Park and Recreation District**

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## **100. Introduction**

### **101. Purpose of Manual**

101.1. The purpose of this manual is to enable the Del Norte Fairgrounds Recreation and Park District and district personnel to carry out the purpose and mission of the district within the guidelines set by the California Government Code, the State Controller's Office, and the United States Government.

### **102. Amending the Financial and Accounting Policies & Procedures**

102.1. This manual will be reviewed by the finance committee on an annual basis.

102.2. Amendments to this manual can be made at any time and any amendments require both finance committee and Board of Directors approval.

## **200. Internal Control Policies**

## **201. The Board of Directors**

201.1. The Directors are responsible for the oversight of management and to provide continuity to the district. Responsibilities of the Directors as they relate to financial operations are to:

- 1) Hire/support/evaluate/discharge the CEO; ( after District assumes full responsibility for the operation of fair and the CEO becomes an employee of the District.)
- 2) Safeguard the assets of the District by developing and implementing policies and procedures;
- 3) Monitor the financial performance of the District;
- 4) Create an environment for ethical behavior;
- 5) Commit the financial and administrative resources for the prevention and detection of fraud and embezzlement;
- 6) Review and approve the annual budgets and all budget revisions;
- 7) Review and approve major organizational decisions, commitments, and plans including expenditures, contracts, loans, and leases;
- 8) Evaluate progress toward program and financial goals;
- 9) Ensure the continuity of the District through the development and recruitment of the CEO;
- 10) Conduct affairs of the District including Directors development, transition and effectiveness; and
- 11) In conjunction with the CEO, provide leadership on organizational transition, structure and planning.

201.2. The Directors, as the governing body of the District, formulate financial policies. The Directors may choose to delegate some of the responsibility for administration of financial policies to staff or to the finance committee.

201.3. The Directors will meet their specific responsibilities through:

- 1) Director orientation;
- 2) Information flow: financial statements, reporting regarding programs and operations, planning;
- 3) Each Director exercise of informed, independent judgment;
- 4) Appropriate Director organization and continuity;
- 5) District meetings, agendas, minutes and documentation;
- 6) Appropriate committee structure; and

- 7) Determination of director-executive staff relationships and the extent of delegation of management authority.

## **202. Finance Committee**

202.1. The District will establish a finance committee comprised of the following:

- 1) All committee members should possess or obtain a basic understanding of governmental financial reporting and auditing.
- 2) The committee should have access to the services of at least one financial expert, either a committee member or an outside party engaged by the committee for this purpose.
- 3) The actual finance committee membership should be comprised of the District members.
- 4) The minimum membership of the committee should be no fewer than two (2) members.

202.2. The finance committee provides the highest level of management oversight related to financial operations. Responsibilities of the finance committee are:

- 1) Recommend the choice of an auditor after completion of request for proposal (RFP) process; perform regular, in-depth reviews of the Districts financial activity; oversee the development of the annual budget and budget revisions; determine the allocation of assets and investments.
- 2) Submit any financial policies it deems to be in the best interest of the District within the parameters of the bylaws or federal, state and local laws to the Directors for approval.
- 3) Meet as needed or at least twice a year.
- 4) Determine that all investigations of ethics violations, fraud or embezzlement have been adequately performed.
- 5) Evaluate, on an annual basis, the performance of the Districts CEO related to the finances.
- 6) Obtain informal training related to the understanding of financial statements and generally accepted accounting principles.
- 7) Review financial policies and procedures on an annual basis.
- 8) Meet with the independent auditor for a pre-audit meeting and post-audit meeting.
- 9) Present a financial operations report to the District on a quarterly basis.

## **203. General Business Conduct and Values**

203.1. The members and employees of the District are required to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities. As representatives of the

District, they will practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. Management and employees are expected to communicate the District's ethical values by example.

- 1) A code of ethics outlining broad ethical principles and values. The values of the District are:
  - a) A commitment to the public good;
  - b) Accountability to the public;
  - c) Commitment beyond the law;
  - d) Respect for the worth and dignity of individuals;
  - e) Transparency, integrity and honesty;
  - f) Responsible stewardship of resources; and
  - g) Commitment to excellence and to maintaining the public trust.
- 2) All staff and Board of Directors will act with honesty, integrity and openness in all dealings as representatives of the District. The District promotes a working environment that values respect, fairness and integrity.
- 3) The District has a clearly stated mission and purpose, approved by the Directors, in pursuit of the public good. All of its programs support that mission and all who work for or on behalf of the District understand and are loyal to that mission and purpose. The mission is responsive to the constituency and communities served by the District and of value to society at large.
- 4) The Board of Directors are a responsible steward of the funds received and ensures all spending practices and policies are fair, reasonable, and appropriate to fulfill the mission of the District and all financial reports are factually accurate and complete in all material respects.

## **204. Compliance with all Laws, Rules and Regulations**

204.1. All Directors, employees and consultants involved with daily operations of the District will comply with all laws, rules and regulation prescribed by a government in law, code, policy and procedure manuals, contracts and grant agreements.

204.2. The District will not enter into any agreement that creates a risk that all laws, rules and regulations cannot be followed.

204.3. The District will terminate any grant agreements or vendor contracts in which the grantor or vendor requests or instructs the District to perform an illegal or unethical act.

## **205. Conflict of Interest**

**Introduction:** Conflicts of interest occur when a conflict exists between the public interest and the private monetary interest of the public official or employee.

205.1. The following policy ensures that any conflicts of interest or the appearance thereof are avoided or appropriately managed through disclosure, recuse or other means. No Director, employee or consultant involved with daily operations of the District may:

- 1) Engage or participate in a business or transaction, including outside employment, or have a direct or indirect interest that is incompatible with, or that would tend to impair their independent judgment in the proper discharge of their responsibilities;
- 2) Solicit or accept a gift from anyone who has an interest in any project within the Directors or employee's responsibility;
- 3) Use information about the Districts affairs for his/her own or others' financial interests.
- 4) Ask or permit District-owned vehicles, equipment, facilities, materials, or property to be used for his/her own personal convenience or profit, except when this property is permitted for the employee's or Directors use when conducting District business;
- 5) Contract with the District, unless the contract is awarded through a public notice, competitive bidding process, or noted in writing why a competitive bidding process was not used;
- 6) Use his/her position for personal financial benefit or that of an immediate family member (spouse, child or dependent relative living in his/her household) or associated business (business owned by a director, employee or member of one's immediate family or where any one of them works or serves as a commissioner, director or compensated agent);
- 7) Accept a fee or honorarium for an article written, appearance or speech made, or participation at an event, in one's official district capacity;
- 8) Engage in any political activity while on duty or during any time one is paid to be on duty for the District that violates the conditions of any grant contract in effect with the District;
- 9) Solicit or accept anything of value, including a gift, loan, political contribution, reward or promise of future employment based on any understanding that the Directors or employee's official action or judgment would be or had been influenced by it. A "gift" is generally anything of value given for less than its value. The exceptions include items valued at \$10 or less; certificates or ceremonial awards valued at less than \$100; In addition, a gift is not received by a Director or employee who refuses it, returns it, pays the donor the full value of it, accepts it on behalf of the District (i.e., the gift is intended to remain in the permanent possession of the District), or donates it to a nonprofit organization. If donated, the Director or employee may not take a tax deduction or credit for it.
- 10) Vote on, or otherwise participating in, any matter on behalf of the District if he/she has an associated business, or an immediate family member has a financial or personal interest in the matter greater than that of any other segment of the population, including the sale of real estate, material, supplies, or services to the District. If the participation is within the scope of the Directors or employee's official responsibility, he/she must give the District a written

explanation of the nature and extent of one's interest. This policy prohibits immediate families and associated businesses from entering into private contractual agreements with the District.

- 11) Employees and former employees should not knowingly use confidential information for actual or anticipated personal gain or for the gain of any other person

205.2. Former Directors or employees are prohibited from:

- 1) Accepting compensation from the District to appear before the Board of Directors for the first year after terminating employment or office;
- 2) Representing anyone, other than the District, in any matter in which they participated personally and substantially while in District service;
- 3) Disclosing or using confidential information gained in their position at the District for their own financial gain or that of others; or
- 4) Working for a party under contract, other than the District, for one year after the contract is signed, if they participated substantially in the contract negotiations or award and the contract obligates the District to pay \$25,000 or more.

5) Employees who participate in selection, review or approval or who have influence over selection or approval in the purchasing process should not become employees of a firm contracting with the District. An employee should not act as a principal or as an agent for a firm that does business with the District for six months after the termination with the District. This section also has a release provision.

## **206. Ethical Standards in Bidding, Negotiation and Performance of Awards**

206.1. It is the intention of the District to maintain the highest level in ethics in the bidding, negotiation and performance of awards. At no time shall the District:

- 1) Award or commit to any contracts with vendors or sub-consultants prior to an award without all competitive bidding procedures and guidelines being followed;
- 2) Accept a grant where the act of a grantor specifying a particular vendor or sub-consultant in the award would violate the contract awarding policies of the District;
- 3) Consider bids from vendors or consultants who were material participants in the proposal preparation; or
- 4) Consider bids from vendors and consultants who participated in strategic planning sessions (other than providing information).

## **207. Fraud**

207.1. It is the intent of the District to provide the administrative and financial support for the detection and prevention of fraud and other financial abuse. The Board of Directors and management recognize the need to maintain an atmosphere conducive to the highest ethical behavior. At no time will the Board of Directors or management create an environment encouraging unethical behavior. The Board of Directors are committed to protecting tax payer dollars and assets from fraud and recovering losses as a result of fraudulent activities. These policies establish steps to combat fraud and to provide procedures to follow when fraudulent acts are suspected.

## **208. Reporting of Ethics Violations, Fraud or Embezzlement**

208.1. It is the responsibility of all members and employees to report all violations or suspected violations in accordance with this policy.

208.2. No member or employee who, in good faith, reports a violation of the policy shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This policy is intended to encourage and enable employees and others to raise serious concerns within the District prior to seeking resolution outside the organization.

208.3. The policy addresses the District's open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. If an employee is not comfortable speaking to their direct supervisor or is not satisfied with the proposal, they are encouraged to speak with the CEO, who has the specific responsibility to investigate all reported violations.

208.4. Any allegations concerning a specific employee should be brought to the attention of someone one level higher than the level of the employee being reported.

208.5. The CEO is responsible for investigating and resolving all reported complaints and allegations concerning violations of the policy and, at his/her discretion, shall advise the finance committee. The CEO has direct access to the finance committee and is required to report to them on any compliance or suspicious activity. The CEO is an advisor (not a member) of the finance committee.

208.6. The finance committee shall address all reported concerns or complaints regarding the District's accounting practices, internal controls or auditing. The CEO shall immediately notify the finance committee of any such complaint and work with the finance committee until the matter is resolved.

208.7. Anyone filing a complaint concerning a violation or suspected violation of the policy must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the policy. Any allegations that prove not to be substantiated and which prove to be made maliciously or knowingly to be false will be viewed as a serious disciplinary matter.

208.8. Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

208.9. The CEO will notify the sender and acknowledge receipt of the reported or suspected violation within five business days. All reports will be promptly investigated and appropriate action will be taken if warranted.

## **209. Whistleblower Program**

209.1. The Whistleblower Program is established to provide a method for reporting fraud, waste and abuse within the District. Policy and procedures are established to facilitate the development of internal controls that will provide for the detection, prevention, and reporting of fraud, waste and abuse directed against the District. It is the intent of this policy to promote awareness of the potential for fraud, waste and abuse throughout the District, and to provide guidelines and assign responsibility for the development of adequate internal controls and systems of the whistleblower program.

209.2. The law in California protects employees from retaliatory or adverse personnel action for disclosing certain information including, but not limited to, violations of laws and suspected acts of gross mismanagement or gross waste of public funds.

209.3. The term fraud refers to, but is not limited to, any dishonest or fraudulent act to include forgery or alteration of any document; misappropriation of funds, supplies, etc.; improper handling or reporting of money or financial transactions; profiting by self or others as a result of inside knowledge; destruction or intentional disappearance of records, furniture, fixtures or equipment; accepting or seeking anything of material value from vendors or persons providing services or materials to the District for personal benefit; and/or any similar or related irregularity.

209.4. Waste refers to the unnecessary incurring of costs as a result of inefficient practices, systems or controls.

209.5. Abuse refers to violations and circumventions of departmental or district regulations which impair the effective and efficient execution of operations.

209.6. The District treats all information received confidentially, to the extent allowed by law. Any employee, citizen, consultant, vendor, or other interested party who has observed or suspect's dishonest or fraudulent activity should notify the finance committee or Districts counsel immediately. Persons observing or suspecting dishonest or fraudulent activity should not attempt to personally conduct an investigation related to such activity.

209.7. All documents and/or information obtained in the investigation of complaints received shall be considered in draft form until the official completion of the investigation. At that time the supporting information will be used to prepare the final report on the "Whistleblower Complaint Resolution Form." Upon completion of the form, the draft documents will be returned to the department from which they

came, or distributed to the appropriate law enforcement officials for use in further investigation or legal matters. All documents with the exception of the "Whistleblower Complaint Resolution Form" are considered confidential and shall not be disclosed, except as required by law. All public record requests for information should be coordinated with the assistance of Districts counsel.

#### 209.8. Procedures for Receiving Complaints:

- 1) A current or former district employee or other party who suspects fraud, waste, or abuse, and does not desire anonymity, should:
  - a) Contact the finance committee or district counsel and provide as much detailed information as possible regarding the suspected conduct.
  - b) If requested by the finance committee or district counsel, furnish a detailed written statement, outlining the suspected conduct.
  - c) Cooperate with the investigative audit process by providing written statements, interviews, etc.
- 2) A current or former district employee who suspects fraud, waste, or abuse, and wishes to remain anonymous, should:
  - a) Contact the finance committee or district counsel and provide as much detailed information as possible regarding the suspected conduct.
  - b) The caller, though anonymous, must be willing to share specific information regarding the suspected conduct.
- 3) A member of the public suspecting fraud, waste, or abuse, is encouraged to contact the finance committee or counsel with specific and detailed information regarding the suspected conduct.
- 4) Individuals are not required to leave personal information, but they are encouraged to leave a means of contact in order for the whistleblower program to gather additional information about the matter, if necessary.
- 5) The District will:
  - a) Maintain a whistleblower notification process, and attempt to secure as much information as possible from the reporting individual.
  - b) Complete an independent review of all claims received.
  - c) Contact law enforcement, as appropriate under the circumstances, for consideration as to their involvement in the case. Determination of the appropriate commission will be considered with the assistance of counsel.

d) Evaluate reported conduct pertaining to any and all departments of the district, and such other activities/entities engaged in the expenditure of district funds.

e) Report findings in accordance with the whistleblower policy herein.

f) Work with law enforcement authorities as necessary during the course of the investigative review, and refer applicable findings to appropriate authorities upon completion.

209.9. An individual who reports suspected fraud, waste or abuse who becomes material to a criminal investigation may not be able to remain anonymous. In the event anonymity cannot be maintained an individual reporting fraud, waste, or abuse in good faith will be protected from retaliation.

209.10. In the event of a complaint regarding the executive director or counsel, the finance committee will engage outside counsel

209.11. In the event of a complaint regarding the finance committee or Directors, the district counsel will be contacted.

209.12. At the discretion of the finance committee, complaint resolutions may be presented to the Board of Directors.

## **210. Continuing Education**

210.1. The education goals of the District are:

- 1) Employees are encouraged to attend training as approved by management and in alignment with the budget at the expense of the District. The training will consist of technical information related to that employee's assignment as well as training in supervision, management, budgeting and accounting.
- 2) Continuing education specifically related to an employee's interest and with prior approval from management is acceptable and may be subject to partial or complete reimbursement by the District.

## **211. Risk**

211.1. The District is subject to reporting for financial statements purposes, liability and claims from a variety of risks arising from torts, property damage, errors and omissions, injury to employees arising from unsafe conditions or hazards in the workplace, and natural disasters. Risk can also be associated with grantees and vendors.

Risk management for financial statement purposes encompasses identifying risks, evaluating potential losses, and ultimately planning and developing a program to mitigate these risks to an acceptable level or record the liability associated with a program.

The District's risk management program will identify risks to understand the sources, types, and likelihood of risk. At a minimum, exposure to risks should be identified in the following areas:

Economic environment- the ability to be paid by governmental agencies on a timely basis and the ability to pay vendors on a timely basis.

Internal environment- the amount of financial risk that is taken by staff and management. Often associated with an attitude towards rules and regulations.

Legal environment- any liabilities associated with non-compliance of rules and regulations.

Operational environmental- the ability to provide sufficient internal controls and appropriate staffing. The ability of the organization to provide adequate staff and resources.

Political environment- influence or pressure from other governing bodies. Social environment (socio-economic composition of the community).

211.2. It is the intent of the District to maintain accounting and financial reporting risks at an acceptable level. The District shall minimize liability and control risk by the following:

- 1) Adhere to all laws, rules and regulations.
- 2) Prepare proposals that follow the District's policies.
- 3) Avoid changes to grants or contracts that do not follow District policy.
- 4) Prepare budgets that are reasonable.
- 5) Enter into agreements with those agencies that have the ability to amend the agreement, those willing to pay a fair price for the District's services and those that will pay for the agreed upon share of the District's costs.
- 6) Setting challenging but reasonable goals for employees, to emphasize ethical behavior instead of creating situations that result in fraudulent financial reporting or other unethical actions.

211.3. The District shall minimize business and inherent risk by the following:

- 1) Ensure that all contracts recover all agreed upon costs and that the risk of partial or complete project failure can be covered.
- 2) Accept grants with insufficient or incomplete funding if the District reasonably believes it can receive matching grants or otherwise complete the proposed work using other funding sources.

- 3) Ensure that the District can achieve the results projected.
- 4) Accept projects with appropriate cost analysis or feasibility studies completed.

## **212. Financial Personnel**

212.1. Employees and consultants involved with financial records shall be bondable.

212.2 All employees involved with financial records shall possess sufficient training and have knowledge of generally accepted accounting principles.

## **300. Financial Management**

### **301. Basis of Accounting**

301.1. The District will maintain the accounting records and prepare financial statements using the accrual method following Generally Accepted Accounting Principles (GAAP).

301.2. The District will maintain the records under the provisions of Governmental Accounting Standards Board (GASB) 34 related to reporting under full accrual.

301.3. The District will follow the guidelines as found in the State of California Accounting Standards and Procedures.

301.4. Governmental resources are allocated to and accounted for in separate entities, called funds, based upon purposes for which they are to be spent and controlled. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and equities, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Governmental Funds focus primarily on the sources, uses and balance of current financial resources and often have a budgetary orientation. They employ the flow of current financial resources measurement focus and the modified accrual basis of accounting:

Revenues are recognized in the accounting period in which they become measurable and available. Sixty (60) days shall be considered a reasonable period.

Expenditures are recognized when incurred, if measurable, except for un-matured interest on general long-term obligations, which is recognized when due.

Prepayments and capital expenditures are not recorded as deferred costs to be allocated over future period, but rather as current expenditures

Assets and liabilities reported on the financial statements are limited to those representing current available resources or requiring expenditure of said resources.

The general fund is used to account for all financial resources except those required to be accounted for in another fund.

The capital projects fund is used to account for financial resources to be used for the acquisition and construction of major capital expenditures.

Special revenue funds are used to account for revenue to be used for a specific purpose.

## **302. Financial Statements**

302.1. Financial Statements will consist of a balance sheet, statement of revenues, expenditures and changes in fund balance, and actual vs. budget comparison. The CEO will also receive the financial s for each work element monthly.

302.2. The financial statements are to be submitted to the District, CEO, and finance committee by the accountant no later than 72 hours prior to District meetings.

## **303. Insurance and Bonding**

303.1. When possible, the term of a policy shall be identical to the District's fiscal year.

## **304. Audits**

304.1. The District is required to have an independent audit of their financial statements performed in accordance with appropriate professional auditing standards. The audit shall be completed within one hundred eighty days (180) days after the end of its fiscal year. The annual audited financial report could also be required to include a "single audit" in accordance with OMB Circular A-133.

304.2. The audit shall be performed by an independent certified public accountant.

304.3. The District shall follow the recommendations of the Government Finance Officers Association of the United States and Canada (GFOA) in recommending that a consolidated annual financial report (CAFR) be issued as a best practice for financial reporting. The CAFR expands upon the basic financial statements that are required by generally accepted accounting principles by including additional financial information broken down into three sections: introductory, financial, and statistical.

The introductory section provides general information on the government's structure, services and environment.

The financial section includes the basic financial statements and notes as well as additional information on all individual funds not reported in the basic financial statements.

The statistical section provides trend data and non-financial information that assists in the assessment of the government's financial condition.

304.4. At the conclusion of the audit, the auditor shall discuss all comments that will be included in the audit report with management, each member of the governing body, and each member of the finance committee charged with governance. In addition, the auditor shall notify each member of the local government's governing body if there is deteriorating financial conditions that may cause a financial emergency condition.

304.5. The District's proposal to the audit findings, including corrective action to be taken, must be filed with the District's governing body within sixty (60) days after delivery of the audit findings. In addition, the audit findings and proposals must be incorporated in the audit report package.

304.6. The auditor selection process shall follow the regular procurement process and bid requirements including:

Establish factors to be used in the evaluation of audit

services. Publicly announce requests for proposals.

Provide interested firms with requests for proposals.

Evaluate proposals provided by qualified firms.

### **305. Final Audit Adjustments**

305.1. The District will record agreed-upon audit adjustments and reconcile net assets on the accounting records to the audited financial statements.

### **306. Chart of Accounts**

306.1. The District's chart of accounts will comply with the guidelines in the State of California Accounting Standards and Procedures. An account number shall be assigned to each account category to provide a specific identification of all financial transactions.

306.2. Separate ledger accounts for specific projects will be maintained as required by the funding source regulations.

### **307. Journal Entries**

307.1. The accountant will prepare monthly journal entries, when necessary, for the District.

### **308. Fiscal Year**

308.1. The District's fiscal year is July 1 to June 30.

### **309. Account Maintenance**

309.1. The accountant shall maintain the detail and documentation on all general ledger accounts on a monthly basis.

## **400. Assets, Liabilities and Fund Balance (Net Assets)**

### **401. Bank Accounts**

401.1. The District shall maintain all bank accounts in accordance with Section 404: Investment Policies.

401.2. Cash shall be presented on the statement of net assets as unrestricted or restricted.

### **402. Bank Reconciliations**

402.1. The accountant shall reconcile the bank statement and verify all deposits/checks posted on the District's account against the computer generated check register.

### **403. Cash Management and Forecasting**

403.1. The accountant is responsible for maintaining a cash flow forecast and monitoring the flow of cash into and out of the District's bank accounts in order to assure all checks clear the account and the account is not overdrawn.

403.2. The accountant shall maintain a minimum daily balance in the District's checking account of three thousand dollars (\$3,000) and make the determination to transfer funds into this account.

403.3. If for any reason it appears that the checking account may be overdrawn or the daily balance has gone below \$3,000 the CEO and the finance committee will be notified immediately.

### **404. Accounts Receivable**

404.1. It is the intent of the District to bill receivables by the 5<sup>th</sup> and 25<sup>th</sup> of the month, or as defined by the grant.

404.2. The CEO will ensure invoices are prepared for all contracts, grants, service and mitigation agreements.

### **405. Inter-fund Transactions and Balances**

405.1. Inter-fund transactions and balances must reconcile at all times.

### **406. Equipment**

406.1. Capitalization of equipment by the District will:

- 1) Be defined as all items with a unit cost of \$5,000 or more and a useful life of more than one year.
- 2) If leased, and the total cost over a 3-year period or less exceeds the purchase price, the equipment should generally be purchased, if allowable, by the funding source. Leased equipment will be capitalized under generally accepted accounting principles.
- 3) Be pre-approved by the District unless it is necessary for the project/grant for which it is purchased and allowable by the funding source.
- 4) Be notified to the Board of Directors by the CEO of all cases of loss, damage, or destruction of equipment or other property in a timely manner.

## **407. Depreciation**

407.1. The District shall record depreciation monthly.

407.2. The accountant shall maintain property and equipment schedules for depreciation on a monthly basis.

407.3. Depreciation shall approximate the useful life of the asset and be recorded on a straight line basis.

## **408. Accounts Payable**

408.1. The accountant will maintain a detail of accounts payable on a monthly basis.

408.2. Payables will be recorded for the prior month up to the close date for each month.

## **409. Accrued Expenses**

409.1. The accountant will accrue material payables at the end of each month that can be reasonably estimated for which actual invoices have not yet been received from vendors.

## **410. Assets/Funds Held for Others**

410.1. Any assets or funds held for other agencies or organizations will be recorded in this liability account.

410.2. The accountant will maintain a detail of this liability account on a monthly basis.

## **411. Deferred Revenue**

411.1. Any funds paid to the District in excess of revenue earned will be recorded in the liability account.

411.2. The accountant will maintain a detail of this account on a monthly basis.

## **412. Notes Payable and Line of Credit**

412.1. Third party loans or Line of Credit (LOC) loans from outside sources (other agencies, banks, etc.) or the use of a LOC shall be approved by the Board of Directors.

## **413. Unrestricted, Restricted and Designated Net Assets**

413.1. The District will follow GASB 34 and GASB 54 as follows:

- 1) All net assets are unrestricted except those legally restricted by outside third parties.
- 2) Net asset designations, done at the discretion of the commission, will appear as a footnote only in any financial statements.

## **500. Revenue**

### **501. Revenue Recognition**

501.1. Revenue will be recognized under GAAP using exchange transaction and non-exchange transaction criteria.

### **502. Fees for Service**

502.1. The District is permitted, under California Government Code, to perform fees for service as long as all of the District's costs are recovered.

## **600. Purchasing and Contracting**

### **601. Intent**

601.1. The intent of the District is to establish procedures for the purchase of goods and services at the lowest possible cost and of good quality. Under California Government Code, the District will obtain goods and services using the competitive bid process. It is imperative that the purchasing function be open to all qualified bidders and that the processes not impair or discourage competition. The procurement procedures are designed to:

- 1) Instill public confidence in the procurement process of the District.
- 2) Ensure fair and equitable treatment for all vendors who seek to deal with the District.
- 3) Ensure maximum open and free competition in the expenditure of public funds.
- 4) Provide the safeguards to maintain a procurement system of quality and integrity.

601.2. Open Competition Required- All procurement transactions will be conducted in a manner providing full and open competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

- 1) Unreasonable requirements placed on firms in order for them to qualify to do business;
- 2) Unnecessary experience and excessive bonding requirements;
- 3) Noncompetitive pricing practices between firms or between affiliated companies;
- 4) Noncompetitive award to any person or firm on retainer contracts;
- 5) Organizational conflicts of interest. An organizational conflict of interest means that because of other activities, relationships, or contracts, a consultant is unable or potentially unable, to render impartial assistance or advice to District; a consultant's objectivity in performing the contract work is or might be otherwise impaired; or a consultant has an unfair competitive advantage.
- 6) The specification of only a brand name product without listing its salient characteristics and not allowing an equal product to be offered;
- 7) Exclusionary or discriminatory specifications; and
- 8) Any arbitrary action in the procurement process.

601.3. The following definitions shall apply:

**Fixed Price Contracts** - A Fixed Price Contract provides for performance of specified work or supply of goods in consideration of a fixed price, and the consultant bears the risks of uncertainty. Such contracts provide maximum incentive for the consultant to control costs and perform effectively and imposes minimum administrative burden upon contracting parties. A fixed price contract type is recommended for materials, equipment, and construction.

**Cost-plus-fixed-fee:** This cost-reimbursement contract provides for payment to the consultant of a negotiated fee that is fixed at the inception of the contract. The fixed fee does not vary with actual cost, but may be adjusted because of changes in the work to be performed under the contract. This contract type permits contracting for efforts that might otherwise present too great a risk to consultants, but it provides the consultant only a minimum incentive to control costs.

Time-and-material (T&M): contract is used to procure supplies and services at specified fixed hourly or unit rates (fully burdened) and/or material at cost. The labor hour (LH) contracts are a variation of the T&M excluding materials supplied by the consultant. The common grant rule for government recipients permits the use of time and material contracts only when it is not possible to estimate the extent or duration of the effort or cost involved and the contract provides a not-to-exceed ceiling price that the consultant may not exceed except at its own risk. Both T&M and LH provide no incentive for consultants' cost control or labor efficiency; therefore, the District shall monitor that the consultant is performing efficiently and using effective cost control measures. The contract shall specify a ceiling price that the consultant shall not exceed except at its own risk.

Period of Performance: The time of delivery or performance is an essential contract element and shall be clearly stated in solicitations. The District shall ensure that delivery or performance schedules are realistic and meet the requirements of the procurement. Periodic re-competition of contracts preserves competition and keeps prices competitive.

601.4. Federal Acquisition Regulations (FAR) Part 16 requires the factors that should be considered in determining appropriate contract types are: price competition, realistic pricing standard, degree of uncertainty and impact on cost evaluation, type and complexity of the work, urgency, period of performance, consultant's technical qualification, consultant's financial responsibility, past performance, concurrent contract work load, extent of subcontracting, availability of procurement history, and contract administration.

601.5. The Federal Common Grant Rules expressly prohibit the use of the cost plus a percentage of cost and cost plus a percentage of construction cost methods of contracting.

601.6. The CEO will provide systematic instructions for acquisition planning, solicitation preparation, source selection, negotiations and contract award including the specific third party contract provisions and requirements to form a sound, complete, and compliant agreement consistent with federal laws and regulations. Each activity item in the list covers specific guidelines and procedures in detail.

601.7. Conflict of Interest- In order to promote governmental integrity and to guard against even the appearance of impropriety, all District employees, Directors, and any consultants hired to assist in the procurement process who engage in any procurement related activity shall comply with the following standards of ethical conduct:

- 1) District employees and Directors shall discharge their duties impartially so as to assure fair access to governmental procurement by responsible vendors and service providers and to foster public confidence in the integrity of the commission procurement system.

- 2) District employees and Directors shall not solicit, demand, accept or agree to accept a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement, specification, standard or contract.

In cases where there may be a benefit, either direct or indirect, there is a responsibility to report in writing such benefit to the District. If anyone fails to report such benefit, he or she will be subject to any disciplinary proceeding deemed appropriate by the District, including possible dismissal. Members of the groups listed in item (a.) above shall be subject to the conflict of interest laws of the state of California. Anyone who violates the standards of the law shall be subject to the penalties, sanctions or other disciplinary actions.

601.8. Gratuities, Kickbacks, and Contingent Fees- No member of the groups listed in item (a.) above shall solicit, demand or accept from any person, consultant, potential consultant, or potential sub-consultants, anything of a monetary value, including gifts, gratuities, favors, etc. Anyone failing to adhere to the above will be subject to any disciplinary proceeding deemed appropriate by District, including possible dismissal.

601.9. Confidential Information- No member of the groups listed in item (a.) above shall use confidential information for his or her actual or anticipated personal gain, or the actual or anticipated personal gain of any other person related to them by blood, marriage, or by common commercial or financial interest. Anyone failing to adhere to the above will be subject to any disciplinary proceeding deemed appropriate by District, including possible dismissal.

601.10. Organizational Conflict of Interest- Each entity that enters into a contract with District is required, prior to entering into such contract, to inform commission of any real or apparent organizational conflict of interest. Such organizational conflict of interest exists when the nature of the work to be performed under a contract may, without some restriction on future activities, results in an unfair competitive advantage to the consultant, or may impact the consultant's objectivity in performing the contract work.

## **700. Contract and Grant Management**

### **701. Contract and Grant Management Process**

701.1 Copies of all grants and contracts and modifications thereof shall be maintained in the District in a form approved by the CEO.

701.2 The CEO shall review each contract and/or amendment to ensure compliance with fiscal and legal provisions.

701.3 All contracts and amendments shall be signed by the President or Vice President of the District or the CEO as delegated by the chair unless another signature is required by the granting commission (accountant or project manager).

## **800. Cash Receipts and Deposits**

### **801. Cash Receipts and Deposit Policy**

801.1. The District receives cash and checks as a normal course of business. All employees will adhere to the following policy and procedures when handling these receipts.

#### **1) Receipts**

- a) Records of accounts receivables shall be maintained by the accountant.
- b) All checks shall be made payable to the District.

- c) The District will use a standard pre-numbered receipt cash form, which will include all of the information necessary for a basic audit. All receipts will be in duplicate and include the District's name and address.
- d) When payments by check are received, the administrative assistant will record the payment in the receipt book. If requested, the original copy will be sent to the payer. The second copy will remain in the receipt book for audit purposes. A monthly deposit log will be sent to the accountant.
- e) If payment is received at a location other than the District's office, the staff handling the transaction will complete the receipt in a timely manner.
- f) The receipt shall always include the project and/or account number to which it is credited.
- g) The accountant will make photo copies of the checks, stamp the District's endorsement on the checks, fill out a bank deposit slip, and the accountant or other designated personnel deposits the proceeds in the District's bank account on the same day the money is received.
- h) The accountant will post all receipts in the accounting software program by noting the payee's name, date; amount received, and grants number.
- i) The finance committee may perform random audits to ensure that the receipt process is being followed and that calculations are accurate.

## 2) Deposits

- a) Deposit slips will include the bank number and amount of each check. Cash will be listed separately. Separate deposit slips per grantor check will be prepared. All deposit slips will be totaled, dated, and initialed by the preparer. A deposit log will be maintained in the District's office.



CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

AUDIT OFFICE



PERFORMANCE AUDIT OF  
41ST DISTRICT AGRICULTURAL ASSOCIATION  
DEL NORTE COUNTY FAIR

MANAGEMENT REPORT  
#19-007

FOR THE AUDIT PERIOD  
JANUARY 1, 2017 THROUGH DECEMBER 31, 2018

PERFORMANCE AUDIT OF  
41ST DISTRICT AGRICULTURAL ASSOCIATION  
DEL NORTE COUNTY FAIR

MANAGEMENT REPORT

FOR THE AUDIT PERIOD  
JANUARY 1, 2017 THROUGH DECEMBER 31, 2018

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MANAGEMENT REPORT NUMBER

#19-007

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## BACKGROUND

At the request of the California Department of Food and Agriculture's (CDFA), Division of Marketing Services (DMS), Fairs & Exposition Branch (F&E), the CDFA Audit Office conducted a performance audit of the 41st District Agricultural Association, Del Norte County Fair (41st DAA), located in Crescent City, California, for the audit period January 1, 2017 through December 31, 2018. Our primary objectives were to provide transparency over the revenue generated by a local sales tax measure (Measure F) which was enacted to support the 41st DAA. The Del Norte County Fairgrounds Recreation and Park District (Special District), governed by a locally elected five-member Board, was formed to provide oversight over funds generated by Measure F.

Our office reviewed the written Memorandum of Understanding (MOU) that outlines the process by which Measure F funds were to be passed down to the 41st DAA by the Special District. Furthermore, we tested the 41st DAA's 2017 and 2018 expenditures to ensure there were no irregular payments and that the 41st DAA complied with various State laws, policies and procedures applicable to a state entity. In addition, we reviewed personnel, contracting and other operating processes and practices to ensure the 41st DAA operated with adequate administrative controls to safeguard public assets. Whenever necessary, accounting records from prior periods were examined in order to provide context to certain transactions.

## AUDIT SCOPE AND OBJECTIVES

The objectives of our audit of the 41st DAA were the following:

- Compile a financial summary of Measure F funds, expenses, and reserves from its inception in 2015 through December 31, 2018.
- Review the adequacy of the Memorandum of Understanding (MOU) established between the Special District and the 41st DAA.
- Test the 41st DAA's 2017 and 2018 expenditures for (i) any irregular payments and (ii) for compliance with State laws, regulations, and policies.
- Test the 41st DAA's internal controls and safeguards over State assets.

## AUDIT METHODOLOGY

To address the audit objectives, we performed the following procedures:

- Interviewed key personnel to gain an understanding of the existing processes that account for Measure F funds.

- Gathered related financial documents and bank statements from the County, Special District, and 41st DAA to account for Measure F funds from its inception.
- Obtained and reviewed the MOU entered into between the Special District and the 41st DAA that indicated how Measure F funds were to be passed down.
- Traced all Measure F funds passed down by the Special District to the 41st DAA from its inception to related bank statements.
- Performed analytical procedures on the 41st DAA's 2017 and 2018 expenditures to search for any unusual items.
- Reviewed all operating and payroll checks issued by the 41st DAA for appropriateness.
- Tested material expenditure amounts for supporting documentation.
- Reviewed the 41st DAA accounting records and source documentation to ensure appropriate record keeping practices were in place during the periods audited and reviewed applicable laws, regulations, and policies significant to our audit objectives.
- Followed up on unique situations in which additional explanations and justifications were required to put the transactions in proper context.

In conducting our audit of the 41st DAA, we obtained an understanding of its internal control structure in order to determine our auditing procedures, as they relate to and that we considered significant within the context of our audit objectives. We assessed whether those controls were properly designed and implemented. Any deficiencies in internal controls that were identified during the course of our audit are included in this report.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our observations and conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our observations, findings, and recommendations in meeting our audit objectives.

## OVERVIEW OF MEASURE F FINANCIAL ACTIVITY

### MEASURE F

- In 2015, the taxpayers of Del Norte County approved a special sales tax (.25%) applied countywide, to generate revenue to financially support the 41st DAA.
- Through December 31, 2018, approximately \$2,493,000 has been generated. **Attachment 1** to this report provides a summary of all Measure F financial activity since its inception in 2015.
- The special sales tax is in effect for seven years.

California Department of Tax and Fee Administration (CDTFA)

- The CDTFA is responsible for collecting the special countywide sales tax from retailers within Del Norte County.
- The CDTFA electronically transfers the Measure F funds to the Del Norte County on a monthly basis.

Del Norte County (County)

- Within the County's main accounting system, a special fund was created to hold Measure F funds transferred from the CDTFA.
- Approximately 30% of all Measure F funds will be withheld by the County as a reserve and will not be passed down until after the expiration of the special sales tax measure in 2023.
- As of December 31, 2018, approximately \$1,137,000 was held in reserve.

Del Norte County Fairgrounds Recreation and Park District (Special District)

- The Special District was formed in 2015, to provide oversight of Measure F for the benefit of the 41st DAA.
- The Special District is governed by a five-member Board of Directors elected by district residents.
- In 2016, the Special District established a Memorandum of Understanding (MOU) with the 41st DAA to document the process in which Measure F funds would be provided to the 41st DAA.
- The Special District holds Measure F funds it receives from the County in a local bank account.
- From its inception in 2015, seven operating checks totaling \$778,574 were issued to the 41st DAA to fund operating and maintenance needs.
- As of December 31, 2018, approximately \$489,000 in Measure F funds were held in reserve within the local bank.

41st District Agricultural Association (41st DAA)

- The 41st DAA is governed by a nine-member governor appointed board whose members are separate than those locally elected to govern the Special District.
- To ensure an efficient use of Measure F funds, the 41st DAA's management explained that its goal is to generate enough revenue to offset expenses each year. The Measure F funds are intended to backfill operating losses, rather than fund specific projects. The \$774,574 sent to the 41st DAA by the Special District over the past three years covered operating shortfalls along with emergency and routine maintenance items.

### CONCLUSION

Based on the procedures performed as specified within our audit methodology, our office was able to fully account for all Measure F funds without exception. **Attachment 1** to this report summarizes Measure F financial activity from its inception in 2015 through December 31, 2018.

In analyzing the 41st DAA's MOU with the Special District, internal controls, safeguards over assets, and compliance with State laws, regulations, and policies, we identified six areas containing reportable conditions. These conditions and accompanying recommendations are considered weaknesses in the 41st DAA's operations and efforts to comply. We have provided eleven recommendations to improve the operations of the 41st DAA and safeguard assets. The 41st DAA must respond in writing on how these recommendations will be implemented.

## REPORTABLE CONDITIONS

### FINDING 1 – LACK OF COMPLIANCE WITH THE TERMS OF THE MEMORANDUM OF UNDERSTANDING

The 41st DAA did not comply with the MOU between them and the Special District when requesting financial assistance. The 41st DAA and the Special District entered into a MOU dated September 26, 2016 that listed the terms in which the 41st DAA would request and be awarded financial assistance. The MOU stated the 41st DAA would provide a quarterly financial report and request to the Special District for funding assistance. Furthermore, the Special District, upon receipt of the quarterly report, would make a funding determination within 30 days, and if the 41st DAA received such assistance it must expend the funds in accordance with the conditions set forth by the Special District.

Our office requested copies of any 41st DAA quarterly reports and Special District financial assistance determinations and conditions; however, none were provided. Manager A stated the process to provide financial assistance to the 41st DAA by the Special District had evolved and the Special District wanted to allocate financial assistance in one large amount and allow the 41st DAA to determine the best operating uses for the funding. For example, in January 2018, the Special District provided a check for \$250,000 to the 41st DAA, rather than consider assistance on a quarterly basis. By not following the terms and conditions listed within the MOU, the 41st DAA exposes itself to loss and inefficiencies.

#### *Recommendation:*

- 1. The 41st DAA should work with the Special District to determine the specific process it will follow to request financial assistance on a go-forward basis. Furthermore, the MOU between the 41st DAA and Special District should be updated to list all mutually agreed upon terms and conditions between both organizations.*

### FINDING 2 – LACK OF COMPLIANCE WITH PAID LEAVE ACCOUNTING POLICIES

The 41st DAA did not comply with attendance record requirements as issued by the California Department of Human Resources (CalHR), which requires employees to submit attendance records on a monthly basis. For the period January 1, 2017 through December 31, 2018, managers of the 41st DAA did not submit monthly attendance records for 15 of 24 months. In addition, for the nine months in which attendance records were submitted they did not contain an approval signature by a member of the Board of Directors indicating the records were reviewed for accuracy within a timely basis. In addition, our office noted numerous instances where employee timecards were not reviewed and approved by their supervisors.

CalHR Human Resources Manual Section 2101, Leave Accounting, requires State entities to maintain accurate and timely leave accounting records. CalHR Section 2101 further states that all employees must submit attendance records each pay period, regardless if leave was used. Furthermore, F&E's Accounting Procedures Manual (APM) Section 17.1 requires that timesheets for all employees must be reviewed and approved by a supervisor.

In addition, our office noted errors within the 41st DAA's accounting for employee paid leave hours. The following items were noted:

- a. 56 hours of paid leave used by employees (approximately \$1,500) were not deducted from related employee's accrued leave balances.
- b. The 41st DAA did not track the accumulation and use of Personal Development Days (PDDs) earned by its employees. The CalHR's Personnel Management Liaisons (PML) #2012-010 provides all State employees two PDDs each fiscal year for activities that promote professional and personal growth. The PDDs must be used within the fiscal year and cannot be accumulated or cashed out.

*Recommendations:*

2. *The 41st DAA should comply with CalHR Human Resources Manual Section 2101 by requiring all employees to submit attendance records for each pay period, regardless if leave was used.*
3. *The 41st DAA should comply with F&E's APM Section 17.1 by ensuring all employee timecards are reviewed and approved by a supervisor on a monthly basis.*
4. *The 41st DAA should make the necessary corrections to the leave records of the employees whose paid absences were not deducted from leave balances. Furthermore, on a go-forward basis, the accumulation and use of PDDs should be tracked within each employee leave record.*

**FINDING 3 – LACK OF COMPLIANCE INVOLVING CERTAIN EXPENDITURE TRANSACTIONS**

An analysis of expenses paid by the 41st DAA noted the following lack of compliance:

- a. The 41st DAA made inappropriate alcohol purchases in 2017 and 2018 in the amount of \$1,289. The F&E's APM Section 2.77 – Inappropriate Use of State Funds, prohibits the purchase of alcohol for any reason as it is deemed as having no benefit to the State.
- b. In six instances, daily lodging rates were paid above allowable amounts for staying in Sacramento. The daily lodging rates paid by the 41st DAA ranged from \$149 to \$197 per night. The California Code of Regulations (CCR) 599.619 sets lodging rates for State employees and limits the allowable rate within the Sacramento area to

\$95 per night. An Excessive Lodging Rate Form was not completed or approved by a Board Member prior to the excessive lodging rate being paid.

- c. The 41st DAA did not have written procedures outlining responsibility of the Board of Directors over the use of credit cards as required by F&E's APM Section 15.42. In addition, a credit card control sheet listing all 41st DAA credit cards along with authorized users and approvers was not maintained.

*Recommendations:*

5. *The 41st DAA should comply with APM Section 2.77 by not purchasing alcohol for any reason.*
6. *The 41st DAA should comply with CCR 599.619 by ensuring daily lodging expenses are not in excess of allowable limits, unless sufficient approval has been obtained.*
7. *The 41st DAA should strengthen internal controls over credit card use by establishing written procedures outlining the responsibility of the Board of Directors over the use of 41st DAA credit cards.*
8. *The 41st DAA should comply with APM Section 15.42 by preparing a credit card control sheet that lists all existing 41st DAA credit cards, along with authorized users and approvers.*

**FINDING 4 – LACK OF NOTIFICATION FOR WORK SITUATIONS INVOLVING A PERSONAL RELATIONSHIP**

Our office noted two instances in which the 41st DAA did not contact the CDFA Human Resources Branch (HRB) for consultation and resolution for transactions involving related parties. In 2017, a former manager signed checks to pay invoices from a temporary agency for the services of a close family member hired to work at the 41st DAA. In another instance, Manager A signed a \$500 agreement with a family member for services to be performed during the 2018 Fair.

It is the policy of the CDFA to prohibit nepotism and to avoid work situations in which there are personal relationships. Fair CEO's are responsible for contacting the CDFA's HRB for consultation and resolution concerning personal relationships, or request in writing an exception to the CDFA's Nepotism Policy on a case by case basis.

*Recommendation:*

9. *On a go-forward basis, the 41st DAA should comply with the CDFA's Nepotism Policy by contacting the CDFA's HRB for consultation and resolution, or request in writing an exception to the policy.*

**FINDING 5 – LACK OF COMPLIANCE REGARDING STATE VEHICLE USAGE**

The 41st DAA did not comply with the State Administrative Manual (SAM) Section 4107 requirements to maintain travel logs for all State vehicles that were driven off State property. As a result, the business purpose of the vehicles usage cannot be determined. The SAM requires State entities to maintain a Monthly Travel Log, Standard Form 273 (STD 273), for all State-owned passenger mobile equipment. The STD 273 requires the driver of the vehicle to be identified, beginning and ending odometer readings to be entered, along with the destination of the travel.

*Recommendation:*

10. *The 41st DAA should comply with SAM 4107, Travel Logs, by requiring all employees to complete and maintain monthly travel logs (STD 273) for vehicles that are driven off the fairgrounds when conducting official 41st DAA related business.*

**FINDING 6 – INTERNAL CONTROL WEAKNESS WITH PROPERTY**

The 41st DAA did not conduct an inventory of its physical assets or equipment that is considered sensitive or deemed a high risk of theft or loss. According to the SAM Section 8652, "Departments will make a physical count of all property and reconcile the count with accounting records at least once every three years." The 41st DAA could not provide a recent inventory to meet the SAM requirement.

*Recommendation:*

11. *The 41st DAA should strengthen internal controls over its property and comply with SAM 8652 requirements by conducting a physical inventory of its property and sensitive equipment at least once every three years.*

**ATTACHMENT 1**

**Audit of the 41st DAA - Del Norte County Fair**  
**Summary of Measure F Activity**  
**June 1, 2015 through December 31, 2018**

|                                     | CY<br>2015        | CY<br>2016        | CY<br>2017        | CY<br>2018          | Totals<br>Since Inception |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------------|
| <b>Del Norte County Level:</b>      |                   |                   |                   |                     |                           |
|                                     | (7 months)        |                   |                   |                     |                           |
| Beginning Balance:                  | \$ -              | \$ 211,418        | \$ 406,301        | \$ 639,280          | \$ -                      |
| add: Measure F Sales Tax            | 369,009           | 669,350           | 643,913 <b>A</b>  | 810,989             | 2,493,261 <b>B</b>        |
| add: Interest                       | 102               | 2,089             | 4,895             | 11,948              | 19,034                    |
| less: Sent to Special Fair District | (157,693)         | (476,557)         | (415,828)         | (322,380)           | (1,372,459)               |
| less: County Admin Charges          | -                 | -                 | -                 | (3,182)             | (3,182)                   |
| Ending Balance:                     | <u>\$ 211,418</u> | <u>\$ 406,301</u> | <u>\$ 639,280</u> | <u>\$ 1,136,654</u> | <u>\$ 1,136,654</u>       |
| <b>Special Fair District Level:</b> |                   |                   |                   |                     |                           |
| Beginning Balance                   | \$ -              | \$ 109,609        | \$ 349,170        | \$ 480,263          | \$ -                      |
| add: Opening Deposits               | 450               |                   |                   |                     | 450                       |
| add: Sales Tax Sent by County       | 157,693           | 476,557           | 415,828           | 322,380             | 1,372,459                 |
| less: Special District Expenses     | (48,535)          | (27,995)          | (15,161)          | (13,891)            | (105,582)                 |
| less: Sent to the 41st DAA          | -                 | (209,000)         | (269,574)         | (300,000)           | (778,574)                 |
| Ending Balance                      | <u>\$ 109,609</u> | <u>\$ 349,170</u> | <u>\$ 480,263</u> | <u>\$ 488,753</u>   | <u>\$ 488,753</u>         |

|                                      | CY<br>2015 | CY<br>2016        | CY<br>2017        | CY<br>2018        | Totals<br>Since Inception |
|--------------------------------------|------------|-------------------|-------------------|-------------------|---------------------------|
| <b>41st DAA Fair Level Deposits:</b> |            |                   |                   |                   |                           |
| <b>2016</b>                          |            |                   |                   |                   |                           |
| 3/14/16 District Check No. 2007      |            | \$ 85,000         |                   |                   |                           |
| 6/22/16 District Check No. 2016      |            | 124,000           |                   |                   |                           |
| 2016 totals:                         |            | <u>\$ 209,000</u> |                   |                   | \$ 209,000                |
| <b>2017</b>                          |            |                   |                   |                   |                           |
| 3/22/17 District Check No. 2032      |            |                   | \$ 100,000        |                   |                           |
| 5/03/17 District Check No. 2033      |            |                   | 30,000            |                   |                           |
| 5/26/17 District Check No. 2036      |            |                   | 139,574           |                   |                           |
| 2017 totals:                         |            |                   | <u>\$ 269,574</u> |                   | \$ 269,574                |
| <b>2018</b>                          |            |                   |                   |                   |                           |
| 1/25/18 District Check No. 2053      |            |                   |                   | \$ 250,000        |                           |
| 5/30/18 District Check No. 2059      |            |                   |                   | 50,000            |                           |
| 2018 totals:                         |            |                   |                   | <u>\$ 300,000</u> | \$ 300,000                |
|                                      |            |                   |                   |                   | <u>\$ 778,574</u>         |

**A** County records show only 11 sales tax transfers in CY 2017.

**B** County records show 13 sales tax transfers in CY 2018. A CY 2017 sales tax transfer was posted to the wrong year.

**Note:** Sources of information include County of Del Norte General Ledger Transactions Listing, Special Fair District General Ledger Detail, 41st DAA General Ledger Detail and related bank statements.

**DISTRICT AGRICULTURAL ASSOCIATION'S RESPONSE**

# 41st District Agricultural Association

Phone 707-464-9556  
Fax 707-464-9519

421 Hwy 101 North  
Crescent City, CA 95531  
1-800-350-9556  
E-Mail: [info@dnfair.org](mailto:info@dnfair.org)

April 2, 2019

Dear CDFA Auditing Team,

We have reviewed your findings and recommendations based on your report.

## REPORTABLE CONDITIONS

### FINDING 1 – LACK OF COMPLIANCE WITH THE TERMS OF THE MEMORANDUM OF UNDERSTANDING

***Recommendation: The 41<sup>st</sup> DAA should work with the Special District to determine the specific process it will follow to request financial assistance on a go-forward basis. Furthermore, the MOU between the 41 DAA and Special District should be updated to list all mutually agreed upon term and conditions between both organizations.***

Currently the 41<sup>st</sup> DAA provides a quarterly workflow chart to the Special District that shows how much they will need from the Special District. Based on CDFA's recommendations, the 41s District is asking for allocation quarterly from the Special District based on the work flow chart.

### FINDING 2 – LACK OF COMPLIANCE WITH PAID ACCOUNTING POLICIES

***Recommendation: The 41<sup>st</sup> DAA should comply with CALHR Human Resources Manual Section 2101 by requiring all employees to submit attendance records for each pay period, regardless if leave was used.***

Currently all employees are submitting an attendance record each pay period regardless of leave used.

***Recommendation: The 41<sup>st</sup> DAA should comply with F&E's APM Section 17.1 by ensuring all employee timecards are received and approved by a supervisor on a monthly basis.***

Currently all employee timecards are received and approved by the supervisor and or board chair on a monthly basis.

***Recommendation: The 41<sup>st</sup> DAA should make the necessary corrections to the leave records of the employees whose paid absences were not deducted from leave balances. Furthermore, on a go-forward basis, the accumulation and use of PDDs should be tracked within each employee leave record.***

Currently all accumulation and use of PDDs are tracked on the electronic form that was provided to us by the CDFA Auditor. All corrections have been made to the leave records of the employees whose paid absences were not deducted from leave balances.

### FINDING 3 – LACK OF COMPLIANCE INVOLVING CERTAIN EXPENDITURE TRANSACTIONS

***Recommendation: The 41<sup>st</sup> DAA should comply with APM Section 2.77 by not purchasing alcohol for any reason.***

This matter has been rectified and it will not happen again.

**Recommendation: The 41<sup>st</sup> DAA should comply with CCR 599.619 by ensuring daily lodging expenses are not in excess of allowable limits, unless sufficient approval has been obtained.**

Currently all lodging expenses are approved by the board prior to making the reservations.

**The 41<sup>st</sup> DAA should strengthen internal controls over credit card use by establishing written procedures outlining the responsibility of the Board of Directors over the use of 41<sup>st</sup> DAA credit cards.**

Currently all expenditures are within the delegation of authority of the CEO. All expenditures made by the CEO on credit cards are approved by the Board Chair. Credit Card purchases by other employees must be approved by the CEO prior to purchasing. A detailed list of purchases are provided to the board for approval.

**Recommendation: The 41<sup>st</sup> DAA should comply with APM Section 15.42 by preparing a credit card control sheet that lists all existing 41<sup>st</sup> DAA credit cards, along with authorized users and approvers.**

Currently the 41<sup>st</sup> has a list of all credit cards and who is authorized to use them. All purchases are approved prior to purchasing and signed by the board chair.

**FINDING 4 – LACK OF NOTIFIATION FOR WORK SITUATIONS INVOLVING A PERSONAL RELATIONSHIP**

**Recommendation: On a go-forward basis, the 41<sup>st</sup> DAA should comply with the CDFA's Nepotism Policy by contacting the CDFA's HRB for consultation and resolution, or request in writing an exception to the policy.**

Currently there are no family members on payroll. Currently all employees are approved by the board.

**FIND 5 – LACK OF COMPLIANCE REGARDING STATE VEHICLE USAGE**

**Recommendation: The 41<sup>st</sup> DAA should comply with SAM 4107, Travel Logs, by requiring all employees to complete and maintain monthly travel logs (STD 273) for vehicles that are driven off the fairgrounds when conducting official 41<sup>st</sup> DAA related business.**

Currently all travel and maintenance logs are being recorded. A copy of the travel log is kept in the office.

**FINDING 6 – INTERNAL CONTROL WEAKNESS WITH PROPERTY**

**Recommendation: the 41<sup>st</sup> DAA should strengthen internal controls over its property and comply with SAM 8652 requirements by conducting a physical inventory of its property and sensitive equipment at least once every three years.**

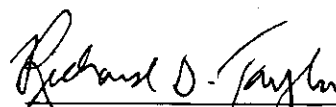
Currently an inventory of all buildings and equipment has been completed.

If you need any additional information please contact us.

Thank you,

Kimberly Floyd  
CEO

  
Chief Executive Officer      4/3/19      DATE

  
Board President      4/3/19      DATE

**CDEA EVALUATION OF RESPONSE**

A draft copy of this report was forwarded to the management of the 41st DAA, Del Norte County, for its review and response. We have reviewed the response and it addresses the findings contained in this report.

### DISPOSITION OF AUDIT RESULTS

The findings in this management report are based on fieldwork that my staff performed between January 28, 2019 and February 1, 2019. Throughout fieldwork my staff met with management to discuss our observations, the findings, recommendations, and other issues. My staff met with management on March 1, 2019 to discuss the findings and recommendations, as well as, other issues.

This report is intended for the information of the Division of Marketing Services Fairs and Expositions Branch, the 41st DAA's Board of Directors, and management, however, once finalized this report is a matter of public record and its distribution is not limited.



Ron Shackelford, CPA  
Chief, Audit Office

February 1, 2019

**REPORT DISTRIBUTION**

| <u>Number</u> | <u>Recipient</u>                          |
|---------------|---|
| 1             | Director, Division of Marketing Services  |
| 1             | Branch Chief, Fairs and Exposition Branch |
| 1             | Board Chair, 41st DAA Board of Directors  |
| 1             | Chief Executive Officer, 41st DAA         |
| 1             | General Counsel, CDFA Legal Office        |
| 1             | Chief, CDFA Audit Office                  |

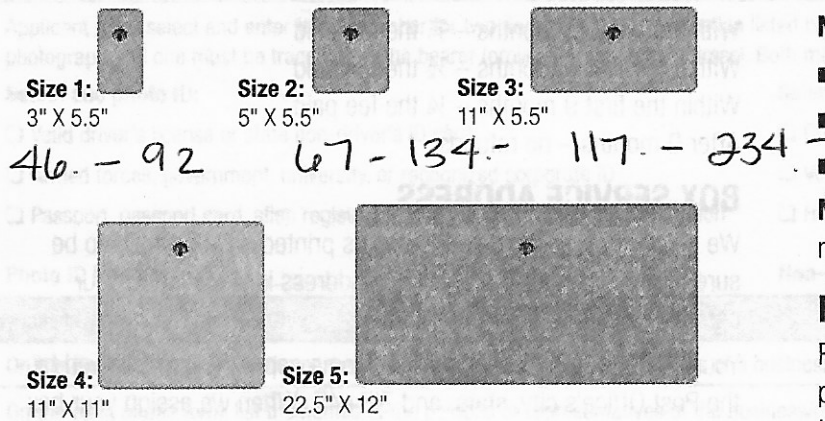
# HOW TO APPLY FOR A PO BOX

Many people have discovered that Post Office Box™ service is a safe, convenient way to receive their mail. Learn all about PO Box™ service on the first two pages of this form. Then, decide whether to apply online or at a Post Office™.

## SELECT A PO BOX SIZE

Across the U.S., Postal Service™ PO Boxes are available in five sizes. However, not all Post Office locations have every size. Be sure to select the right size for your mail volume and schedule.

Our smallest box (Size 1) fits 10–15 letter-sized envelopes or up to two rolled magazines. Start with a Size 2 box if you receive more than 15 mailpieces a week. Size 3, 4, or 5 is recommended if you receive magazines and catalogs.



It's easy to find a box that's right for you. Find an available PO Box by going to [www.yourotheraddress.com](http://www.yourotheraddress.com).

If you need more room than our largest box provides, ask at your local Post Office about Business Mail Pickup (Caller) Service.

## FEES

To find a PO Box in your area and get fee information, visit [www.yourotheraddress.com](http://www.yourotheraddress.com). You may pay your initial PO Box fees online or at a Post Office.

## THERE ARE TWO SIMPLE WAYS TO APPLY

**Apply online:** Complete the online application at [www.usps.com/poboxes](http://www.usps.com/poboxes) and make your first payment with a credit or debit card. (Online registration is not available for Business Mail Pickup (Caller) Service or Qualifying No-Fee box customers.)

**Apply at a Post Office:** Complete pages 3 and 4 and take this whole form to a Post Office most convenient for you. Once we verify your information and receive your payment, we will provide your PO Box address and begin your service.

## ID REQUIRED

Whether you apply online or at a Post Office, **two valid forms of identification** are required when you obtain your keys or combination at the Post Office where your box is located. You must present the IDs at a Post Office. One item must contain a photograph and one must be traceable to the bearer (prove your physical address). Both must be current. Acceptable forms of ID include:

### Photo ID Options:

- Valid driver's license or state non-driver's identification card
- Armed forces, government, university, or recognized corporate identification card
- Passport, passport card, alien registration card, or certificate of naturalization

### Non-Photo ID Options:

- Current lease, mortgage, or deed of trust
- Voter or vehicle registration card
- Home or vehicle insurance policy

**Note:** Social Security cards, credit cards, and birth certificates are not acceptable forms of ID.

## RENEWAL PAYMENTS

Renewal payments are due the last day of the month your service period ends. If your payment is late, you will not be able to access the mail in your box. After 10 days of nonpayment, we remove the mail, treat it as undeliverable, and close your box. You may also incur a late payment fee. Note that closed PO Boxes are available for new customers immediately, so late payment can lead to loss of your PO Box address. You may renew your PO Box online, at a Post Office, by mail, or at an Automated Postal Center® (APC®). It is your responsibility to pay your renewal fee on time. Convenient payment options are:

**Pay online:** Use a valid credit or debit card to make a one-time payment or set up automatic renewal payments at [www.usps.com/poboxes](http://www.usps.com/poboxes).

**Pay in person:** Pay at the Post Office where your PO Box is located using cash, check, credit card, or debit card, or set up automatic renewal payments (available at most Post Offices). Automatic renewal payment is required for 3-month payment option.

**Pay at any Automated Postal Center (APC):** Find an APC at [www.usps.com/locator](http://www.usps.com/locator) or by downloading the mobile application at [www.usps.com/mobile](http://www.usps.com/mobile).

**Pay by mail:** Send a check or money order (payable to "U.S. Postal Service") to the postmaster, city, state, and ZIP Code™ where your PO Box is located. Payments by mail must be received by the due date. (Do not send cash by mail.)

## TERMS OF SERVICE

The terms of service are defined exclusively by postal regulations. You may not use PO Box service just to avoid paying forwarding charges or for any purpose prohibited by law or Postal Service regulations. We will immediately terminate PO Box service if used for any unlawful purpose. PO Box service may be provided to minors (unless parents or guardians submit a written objection to the postmaster).

## UPDATING YOUR INFORMATION

The information on your PS Form 1093 must always be current. As soon as any information changes (such as your street address, telephone number, or email address), you are responsible for updating the information. Failure to update your information may result in termination of service. We keep the form on file at the Post Office where you use the service.

## ACCUMULATED MAIL

We encourage you to empty your box regularly. You can make a special arrangement with the postmaster if you are not able to pick up your mail. Complete PS Form 8076, *Authorization to Hold Mail*, or create your request online at *usps.com*, and we'll take care of it. Hold Mail orders are good for only 30 days. If the volume of your incoming mail repeatedly exceeds the capacity of the box you are using, we may require that you use Business Pickup (Caller) Service, change to a larger box (and pay the applicable fees), or apply for one or more additional boxes. Your service may also be suspended. You may also request **Premium Forwarding Service**® to have your mail shipped to you by Priority Mail® service once a week for a small fee.

## CHANGE OF ADDRESS

If you choose to discontinue your PO Box service, please complete a change of address form found in the Mover's Guide® available by request from our retail associates or on our website at *www.usps.com/moversguide*. If you use the change of address form, give it to a retail associate or your letter carrier. You may also mail the form to your Post Office. File change of address orders as follows:

**No-Fee PO Boxes:** The PO Box customer or any other person listed on the PS Form 1093 may file an individual change of address order. Only the box customer may file a change of address order for an entire family.

**All other PO Boxes:** Only the box customer who signs the PS Form 1093 may file change of address orders. Forwarding of mail for other persons receiving mail at the box is the responsibility of the box customer.

## PO BOX KEYS

Two keys are issued for key-type PO Boxes. An access code is provided for combination lock-type PO Boxes. At most locations, a refundable deposit is required for each key. If needed, you can obtain additional keys (and pay the applicable fee and deposit). Whenever your box service terminates, return all keys to the Postal Service for a refund of the deposit. Customers must not duplicate PO Box keys.

## PO BOX REFUNDS

Once you have begun using your PO Box, you may request a refund at the Post Office where your box is located. Fees are refunded as follows:

### 3-Month Payments (automatic renewal required):

No refunds

### 6-Month Payments:

Within the first 3 months – ½ the fee paid  
After 3 months – no refunds

### 12-Month Payments:

Within the first 3 months – ¾ the fee paid  
Within the first 6 months – ½ the fee paid  
Within the first 9 months – ¼ the fee paid  
After 9 months – no refunds

## BOX SERVICE ADDRESS

We deliver to your PO Box address as printed on your mail, so be sure to provide correct and current address information to your correspondents.

Your PO Box number should appear on a separate line, followed by the Post Office's city, state, and ZIP+4®. When we assign your box number, we will provide the corresponding ZIP+4 code.

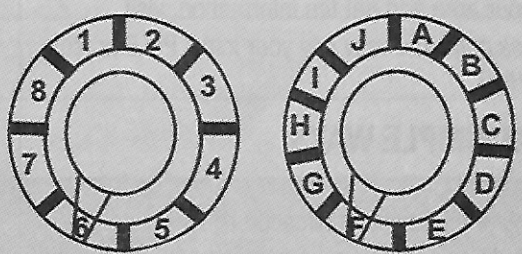
### For Official Use: Completed by the Postal Service

YOUR NEW BOX NUMBER IS

CITY

STATE

YOUR ZIP+4® IS  -



## HOW TO USE THE COMBINATION LOCK

1. Clear the dial by turning **RIGHT** three times and stop on \_\_\_\_\_
2. Turn **LEFT** and stop the second time around on \_\_\_\_\_
3. Turn **RIGHT** and stop on \_\_\_\_\_
4. Turn the latch key **LEFT** to open

Box Number(s) \_\_\_\_\_

### Application for Post Office Box™ Service

Fill out all non-shaded fields, and take this application to the Post Office™.

1. This service is for (Required selection):  Business/Organization Use     Residential/Personal Use

2. Name of Business/Organization (if applicable): DEL NORTE COUNTY FAIRGROUNDS RECREATION & PARKS DISTRICT

3. Name of Person Applying (Last, First, MI — include title if representing a business/organization):

4. Address: Number, Street, Suite \_\_\_\_\_

Verify initials

City \_\_\_\_\_ State \_\_\_\_\_ ZIP+4® \_\_\_\_\_

5. Telephone Number (Include Area Code)

6. Email Address

7. Box Size(s) (Required) See page 1 for details     Size 1     Size 2     Size 3     Size 4     Size 5

8. Applicant must select and enter the ID Number for two items of valid identification listed below. You must present the IDs at a Post Office. One item must contain a photograph and one must be traceable to the bearer (prove your physical address). Both must be current.

**Select one photo ID:**

- Valid driver's license or state non-driver's ID card
- Armed forces, government, university, or recognized corporate ID
- Passport, passport card, alien registration card, or certificate of naturalization

**Select one non-photo ID:**

- Current lease, mortgage, or deed of trust
- Voter or vehicle registration card
- Home or vehicle insurance policy

Photo ID Number: \_\_\_\_\_

Non-Photo ID Number: \_\_\_\_\_

Verify initials (For Post Office Use Only) \_\_\_\_\_

9. On the back of this form, list the name(s) of all individuals, including members of a business, who will be receiving mail at this (these) PO Box number(s).

10. On the back of this form, list the names of the persons or representatives of the business/organization authorized to pick up mail addressed to this (these) PO Box number(s).

**Optional Automatic Renewal Payment — Terms and Agreement (Required for 3-month payment option)**

By initialing below and establishing automatic renewal payments at a Post Office, I hereby authorize the U.S. Postal Service® (USPS®) to charge my credit card for the amount of my designated box size per USPS pricing on the scheduled interval I have selected (i.e., 3, 6, or 12 months). This charge could appear on my credit card statement as early as the 15th of the month prior to the due date. If I provided my email address, I understand that I will receive email notification at least 10 days prior to the actual credit card charge. I will also receive a payment due notice in my PO Box before the payment due date. I understand that I may cancel the automatic payment option any time after the initial application/payment process is complete during the business hours at the Post Office where my box is located. If I do not cancel by the 14th of the month prior to the next payment due date, I understand that the payment will be charged to my credit card. I understand that if the payment cannot be transacted due to incorrect or obsolete payment information or the transaction would exceed the credit limit of the account, or the bank or credit card company rejects/returns the payment request, my PO Box may be closed and any mail received after closure would be returned to the sender. If my PO Box is closed for nonpayment, I understand that I could be charged a late payment fee to reactivate my PO Box service. If there are any changes to my credit card number, billing address, or expiration date, I agree to notify the Post Office where my box is located of these changes. I understand that this agreement will remain in effect until I or USPS terminates the PO Box service. The USPS may receive updated credit card account information from the institution that issued the card identified for payment. If I decide to close my PO Box, I must visit the Post Office where my box is located during business hours. (See the PO Box refund policy for information on refunds.) The USPS may terminate my participation under this automatic payment agreement in the event I provide incorrect, false, or fraudulent account information or if I have any returned payment items.

**Customer Initials** \_\_\_\_\_ **Billing Address** (if different from address in 4 above):

Number, Street, Suite \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP+4® \_\_\_\_\_

Application Date

Number of Keys Issued

Customer Eligible for No-Fee Service

Yes     No

**Signature of Applicant** (Same as item 3) I certify that all information furnished on this form is accurate, truthful, and complete. I understand that anyone who furnishes false or misleading information on this form or omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment.

Post Office Date Stamp

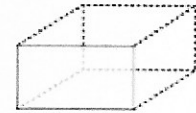




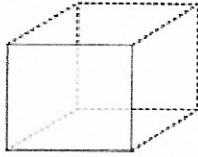
**Size 1-XS**  
3" x 5.5"



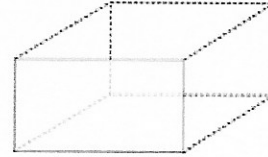
**Size 2-S**  
5" x 5.5"



**Size 3-M**  
5.5" x 11"



**Size 4-L**  
11" x 11"



**Size 5-XL**  
12" x 22.5"

What type of payment term works for you?

3 Months  
**\$26.00**

6 Months  
**\$46.00**

12 Months  
**\$92.00**

Prices displayed do not reflect potential one-time key deposit.

3-month boxes will automatically be signed up for automatic renewal. If you choose a 6 or 12-month term, you can opt-out of automatic renewal. You must be 18 years old to open a PO Box online. If you're under 18, please visit your nearest Post Office.

**A Size 1 PO Box is available for 3 months.**

**Reserve Now**

You will be temporarily redirected until you are logged into your USPS account.

You must be 18 years old to open a PO Box online. If you're under 18, please visit your nearest Post Office.

## Can't find what you're looking for?

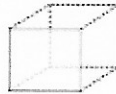
Check out our Support section to find answers to your PO Box questions.

**Get Support (<https://www.usps.com/manage/po-boxes-support.htm>)**

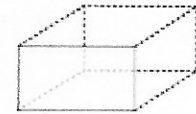
Feedback



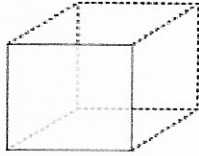
**Size 1-XS**  
3" x 5.5"



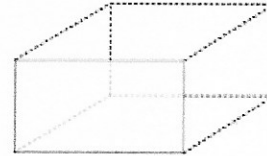
**Size 2-S**  
5" x 5.5"



**Size 3-M**  
5.5" x 11"



**Size 4-L**  
11" x 11"



**Size 5-XL**  
12" x 22.5"

What type of payment term works for you?

3 Months  
**\$39.00**

6 Months  
**\$67.00**

12 Months  
**\$134.00**

Prices displayed do not reflect potential one-time key deposit.

3-month boxes will automatically be signed up for automatic renewal. If you choose a 6 or 12-month term, you can opt-out of automatic renewal. You must be 18 years old to open a PO Box online. If you're under 18, please visit your nearest Post Office.

A **Size 2** PO Box is **available** for **3 months**.

**Reserve Now**

You will be temporarily redirected until you are logged into your USPS account.

Feedback

You must be 18 years old to open a PO Box online. If you're under 18, please visit your nearest Post Office.

## Can't find what you're looking for?

Check out our Support section to find answers to your PO Box questions.

**Get Support (<https://www.usps.com/manage/po-boxes-support.htm>)**