

**FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)
EXECUTIVE OFFICER'S REPORT**

CONSENT AGENDA ITEM No. 5-D

DATE: June 10, 2020

TO: Fresno Local Agency Formation Commission

FROM: David E. Fey, Executive Officer 

BY: Amanda Olivas, Clerk to the Commission

SUBJECT: Amendment of the Fresno LAFCo Financial and Accounting Procedures

RECOMMENDATION: Approve changes to Section E (Expenditures), 2. (Vendor Invoice Control) to include proposed changes.

Background

On December 7, 2011, the Commission adopted its Financial and Accounting Procedures ("FAP").

FAP section E (Expenditures), paragraph 2 (Vendor Invoice Control) states,
Invoices received shall be given to the Executive Officer for initial approval and assignment of appropriate account that the funds should be drawn from. Invoices shall then be conveyed for approval to the Chair, or in the absence of the Chair, the Chair Pro Tem, or in their absence, any other Commissioner.

Once so approved, all invoices shall be paid once a month. Checks will be issued from LAFCo's two-signature account to pay the invoices.

At its April 8, 2020 hearing, the Commission authorized Automatic Clearing House ("ACH") agreements with Central Valley Community Bank and the County of Fresno to remit payments via ACH rather than paper checks. Fresno LAFCo staff also remits payments for the monthly Visa bill via online.

However, invoices paid online or via ACH would not have been paid via a two-signature check as required by the FAP.

It is therefore recommended that the FAP be amended to permit the approval of an invoice pursuant to paragraph 2 and paid online or via ACH to serve as the equivalent of the second signature on a paper check.

The proposed FAP amendment is shown on Attachment A.