



BEAR VALLEY COMMUNITY SERVICES DISTRICT

POLICY TITLE: Payments & Check Policy

POLICY NUMBER: 2160

ADOPTED: April 9, 2026

This policy covers the payment of invoices for goods and services incurred by the District and authorized in compliance with District purchasing policies.

2160.1 Priority of Demands

Payments for wages, benefits, services, and supplies shall be made in a timely manner to avoid late fees or penalties. The following types of demands have priority for payment and checks or electronic funds transfers (EFT) may be issued without prior Board approval. All other payments shall be issued only after the expenditure has been approved by the Board of Directors.

1. Wages, retirement contributions, health plan premiums, and other benefit contributions
2. Taxes, including federal and state, payroll, sales and use
3. Utilities (natural gas, electricity, telephone, internet, water, trash, sewer)
4. Payments on contracts that have been approved by the Board
5. Bond, interest, and redemption payments
6. Accident, liability, workers' compensation, and other insurance premiums for policies that have been approved by the Board
7. Emergency response to threats to the public health and safety of the community
8. Fuel delivered to the District if due upon delivery
9. Invoices for supplies, materials, or services not exceeding \$5,000 per invoice if the invoice becomes past due before the next scheduled Board meeting
10. Petty cash replenishment, not to exceed \$1,000 per month

If a check or EFT payment is processed prior to Board action per this section, the General Manager, or his/her designee, shall present a report at the next scheduled Board meeting. The report shall identify each payment, the amount, vendor, and purpose of the payment. The Board will approve the payment as part of the regularly scheduled expenditure approvals.

2160.2 Check Signature Authority

The Board of Directors may delegate an employee to sign payments on behalf of the district. All checks or EFTs must be signed or approved by two authorized individuals. The General Manager, Police Chief, Administrative Services Director, and the Secretary of the Board are authorized to sign checks or authorize EFTs. If two employees are not available, the Board President or Vice President are also authorized to sign checks or authorize EFTs.

2160.3 Digital Signatures

If available through the financial accounting system, the district may utilize digital signatures on checks and EFTs based on the following limits.

- \$0.00 up to \$1,000 – both authorized signatures may be digital
- \$1,001 up to \$5,000 – one signature may be digital and the other “wet”
- \$5,001 and higher – both signatures must be “wet”

2160.4 Stale Dated Checks

Checks drawn on district funds will have a 180-day active life from the date of issuance, based on bank technology paying out funds beyond that period. Uncashed checks beyond this active life are no longer valid and shall be classified as time expired. Checks that are still outstanding as of 180 days after issuance will be cancelled in the financial system. Once cancelled, the funds will be applied back to cash and remain the associated fund.

2160.4.1 Reissuance of Check

Per Government Code section 29802 (b), anytime within two years and six months of the date of issuance of a check, the payee of that check may present the original check to the district, and a new check will be issued. If the payee does not have the original check to present, they can sign an affidavit for lost or stolen check, and a new check will be issued.

2160.4.2 Request to Reissue After Deadline

Per Government Code section 29802 (c), after two years and six months of the date of issuance of a check, the payee may submit a written request for a new check to the Board of Directors and include the original check with the request.

2160.5 Petty Cash Fund

The General Manager is authorized to maintain a Petty Cash Fund (Petty Cash) not to exceed \$1,000. Petty Cash will be replenished by checks issued to replace the expenditures. The request to replenish Petty Cash must be accompanied by an accounting of the expenditures, purpose, and funding source. No reimbursement from Petty Cash can be processed without a signature from the General Manager, Police Chief, or Administrative Services Director.

2060.5.1 Purpose

Petty Cash is intended to be for reimbursement of minor expenditures such as supplies, postage, or mileage for approved local travel. Petty Cash shall be included in the annual independent audit.

2060.5.2 Allowable Amount

The maximum amount allowable for advance or reimbursement is \$100 per request. All requests for reimbursement must be accompanied by a receipt. If an advance is requested, it must be accompanied by an itemized quote. Any amount remaining after the purchase is complete must be returned and accompanied by a receipt.

2060.5.3 Disallowed Reimbursements

No personal checks shall be cashed from Petty Cash. Multiple reimbursements may not be made from a single purchase to circumvent the maximum amount.