

## Sacramento Suburban Water District

**Payment of Demands Policy**

Adopted: July 19, 2021

Ratified without changes: October 16, 2023

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**100.00 Purpose**

The purpose of this policy is to govern the process for the payment of demands made against the District for the purchase of goods and services and for the payment of employee salaries and benefits in compliance with the requirements of the California Water and Government Codes.

**200.00 Authority and Responsibility**

Section 31302 of the California Water Code requires that the Board of Directors authorize the payment of all disbursements, claims, and warrants (“demands”). In addition, section 53910 of the Government Code authorizes the Board to adopt procedures by resolution concerning the payment of demands it deems convenient, efficient and in the public interest. The Board of Directors has adopted Resolution 21-08, which establishes procedures for the payment of demands and authorizes the General Manager to create this policy for the payment of demands that is convenient, efficient and in the public interest in conformance with Resolution 21-08, California law, and Generally Accepted Accounting Principles applicable to public agencies.

The General Manager and the Director of Finance and Administration/District Treasurer are responsible for carrying out the directives of this policy.

**300.00 Scope**

This policy covers all demands against the District regardless of how the demand is satisfied, be it through cash, check, EFT, direct debit or any other method against any depository account, cash fund or any other store of monies held by the District.

**400.00 Policy**

Per District Budget Policy PL – Fin 012, the District prepares an Annual Budget each year that is approved by the Board of Directors and which directs District staff in the authorized spending of District funds for the budgeted year. As required by the Budget Policy, District staff regularly reports to the Board of Directors on the status of the Annual Budget and provides monthly information on expenditures in the Financial Report delivered for each board meeting.

The District has implemented a framework of internal controls that governs the procurement of materials, supplies and services. These internal controls establish procedures for the recording, authorization, storing and payment of demands presented to the District for purchased materials, supplies and services, and for the processing and disbursement of payroll.

To allow for the efficient processing of demands, the following directives are hereby established for the payment of demands.

**400.10 General**

No check, order, warrant or payment of any kind upon the district treasury shall be drawn unless there are sufficient monies in the fund upon which it is drawn. All checks, orders, warrants and payments of any kind upon the district treasury of any money shall bear the signature or approval of the persons authorized by the Board of Directors.

**400.20 Approval of Demands (Warrants)**

Payroll warrants and disbursements and warrants and disbursements drawn for payment of demands that have been certified by the Director of Finance and Administration/District Treasurer or the General Manager as conforming to a budget approved by the Board of Directors, need not be approved by the Board of Directors prior to payment.

Following audit of the demands, the Director of Finance and Administration/District Treasurer shall prepare a register of demands showing claimant's name, amount of demand, description of the demand and any other information requested by the Board of Directors and shall transmit the register to the Board of Directors for ratification at the earliest regular Board meeting following the month of payment. Due to privacy concerns, payroll demands will be publicly reported for the aggregated payroll and not on a per-employee basis. Notwithstanding this policy, confidential staff members shall prepare and maintain a payroll showing all expenditures for employee salaries and benefits on a per-employee basis, which shall be subject to appropriate review and audit.

**500.00 Policy Review**

This Policy shall be periodically reviewed by the Board of Directors in accordance with its established policy review schedule.