

DRAFT
Mountains Recreation and Conservation Authority
Proposed Organizational Changes
September 20, 2004

The Mountains Recreation and Conservation Authority (MRCA) is a local government park agency established in 1985 pursuant to the Joint Powers Act (Government Code Section 6500 *et seq.*). The MRCA is a partnership between the Santa Monica Mountains Conservancy (Conservancy), the Rancho Simi Recreation and Park District (RSRPD) and the Conejo Recreation and Park District (CRPD). The MRCA works with these partners, as well as other local government agencies, to acquire, manage and improve parkland, preserve and protect natural resources, and provide visitor services including park interpretation and ranger services.

In response to the Compromise Budget Bill Language for the Santa Monica Mountains Conservancy (Items 3810-301-005, 3810-301-8029, and 3810-301-6031), the organizational structure of the MRCA, and its corresponding relationship with its partners will be changed upon the passage of the California State Budget for the fiscal year 2004/2005. The Budget Act requires that “the conservancy shall develop and implement procedures that assure separation of functions with respect to fiscal operations of joint powers authorities. This shall include procedures whereby all financial transactions of the joint powers authority are supervised by officers and employees who are separate from the conservancy and do not report to any officers or employees of the conservancy in any capacity.” Fiscal operations refers to any and all activities involving the receipt, tracking, and paying out of moneys, including, but not limited to, accounting, auditing, payroll, and contract disbursement activities.”

Section 10 of the MRCA Joint Exercise of Powers Agreement addresses administration of the MRCA and section 11 addresses fiscal controls. Effective July 16, 2004, sections 10 and 11 were amended to assure separation of functions of Conservancy and MRCA employees with respect to fiscal operations of the two entities. All future financial transactions and fiscal operations of the MRCA shall be the responsibility of the General Manager of the CRPD acting in his capacity as Financial Officer of the Authority.

The following outlines the new organizational structure of the MRCA:

The General Manager of the CRPD shall appoint an Assistant Financial Officer (AFO) who will report to the Financial Officer of the Authority. Until a permanent assignment is made, the Chief Operating Officer shall be the Acting Assistant Financial Officer and shall report to the Financial Officer through his designee, the CRPD Management Services Administrator. The position of Chief Operating

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Officer (COO) is temporarily suspended during the time the current incumbent reports to the Financial Officer. During this period the functions previously performed by the COO and not supervised by the Financial Officer shall be redistributed by the Executive Officer to other officers or employees of MRCA. The Acting Assistant Financial Officer, and upon appointment, the Assistant Financial Officer, shall be responsible for the day-to-day supervision of all employees with fiscal and financial duties which involve the receipt, tracking, and paying out of moneys, including, but not limited to, accounting, auditing, payroll, and contract disbursement activities. (See charts attached as Exhibit A, Exhibit B and Exhibit C).

Accounts Payable Clerk: Reports to the AFO.

Accounts Receivable Clerk: Reports to the AFO.

Accounting Analyst: Reports to the AFO.

Finance Analyst: Reports to the AFO.

Other accounting and finance related job duties that may be assigned to any of the above referenced staff that report to the AFO or designee include: Collection and processing of MRCA timecards, processing deposits and uploading deposit information into the MRCA general ledger, accessing the MRCA accounting safe, preparing and disbursing petty cash checks, disbursing petty cash, preparing journal entries, and any other accounting or finance related function necessary and documented via a written procedure.

MRCA employees will continue to sign requests for payments (requisitions), however such requisitions will not be considered approved for payment until the Financial Officer or designee has approved them.

For those MRCA employees whose primary functions are not accounting, fiscal or financial and whose supervision may ultimately be by a Conservancy employee, but who may have incidental job duties that involve cash handling or the receipt of checks or cash, the CRPD has developed procedures to assure for the proper management of such duties.

The annual MRCA budgeting process, done in conjunction with the annual workprogram, involves personnel reporting to both the Executive Officer and to the Financial Officer. Because the budget reflects the fundamental policy direction for the upcoming year and makes resource allocation decisions based on such policy, the Executive Officer bears responsibility for making the final budget recommendation. Key MRCA officers and employees assisting in making these policy and allocation recommendations are staff in the natural resources and planning, design, legal, and operational divisions, all of whom report to the Executive

Officer. The Financial Officer and officers and employees reporting to him are responsible for the accurate display of financial information and play an essential role in the development of the budget document itself. They are responsible for evaluating budget assumptions and resource allocations for compliance with funding source requirements and making recommendations regarding fiscal issues. Officers and employees reporting to the Financial Officer may provide any and all financial information, revenue reports and projections, and any other fiscal, financial or accounting data to the Executive Officer or other officers and employees reporting to him. In addition, the actual preparation of the budget document and the ministerial duties relative thereto are done by or under the supervision of officers and employees reporting to the Financial Officer.

For MRCA contracting functions, the CRPD has developed procedures that assure for the proper oversight of such activities. Officers of the MRCA, including officers that may be supervised by a Conservancy employee, may enter into a contract or purchase agreement that has fiscal implications under the following circumstances:

- The services to be provided by the contract or purchase agreement have been included in the adopted annual budget of the MRCA.
- The services to be provided by the contract or purchase agreement are a legitimate use of the designated funding source.
- The services to be provided by the contract or purchase agreement have been properly executed under the MRCA's contracting and purchasing procedures.
- Contracts approved by the MRCA Governing Board, such as purchase agreements and sales agreements for real or personal property.
- The contract or purchase agreement is signed by the contractor, an officer of the MRCA, and is countersigned for verification of funds by the MRCA Financial Officer, AFO or designee. Approval by the Financial Officer, AFO or designee is limited to the certification that funds are available or will be so available under conditions of the contract, and that other purchasing procedures have been complied with. Insofar as policy implementation is concerned, or the exercise of discretion in the selection of employees or contractors, other than for functions within the responsibility of the Financial Officer, the Executive Officer or his designee retains responsibility for the exercise of such discretion.

The CRPD, the RSRPD and the Conservancy recognize that the intent of a joint powers agreement is to allow for the mutual exchange of services and the joint cooperation of all partners. As such, certain circumstances may call for a MRCA employee to perform certain job duties that may be categorized as fiscal or accounting related without the need to report directly to the AFO. These instances include, but are not limited to: A MRCA employee may temporarily assist the Accounts Receivable Clerk to complete a billing as long as the assistance is limited to policy related issues; a MRCA employee may advise or be involved with audit related issues if that employee was responsible for or involved in the project or issue under audit; a MRCA employee may assist the CRPD finance and accounting staff with grants administration in order to accurately account for the proper use of all project funds.