

May 13, 2014

Richard Yeider, Foreperson
Grand Jury of Humboldt County
Administration and Finance Committee
825 5th Street
Eureka, CA 95501

RECEIVED

JUN 05 2014

CAO

Re. Grand Jury Report 14-AF-7

Dear Foreperson Yeider,

Please accept this letter as the formal response from the City Council of the City of Fortuna and the Fortuna City Manager regarding Grand Jury Report 14-AF-7. The City of Fortuna is in receipt of your detailed report and concurs with all of the Findings except F3. You will see attached a City Policy dated December 27, 1996 that clearly addresses in writing the reimbursement of business expenses for city employees. Please also note that despite the City not being in disagreement with Recommendation R1, that the City has an extensive listing of "communication opportunities" currently available to all City Staff.

Regarding Recommendation R1 and R2 of the Grand Jury, the City of Fortuna is providing the following details to satisfy formal actions to address the recommendations.

R1 – The Grand Jury recommends that the Fortuna City Council and the Fortuna City Manager improve internal methods to communicate with the city's staff. (Findings 2 and 3)

- **Recommendation 1 has been implemented and will continue to be implemented.**
- The City Manager Report, which is currently published twice per month as part of the formal City Council Agenda, will continue.
- The existing and regularly scheduled monthly "brown bag" meeting opportunity for all staff to spend time with the City Manager will continue.
- The City Manager will publish his open door policy for communication both up and down the organization in June.
- The City will continue the practice of setting special full day meetings twice per year to evaluate Citywide Objectives and Accomplishments.

R2 – The Grand Jury recommends that the Finance Office of the City of Fortuna write a clear and transparent policy for all city employees using city-issued credit cards, explaining the procedural steps for reimbursement of business expenses. (Finding 3)

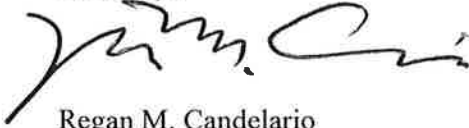
- **Recommendation 2 has been implemented and will be improved by the end of the calendar year.**
- The City of Fortuna has an existing Policy regarding reimbursement of business related expenses.
- The City Manager and Finance Department are creating a new "per diem" Policy for City Council review. Once approved by the City Council, the per diem rates will be added to the City Policy

City Hall	Police Department	Parks and Recreation	Public Works
(707) 725-7600	(707) 725-7550	(707) 725-7620	(707) 725-7650
Fax (707) 725-7610	Fax (707) 725-7574	Fax (707) 725-7576	Fax (707) 725-7651
621 11th Street	621 11th Street	5 Park Street	180 Dinsmore Drive

document. This task will be completed by the end of the calendar year. A copy of the existing City Policy is attached for your review as attachment 1.

The City is happy to have closure of this report. Thank you for your time and efforts regarding this case. The actions of the Grand Jury are a wonderful asset to the Community. If you have any questions or comments, please do not hesitate to contact me directly at 707/725-1410 or via email at rc@ci.fortuna.ca.us.

Sincerely,



Regan M. Candelario
City Manager, City of Fortuna

Cc Mayor and City Council, City of Fortuna
Linda Jensen, City Clerk
Phillip Smith-Hanes, County Administrative Officer

Attachments:

1. Existing City Reimbursement Policy

Reimbursement Policy for Conferences and Training

Admin

December 27, 1996

To provide a uniform travel payment policy for employees and other City personnel attending training conferences and seminars. This policy is implemented in accordance with Rule XIII, Section 2 of Fortuna's Rules and Regulations as amended.

Elected officials are not subject to this policy and will conduct travel under separate regulations.

A. Types of Training:

Department heads will assess training needs and requirements of employees and other City personnel assigned to their respective department. The City Manager will approve all travel and training.

B. Modes of Travel:

The least expensive mode of travel, taking into consideration distance, time and cost of public transportation, should be used. Staff may use commercial airlines, personal vehicles, rental autos or city pooled vehicles for travel purposes.

Most of the time, employees will be expected to use a city vehicle when attending training. If a city vehicle is not available, with City Manager authorization, employees may use their own personal vehicle and receive reimbursement at the established mileage rate.

If a personal vehicle is used when a City pooled vehicle is available, the City will pay the actual cost of fuel as evidenced by a receipt. Proof of insurance will be required.

C. Lodging, Meals, Misc.:

Monies may be advanced for room, board and miscellaneous expenses to attend conferences and seminars. Receipts for all expenses must be maintained and will be submitted to the Finance Department upon return. Reconciliation of costs against advance will be conducted.

Police Employees receiving POST reimbursements for training expenses shall receive the current per diem rate established by POST for meals and customary tips. The travel reconciliation shall state the total amount received by the police employee per day.

The City will pay for transportation, parking/tolls, lodging, registration, course materials, meals and customary tips.

The City will only pay travel expenses of the staff member and receipts must be submitted for reimbursement.

D. Location:

Training will be confined to locations within the State. Attendance at out-of-state conferences shall be approved by the City Manager upon recommendation of the Department Head.

E. Approval Process:

Requests for training shall be submitted through their respective Supervisor. The request must include a statement identifying the type of training, location, attendance dates and estimated expense.

A training advance may be granted from the estimated expense report. A completed Travel Expense Record and receipts for actual expenses must be submitted to the Finance Office for reconciliation. Participants will receive reimbursement for approved costs exceeding the advance or will refund monies not expended.