



**AGENDA
BOARD OPERATIONS COMMITTEE**

April 26, 2017

11:30 – 12:00 a.m.

**Conference Room 2
SunLine Transit Agency
Thousand Palms, CA**

1. **Call to Order**
2. **Roll Call**
3. **Confirmation of Agenda**

4. **Presentations**

5. **Public Comments**

Anyone wishing to address the Taxi Committee on items not on the Agenda should do so at this time. Each presentation is limited to three minutes.

6. **Committee Member Comments**

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7. **[Policy Revisions Accounts Receivable-Cash Receipts and Advertising Policy](#)** **Approve**
**(Greg Pettis, Chair of Board Operations Committee;
Staff: Ramon Aguiar)**
Recommend that the Board of Directors approve the attached revisions to the Accounts Receivable – Cash Receipts Policy# B-010604 and Advertising Policy# B-020598. (Pages 1-7)
8. **[Safety Management System Policy #B190117](#)** **Approve**
**Greg Pettis, Chair of Board Operations Committee;
Staff: Pete Gregor)**
Recommend that the Board of Directors approve the attached Safety Management System Policy No. B190117: Pursuant to the Federal Transit Administration's requirement for Transit Agency's receiving Federal assistance to implement a Safety Plan based on the principles of Safety Management Systems, Policy No. B190117 codifies the Agency's commitment to safety. (Pages 8-12)

9. [Resolution to Amend Section 3.1 of the Board Bylaws](#) **Approve**
Greg Pettis, Chair of Board Operations Committee;
(Russell Betts, Chair of the Board)
Recommend that the Board of Directors adopt Resolution Number No. 0764 amending Section 3.1 of the SunLine Transit Agency Bylaws. (Pages 13-16)
10. **Adjourn**

SunLine Transit Agency

DATE: April 26, 2017 **ACTION**

TO: Board Operations Committee
Board of Directors

FROM: Assistant Financial Services & Support Manager

RE: [Policy Revisions Accounts Receivable-Cash Receipts and Advertising Policy](#)

Recommendation

Recommend that the Board of Directors approve the attached revisions to the Accounts Receivable – Cash Receipts Policy# B-010604 and Advertising Policy# B-020598.

Background

SunLine currently invoices for Advertising on net 30 terms. By updating the policy to require payment prior to the start of an advertising period (Flight), SunLine can ensure advertising revenue is collected in a timely manner.

In February 2016, SunLine acquired a new accounting software, Tyler In-Code, which was implemented in conjunction with the existing Fleet-Net software. The new software changed how cash receipt transactions are processed. Accordingly, this revision will update the terminology to reflect new processes.

With revisions to the Accounts Receivable – Cash Receipt Policy, revisions are also being made to the Advertising Policy to ensure consistency between the policies.

Financial Impact

Requiring upfront payment on advertising invoices will reduce the Agency's exposure of bad debt and reduce staff efforts related to the collection of aging invoices.

By updating the existing policy to reflect new procedures, SunLine staff can be more productive in their efforts related to cash receipts.

Ramon Aguiar

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ACCOUNTS RECEIVABLE/ CASH RECEIPTS POLICY

POLICY

SunLine Transit Agency (SunLine) will carefully monitor Accounts Receivable and will make all attempts to recover ~~monies all amounts due owed the agency to SunLine,~~ recognizing that these are public funds.

Accounts Receivable

- Invoices will be prepared by the Accounting Technician every week. All invoices – excluding advertising invoices – will be on net thirty (30) terms. All invoices will be supported by appropriate documentation.
Customers requesting advertisement orders will need to provide payment upfront – before each advertising period (flight) begins
- ~~Accounts Receivable will be billed every thirty (30) days, and re-billed if still outstanding during the next billing cycle. All billings will be supported by appropriate documentation.~~
- All outstanding Accounts Receivable invoices will be reviewed by the Accounting ~~Technician~~Manager with follow up, on a monthly basis, and the accounts receivable accountant will follow up to resolve outstanding balances, ~~under his/her supervision.~~
- A monthly listing of aged Accounts Receivable will be provided to the Senior Accountant~~Chief Financial Officer~~, with explanation for outstanding balances.

Cash Receipts

SunLine will carefully monitor cash receipts procedures, to protect the integrity of incoming funds.

- On a daily basis, incoming checks, cash and/or credit card payments or cash ~~are will be~~ received by the Front Desk Receptionist, either by in the mail and/or

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Accounts Receivable/Cash Receipts Policy
Policy No: B-010604

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at the counter from walk-up customers. Payments are entered into accounting software and will produce receipts that are attached with appropriate documentation and stored in a locked drawer. ~~Receipts are written by the Receptionist, in triplicate form, and are entered into a Cash Receipts log by the accounts receivable clerkt, and stored in a locked cash box, for transmission to the Accounts Receivable accountant who then verifies, signs and dates the cash receipts log.~~

- At the end of each day the Accounting Technician will pick up all cash receipts with appropriate forms of payment and documentation and verify, sign and date the daily cash log. The following day he/she will then verify the receipts against checks, cash, and credit card receipts submitted and balance the totals.
- ~~Each day the Accounts Receivable accountant verifies the receipts against checks/cash submitted, and balances the totals. The Accounting Manager or his/her designee then verifies the receipts, signs and dates.~~
- All checks are copied and stamped “For Deposit Only” and processed through the desktop desktop deposit machine located on the Accounting Technician’s desk. A deposit slip is prepared for cash and coins which are then sealed in a WFB deposit bag and locked in the Finance safe until pick-up. Daily deposits will be given to a coin room employee to be included with other deposits from the Coin Room which are picked-up on Monday, Wednesday, and Friday of each week.
- ~~All checks are copied, and stamped “For Deposit Only”, and a deposit slip prepared. The deposit slip and checks/cash are then sealed in a key-locked bank courier bag~~
- Motor bus fare receipts are deposited into the coin room vault each evening by Utility personnel. Fare boxes are sealed, and opened only upon proper connection to the fare box vault. —Employees have no physical contact with cash at this point. —Each morning, the Coin Room Clerks~~Cash Counting Clerk~~ removes all cash receipts from the vault, separates coin, and currency, and passes. —Coins are counted by machine, emptied into coin bags. —Currency is counted by currency counting machines. —This activity is monitored by

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cameras with terminals located in Safety Security, with the Accounting Technician and the Senior Accountant at the front Reception desk.

The Coin Room Cash Counting Clerks prepares forms detailing the contents of each deposit, and a courier deposit slip is attached to the locked bag(s) which are then kept in the vault until pick-up. -An Armored Truck Services' The courier employee signs for the bag(s) upon pick-up, and a copy of the deposit form is given to the Accounting Technician faxed to the bank, and a copy is given to the Accountant. —Any discrepancies between actual deposits per the bank, and deposit records per the Cash Room, are monitored closely by the Accounting Technician Manager and the Senior Accountant.

K:\policies&procedures\AcctRecv Policy

ADVERTISING POLICY

STATEMENT OF PURPOSE

SunLine Transit Agency (STA), acting in a proprietary capacity, operates public bus service in the Coachella Valley. STA's desire to sell advertisement space stems from the recognized need to earn revenues to supplement operating costs that are not otherwise met through farebox revenue and local, state and federal levies, taxes and grants.

It is STA's policy that its buses, bus shelters and any and all other forums for advertising under this policy are not public forums for political discourse or expressive activity.

These areas are not intended to provide a forum for all types of advertisements, but only the limited advertisements accepted under the policy. All advertising shall be subject to this uniform view point neutral policy.

Advertising Guidelines

Excluded advertising: Copy may not be displayed and, if displayed, will be removed by STA if it falls within the categories listed below.

In excluding said advertising, STA seeks to maintain a professional advertising environment that will maximize advertising revenue and minimize interference with or disruption to its transit system.

It further seeks to maintain an image of neutrality on political, religious and other issues that are not the subject of commercial advertising and may instead be the subject of public debate and concern. Finally, STA's goal is to continue to build and retain ridership.

Subject thereto, a proposed advertisement will be excluded if Sunline, in its sole discretion, determines it:

1. Contains defamatory, libelous or obscene matter.
2. Is false, misleading or deceptive.
3. Supports or opposes any labor organization or any action by, on behalf of or against any labor organization.
4. Relates to or promotes any illegal activity.
5. Contains implicit or explicit sexual references, pictures or text, or includes material harmful to minors.
6. Depicts or promotes the sale of alcohol, tobacco products, any illegal products, service or entity and/or firearms.

7. Depicts or advocates violence.
8. Includes language that is obscene, vulgar or profane.
9. Demeans, degrades or has the effect of promoting discrimination against any group or individual on the basis of race, color, religion, national origin, age, sex, disability, ancestry or sexual orientation.
10. Opposes the nomination or election of a candidate for public office, the investigation, prosecution or recall of a public official or the passage of a levy or bond issue. Constitutes an unauthorized endorsement defined as advertising that implies or declares that STA endorses a product, service, viewpoint, event or program. This definition does not include advertising for a service, event or program for which STA is an official sponsor, co-sponsor or participant.
11. Constitutes a religious advertisement defined as advertising that contains direct or indirect reference to religion, a deity or which includes reference to the existence, non-existence or other characteristics of a deity or any religious creed, denomination, belief, tenet, cause or issue relating to, opposing or questioning any religion. This includes, text, symbols, images commonly associated with any religion or deity or any religious creed, denomination, belief, tenet, cause or issue relating to, opposing or questioning any religion.

Permitted Advertising

In permitting limited advertising, STA seeks only to supplement fare revenue and other income that funds its operations and to promote its services.

STA does not desire to have its passengers subject to advertisements containing controversial material relating to political, religious or other issues about which public opinion can be widely divergent.

To realize the maximum benefit from the sale of space, all advertising programs must be managed in a manner that will generate as much revenue as practicable while ensuring that the advertising does not discourage use of the system, does not diminish STA's reputation in the communities it serves and is consistent with the goal of providing safe and efficient public transportation.

1. Commercial advertising has a sole purpose of promoting a business or to sell products, goods or services. It does not include advertising that both promotes a business or offers to sell products, goods or services and also conveys a political or religious message or can be construed as issue advocacy or which expresses an opinion or position.
2. Operations advertising is permitted. This is defined as advertising that promotes STA and its services.
3. Governmental advertising is permitted. This is defined as advertising that promotes programs and events of governmental entities, political subdivisions and state agencies.

4. Political advertising is permitted. Ad content must be approved and must state "Paid Advertisement" as part of the creative artwork. The font must be an appropriate size.
5. Entering into barter deals is permitted if Sunline determines that it is a benefit to Sunline Transit Agency.
6. Customers requesting advertisement orders will need to provide payment upfront – before each advertising period (flight) begins.

Administration and Enforcement of Policy

Review by the General Manager.

The CEO/General Manager or designee shall review all advertisement content and determine whether it complies with this policy.

If the CEO/General Manager or designee determines that the advertisement does not comply, written notification of same shall be provided to the advertiser with a copy of this policy.

On an as needed basis, the CEO/General Manager may refer any controversial proposed ad content to the Board for approval or rejection with a majority vote.

The Board of Directors may override any decision by the CEO/General Manager on ad content with a majority vote.

Sunline Transit Agency shall submit bus shelter ad content to the corresponding city, delegated to the City Manager, for approval. The cities have five business days to respond. Sunline Transit Agency will have ad content approval discretion, if the corresponding city fails to respond within the five day period.

~~Sunline specifically rescinds the previously approved Bus Advertising Policy as was approved on May 23, 2012, and replaces it with this new Policy.~~

The Board designates the General Manager to administer the Advertising Policy. This delegation is with the power of re-delegation to appropriate staff.

SunLine Transit Agency

DATE: April 26, 2017 **ACTION**

TO: Board Operations Committee
Board of Directors

FROM: Chief Safety Officer

RE: [Safety Management System Policy B190117](#)

Recommendation

Recommend that the Board of Directors approve the attached Safety Management System Policy No. B190117: Pursuant to the Federal Transit Administration's requirement for Transit Agency's receiving Federal assistance to implement a Safety Plan based on the principles of Safety Management Systems, Policy No. B190117 codifies the Agency's commitment to safety.

Background

The Federal Transit Administration (FTA) issued its final rule to establish substantive and procedural rules for FTA's administration of a comprehensive safety program to improve the safety of the Nation's public transportation systems on August 11, 2016. The FTA administers a national transit safety program and program compliance oversight process to advance safe, reliable, and equitable transit service throughout the U.S. FTA's Office of Transit Safety & Oversight (TSO) helps make transit safer through policy development, hazard investigation, data collection, risk analysis, oversight programs and information sharing.

SMS is a formal, top-down, organization-wide approach to managing safety risks and assuring the effectiveness of safety risk mitigations. It is a basic management tenet that accountabilities flow top-down. Therefore, as a management system, SMS requires that safety accountability reside with the top executive of a transit agency. While this is usually at the CEO or General Manager level, an agency's Board of Directors also plays an integral role for establishing a sound foundation for safety management.

Safety Management System Policy B190117 confirms SunLine Transit Agency's commitment to safety. The Policy is the first step toward implementing a Safety Plan based on the principles of Safety Management Systems.

Financial Impact

No initial fiscal impact. Full implementation of a Safety Plan that complies with the principles of Safety Management Systems will require future resources dedicated to Risk/Hazard Identification, Documentation and Management, Training and Communication. No personnel resources beyond the current Safety Department staffing levels will be required. Fiscal impact of Risk/Hazard mitigation and solutions will vary dependent upon identified hazards and solutions. Expenses may be offset by reduced workers compensation claims and a reduction of incidents placing the Agency in position subject to litigation.

Pete Gregor

Safety Management System Policy
Policy No: B190117

SMS POLICY STATEMENT

I. PURPOSE

The purpose of this document is to establish SunLine Transit Agency's commitment to safety, safety procedures, expectations and roles of all employees within the Agency for all employees and the general public.

II. POLICY

The management of safety is one of our core business functions. SunLine Transit Agency is committed to developing, implementing, maintaining, and constantly improving processes to ensure that all our transit service delivery activities take place under a balanced allocation of organizational resources, aimed at achieving the highest level of safety performance and meeting established standards.

All levels of management and all employees are accountable for the delivery of this highest level of safety performance, starting with the Chief Executive Officer.

SunLine Transit Agency commitment is to:

1. Resources

Support the management of safety through the provision of appropriate resources, that will result in an organizational culture that fosters safe practices, encourages effective employee safety reporting and communication, and actively manages safety with the same attention to results as the attention to the results of the other management systems of the organization;

2. Integration

Integrate the management of safety among the primary responsibilities of all managers and employees;

3. Roles and Responsibilities

Clearly define for all staff, managers and employees alike, their accountabilities and responsibilities for the delivery of the organizations safety performance and the performance of our safety management system.

4. Hazard Identification

Establish and operate hazard identification and analysis, and safety risk evaluation activities, including an employee safety reporting program as a fundamental source for safety concerns and hazard identification, in order to eliminate or mitigate the safety risks of the consequences of hazards resulting from our operations or activities to a point which is consistent with our acceptable level of safety performance;

5. Encouragement

Ensure that no action will be taken against any employee who discloses a safety concern through the employee safety reporting program, unless disclosure indicates, beyond any reasonable doubt, an illegal act, gross negligence, or a deliberate or willful disregard of regulations or procedures;

6. Regulation

Comply with, and wherever possible exceed, legislative and regulatory requirements and standards;

7. Personnel

Ensure that sufficient skilled and trained human resources are available to implement safety management processes;

8. Training

Ensure that all staff are provided with adequate and appropriate safety-related information and training, are competent in safety management matters, and are allocated only tasks commensurate with their skills;

9. Review

Establish and measure our safety performance against realistic and data driven safety performance indicators and safety performance targets;

10. Amend

Continually improve our safety performance through management processes that ensure that appropriate safety management action is taken and is effective.

11. Standards

Ensure externally supplied systems and services to support our operations are delivered meeting our safety performance standards.

Approved:

Lauren Skiver
Chief Executive Officer/General Manager

SunLine Transit Agency

DATE: April 26, 2017 **ACTION**

TO: Board Operations Committee
Board of Directors

FROM: Russell Betts, Chair of the Board

RE: [Resolution No. 0764 to Amend Section 3.1 of the Board Bylaws](#)

Recommendation

Recommend that the Board of Directors adopt Resolution Number 0764 amending Section 3.1 of the SunLine Transit Agency Bylaws.

Background

Sunline Transit Agency currently appoints from its members a Chairperson and a Vice Chairperson by a majority vote.

SunLine Transit Agency Bylaws provides:

Section 3.1 Presiding Officer

The Chairperson shall be the Presiding Officer at all meetings of the Board. In the absence of the Chairperson, the Vice Chairperson shall preside. In the absence of both the Chairperson and the Vice Chairperson, the Board shall elect a temporary Presiding Officer to serve until the arrival of the Chairperson or Vice Chairperson or until adjournment.

In accordance with the Joint Powers Agreement, the Board shall elect, from among its members, a Chairperson and Vice Chairperson to serve for one year terms, said terms expiring at the end of each fiscal year. The Board shall meet at its first regularly scheduled meeting in July and choose one of its members as Chairperson and one as Vice Chairperson. Each selection shall be by a majority vote of the quorum in attendance, and a failure to achieve such total of affirmative votes, shall be deemed a selection of the incumbent(s) to remain in office. Each person so selected shall serve until a successor is chosen (at any time) by affirmative votes, provided that at the first regular meeting in July of each year, the office of Chairperson and Vice Chairperson shall automatically be reconsidered by the Board.

In order to ensure each member entity of SunLine Transit Agency's Board of Directors is provided an equal opportunity to serve as Chair and Vice Chair, an amendment to Section

3.1 of the Bylaws has been requested by the current Chair. A clear rotation rather than appointments by a majority vote allows for the positions of Chair and Vice Chair to be filled in an orderly and predictable manner. The rotation shall be in alphabetical order based on the member agency, beginning with the letter "I" to guarantee that the current Vice Chair will become the next Chair of the Board of Directors. If this amendment to the bylaws is approved, the rotation shall be as follows:

1. Indian Wells
2. Indio
3. La Quinta
4. Palm Springs
5. Rancho Mirage
6. Riverside County
7. Cathedral City
8. Coachella
9. Desert Hot Springs

As a safeguard, the proposed amendment includes a provision that allows this alphabetical rotation to be superceded in the event 2/3rds of the Board agree that a particular member agency's representative should not serve as the Chair or Vice Chair.

Financial Impact

There is no fiscal impact.

SUNLINE TRANSIT AGENCY

RESOLUTION NO. 0764

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUNLINE TRANSIT AGENCY AMENDING SECTION 3.1 OF THE RULES OF PROCEDURE ADOPTED BY RESOLUTION 0747 FOR SELECTION OF CHAIR AND VICE-CHAIR OF THE BOARD OF DIRECTORS

WHEREAS, on July 29, 2015, the Board unanimously approved Resolution 0747 "A Joint Resolution Amending and Adopting Rules for Board Meetings and Related Functions and Activities, and Adopting Bylaws for all Board Committees";

WHEREAS, Section 3.1 of the Bylaws states that the selection of a Chairperson and Vice-Chairperson shall be by a majority vote of the quorum in attendance; and

WHEREAS, the Board of Directors of the Sunline Transit Agency desire to amend Section 3.1 of the Bylaws through the adoption of this resolution to provide for an alphabetical rotation of the Chair and Vice-Chair positions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of SunLine Transit Agency:

Section 1. Section 3.1 of the Bylaws entitled Presiding Officer, paragraph two (2) shall be amended to read as follows:

"In accordance with the Joint Powers Agreement, at its first regularly scheduled meeting in July the Board shall elect, from among its members, a Chairperson and Vice Chairperson to serve for one year terms, said terms expiring at the end of each fiscal year. The election of Chairperson and Vice Chairperson shall be by an alphabetical rotation by the name of the member agency except as provided herein.

The Board shall be deemed to have satisfied the requirements of the Joint Powers Agreement to appoint a Chairperson and Vice Chairperson if it:

1. Confirms the appointment of the Chairperson and/or Vice Chairperson based on the alphabetical rotation by a majority vote; or
2. Elects to dispense with the alphabetical rotation for either or both of the appointments and appoints another member to serve as the Chairperson or Vice Chairperson, by a 2/3rds vote of the entire membership of the Board.

Each person so selected shall serve until a successor is chosen (at any time) by a 2/3rds vote fo the entire membership of the Board, except that if the Chairperson or Vice Chairperson has two or more unexcused absences per fiscal

quarter then the Board may appoint a successor by a majority vote. Any decision by the Board to dispense of the alphabetical rotation for a particular appointment or to appoint a new Chairperson or Vice Chairperson mid-term shall not change the alphabetical rotation for future appointments.”

Section 2. At the July 2017 Board regular meeting, the alphabetical rotation shall commence in the following order, with the member from Indian Wells being proposed as Chairperson and the member from Indio being proposed as the Vice Chairperson:

1. Indian Wells
2. Indio
3. La Quinta
4. Palm Springs
5. Rancho Mirage
6. Riverside County
7. Cathedral City
8. Coachella
9. Desert Hot Springs

Section 3. This Resolution shall take effect immediately.

PASSED, APPROVED AND ADOPTED by the Board of Directors of SunLine Transit Agency on this 27th day of April, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Diane Beebe
Clerk of the Board
SunLine Transit Agency

Russell Betts
Chairperson of the Board
SunLine Transit Agency

APPROVED AS TO FORM

Eric Vail
General Counsel