

**Draft Work Plan for
the RTC Becoming Fully Autonomous**
June 2005

Legal

1. File statement with Secretary of State and County Clerk and obtain federal and state employer ID's and local public agency status.
2. Consult with County Counsel as issues develop pertaining to establishing autonomy.
3. Amend, as needed, existing MOU between the County and RTC indicating a timeframe for ending various services and covering a continuation of services during the interim or after separation is complete.
4. Make arrangements to continue using County Counsel services after autonomy.

Fiscal Management

1. Funds Management
 - A. Review legal mandates with County Treasurer and Auditor-Controller and confirm arrangements with County Treasurer to maintain and manage investment of the Local Transportation Fund/TDA.
 - B. Make arrangements to continue using County Treasurer services to manage and invest all funds after autonomy.
2. Purchasing
 - A. Develop and adopt policies, procedures and controls for purchasing and contracting for services including the use of purchase orders, credit cards and petty cash.
3. Non-Payroll Claims Procedures and Payments
 - A. Develop and adopt policies, procedures and controls to make non-payroll payments, considering the advice of the Auditor-Controller
4. Banking
 - A. Select a commercial bank and open a petty cash account.
5. Integrated Accounting and Budgeting System

- A. Work with Auditor-Controller to improve integration of the RTC's budget and the Auditor-Controller's accounting system, similar to what is done for other special districts.
- B. Set aside for future consideration the option of an in-house accounting system that is completely integrated with the RTC's budget.

6. Budget

- A. Incorporate one-time costs in FY 2005/06 RTC budget, and update as new cost information becomes available.
- B. Develop operating and capital budget for FY 2006/07, including new on-going costs and continued payment of County overhead charge, and input into the improved, integrated accounting and budget system.

7. Payroll Policies and Procedures

- A. Contract with County Auditor-Controller for payroll services similar to those provided to other special districts.
- B. Develop and adopt payroll policies and procedures.
- C. Work with Auditor-Controller to use features of the payroll system to develop labor distribution data needed for grants management.

Human Resources Management

1. Human Resources Policies and Procedures

- A. Develop and adopt human resource policies and procedures specific to RTC needs. May utilize services of a consultant.

2. Personnel Filing System

- A. Integrate historical information from the County's records and establish official employee personnel files.

3. Job Classifications, Descriptions and Salary Schedule

- A. Develop and adopt classifications, job descriptions and salary schedule specific to RTC needs.

4. Employee Relations and Negotiations / Union Representation

- A. Coordinate with County on all communications with the general representation unit including upcoming labor negotiation and notification to the union of plans to establish the RTC as an autonomous governmental entity.
 - B. Prepare for collective bargaining and execute initial Memorandum of Understanding with bargaining unit(s), if any. Utilize services of a consultant.
5. CalPERS Retirement Plan (could take up to 14 months)
- A. Authorize CalPERS to undertake valuation (actuarial) study.
 - B. Enter into agreement with CalPERS.
 - C. Coordinate with County to ensure that correct CalPERS account balances are recorded.
6. Other Retirement Related Issues
- A. Make determination as to whether to participate in Social Security.
 - B. Establish deferred compensation program.
7. Benefits
- A. Medical insurance may continue to be provided through a contract with CalPERS, although this is not required
 - B. Purchase ancillary benefits such as dental, vision, employee assistance program, disability and life insurance. (These may be obtained through the County, another public agency, a public agency insurance pool or a private provider.)
 - C. Through the union, survey employees regarding interest in participating in the state disability insurance program (employee paid benefit).
8. Workers Compensation
- A. Arrange for workers compensation insurance coverage which meets all legal requirements. This will likely be coordinated with other insurance purchases.
 - B. Consider purchasing workers compensation coverage sooner than July 1, 2006, given the absence of any open claims at the present time
9. Miscellaneous Human Resource Management Issues
- A. Establish policies and procedures for EEO compliance and employee diversity documentation and reporting.

- B. Establish policies and procedures, in compliance with the Hatch Act, regarding permitted and prohibited activities of employees in political activities.
- C. Establish a program to support employee training and education.
- D. Establish safety program and emergency preparedness training and procedures.

General Administration

1. Administrative Policies

- A. Develop general administrative policies including: travel and reimbursement policies, reporting of accidents, disposition of surplus property, records retention, access to public documents, telecommuting, media guidelines, paper reduction, etc.
- B. Review the RTC's Rules and Regulations and recommend amendments as needed.
- C. Centralize all RTC policies, procedures and forms into a single Administrative Manual that is divided into sections by key subject areas including Fiscal, Human Resources, and General Administration.
- D. Ensure that public agency identification is correctly presented on business cards, stationery, website, forms, etc.
- E. Review the RTC's existing Conflict of Interest Code and adopt Incompatible Activity Policy to meet the requirements of the Political Reform Act.

2. Insurance

- A. Obtain liability and property insurance for the Santa Cruz Branch Rail Line effective on the date when the RTC assumes ownership of the line (September 23, 2005).
- B. Purchase insurance coverage for protection against general liability, property damage (including automobile), workers compensation, unemployment insurance, fraud and other possible issues effective on the date when the Regional Transportation Commission becomes fully autonomous (July 1, 2006).

3. Fleet Operations

- A. Make provisions for maintenance of the van and bicycles owned by RTC.

B. Make provisions to replace use of the County's automobile pool services. This may result in purchasing a vehicle through the State pool or arranging for use of rental vehicles when needed.

4. Warehouse

A. Determine the best arrangements for commercial storage to replace the services of the County warehouse; continue current contract for secure file storage off-site.

5. Mail Service

A. Develop in-house mail procedures, purchase mailing materials and equipment and modify agreement with courier service.

Staff Assistance

1. Administrative and clerical assistance

A. Determine staffing requirements to achieve autonomy and to support new responsibilities on an ongoing basis.

B. Take steps to ensure proper staffing.

2. Consultant assistance

A. Execute contract amendment to extend technical services contract of Commission consultant Bob Scott for assistance with this autonomy project.

B. Contract with a consultant for assistance with human resource management and employee relations tasks.