



July 7, 2015

Honorable E. Bradley Nelson
Presiding Judge of the Superior Court
Solano Superior Court
600 Union Avenue
Fairfield, CA 94533

RE: 2014-2015 Grand Jury Report Entitled: To Charge or Not to Charge

Dear Honorable Presiding Judge Nelson:

Pursuant to the provisions of Section 933.05 of the California Penal Code, the governing body of any public agency subject to the Grand Jury's review authority must respond to recommendations and findings pertaining to matters under their control. Therefore, the purpose of this letter is to comply with the aforementioned law and to advise you that after review of the 2014-2015 Solano County Grand Jury Report, the Council of the City of Benicia accepts the Report.

Finding 1

Card usage saves time and money by not having to process purchase orders and wait for the arrival of ordered goods.

Recommendation 1

Continue the use of cards.

City's Response to Finding 1 and Recommendation 1

The City agrees with the finding, as stated in the Purpose of the City's Cal-Card Purchasing Card Program Manual, which has been utilized since 2009. The recommendation has been implemented. The City continues to use the cards.

Finding 2

The use of cards has a transaction fee which is passed on to the consumer. On time remittance of payment for card statements earn cash rebates which offset transaction fees.

Recommendation 2

All cities should seek to use financial institutions which offer cash rebates and pay all invoices on time to qualify for rebates.

City's Response to Finding 2 and Recommendation 2

The City agrees with the finding. The Statement Review and Approval Procedures section of the City's Cal-Card Purchasing Card Program Manual discusses the timeliness of card holders submittal of claim forms to the Finance Department for prompt payment of invoices. The recommendation has been implemented and has been the City's practice since the program's initiation in 2009. The City receives rebates on a quarterly basis.

Finding 3

The use of cards for travel expenses simplifies travel arrangements and reduces cost while keeping accurate purchasing records.

Recommendation 3

Continue the use of cards for travel.

City's Response to Finding 3 and Recommendation 3

The City agrees with the finding. The recommendation has been implemented. We have, since 2009, and will continue to use the cards for travel purposes and each card holder maintain a travel expense report, as needed, which is submitted to the Finance Department for review and approval.

Finding 4

Not all cities are using a card with a rebate program.

Recommendation 4

All cities utilize cards with a rebate program.

City's Response to Finding 4

The City agrees with the finding. The recommendation has been implemented. Since 2009, the City has utilized purchasing cards that have a rebate program, and receives rebates on a quarterly basis.

Finding 5

All seven cities now have cards usage policies and security measures to prevent improper or fraudulent use of cards.

Recommendation 5

Cities continue their current methods for security, and determine if other measures may be available that may enhance cards security.

Honorable E. Bradley Nelson
July 7, 2015
Page 3

City's Response to Finding 5 and Recommendation 5

The City agrees with the finding. The recommendation has been implemented. The City has implemented a Cal-Card Purchasing Card policy since the inception of the cards in 2009. Each cardholder receives the manual and acknowledges receipt of card, manual and purchasing card guide.

This response was drafted by City staff and approved by the City Council at their meeting on July 7, 2015. If you have any further questions, please let me know.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "A. Cardwell". The signature is fluid and cursive, with a large initial "A" and a long, sweeping tail.

Anne Cardwell
Assistant City Manager

cc: City Council
City Attorney
City Manager
Grand Jury