



## **Administrative and Financial Management Policies and Procedures**

Adopted by the Executive Committee: 09/03/2024

### **CVRPC's Accounting System**

CVRPC uses a method of accounting known as "fund accounting." Fund accounting groups assets and liabilities according to the specific purpose for which they are to be used. For-profit organizations have one set of accounts, the general ledger. Non-profit organizations have multiple funds because restricted and unrestricted funds must be tracked separately. CVRPC has two funds: the general fund and the reserve fund. CVRPC's accounting practices are performed according to the generally accepted accounting principles (GAAP) for local government as established by the Government Accounting Standards Board (GASB).

CVRPC's financial system is a modified accrual system. Revenue is recognized when earned and measurable (usually evidenced by delivery of goods or services to a customer and issuance of an invoice for same). Expenditures are recognized when the liability is incurred (usually measured by receipt of goods or services rendered and an invoice for same).

CVRPC's financial accounts are audited annually by a certified public accountant (CPA). This audit is to confirm that the financial statements are free of "material misstatement" and give an accurate accounting of CVRPC's funds.

### **CVRPC's Revenue Sources**

CVRPC is a service-based organization; our employees and their knowledge and skills are our primary assets. CVRPC generates revenues through grant agreements and contracts, member municipality appropriations, interest, and non-contractual services. Typically, CVRPC manages 20-40 contracts simultaneously. Contract sources include:

*Federal Grants and Agreements* - These agreements come with significant contractual requirements that CVRPC must honor. For instance, if CVRPC expends more than \$500,000 in Federal funds in a fiscal year, it must complete a single audit. This audit focuses special attention on the contract/agreement in which the most funding was expended.

*State Grants and Contracts* - These also come with contractual requirements. The State has standard requirements that apply to all of its contracts and agency or department-specific requirements that apply to specific contracts. Some State contracts are funds that the State has received from the Federal government. Therefore, these contracts include both State and Federal contractual requirements.

*Municipal Contracts* - CVRPC provides planning and special project management services to municipalities upon request.

*Member Municipality Appropriations* - Annual appropriations are a critical component of CVRPC's budget. They are used to support match requirements for State, regional and municipal projects, especially those funded through grants and the Transportation Planning Initiative with the Vermont Agency of Transportation.

*Other Revenue Sources* - CVRPC performs non-contractual work for municipalities, non-profit organizations, regional partners, and, as time permits, private companies. This work is typically GIS or accounting services. Other revenue also includes interest earned and special duties, such as serving as a fiscal sponsor for a project or initiative.

CVRPC's financial system tracks revenues and expenses through job codes. Each contract is assigned a name, such as VTrans TPI. Every expense at CVRPC is assigned a job code. Monthly invoices are written to bill the contract source for the expenses of each job. Each contract has a specific billing requirement that determines when invoices can be submitted for payment.

When a cost is incurred for a common purpose benefiting or supporting all Commission programs and activities, they are considered administrative or indirect expenses. CVRPC assigns these expenses the job code *Administration*. These expenses are pooled together through a rate applied as a percentage to salary and fringe benefit costs for staff. The indirect rate allows all program/jobs to share these expenses equitably. Audited costs for the prior fiscal year serve as the basis for the indirect rate applied to the current year. Via a Memorandum of Understanding, the Vermont Agency of Transportation has agreed to review and approve Regional Planning Commission Indirect Cost Rate Proposals as authorized by Federal regulations.

## **Financial Statements**

Financial statements are provided to the Executive Committee monthly, including the following reports:

*Balance Sheet* - The Balance Sheet is a statement showing the assets and liabilities of the organization as of a particular date. It reflects a snapshot view of CVRPC's financial position - what it owns and owes at that point in time.

*Accounts Receivable Aging* - The AR Aging report is a summary of billings for work completed by CVRPC for which payment has not yet been received. Receivables represent the amount *owed to* CVRPC by outside parties. Receivable amounts are tracked in relationship to Accounts Payable amounts. The aging report is the primary tool used to determine which invoices are overdue for payment, and by how long. The report includes notes related to when payment is anticipated.

*Profit and Loss Budget vs. Actual* - This report compares the adopted budget with actual revenue and expenditures.

*Paid Time Off Liability Balances* - Paid time off (PTO) is vacation leave, sick leave, and compensatory time available for staff to use when they take time off. Earned time and maximum accrual liability balances by employee are provided for Executive Committee review monthly.

All month end accounting entries will be completed, and all financial statements for month end will be provided to the Executive Committee prior to its monthly meeting.

The Accountant may periodically prepare other internal financial reports such as Trial Balances or Statements of Cash Flow as needed to ensure effective and transparent financial management.

## **Balance Sheet**

This financial statement summarizes CVRPC's financial position at a specific point in time by reporting assets, liabilities, and equity. This statement provides information about CVRPC's net worth.

*General Fund* - The General Fund is CVRPC's primary operating fund. CVRPC's daily activities are supported by the general fund, such as the purchase of supplies and meeting operating expenditures. General Fund balances are held in CVRPC's primary checking account at Community National Bank.

*Reserve Fund* - Reserve funds are set aside to:

- a) ensure that the Commission can continue to provide a useful level of services in times of tight budget years;
- b) provide for emergency funds since it is unclear whether RPCs can take on debt; and
- c) ensure sufficient funding to close down should that ever be the case

CVRPC aims to have six (6) months of operating funds set aside as reserves. The dollar value varies in any given year based on changes in operating costs, such as increases or decreases in rent, staffing, and general expenses. Reserve Fund balances are held in CVRPC's money market account at Northfield Savings Bank.

*Accounts Receivable* - A summary of billings for work completed by CVRPC for which payment has not yet been received. Receivables represent the amount *owed to* CVRPC by outside parties. Receivable amounts are tracked in relationship to Accounts Payable amounts.

*Accounts Payable* - A summary of bills received by CVRPC for which payment is due. Payables represent the amount *owed by* CVRPC to outside parties.

*Deferred Income* - Advances received on contracts and grants. These funds are considered a liability because CVRPC would need to pay back this funding at the grant/contract close if the funds weren't fully utilized.

*Payroll Liabilities* - Amounts withheld from bi-weekly staff payroll for which future payments are due. This includes fringe benefits and state and federal taxes. These funds are considered a liability because they are being held in trust by CVRPC on behalf of the employee until the payments are due.

*Equity* - In a for-profit business, equity includes assets financed by an owner or net profit that is retained in the business. In a non-profit organization, equity reflects the fund balance.

*Designated Funds* - These funds have been designated by CVRPC or a funder for a particular use. They often include grant/contract advances that do not need to be paid back at contract close if not fully used. Designating funds helps insure advances are accounted for until all project expenses are paid. At project close, CVRPC undesignates the funds and any project net income is released into equity. Balances are adjusted monthly to reflect use of the funds.

*Fund Balance* - Net worth measured by total assets minus total liabilities.

*Net Income* - Often referred to as “the bottom line,” net income is the profit or loss (if negative number) for a reporting period.

### **Profit and Loss Budget vs. Actual Statement**

This financial statement summarizes the revenue and expenses incurred during a specific period along with the budgeted revenues and expenses. These records provide information that shows CVRPC’s ability to generate net income by increasing revenue and reducing costs. The Profit and Loss (P&L) statement also is known as a “statement of profit and loss,” an “income statement,” an “income and expense statement,” or a “statement of revenues and expenses.”

*Revenue* is CVRPC’s earned income for a given period. Revenue might have offsetting expenses. “Income” on the P&L statement is revenue.

*Expenses* are the costs associated with daily operations at CVRPC. These are the expense categories defined in CVRPC’s budget.

*Net income* is revenue minus total expenses. Net income demonstrates the financial health of CVRPC and should be a positive number. If expenses are greater than income, the amount will be negative.

### **Accounts Receivable**

Accounts Receivable are services rendered by CVRPC and invoiced where payment has not yet been received. In for-profit businesses, owners know that some customers who receive credit will never pay their account balances. These uncollectible accounts are also called bad debts. For CVRPC, “bad debt” could take two forms: disallowed costs by funding agencies or non-payment of bills by private customers. Bad debt is extremely rare for CVRPC. Disallowed costs usually take the form of budget overruns or ineligible costs. Disallowed costs are unusual and can often be absorbed by other CVRPC revenue sources, such as CVRPC’s state allocation or its municipal appropriations. If the costs are ineligible under either source, CVRPC must use its Municipal Dues or cash reserves to cover the costs. Because of the rarity of this event, the organization has elected not to list bad debt as an item in its general ledger.

### **Accounts Payable**

Accounts payable are services that CVRPC has received and for which it has been invoiced, but the invoice has not yet been paid.

Receivables and payables are monitored by the Accountant and the Executive Director. CVRPC aims for them to be received and paid within 30 days of invoicing, unless otherwise agreed to with a funder or vendor.

## **Financial Policies and Procedures**

### **Code of Conduct and Conflict of Interest Policy (adopted 12/11/18)**

Upon joining the Commission or its committees, commissioners, employees, agents, and committee members of the Central Vermont Regional Planning Commission are required to review and sign a statement indicating they have read, understood, and agree to comply with this policy. The Office Manager maintains a checklist identifying individuals required to comply with the policy, their compliance status, and a file with the signed statements.

Policies previously adopted by the Commission and now incorporated into this document include the following:

### **Investment and Deposit Risk Policy (adopted 02/02/09)**

The primary objectives of CVRPC's investment and deposit risk policy are security of principal, liquidity as needed to meet expenditures, and return on investment.

The Executive Director, and in their absence the Chair or Secretary/Treasurer, with the approval of the Executive Committee, shall be authorized to invest and re-invest the Commission's funds.

The investment of all Commission funds will be made with financial institutions that have offices in Vermont and are registered to do business in Vermont. The financial institutions shall provide deposit insurance and be regulated by the FDIC.

The Executive Director, and in their absence the Chair or Secretary/Treasurer, will make decisions regarding the types of collateralization of deposits required or remove the Commission's exposure to custodial credit risk after consultation with the Executive Committee. The form of collateral may include, but not be limited to, securities of the United States of America. Securities may be held by a third party custodian designated by the Executive Director and approved by the Executive Committee and evidenced by insured receipts.

### **Capital Assets Policy (adopted 05/01/05)**

The purpose of a capital assets policy is to provide control and accountability over the Commission's capital assets.

Capital assets are defined as those assets (equipment, computers, computer software, furnishings, buildings, land, etc.) owned by CVRPC that have a useful (working) life greater than one year and a unit cost of \$5,000 or more.

All capital assets will be recorded at historical cost. Assets acquired through donation will be recorded at their estimated fair market value, including incidental costs necessary to place the asset in condition for its intended use, on the date of donation. In addition to purchase price or construction cost, capital costs may include incidental costs, such as bond interest and issuance costs, insurance during transit, freight, duties, title search, title registration, legal and professional fees, installation, taxes, extended warranty and/or maintenance contracts purchased at the same time as the asset, and breaking-in costs; i.e. costs that are necessary to place the asset in its intended location and condition for use. Should the Commission be in a position to purchase land, the capitalized cost of land will include the purchase price plus costs such as legal fees, fill, excavation, etc. incurred to put the land in condition for its intended use.

The straight line depreciation method will be used.

Physical inventories of all capital assets will be taken annually and the inventory completed prior to June 30. However, when a capital asset is acquired, it will be added to the Commission's inventory list at the time of acquisition. Inventory includes listing the item number, manufacturer, date of acquisition, purchase price, and to which staff member the asset is allocated for Commission use. When an asset is sold or otherwise removed from the inventory, the date of this occurrence and the method of disposal shall be recorded on the inventory.

#### **Records Retention Policy (adopted 03/04/19)**

The goals of this policy are to:

- Assist employees in complying with the Vermont Public Records Act (1 V.S.A. §§ 315-320);
- Retain important documents for reference and future use;
- Delete documents that are no longer necessary for the proper functioning of CVRPC;
- Organize important documents for efficient retrieval; and
- Ensure that CVRPC employees know what documents should be retained, the length of their retention, means of storage, and when and how they should be destroyed.

The Policy includes a records retention schedule to comply with the Act.

#### **Internal Controls (adopted 01/04/21)**

The Executive Committee adopts Internal Controls to define segregation of responsibilities. The Administrative and Financial Policies and Procedures is updated automatically without adoption when new or revised controls are adopted.

The Executive Director is authorized to sign checks, transfer funds from one Commission account to another Commission account, and draw funds from the Commission's Line of Credit on behalf of the Commission. No other staff member has authority to sign checks, transfer funds, or receive cash back from a bank deposit. Banking institutions will not allow cash back to anyone other than the duly authorized account signatories. The Chair and Secretary/Treasurer of the Commission also have check signing and Line of Credit authority. In the absence of the Executive Director, the Chair or Secretary/Treasurer will be asked to approve invoices, payroll, and sign checks.

The Commission has credit accounts in its name. The Executive Committee adopted an Employee Use of Credit Cards or Charge Accounts Policy and Procedure to provide controls govern opening accounts and their use. The Commission does not have a debit card in its name. Receipts are paid to the Commission by check or ACH. On rare occasions, a customer will pay Fee For Service charges in cash. CVRPC does not maintain petty cash.

The Accountant is responsible for maintaining the following financial records with oversight by the Executive Director: accounts receivable, accounts payable, payroll, and reconciliation of the general ledger and bank accounts.

Deposits are made by the Office Manager or Executive Director. Transfers between Commission accounts are authorized by the Executive Director, or in the absence of the Executive Director, by the Chair or Secretary/Treasurer.

#### *Timesheets*

- Staff completes timesheet in QB Time online and submits it for review.
- Executive Director reviews and approves or rejects timesheet for corrections by staff.
- At least weekly, Accountant synchs QB Time with QuickBooks to transfer timesheet data.
- Office Manager prints Executive Director timesheet and provides to Chair for signature.
- Office Manager files signed timesheet in finance files.

#### *Expense Reimbursement*

- Staff completes their expense form, saves it in their timesheet/expense folder, and emails Executive Director an alert that expense form is complete. Staff without server access emails their completed expense form to Executive Director. Supporting documentation, such as receipts, are mailed or delivered to the CVRPC office for attachment to the expense form.
- Executive Director reviews and approves or returns to staff for corrections.
- When approved, Executive Director prints timesheet to office copier and records print job in daily office list. This alerts Office Manager that expense form and supporting documentation can be scanned to Accountant for entry.
- The expense then is treated as a Bill.

#### *Bills (Received from Vendors)*

- All bills are reviewed as they are received (via mail or email) and entered into a payables log.
- Project bills may arrive via mail or email. If arrive via mail, Office Manager or Executive Director scans bill and emails to project manager as necessary.
- Project manager reviews bill and confirms via email to Office Manager the job/sub-job name for coding purposes and to signify the bill is appropriate, the amount is appropriate, any required bill back up or work product has been provided, and work completed is acceptable. Bills for IT services or for purchases made directly by staff are reviewed and approved by relevant staff and sent to Office Manager.
- Depending on which retrieves the mail, Office Manager or Executive Director stamps bills

with bill date received and the bill stamp, and codes the bill appropriately with customer information, job name, and expense code.

- If Office Manager, bill is scanned to Accountant and Executive Director and placed in *Executive Director Approval* folder for later review.
- If Executive Director, bill is reviewed and initialed to signify bill is ready for entry. Bill is scanned to Accountant and Office Manager or placed in *Items to Scan* folder for later scanning by the Office Manager.
- Executive Director reviews all bills and initials hard copy to signify bill is ready for payment. This may occur before or after bill is scanned to Accountant.
- Office Manager scans bills to Accountant at least weekly. Scanned bills are filed in *Items Scanned* folder. Office Manager enters bill in payables log to facilitate tracking of bills and payment status.

### *Weekly Payables*

Bills are paid every 7-10 days unless payment due date would be missed. The process is as follows:

For bills processed through Bill.com:

- Bills are entered into Bill.com by Accountant.
- Executive Director receives alert emails from Bill.com that bills are ready for approval.
- Executive Director reviews and approves bill in Bill.com.
- Executive Director authorizes payment.
- Bill.com issues payment via direct deposit or check depending on vendor preference
- Office Manager prints proof of payment from Bill.com, attaches to applicable bill, records payment in payables log, and files bill and payment proof in finance files by vendor.

Rarely, a check must be printed at the CVRPC office, most often when a payment is time sensitive.

When this occurs, the above process is followed except that:

- Executive Director authorizes payment via email using CVRPC check.
- Office Manager or Executive Director coordinates printing of check with Accountant.
- Accountant prints check to CVRPC copier.
- If Executive Director, Director signs, copies and attaches proof of payment to bill, mails check, and places bill and payment proof in *To Be Filed* folder.
- If Office Manager, Executive Director authorizes use of Director's signature stamp via email. Office Manager stamps Director's signature, copies and attaches proof of payment and Director's approval of signature stamp use to bill, and mails check. Office Manager emails Director confirmation that payment has been sent.
- In either case, payment is noted in payables log, and bill, payment proof, and signature stamp authorization are filed in the vendor's folder in the finance files.
- In the rare case the Executive Director is not available to approve use of Director's signature stamp, the Secretary/Treasurer, or in the Secretary/Treasurer's absence, the Chair, as signers on CVRPC bank accounts, will be asked to sign. The Executive Director will monitor the checking account register online to note when payments have been deducted from the checking account. It is inferred that once the Executive Committee has authorized signing a contract, the contract amount is approved for payment based on invoicing and provided the

contract amount is not exceeded and work is completed satisfactorily.

- Office Manager emails scanned bills, checks, and check register to the Secretary/Treasurer or Chair.
- If Secretary/Treasurer, a request is made to use Secretary/Treasurer signature stamp to sign checks.
- Secretary/Treasurer verifies that check amounts and other information matches bill and emails Office Manager approval to use Secretary/Treasurer signature stamp to sign checks.
- Office Manager verifies check information matches the bill and stamps checks with Secretary/Treasurer signature. Office Manager files bill, payment proof, and signature authorization approval as above and notifies the Executive Director via email.
- If Chair, the same process used above is followed except that the Chair must sign in person. CVRPC does not maintain a signature stamp for the Chair.

#### *Invoices (Sent to Customers)*

##### For Fee for Service activities (Ex. GIS or copier services):

- When Fee for Service sale is completed, a Non-Contractual Service form is completed and provided to Office Manager.
- Office Manager scans form to Accountant.
- For cash sale, sale is entered into QuickBooks by Accountant. Cash is placed in envelope in Deposits folder.
- For billable sale, invoicing will be completed by Accountant after timesheet information has been entered.

##### For contract/agreement invoices (VTrans, DPS, etc.):

- When a new contract is initiated, Executive Director emails Office Manager and Accountant new job information to facilitate timesheet and QuickBooks job match.
- Accountant enters new job into QuickBooks and QB Time and emails confirmation to Executive Director.
- Executive Director updates *Contract Invoicing & Contacts* document in Knowledge Transfer directory on the server.
- Office Manager verifies with project managers and Executive Director that all anticipated bills have been received for billable jobs.
- Office Manager notifies Accountant when all anticipated bills have been received and scanned to Bill.com.
- Accountant quality controls all billing information.
- Accountant prepares invoices, compiles invoice packet, and emails it to Executive Director.
- Executive Director reviews invoice packet to ensure supporting documentation is complete and matches invoiced amount, and approves or returns to Accountant for corrections.
- When approved for submission to customer, Executive Director emails Accountant approval to submit.
- Accountant saves full invoice packet (cover letter, progress report, match documentation, supporting documentation, products, etc. as required by customer) on CVRPC server in

appropriate *Grants Management* job folder using file name that includes date sent. Based on file size, deliverables may be saved separately from invoice materials.

- Accountant submits invoice packet and copies Executive Director and main project staff on submission.
- Executive Director adds date sent to first page of invoice and prints it.
- Office Manager places submitted invoices in *Receivables Outstanding* folder.
- Office Manager tracks invoices paid and follows up on non-payments as needed based on customer payment pattern. When payment is made, Office Manager attaches payment to invoice cover and places it in the *Receivables Paid* folder.

### *Monthly Processing*

The following information is collected on a monthly basis to complete month-end processing and invoices:

- Accountant completes Paid Time Off Liability Balances Report, places it in the appropriate *Financial Reports Monthly* folder, and emails an alert to the Executive Director.
- Accountant or Executive Director downloads bank statements to server.
- Executive Director reviews and initials bank statements.
- Accountant reconciles all bank statements in system and saves reconciliation to appropriate folder on server. Accountant provides digital reconciliation package to Executive Director for signature.
- Executive Director reviews, e-signs, and prints reconciliation.
- If there are any journal entries, Accountant provides them to Executive Director.
- Executive Director reviews and approves journal entries and files with financial files.
- Accountant prepares financial statements and saves them in the *Financial Reports Monthly* folder by month and fiscal year.
- Executive Director reviews reports and emails Accountant with any questions.
- Balance sheet, open receivables report with notes, budget to actuals statement, and paid time off liability balances are provided to the Executive Committee monthly.

### *Bank Statement Reconciliation*

- Accountant or Executive Director downloads and saves statements to server.
- Executive Director prints account statements and initials to signify receipt and review.
- When all statements have been received, Executive Director reviews statements and communicates any discrepancies to the Accountant via email.
- Accountant reconciles all bank accounts and provides Executive Director with digital reconciliation package for review.
- Executive Director reviews and e-signs reconciliations to signify concurrence. Director saves reconciliation package to bank statement folder on server, prints reconciliation packages, and places in *To Be Filed* folder.
- Office Manager files in financial files.

### *Deposits*

Unless otherwise instructed, all deposits will be made to the Community National Bank checking

account. The process used for deposits is as follows:

When checks arrive:

- Office Manager or Executive Director stamps the check with the restricted stamp provided by the banking institution, date stamps the check stub, photocopies the check (if no check stub, two copies of the check are made), records the check in the check log. Office Manager or Executive Director scans the check and emails it to the other party and Accountant.
- For ACH transactions, the Executive Director prints two copies of the transaction and provides them to the Office Manager. Accountant has view-only access to CVRPC's Community National Bank account.
- Office Manager or Executive Director attaches one copy of the check or ACH transaction proof to the associated invoice(s) (from the *Outstanding Receivables* file) and includes the other copy in the deposits folder for attachment to the deposit proof.
- Accountant records the check/transaction in QuickBooks and prepares the deposit as needed, coordinating with Office Manager for printing.
- Office Manager copies the deposit slip, makes the deposit, and attaches the deposit receipt to copies of the bank deposit slip and checks deposited. Office Manager files packet in the financial files and notifies the Executive Director and Accountant the deposit has been made.
- If checks are not deposited promptly at the bank, they stored in the secured, locked finance file cabinet.

*Payroll*

The following procedures occur as noted:

- Weekly: Staff completes the timesheet process noted under *Timesheets*
- Bi-weekly: Accountant generates payroll through ADP for salaried staff or, for hourly staff, from the hours that have been entered into Excel timesheets. Accountant emails payroll package to Executive Director for approval.
- Executive Director reviews and approves or returns to Accountant for corrections.
- Accountant initiates payroll.
- Bi-weekly: Accountant saves payroll reports to server folder. Bi-weekly: Executive Director reviews and initials payroll reports. Executive Director has ADP administrative privileges and review payroll documents periodically.
- As Needed: Accountant prepares transfers. Transfers must be approved in advance via email by the Executive Director. Executive Director or Office Manager completes transfers. Office Manager files transfer deposit slip.
- Payroll is automatically deposited or paychecks are distributed on the Friday after closure of the pay period.
- Bi-weekly or as required by law or CVRPC's policies: Accountant processes payroll liabilities. Office Manager prints and files payroll liabilities confirmation. Executive Director monitors bank account for liabilities' payments or authorizes payment through Bill.com.
- Weekly: Accountant posts compensatory time to QB Time upon approval of timesheets by the Executive Director.

- Per Pay Period: Sick leave and vacation time are posted to QB Time through automatic accrual. First and last pay periods are posted manually by the Accountant.
- As required:
  - Office Manager completes new hire reporting (VDOL, W4s, INS, benefits as applicable).
  - Accountant, or as appropriate ADP, completes quarterly reports, taxes and W-2's.

#### *Credit Card*

Use of the CVRPC credit card by employees is with Executive Director's permission only, and is governed by CVRPC's *Employee Use of Credit Cards or Charge Accounts Policy*.

- Credit card charge receipts are provided to Office Manager.
- Receipts are stamped (similar to bills), marked with billing codes/accounts, and approved by Executive Director, or in the case of Executive Director, are provided to the Chair or Secretary/Treasurer.
- Receipts are scanned to Accountant to be entered into QB.
- Accountant reconciles credit card statements prior to payment being authorized or initiating invoicing process.
- Executive Director reviews and approves the credit card reconciliation and authorizes payment.

#### *Petty Cash*

CVRPC does not maintain petty cash.

#### *Financial System Security*

Security of the CVRPC's financial and personnel records shall be maintained through password protected files and lockable file drawers. Use of the CVRPC's financial management system shall be password protected with permissions access grant to users as follows:

- Administrative full access with permission to make user changes (Executive Director, Accountant)
- Full access, without the ability to grant permissions (Executive Director, Accountant)
- View and print access (All Staff)
- View access for account balance and statement (All Staff)
- Weekly timesheet (All Staff)

Keys to lockable file drawers holding the CVRPC's financial and personnel records and lock box shall be provided as follows:

- Personnel files (Executive Director)
- Financial files (Executive Director, Office Manager, Accountant)
- Lock box (Executive Director, Office Manager)

#### **Employee Use of Credit Cards or Charge Accounts Policy and Procedure (adopted 09/04/18)**

Use of the CVRPC credit card by employees is with Executive Director's permission only, and is governed

by CVRPC’s *Employee Use of Credit Cards or Charge Accounts Policy*.

- Credit card charge receipts are provided to Office Manager.
- Receipts are stamped (similar to bills), marked with billing codes/accounts, and approved by Executive Director, or in the case of Executive Director, are provided to the Chair or Secretary/Treasurer.
- Receipts are entered into QB by Accountant.
- Accountant reconciles credit card statements prior to payment being authorized or initiating invoicing process.
- Executive Director reviews and approves the credit card reconciliation and authorizes payment.

### **Contracts, Grant Agreements, and Grant Applications**

CVRPC adopted a Grants Management Policy on April 1, 2019. Consultant contracts are awarded following CVRPC’s procurement policies. The authorization to award a contract with the selected consultant is given by the Executive Committee, unless delegated by the Committee. The Executive Committee authorizes the Executive Director, or in the Executive Director’s absence the Chair or another officer, to sign contracts that are \$25,000 or more. The Executive Director is authorized to award and sign contracts or accept and sign grant agreements that are less than \$25,000. The Executive Director is authorized to sign amendments to contracts or grants that do not change the dollar value of the agreement regardless of total dollar value or impacts on scope.

The Executive Committee has delegated the following contract signing to the Executive Director:

<i>Duty</i>	<i>Meeting Minutes</i>
Authorized the Executive Director to sign site specific contract addendums in the form of the engagement letter template for the Brownfields Program	November 1, 2016
Increased authorization for the Executive Director to sign contracts from \$10,000 or less to \$25,000 or less.	April 3, 2017
Began authorizing the Executive Director to sign contracts, rather than an officer.	January 2, 2018
Authorized the Executive Director to sign task specific contract addendums for the transportation planning and engineering services master agreements	April 2, 2018
Authorized the Executive Director to sign future change orders with G&N Construction for the Northfield Stormwater Construction contract provided any cost increase is within the approved grant agreement budget and the change order is reported to the Executive Committee at its next regular meeting.	August 5, 2019

As delegations occur, they are added to this document without the need for adoption.

Grant agreements and contracts with funding agencies are approved by the Executive Committee which authorizes the Executive Director, or in the Executive Director’s absence the Chair or another officer, to

sign said documents.

Grant funds are drawn down as costs are incurred or quarterly depending on the amount affecting CVRPC's cash flow and/or the requirements of the grantor. Costs associated with a grant are documented by personnel timesheets, travel expenses associated with doing the work of the specific grant, and indirect expenses when reimbursement is allowed by the grantor. Funds are drawn down based on accurate documentation and where applicable, sub-grantee/contractor invoices. Payments to such sub-grantees/contractors are made based on approval by the Executive Director of accurate invoices and confirmation by the CVRPC staff person responsible for the project that the invoiced work has been completed satisfactorily and the charge is appropriate.

Costs charged to grants are reviewed for allowability, appropriateness, and accuracy by the project manager and Executive Director, signed by the project manager, and approved for payment by the Executive Director. The required grant reporting is provided to the grantor accurately and in a timely manner per the requirements of the grant.

## **Accounts**

### **Checking Account, Certificates of Deposit, and Other Accounts in CVRPC's Name**

The signatories on the Commission's accounts are the Executive Director, Chair, and Secretary/Treasurer. The Executive Director reviews and approves all transactions against previously approved vendor invoices.

The Executive Director is authorized to sign checks and transfer funds from one Commission account to another Commission account on behalf of the Commission. No other staff member has authority to sign checks, transfer funds, or receive cash back from a bank deposit.

The Accountant is provided with view-only access to CVRPC's accounts at the Executive Director's discretion. View-only access allow the Accountant to record deposits and reconcile accounts in a timely manner.