

FINANCIAL POLICY MANUAL

SECTION I: CASH RECEIPTS PROCEDURE

The following procedure applies to any incoming cash/checks received by **Community Planning Association**. These monies include, but are not limited to: federal grants, contracts, local contributions, map and publication sales, computer time and miscellaneous invoicing (i.e. labor, data, mapping and copier charges, etc.). The responsibility for controlling cash receipts and their subsequent deposits is a shared responsibility of the administrative staff. Procedures for receipts via mail differ from procedures for hand-delivered receipts; both are outlined below.

MONIES RECEIVED BY MAIL

The person opening the mail does the following: all monies received are date-stamped and forwarded to the Executive Secretary.

The Executive Secretary does the following: checks are bank-stamped "for deposit only;" a receipt is written; two copies of the check and receipt are made for accounting and the check log. The check and one copy are then forwarded to the accounting department.

The Financial Assistant does the following: prepares a duplicate bank deposit slip **and enters the deposit in the general ledger system**; monies are then deposited in the bank that day by the secretarial team. The second copy of the check/invoice is forwarded to the Administrative Director.

The Administrative Director, **or a designated representative**, does the following: attaches the copy to the invoice and files; and does a month end comparison of the check log to the general ledger.

MONIES RECEIVED BY HAND-DELIVERY

Mapping

For change-making purposes, an imprest amount of \$75 is always maintained by the Mapping Department. Monies received will be receipted, balanced to the cash register, and reviewed bi-monthly by the Financial Department. (Sales tax is figured quarterly by the Financial Assistant for mapping sales.) Member agencies are allowed to charge map/information purchases to be billed quarterly by the Financial Assistant.

General Office

Monies received by hand-delivery (i.e., publications, copy charges, and miscellaneous charges) are receipted by the secretarial staff. The receipt is written in duplicate, with one copy going to the purchaser. Checks are bank-stamped "for deposit only." The information is entered in the check log (Attachment A) and delivered to the Financial Assistant. (A \$20 imprest amount is maintained in the front office for change-making purposes.)

The Financial Assistant does the following: a duplicate bank deposit slip is filled out **and the deposit is entered on the general ledger system**; monies are then deposited in the bank that day **by the secretarial team**.

The Administrative Director, **or a designated representative**, does a month end comparison of the check log to the general ledger.

Bank deposits are made by personnel other than the Financial Department.

SECTION II: CASH DISBURSEMENT CYCLE

PURCHASE ORDERS

All purchases require Purchase Orders. The following employees are designated as approval signatures for Purchase Orders: Financial Assistant -- up to \$200; Administrative Director and Emergency Management Director -- \$200 to \$2,000; Executive Director -- \$2,000 and up, with **COMPASS** Board approval for amounts over \$25,000.

PROCESSING PROCEDURES

Invoices, Receipts, and Expense Reports (Attachment B) are received by the Financial Assistant. The Financial Assistant checks for Purchase Orders and approval signatures before processing for reimbursement. The Financial Assistant prepares a Request for Payment form (Attachment C) and codes each request to its proper account. All Request for Payment forms and invoices are forwarded to the Administrative Director for approval. Upon approval, all checks are processed for signatures.

All **COMPASS** checks require two signatures. **Accounts payable checks over \$1,000 require one signature from the Executive Director or Deputy Director, and one signature from the COMPASS Board Treasurer or other designated Board Officer. The two signatures required for accounts payable checks less than \$1,000 may be obtained from the Executive Director, Deputy Director, or the Administrative Director.**

Invoices **with completed and approved "Request for Payment Forms"** are entered into the Accounts Payable system by the Financial Assistant **on a daily basis**. Payment cycles are approximately on the 5th and 20th of each month. The Financial Assistant prepares the checks and attaches the invoices to the checks. The **COMPASS** Board Treasurer or other designated Board officer reviews the invoices **for checks over \$1,000**, then signs the check and initials the Check Registers as an indication of his/her review. Any unusual or questioned items are resolved prior to his/her signature or, if unresolved, are taken to the **COMPASS** Executive Committee for resolution.

The Executive Director/Deputy Director signs the accounts payable checks, also indicating their review and approval of the checks on the Check Registers. Checks are then given to the Financial Assistant for disbursement. Request for Payment forms and all invoices are stamped in red "PAID" and attached to the second copy of the check. They are then filed in alphabetical order. The third check copy is filed numerically.

SECTION III: PETTY CASH FUND

Minor payments needing immediate attention (i.e., Federal Express, supplies, meeting lunches, etc.) may be paid from the Petty Cash Fund.

A balance of \$200 is maintained and reimbursed as needed each payment cycle. All reimbursements must be accompanied by a receipt or Expense Report, **not to exceed \$25.00**. A Petty Cash Receipt (Attachment D) is completed by the Financial Assistant and signed by the check signer at the time of disbursement. The request for Petty Cash reimbursement is handled like all other invoices previously noted. The Executive Director reviews the attached receipts and signs the check indicating approval. **The second signature on the check is obtained from the Deputy Director or the Administrative Director.**

SECTION IV: PAYROLL CYCLE

Timesheets (Attachment E) are signed by employees and submitted to their immediate Supervisors for approval signatures on the 15th and last working day of the month (specific dates are included on **COMPASS** monthly calendars). Timesheets are forwarded to the Financial Assistant for review of task numbers, balance totals, holidays, leave time (comparing leave time to approved **COMPASS** Leave Request Forms [Attachment F]), overtime, etc., and then entered into the computer. From the timesheets Time Ticket Journal is distributed to Directors for approval of task hours for all staff. With verbal approval, payroll is processed.

Payroll checks and payroll taxes are prepared and dated the 5th and 20th of each month for hourly and salaried employees. Payroll checks and the accompanying Payroll Check Register are signed by the APA Board Treasurer or other designated board officer and the Executive Director/Deputy Director as their approval for payment and distribution to each employee. The Financial Assistant at this time also disburses payroll tax and employee benefit checks (i.e., dental, life, health, vision, etc.) **which are due on the current cycle**, and records and distributes records of all accrued leave time to employees and supervisors. Upon completion of each cycle, all checks are posted to the General Ledger. Check copies are filed numerically to account for all checks written. All printouts for Accounts Payable, Payroll, and Payroll Taxes are filed by the Financial Assistant in appropriate binders.

SECTION V: BANKING

COMPASS currently maintains three bank accounts: 1) Idaho Central Credit Union business checking and share savings; 2) US Bank business checking and business savings; and 3) Key Bank business money market savings. The Administrative Director has the authority to purchase Certificates of Deposit, Repurchase Agreements, and to make other necessary transfers as needed (i.e., checking to savings, savings to checking, bank to bank). In order to protect COMPASS, no other bank accounts, other than the above approved, may be opened.

The Administrative Director, or a designated representative, maintains current checking/savings/investment bank balances at all times, completes proof of cash and completes bank reconciliations at the close of each month.

SECTION VI: PROCUREMENT POLICY

BACKGROUND

The Community Planning Association of Southwest Idaho (COMPASS) is an Affirmative Action and Equal Opportunity Employer (AA/EEO) that annually expends local tax dollars and federal and state grant funds on behalf of its Unified Planning Work Program (UPWP). These funds are expended for professional service agreements, office supplies and equipment, printing and other operations and maintenance items. All professional services procured by COMPASS are consummated in the form of a Professional Service Agreement (PSA).

FOCUS

This document applies only to contracts for professional services such as planning; engineering; data collection, management and analysis; report preparation and editing; project coordination; and other similar services secured from an outside vendor.

PURPOSE

The purpose of this document is twofold:

1. To identify circumstances when competitive bids will be used to secure professional services as opposed to other alternative means; and
2. To delineate a process by which competitive bids, when utilized, will be solicited and evaluated.

PROCEDURES

Community Planning Association will choose from among three purchase strategies whenever a PSA is contemplated:

- Competitive bidding;
- Statement of qualifications; and
- Direct purchase

The following table identifies the application of these purchase strategies as a function of the anticipated cost of services to be procured:

Anticipated Cost of Services	Alternative Purchase Strategies		
	Competitive Bidding	Statement of Qualifications	Direct Purchase
\$0 - \$10,000	Rarely used	Rarely used	Preferred
\$10,000 - \$25,000	May be used	Preferred	Rarely used

\$25,000 and up	Required for federally funded projects; preferred for all others	May be used with justification when no federal funds being used	Not an option
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In those cases where the required or preferred purchase strategy is a statement of qualifications, the procurement process shall be executed via Phase I and III, below; for competitive bidding, all three of the following phases shall be utilized in the order presented.

Phase I: Notification and Request for Statement of Qualification. Contracting opportunities and associated requirements will be announced in a manner befitting the scope of the project and the ability to identify likely service vendors, including formal advertisement in local print media, direct mail or other reasonable means. All contact media will include at least the following elements:

- The general nature of the professional services desired;
- A reasonable deadline by which a formal response is expected from prospective vendors;
- The format in which a response is desired; and
- The name, address and telephone number of a **COMPASS** contact from whom prospective vendors may obtain a detailed description of desired services.

The expected response from interested service vendors will be deemed a Statement of Qualification. Such a statement will generally include the following information about a firm or individual:

1. Experience and past performance in the professional service area requested;
2. Experience in delivering other related professional services;
3. Qualifications of relevant staff and their resumes;
4. Name and phone number of a contact person;
5. Available resources which are relevant to the requested services, such as office equipment and computer hardware and software;
6. Location of office(s) and accessibility of staff;
7. Name of at least three references with telephone numbers and a brief description of relevant services performed for each reference;
8. Officially adopted Affirmative Action and Equal Employment Opportunity statement;
9. DBE status, including name of certifying agency and a contact person; and
10. Affirmative Action/EEO and DBE identification of subcontractors, if used.

Copies of any advertisements, direct solicitation notices or other formal notices will all be made available to potential ADA (Americans with Disabilities Act) respondents in a manner and format consistent with **COMPASS** regular ADA policy.

Phase II: Request for Proposal (RFP). Following evaluation of Statements of Qualification, a small number (3-5) of selected vendors will be requested to submit further proposals for providing requested services. All proposals received will be evaluated and one or more potential contractors will be selected to be interviewed by a **COMPASS** proposal review panel.

The formal RFP will contain the following components:

1. An introductory section about the nature of desired services, perhaps relevant history, and reasons why they are needed;
2. A statement of goals and objectives to be accomplished via the services;
3. A scope of work;
4. A tentative schedule for the project;
5. A description of what **COMPASS** will provide to assist in meeting the goals and objectives and what the potential contractor will be expected to provide; and
6. A description of the selection process and possibly the scores and weights allocated to each aspect of respondents' proposals.

The proposal submitted by respondents will include:

1. A description of the service required and the consultant's understanding of the project;
2. A proposed step-by-step methodology and approach;
3. A time frame and a schedule for completing each phase of the project;
4. An itemized cost estimate as well as a lump sum cost for the entire product or service. This may be submitted with the proposal or later, upon request; and
5. The firm's organizational structure and set up for handling the project.
6. Certification that the firm's organization has not been suspended or debarred or whose principals have been suspended or debarred.

Phase III: Negotiation. One or two firms selected through the above process will be requested to enter into formal contract negotiations with **COMPASS**. The result will be a formal draft agreement, detailing all the normal and necessary contractual components to acquire the product or complete the service contemplated.

Community Planning Association will not contract or make sub-awards to parties that have been suspended or debarred according to federal regulations.

COMPASS reserves the right to reject all proposals received and request other potential contractors to submit proposals at any time.

SECTION VII: CAPITALIZATION POLICY

A "capitalized fixed asset" is property, such as land, buildings, and equipment, with a cost equal to or greater than \$500, and a useful life of two or more years. Capitalized assets are acquired for use in normal operations and are not for resale. The \$500 threshold is applied to an individual item of equipment, or a group of like items purchased together having an aggregate value of over \$500.

All capitalized assets are entered into the fixed asset system (Asset Keeper) by the Administrative Director, or a designated representative. Depreciation is calculated on these assets, using the straight line method, and a journal entry is prepared to enter the depreciation on the general ledger at fiscal year-end.

ATTACHMENTS

Attachment A	Check Log
Attachment B	Expense Report
Attachment C	Request for Payment Form
Attachment D	Petty Cash Receipt
Attachment E	Timesheet
Attachment F	Leave Request Form