

RESOLUTION 2018-09

A RESOLUTION OF THE OKANOGAN COUNTY TRANSIT AUTHORITY APPROVING AND ADOPTING THE REVISED AND UPDATED ACCOUNTING MANUAL OF FINANCIAL MANAGEMENT POLICIES AND PROCEDURES DATED 4/9/18.

WHEREAS, it is necessary for the Okanogan County Transit Authority ("OCTA") to adopt, review and periodically update certain policies and procedures for financial management of OCTA; and

WHEREAS, the Board of Directors ("Board" of OCTA is desirous of adopting policies and procedures that govern the financial management of OCTA; and

NOW, THEREFORE, the Board of OCTA does hereby resolve as follows:

Section 1. - Approval and Adoption. The Board of OCTA does hereby approve and adopt the Okanogan County Transit Authority (TranGO) Accounting Manual - Financial Management Policies and Procedures revised 4/9/18, attached hereto as "Exhibit A" and incorporated herein as though fully set forth.

Section 2. - Effective Date. Such Accounting Manual referenced in Section 1 above shall become effective immediately upon adoption by the Board.

DATED this 9th day of April, 2018.

  
Cindy Gagne, Chairperson

ATTEST:

  
Melanie Carroll, Clerk of the Board

RESOLUTION 2018-01

A RESOLUTION OF THE OKLAHOMA  
COUNTY TRANSIT AUTHORITY APPROVING  
AND ADOPTING THE REVISED AND FINAL  
ACCOUNTING MANUAL OF FINANCIAL  
MANAGEMENT POLICIES AND PROCEDURES  
DATED 2018

WHEREAS it is necessary for the Oklahoma County Transit Authority  
(OCTA) to adopt, review and periodically update certain policies and  
procedures for financial management of OCTA and

WHEREAS the Board of Directors (Board) of OCTA is desirous of  
adopting policies and procedures that govern the financial management of  
OCTA and

NOW THEREFORE the Board of OCTA does hereby resolve as follows:

Section 1 - Approval and Adoption. The Board of OCTA does hereby approve  
and adopt the Oklahoma County Transit Authority (OCTA)  
Accounting Manual - Financial Management Policies and Procedures revised  
and attached hereto as Exhibit A and incorporated herein as though fully set  
forth.

Section 2 - Effective Date. Such Accounting Manual referenced in Section  
1 shall become effective immediately upon adoption by the Board.  
ADOPTED this 2nd day of April, 2018.

\_\_\_\_\_  
Cathy Gentry, Chairperson

ATTEST:

\_\_\_\_\_  
Richard L. Smith, Clerk

# Okanogan County Transit Authority (TranGO)

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## ACCOUNTING MANUAL

## FINANCIAL MANAGEMENT POLICIES AND PROCEDURES

Approved: April 9, 2018

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## PURPOSE

To provide a vehicle for familiarizing TranGO staff and others with applied accounting techniques used by CliftonLarsonAllen and for understanding TranGO's responsibilities regarding the accounting system and financial tasks.

### General

The objective of this manual is to describe the accounting system of TranGO. The objectives of the accounting system are to:

- Provide accountability of receipts and disbursements of public funding from sales tax revenue, fares and on a grant-by-grant basis.
- Provide accountability for fiscal operations.
- Provide maximum internal control over the handling of all monies.
- Provide timely reports for the General Manager and Board so they may effectively manage the operations of the transit authority.

The manual provides a uniform set of procedures by which the accounting system is implemented. The accounting system is organized and operated using BARS codes, developed by the Washington State Auditor's Office. This system provides for coding of local, state and federal funding.

Accounting entries employ a process of double entry, modified accrual basis of accounting for all funds.

The following documents include procedures for the financial management of TranGO. This is an on-going process with changes and additions. When changes are made, the revised page will replace the previously dated page. This document will be reviewed by agency management whenever necessary but no less often than once a year.

There will be at least one copy of this manual in each office/site in which TranGO operates.

## GENERAL POLICY STATEMENTS

- I. The Board formulates financial policies, delegates administration of the financial policies to the General Manager and administrative staff, and reviews operations and activities.
- II. The General Manager has the responsibility for all operations and activities, including financial management.
- III. CliftonLarsonAllen is responsible to the General Manager for all financial operations.
- IV. The Operations Manager is responsible to the General Manager for all program operations, including financial management.
- V. The lines of authority on TranGO's organizational chart will be followed by all employees.
- VI. Financial duties and responsibilities are separated so that no one employee or CliftonLarsonAllen has sole control over cash receipts; disbursements; payrolls; reconciliation of bank accounts, etc.
- VII. All forms will be completed in ink, typed or printed by a computer printer, and correction fluid or tape cannot be used.
- VIII. No contracts/grants shall be amended to adjust budgets, scope of work, or any other contract provision after the date of the termination of the contract.



## APPROVAL AUTHORITY OF RELATED STAFF

### **Policy Statement**

No staff member may approve expenditures, leave, timesheets, travel request/vouchers, or any other item normally approved by the Operations Manager or General Manager for an immediate family member when that staff member is acting in a temporary capacity of authority over the immediate family member, without the additional signature approval of a member of management not an immediate family member of the individual requesting approval.

Immediate family member is defined as spouse, child, step-child or any relationship that may be included at the discretion of the General Manager.

### **Rationale For Policy**

Although the Personnel Policies Manual prohibits the hiring or promoting of an individual in a position of authority over an immediate family member, it does not address temporary assignments to the position of Acting General Manager or Supervisor. This policy addresses the authority to approve expenditures, leave, timesheets, travel request/vouchers, or any other item normally approved by a supervisor, Operations Manager or General Manager.

### **Policy Implementation**

In the event that an individual should be temporarily Acting General or Operations Manager, or some other form of Acting Supervisor over staff that is considered immediate family, they will not solely give signature approval to the immediate family member. There must be approval by the General or Operations Manager. CliftonLarsonAllen will not accept documents for processing that do not have the additional required approval. (Approval may be electronic notification by either the General or Operations Manager).

## AUDITS

### **Policy Statement**

CliftonLarsonAllen will submit annual financial reports to the Washington State Auditor's Office in compliance with state law.

Copies of the Audit Report will be presented to the Board and any funding or financing source that request a copy. TranGO's annual financial reports are public documents and must be provided to anyone that request them. Although the documents are free of charge, the agency can charge a reasonable fee for copying, shipping, or handling.

Independent audits will be conducted covering any year when grant funds expended total \$750,000 or more.

## PROCUREMENT

### **Policy Statement**

The Board of TranGO passed Resolution 2015-4, to ensure a uniform system to obtain supplies, materials, equipment and services in an efficient and timely manner, and to facilitate responsibility and accountability for the use of OCTA resources.

### **Rationale For Policy**

Large purchases should go through a bid process to ensure that TranGO receives the best product for the lowest price. Not only is this a prudent business policy, but it is also a contractual requirement when dealing with government monies.

### **Policy Implementation**

#### **I. Acquisition of goods, services and public works**

Specifically, this policy applies to the purchases of;

- A. Supplies, materials, and equipment;
- B. Professional services and personal services;
- C. Non-professional and non-personal services;
- D. Public works projects.
- E. \*These guidelines do not apply to acquisition, sale or lease of real property.

#### **II. Determination of Total Purchase Cost**

- A. The total cost of a good, including tax and applicable fees, shall be used to determine the cost of that good, and thus which contract approval level, cost threshold and other related purchase requirements apply. The anticipated annual need for a service (when it can be reasonable projected) shall be used to determine the cost of that service, and thus which contract approval level, cost threshold and related purchasing requirements apply.
- B. Requirements shall not be divided to come up with a lower total costs to avoid contract approval levels or competition requirements. For example, if carpeting is being purchased, the cost of the pad (and installation, if applicable) would be considered together to compute the cost of the carpet.
- C. If a project is to be completed in phases, the total accumulated cost for all phases should be considered when determining which cost threshold applies.
- D. Requirements for the total quantity of an item (when they can reasonably be projected) shall be considered when determining which cost threshold and related purchasing requirements apply.

#### **III. Contract Approval Levels**

- A. Supplies, equipment and non-professional and non-personal services
  - 1. Less than \$50,000. Contracts in this price range are to be approved by the General Manager of TranGO.
  - 2. \$50,000 or More. Contracts in this price range are to be approved by the Board of Directors, hereinafter "Board" of TranGO.
- B. Professional and Personal Services



1. Less than \$50,000. Contracts in this price range are to be approved by the General Manager of TranGO.
2. \$50,000 or More. Contracts in this price range are to be approved by the Board.

C. Public Works Projects.

1. Less than \$50,000. Contracts in this price range are to be approved by the General Manager of TranGO.
2. \$50,000 or More. Contracts in this price range are to be approved by the Board.

#### **IV. Cost Threshold Requirements – Supplies, Equipment and Non-Professional and Non-Personal Services**

The following cost thresholds apply for the purchases of supplies, equipment and non-professional and non-personal services. They do not apply to the purchase of services that are considered to constitute a public work, and do not apply to the purchase of professional services and personal services.

- A. Less than \$10,000 – Direct Negotiation. Purchases in this price range may be entered into through direct negotiation. Competition is not required, though TranGO should still make every effort to receive the best price possible.
- B. \$10,000 or More, but Less Than \$50,000 – Three Quotes Needed. For purchases in this price range, at least three (3) quotes shall be obtained, if possible. Quotes may be obtained by telephone or in writing.
- C. \$50,000 or More, but less than \$200,000 – Competitive Bids. For purchases in this price range, competitive bids shall be obtained from an adequate number of sources so as to ensure competition. Bids do not need to be sealed, but shall be in writing.
- D. \$200,000 or More – Competitive Sealed Bids. For purchases of \$200,000 and more, competitive bids shall be obtained from an adequate number of sources so as to ensure competition. Bids for purchases at this level shall be sealed.
- E. Auctions Purchase of supplies or equipment at auctions rather than through competitive bidding, are allowed, if the items can be obtained at a competitive price.
- F. Purchasing Surplus Property from Other Governmental Agencies. Purchasing surplus property from other governmental agencies without regard to bid laws is allowed.

G. Contracting for Services With Other Governmental Agencies. TranGO is authorized to contract with another public agency to perform any function with which TranGO is authorized to perform itself.

## V. **Public Works Projects**

Public works projects are defined as all work, construction, alteration, repair or improvement (other than ordinary maintenance, engineering analysis and design and other professional services, which is by law a lien or charge on any property. The cost of a public works project is the cost of the materials, supplies, equipment and labor on the construction of that project.

## VI. **Small Works Roster**

- a. General. TranGO may use a small works roster to award public works contracts of less than \$300,000. Any public works contracts for less than \$50,000 shall be approved by the General Manager. Any public works contracts exceeding \$50,000, but less than \$300,000, require Board approval for use of the small works roster.

Using the small works roster provides a streamlined method for soliciting competitive bids for public works projects costing less than \$300,000. A small works roster consists of all responsible contractors who have requested to be listed, and that (where required by law) are properly licensed or registered to perform such work in Washington.

A contract awarded from the small works roster need not be advertised unless required by Resolution (2015-4 or others). Invitations for quotations shall include an estimate of the scope and nature of the work to be performed, as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation.

- b. Cost Thresholds – Public Works (using small works roster). All contracts are to be awarded to the lowest responsible bidder.
  - i. Less than \$50,000. Solicit quotes from a minimum of three (3) contractors appearing on the roster.
  - ii. \$50,000 or more, but less than \$150,000. Solicit quotes from at least five (5) contractors on the roster, in a manner that will equitably distribute opportunities among contractors on the roster. “Equitably distribute” means that TranGO may not favor certain contractors on the appropriate small works roster who perform similar services.
  - iii. \$150,000 or more, but less than \$300,000. Solicit quotes from at least five (5) contractors on the roster and notify the remaining



contractors on the roster that quotes on the work are being sought. This notice can be made by:

1. publishing notice in a legal newspaper in general circulation in the area where the work is to be done; or
2. mailing a notice to these contractors; or
3. sending a notice to these contractors by fax or other electronic means.

- c. Cost Thresholds – Public works (NOT Using Small Works Roster). Public works projects shall be awarded by competitive sealed bid if the small works roster is not used.
- d. Public Works Performed by TranGO Employees. TranGO may perform public works projects.
- e. Performance and Payment Bonds. TranGO shall require a performance bond for every public works contract. This ensures that the job will be completed and that all works, suppliers and subcontractors will be paid. The bond shall be executed by a surety company authorized to do business in Washington State, in an amount equal to 100% of the price specified in the contract.
- f. For contracts of \$50,000 or less, TranGO may forgo requiring a performance bond. Instead, TranGO may retain 50% of the contract for 30 days after final acceptance, or until receipt of all necessary releases from the Department of Revenue, Department of Labor and Industries and Employment Security, and settlement of any liens filed. The intent of this exception is to assist small contractors who may have difficulty securing a bond.

## **VII. Professional and Personal Services**

Professional services and personal services requirements should be published in any media reasonably likely to attract sufficient numbers of potential service providers, or individual service providers may be contacted directly. "Professional services" shall mean any services rendered by any person or firm required to be licensed by the State of Washington and listed as a business or profession under RCW Title 18. "Personal services" means any professional or technical expertise provided by a person or firm to accomplish a specific study, task or project. An announcement should state concisely the general scope and nature of the project or work for which services are required, and the contact information for TranGO. Announcements should occur either by advertising an announcement for a specific study, task or project on each occasion when professional services are required, or advertising a general announcement for TranGO's projected requirements for any category or type of professional or personal services.

Discussions will be conducted with one or more firms regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services. TranGO will negotiate a contract with the most qualified firm at a price that TranGO determines is fair and reasonable. In making this determination, TranGO will take into account the estimated value of the services to be rendered as well as the scope, complexity and professional or technical nature of the service to be provided.

Contracts for these services will be approved in accordance with the contract approval levels outlined in Section 3.

### **VIII. Competitive Bidding Procedures**

- a. Advertisements for bids should include the following items.
  1. Name of the project or supplies, equipment and non-professional or non-personal services to be acquired;
  2. Nature and scope of work or description of supplies, equipment and non-professional or non-personal services to be acquired;
  3. Where contract documents relating to such bidding may be obtained;
  4. Cost to obtain a set of contract documents, if any;
  5. Place, date and time that bids are due;
  6. Statement that a bid bond must accompany the bid for public works contracts; and
  7. Statements that TranGO retains the right to reject any and all bids, and to waive minor irregularities in the bidding process.
- b. A contract or purchase award will be awarded to the lowest responsive and responsible bidder whose bid meets the requirements and criteria included in the invitation for bids.
- c. An invitation for bids may be cancelled. Additionally, TranGO (at its sole discretion) may choose to reject any and all bids, in whole or in part.
- d. Bids will be submitted as specified in the invitation for bid by the appointed date and time listed in the invitation. Each bid will be date and time stamped as it is received. Late bids will not be accepted. If the bid is a sealed bid, all qualified bids will be opened and read aloud publicly at the appointed time.
- e. Bid security shall be required for all competitive bidding for public works contracts, and shall be included in the bid package. Security shall be in the form of a bond with a value of at least five (5%) percent of the amount of the bid, provided by a surety company that is authorized to do business in Washington State, or the equivalent in cash or certified check.
  - Bid Security shall be required on bids for materials, supplies and equipment only if it is determined to be necessary.
  - When the invitation for bids requires submittal of bid security, noncompliance will result in rejection of the bid.



- If a bidder is permitted to withdraw a bid before award, its bid security shall be returned.

Contracts for public works, professional services and personal services shall contain requirements for contractor-provided insurance, as deemed necessary by TranGO.

## **IX. Emergency or Sole Source Purchases**

Situations may occur when competition among multiple vendors is not practical.

Examples of these situations include:

- a. There is clearly and legitimately only one source capable of supplying the good or service in a timely fashion;
- b. There are special circumstances or market conditions that result in only one appropriate source;
- c. Purchases of insurance or bonds; or
- d. In the event of an emergency.

Purchases may be made from a sole source vendor without soliciting other quotes or bids. If an emergency exists, the General Manager may;

- a. Declare that an emergency situation exists;
- b. Waive competitive requirements; and
- c. Award, on behalf of TranGO, contracts necessary to address the emergency situation (including, but not limited to, contracts for architectural and engineering services).

## **X. Intergovernmental Cooperative Purchasing Agreements**

TranGO may join with other governmental agencies for the purpose of supplies, equipment or services. This is done by entering into a written Intergovernmental Cooperative Purchasing Agreement, also known as an "interlocal agreement."

TranGO may also make a bid call with another government entity as a joint purchase that complies with the procurement requirements of TranGO.

The General Manager shall approve all Intergovernmental Cooperative Purchasing Agreements of less than \$50,000. Any Intergovernmental Cooperative Purchasing Agreements of more than \$50,000 shall require Board approval.

If grant funding is involved in the proposed purchase, applicable requirements should be obtained from the funding agency. Such requirements may be more restrictive than TranGO's policy, and shall be followed if required by such funding agency. All purchases shall comply with appropriate and relevant federal and state laws and policies, if applicable. If the appropriate and relevant federal or state laws and policies are required to be followed by TranGO, and they are more restrictive than these guidelines, such laws and policies shall be followed.

**NOTE:** Please see policies on Bid Process Appeal, Fixed Assets, Procurement and Disadvantaged Business Enterprise for further information.

## BID PROCESS APPEAL

### **Policy Statement**

In the event of a formal bid process, all prospective contractors shall have the right to appeal the bid process or final decision.

### **Rationale For Policy**

TranGO maintains a fair and competitive bid proposal practice along with complying with all applicable Federal and State requirements.

### **Policy implementation**

Any contractor or bidder that feels that TranGO has not complied with the proposal specifications, may appeal the decision in writing. Questions or claims must be addressed to the General Manager. The intent to appeal must be received by TranGO within 2 working days of the final bid award date and must be in writing (no email or fax), stating the reason(s) for the appeal. Acceptable reasons to appeal are bias, discrimination or conflict of interest, errors in tabulation or non-compliance with stated procedures described in the Request for Proposal or procurement document. These are the only reasons for appealing the bid that will be considered by TranGO. The complete written appeal must be made within 5 working days of the final bid award and should include all documentation supporting the contractor or bidder's claim and why the bid award should be reconsidered.

The General Manager shall respond in writing to the contractor or bidder, within 10 working days, with a decision on the bid award and address any complaints concerning noncompliance with bid proposal specifications. The response shall also outline how the contractor may appeal the General Manager's decision to the Board of Directors.

If the contractor or bidder is not satisfied with the General Manager's decision, they may appeal the decision to the Chair of the TranGO Board. This must be done within 10 working days of receipt of the General Manager's decision. The appeal must be in writing and should include the original appeal and any additional information. Failure to appeal the decision, in writing, within 10 working days will constitute a waiver of the contractor or bidder's right to thereafter to assert any claim regarding the bid process or award.

TranGO's Board Chair shall respond back to the contractor or bidder within 10 working days with a final written decision. This shall be the final decision. An appeal of the Board Chair's decision shall be a condition precedent to litigation. If agreed to by both parties, the decision may be decided by mediation or arbitration.

This policy shall be made part of all Request for Proposals or other procurement by bidding process documents issued by TranGO.

NOTE: Please see policies on Bid Process, Fixed Assets and Disadvantaged Business Enterprise for further information.



## BUDGETING

### **Policy Statement**

A budget will be prepared annually including operating, facility and capital costs. Annual budgets should be submitted no later than September 1, each year.

### **Rationale For Policy**

Accurate budget information is a management tool for the General Manager, Operations Manager, and Board. It indicates availability of funding, allowance of costs, contract compliance, and operational performance. Without a budget or accurate budget, no one within TranGO is providing appropriate fiscal management of local tax funds and contracts.

### **Policy Implementation**

The budget will be prepared by the General Manager in cooperation with the Operations Manager and submitted to the Board for approval.

The Board will review all budgets. Proposed budgets will be available for comment at times and places advertised at least 2 weeks in advance of availability.

If an award/contract is received, the General Manager will prepare a project budget that replicates the formal contract requirements of the funding source.

CliftonLarsonAllen will insure that budgets are in the accounting system and on file for all grants/contracts.

Amendments to budgets will be prepared by the General Manager and submitted to the Board for approval. Approved budget amendments will be forwarded to CliftonLarsonAllen.

No changes to the budget will be allowed once the contract has ended unless the contract budget amounts are amended.

### **Objectives And Principles Of Budgets**

TranGO's budget is a statement, in financial terms, of its plan of operations for a given period of time. The primary objectives of the budget procedure are to:

- Assist in the formulation of an integrated plan of operations and an understanding of how the various activities contribute to the overall goals of TranGO.
- Provide a means of communication between various levels of management by stating the objectives of each activity and the funds necessary to achieve them.
- Provide a means for measuring and guiding performance by comparing planned (budgeted) expenditures against actual data.

- Provide the historical data required for realistic preparation of future budgets.

People with responsibility for successful performance of budgeted activities will participate in the development of revisions to their budgets to assure that such changes are realistic and that operational plans can be modified accordingly.

## CASH DISBURSEMENTS

### **Policy Statement**

TranGO will maintain appropriate controls to assure timely and accurate payments to all vendors providing approved services or goods.

### **Rationale for Policy**

Assures availability of funding, allowance of costs, contract compliance, and operational performance.

### **Policy Implementation**

- All original invoices will be immediately forwarded to CliftonLarsonAllen for processing.
- TranGO staff (Clerk of the Board) will pull the originating requisition and purchase order (PO) and obtain a signed receiving report and forward the record to CliftonLarsonAllen to substantiate payment to the vendor.
- Bank credit card payments need to have the same approval as any cash disbursements. Purchase orders must also support bank credit card payments. Credit card statements will be reconciled monthly by the Administrative Assistant and submitted to CliftonLarsonAllen.
- If the amount on the invoice is 10% or more (minimum of \$10) over the PO amount the General Manager must approve the overage prior to payment.
- If there is not a PO prior to the receipt of goods or services, a check request requisition will be entered and approved by the General Manager. The hardcopy of the original invoice and the supporting approval documents shall be submitted to CliftonLarsonAllen for payment.
- CliftonLarsonAllen will prepare a check with a multi part stub after the invoices have been approved and checked for accuracy.
- The General Manager, or other authorized bank signer, will sign checks. The Board will approve the voucher certification at regularly scheduled meetings.
- CliftonLarsonAllen will be responsible for all blank checks and will keep them in a locked area.
- CliftonLarsonAllen will stamp all invoices "Paid" after processing.
- Checks will be distributed as follows:
  - Original – Mailed to the payee by the TranGO Administrative Assistant/Customer Service.
  - Stub – Filed in vendor files with all supporting documentation attached.



- If the purchase is for a fixed asset, the original documentation will be kept in the fixed asset file for the life of the asset. A copy of all documentation will be filed in the vendor file with the words "Original in Fixed Asset File" written on the copy.
- Lost or stolen checks must be voided. Checks of a significant amount shall have a stop payment issued for six months or one year. The six month stop payment may be extended for an additional six months. Voided checks will have "Void" boldly written across the face of the check and the signature portion of the original check will be perforated or cut out.
- Checks outstanding more than 60 days must be investigated. Checks over 6 months should be voided unless there is extenuating circumstances that warrant their staying active.
- The General Manager will periodically check the numerical integrity of the checks.

CliftonLarsonAllen will reconcile bank statements to the general ledger (G.L.) on a monthly basis. Bank Reconciliation's will be submitted to the General Manager for approval.

#### **IN NO EVENT WILL CHECKS BE:**

- Prepared unless these procedures are followed.
- Prepared from monthly statements or copies of invoices (copies or faxes, sent directly from the vendor to fiscal are accepted if original is no longer available.)
- Used other than in chronological order.
- Prepared or signed in advance.
- Made out to "cash", "bearer", "petty cash", etc.
- Prepared on verbal authorization.

NOTE: See policy on Check Signing and Security

## CASH RECEIPTS/FARES

### **Policy Statement**

TranGO will promptly document all funds received by the agency. Farebox revenue will be securely counted by at least 2 staff people. Deposits will be made to the deposit account at North Cascades Bank during normal business hours.

### **Rationale For Policy**

Funds received by mail or TranGO staff must be immediately documented and if a check, endorsed in order to protect agency assets. No one person should have enough of the duties or responsibilities in the receipt of cash to allow that person the ability to defraud TranGO.

### **Policy Implementation**

The Administrative Assistant/Customer Service will open all mail and will record payments received on a three-part receipt form. The Clerk of the Board will endorse all checks with the agency's bank stamp.

### **Change Boxes**

The Administrative Assistant/Customer Service and the Clerk of the Board will each be responsible for a locking change box.

- Each box will have \$125 in various denominations required to provide change to customers purchasing bus passes in the office.
- Each box will be counted by 2 people daily, prior to depositing, and the results reported on the Deposit Advice Form. (See Sample Forms at the end of this policy).
- Any discrepancy identified, will be reported to the General Manager immediately.
- The Administrative Assistant/Customer Service and Clerk of the Board will lock their boxes in a locked drawer when they leave the office for any reason to prevent tampering. In order to serve customers, one box should be available to make sales at all times the office is open.
- If either cash box custodian is scheduled to work a partial day, their box will be counted and sales reconciled prior to leaving the office.
- In the event both staff members are scheduled to be away from the office, the boxes can be transferred to the General Manager, or the Operations Manager for safe-keeping.
- During any transfer, both staff members should conduct a count and document the results to verify the contents of the change boxes.
- The General Manager and Operations Manager may conduct random reconciliations of the cash boxes at any time.

### **Cash Fares**

Cash fares received in locked fare boxes on vehicles will be counted and deposited daily. Based on the route location, a daily time for fare deposit will be established. At the appointed time, the driver will bring in the entire fare box (with locked vault) and at least 2 staff members will count the fares.



## Bus Passes

Bus passes are available for purchase in various denominations.

- Monthly unlimited zone passes are available for a single zone, two zones (with a third zone for free), and system wide. These passes are good for a calendar month, and expire.
- \$20 punch passes
- \$10 punch passes
- Other denominations of punch passes are available upon request and with General Manager approval

Bus passes are numbered in succession and a corresponding log of passes documents when passes are sold or issued. Passes should be safeguarded from theft and locked when staff members aren't immediately available to ensure security.

Local social service, health and government service providers may set up accounts or issue vouchers committing payment for passes. They contact the office and provide their promise to pay, and may either have the passes delivered to their agency, or available for client pick-up in the office. For these transactions, the pass log indicates the agency that will be billed, and reflects the numbered passes that have been issued to the agency. The pass log is provided to CliftonLarsonAllen monthly to support billing agencies that have received bus passes for their clients.

Bus passes can be sold by a bus driver. If a driver requests a bus pass (in any denomination), they sign a form indicating they are responsible if the pass is lost or stolen. The bus pass is issued in a small manila envelope with the pass number written on the outside. When the pass is sold on the bus, the driver places the payment in the manila envelope and deposits that into the fare box. When the envelope comes in with the fare box, the pass log will reflect it has been sold, and the driver form will document the sale.

Cash or check payment for bus pass sales at the office, require completing a receipt. Receipts are 2-part, non-carbon, in numeric order. All receipts have TranGO identified for security purposes. The receipt book will be locked in a change box.

The change box will be reconciled daily (by the 2 staff members counting fares) and any bus pass cash received will be added to the farebox Deposit Advice Form. The receipt book will be used in reconciling the cash boxes. The individuals counting the cash boxes will initial the end of each receipt to document which fares have been deposited. (See Example Forms at the end of the policy). All cash/checks received in time for the daily count must be part of the deposit.

Both individuals complete and initial the Deposit Advice Form. One of those members can transfer the data to a computerized version, but both counters must verify the final result matches the hand-written form. When the Deposit Advice Form has been completed, one person will complete a carbon-copy bank deposit slip. The bank



deposit slip must match the Deposit Advice Form. Any discrepancy should be reported to the General Manager immediately. Both staff members that counted the deposit should initial the bank deposit slip prior to taking the deposit to the bank.

One staff person may transport the deposit to the bank. Upon completion of the deposit, that staff person is responsible for returning with a bank receipt documenting the date and deposit amount. That receipt will be attached to the hand written Deposit Advice Form, the computer Deposit Advice Form and the carbon copy of the bank deposit slip, and forwarded to the Operations Manager for review.

Documentation for all cash receipts (copy of check, letter, etc.) will be attached to the receipt. Copies of the Deposit Advice Forms will be submitted to CliftonLarsonAllen for entry into the accounting system. The Operations Manager will review the deposit forms for any discrepancies, and to ensure all required signatures are on the form. If the Operations Manager participates in the initial daily count, the General Manager will review the deposit documents for any discrepancies or missing signatures. The Operations Manager will forward the reviewed documents to the General Manager. The General Manager will review the receipts compared to the accounting system, and banking statement entries monthly.

#### **Credit Card Bus Pass Sales**

For passes purchased with a credit or debit card, the staff person selling the card will print two copies of the electronic receipt. One will be provided to the purchaser, the other will be forwarded to CliftonLarsonAllen for reconciling the deposit account.

#### **Passes Sold on Buses**

For ease of access, a limited number of bus passes are available on bus routes.

#### **Refunds**

Occasionally, a customer will request a refund of a purchased pass. Approval for any refunds should be made by the General Manager or the Operations Manager. The person requesting the refund will need to surrender the pass, provide their relevant contact information including their address in order to receive a refund. No refunds can be made to a client for a pass that was purchased by an agency.

All refunds will be in the form of a check. No cash will be refunded. If a refund is authorized, CliftonLarsonAllen can be contacted to issue an urgent check. We will make every effort to have refunds available within 24 hours. There may be times when CliftonLarsonAllen is not available to process a refund, or when a check signer is not readily available. In those cases, the customer will be told that we will have the refund available as soon as possible, not to exceed 5 days from the date of request.

## EXAMPLE FORMS

[illegible]



## Bank Deposit Slip:

This form is completed for transmittal of deposits to North Cascades Bank daily, and a copy made using carbon paper. The copy remains with the daily deposit advice form until the deposit is made. When the deposit is completed, the bank receipt, this deposit slip, the hand written and computer generated deposit advice forms are stapled together and forwarded to the Operations Manager for review.

**North Cascades Bank**  
www.northcascadesbank.com 1.800.603.9342

DATE \_\_\_\_\_  
DEPOSITOR'S SIGNATURE (PRINT NAME),  
ENDORSE & LIST CHECKS SEPARATELY ON  
ATTACH LIST.

|            | DOLLARS | COIN |
|------------|---------|------|
| CURRENCY   |         |      |
| COIN       |         |      |
| TOTAL CASH |         |      |
| CHECKS     |         |      |
| 1          |         |      |
| 2          |         |      |
| 3          |         |      |
| 4          |         |      |
| 5          |         |      |
| 6          |         |      |
| 7          |         |      |
| 8          |         |      |
| 9          |         |      |
| 10         |         |      |
| 11         |         |      |
| 12         |         |      |
| 13         |         |      |
| 14         |         |      |
| 15         |         |      |
| 16         |         |      |
| 17         |         |      |

OKANAGAN COUNTY TREASURER AUTHORITY  
DATE: 04/09/2018  
TIME: 10:17 AM  
01

PLEASE PRINT TOTAL HERE

Final deposit total including cash, coin and checks is reported here.

The totals from the back side are recorded here.

Checks are individually reported here.

A coin total is provided here: Example  
Quarters—\$4.50  
Dimes— .60  
Nickles— 1.20  
Pennies— .14

**RECORD OF CHECKS FOR DEPOSIT**

| CHECKS LIST EACH SEPARATELY | DOLLARS | COIN |
|-----------------------------|---------|------|
| 1                           |         |      |
| 2                           |         |      |
| 3                           |         |      |
| 4                           |         |      |
| 5                           |         |      |
| 6                           |         |      |
| 7                           |         |      |
| 8                           |         |      |
| 9                           |         |      |
| 10                          |         |      |
| 11                          |         |      |
| 12                          |         |      |
| 13                          |         |      |
| 14                          |         |      |
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| 21                          |         |      |
| 22                          |         |      |
| 23                          |         |      |
| 24                          |         |      |
| 25                          |         |      |
| 26                          |         |      |
| 27                          |         |      |
| 28                          |         |      |
| 29                          |         |      |
| 30                          |         |      |

TOTAL THIS SIDE

ENTER THE TOTAL IN THE SPACE PROVIDED (IF PRINT)

**CASH COUNT — FOR OFFICE USE ONLY**

| X     | 100 |  |
|-------|-----|--|
| X     | 50  |  |
| X     | 20  |  |
| X     | 10  |  |
| X     | 5   |  |
| X     | 2   |  |
| X     | 1   |  |
| TOTAL | \$  |  |

Cash totals by denominations are recorded here.



Description: \_\_\_\_\_

Pass #'s: \_\_\_\_\_

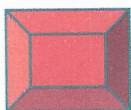
Customer: \_\_\_\_\_

Date Delivered, Picked up or Mailed: \_\_\_\_\_

Delivered or Mailed by (print name): \_\_\_\_\_

Received by (print name): \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_



**If Pass is put on bus to be picked up, please complete section below:**

Pass issued by (Print Name): \_\_\_\_\_

Name of Rider Pass is for: \_\_\_\_\_

Driver & Route pass was given to: \_\_\_\_\_

Date, Time & Route Rider will pick up on: \_\_\_\_\_

**Driver's Signature once pass is delivered:** \_\_\_\_\_

**Rider's Signature once pass is received:** \_\_\_\_\_

This form is used to document passes issued to drivers for sale. The driver initials and dates acceptance of the pass. The pass is issued in a small envelope with the pass number documented on the outside. When the pass is sold on the bus, the driver places the purchasing funds into the envelope and into the fare box. During the daily farebox count, the fares are posted in the bottom section of the Deposit Advice Form (as sold on bus), and the envelope is passed to reception to document the date sold on this form.



Driver: 2018 John Driver

[illegible]







## CHART OF ACCOUNTS

### **Policy Statement**

CliftonLarsonAllen will maintain an accounting tracking system that allows for the separation of costs and revenues by contract, by subparts of contracts which contain separate funding, or any other division of accounting for costs and revenue to better account for the agency's activities.

### **Rationale For Policy**

Some of the funding received by TranGO is provided by a government contract. Many of these contracts contain line item budgets and division of funding that must be accounted for and tracked in accordance with the contract. In addition, contracts may run on a different time period than our fiscal year. Separate project/grant tracking using a variety of accounts is the best way to assure accuracy and contract compliance.

### **Policy Implementation**

Account codes are established to summarize a particular type of transaction. The account code structure has been designed to provide:

- A means for maintaining accountability for reporting purposes;
- A guide for budgeting revenues, classifying expenses, and monitoring operational results in relation to the planned budget;
- Flexibility to adjust to possible future changes and grants, contracts, programs and types of expenses and revenues.

TranGO's chart of accounts consists of BARS codes.

## CHECK SIGNING

### **Policy Statement**

TranGO uses physical signatures from approved signers.

Approved signers include the Chair and Vice Chair of the Board and the General Manager.

## COMPUTER BACK-UPS –

### **Policy Statement**

All accounting systems data files and fiscal application data files on the LAN will be backed-up on a daily basis. A weekly encrypted back-up will be maintained long-term both off-site. Any accounting system data removed from the server will be maintained as permanent back-up.

### **Rationale For Policy**

The computerized accounting system application develops errors in the system from time to time. Files may become corrupt or lost. Back-ups maintain the integrity of the data in the event of a system failure. Off-site back-ups allow the agency accounting records to continue in the event of a failure that destroys on-site records.

### **Policy Implementation**

The agency will back-up all accounting systems data files on a daily basis as well as any other fiscal application data files designated as necessary for daily back-up. These back-ups will be kept for two days.

These files will be stored electronically off site at another CliftonLarsonAllen office. Data files are occasionally removed from the accounting system's server in order to speed up processing time. These files must be maintained permanently in the off-site location.

During sensitive processing, such as payroll, back-ups may be performed upon the completion of each segment of the process. These back-ups may be deleted upon the successful completion of the entire process.



## CONFIDENTIALITY

### **Policy Statement**

CliftonLarsonAllen and TranGO staff shall maintain and preserve the confidentiality of sensitive documents regardless of their physical location. All sensitive documents will be maintained in a secure storage area. No permanent records or documents will leave the custody of staff except for review by Auditors, funding source monitors, or when required due to a legal action.

### **Rationale For Policy**

TranGO, and CliftonLarson are required to maintain certain employee and client records in accordance with HIPAA regulations. In addition, many contracts require client files to be kept confidential. Confidentiality of information on staff and clients is also a requirement under TranGO Personnel Policies.

### **Policy Implementation**

TranGO shall maintain original documents on all invoices, timesheets, travel, mileage, and contracts. These documents may not be removed from the office except for review by Auditors, funding source monitors, or when required due to a legal action. At no time may staff remove documents from the office. Documents, not of a sensitive nature, may be copied.

All files or documents that are removed from their storage container for review shall be placed in the bin marked "Re-file" when they are no longer needed. The Clerk of the Board will file documents to be returned to confidential files including personnel, medical or ADA applications files. Either the Clerk of the Board or the Administrative Assistant/Customer Service will file documents supporting vendor payments.

Records that fall under the HIPAA regulations must be kept in a locked filing cabinet or locked room with access to the General Manager and Clerk of the Board only. These files may only be reviewed or copied by the individual staff person the records pertain to or the individual that approved the documents with a signature.

NOTE: See Personnel Policies for more information on Confidentiality.

## COST ALLOCATION

### **Policy Statement**

All direct costs required to operate projects will be charged directly to projects. All indirect costs that can be effectively and efficiently assigned to operation will be directly charged to operations. Indirect costs that cannot be directly charged to projects will be allocated using a fair basis of cost allocation method.

### **Rationale For Policy**

The most accurate way to allocate costs is to directly charge each projects for the costs required to run that project. Therefore, we will directly charge costs when it is possible. There are certain goods and services supplied to TranGO that are shared by more than one project. In many cases we can also directly charge these costs. The remainder of unallocated costs must be allocated to projects based on some methods which approximates the benefits being received.

### **Policy Implementation**

Space costs will be charged to projects based on the square footage used by each project.

Shared / common space costs will be allocated to projects based on the ratio of square footage each project uses.

Space costs include rent or depreciation, utilities, insurance, mortgage interest, and building maintenance.

All administrative costs will be directly charged to programs when possible. Commonly shared equipment such as the company car, postage meter, copier, fax machine, and telephone system will use access codes to track all possible costs back to the program receiving services.



## COST DEFINITIONS

### **Policy Statement**

TranGO costs shall meet all accounting standards as well as comply with any Federal or Washington State regulations regarding invoicing for cost reimbursement.

### **Rationale For Policy**

The majority of funds received by TranGO are government funding. These funds are provided or reimbursed according to contract guidelines that include normal accounting standards as well as additional controls specified in Federal and State codes.

### **Policy Implementation**

CliftonLarsonAllen and TranGO will maintain information on accounting standards (GASB & FASB), all OMB circulars that regulate Government, Audits or Government contractors, and Washington State Administrative and Accounting Manual regarding contracts and property. It is the responsibility of the CliftonLarsonAllen to be sure this information is current and up to date.

### **Allowable Costs**

All costs, to be allowable, must be reasonable for the performance of the contract and benefit the program for which the funds are provided. In addition it:

- Must conform to any limitations or exclusions set forth in the contract as to type and cost;
- Be consistent with policies and procedures that apply uniformly to other activities of TranGO;
- Be in accordance with generally accepted accounting principles;
- Be adequately documented;

### **Direct Costs**

A direct cost is a cost that can be identified specifically with a particular award, project, program or service of TranGO. These costs are specific in nature and for the sole purpose of a particular program's objective within TranGO.

### **Direct Administrative Costs**

Direct administrative costs are those costs determined by contract or grant agreement to be administrative in nature but directly tied to a particular project or grant.

### **Indirect Administrative Cost**

An indirect administrative cost is a cost that is difficult to identify specifically with a particular award, project, or service of TranGO. These costs are usually incurred for the overall operation of TranGO and must be allocated to all grants/projects using an equitable method. (Examples are administrative salaries and fringe, general insurance, etc.) Since TranGO does not have an approved indirect cost rate, all indirect administrative costs will be directly charged to programs using an appropriate basis for allocation.



## CREDIT CARDS

### **Policy Statement**

Credit cards will be held in the agency name whenever possible. Staff may request the use of these credit cards by completing an approved requisition. While in the possession of the employee, they are responsible for the credit card's use and for returning it to the General Manager in a timely manner. Credit cards that are issued in an employee's name are the responsibility of that employee. All purchases must be approved in advance and conform to agency regulations, not be used for personal expenditures, and the card must remain in the possession of the employee until termination or requested surrender by the General Manager. In general, credit cards should remain locked in the safe unless in use, or issued to a staff member for a specific purchase (for example, travel).

### **Rationale For Policy**

Credit cards are not only an acceptable means of purchasing, but often required by vendors. Whenever possible, a card should be issued in the agency's name, thus making it easier to be used by various staff members. Some credit cards, such as bank credit cards, must be issued in an individual's name. In order to help prevent credit card fraud or theft, strict guidelines will be implemented to protect the agency's credit.

### **Policy Implementation**

Credit cards issued in the agency's name may be used for purchases by submitting a requisition to the General Manager. A purchase order will be created when the requisition is approved. The purchase order will be presented to the employee to communicate approval of the credit card usage. The purchase needs to be completed within 48 hours and the card returned to the safe. The receipt, along with the receiving copy of the PO, should be submitted to the Clerk of the Board. The documentation will be submitted to CliftonLarsonAllen for payment when the corresponding invoice is received.

Any credit card purchases that are on an automatic renewal schedule must use an open PO, but only up to the date of the earliest closing grant.

No credit card may be used for personal purchases.

Although all attempts will be made to reconcile charges that do not have an invoice, we will not make late payments on our credit cards.

### **Loss of Credit Cards**

If any credit card is lost or stolen, it must be reported to the General Manager immediately. The General Manager will report it to the issuing vendor or bank and have the card voided. If you have any automatic payments on your bank credit card, you will need to update them to the new card number when you receive it.

## DISADVANTAGED BUSINESS ENTERPRISE

### **Policy Statement**

When required by contract, consideration will be given to Disadvantaged Business Enterprises, for acquisition of equipment, materials, and/or services.

### **Rationale for Policy**

It is the policy of the federal government to award a fair share of business to Disadvantaged Business Enterprises.

### **Policy Implementation**

Each project assigned staff member shall be aware of the contract requirements for Disadvantaged Business Enterprises within their service area which are competent to provide services or products that are needed.

The employee should give these firms first consideration when purchasing products or services.

The Small Business Administration will have a list of Disadvantaged Business Enterprises in the area.

These firms shall also be included when requests for bids or requests for proposals are solicited.

NOTE: Please see policies on Bid Process and Fixed Assets for further information.



## EMPLOYEE REIMBURSEMENT

### **Policy Statement**

In the event an employee makes an acquisition for a work related service or item, costing \$30 or more and using their personal funds, TranGO will reimburse the employee on the next regular Accounts Payable run. Employees should only use this form of payment when other methods are not available.

### **Rationale For Policy**

Although it is preferred that employees use a purchase order to purchase items or services in excess of \$30, it is understood that not all vendors will accept purchase orders or sometimes there is no way to obtain a purchase order in time to complete the transaction.

### **Policy Implementation**

When employees must pay for an authorized TranGO expenditure with their personal funds they are entitled to reimbursement within a reasonable time. The following guidelines must be adhered to:

- Original receipts must be submitted with the proper form.
- For non-travel reimbursements a requisition must be submitted to the General Manager for approval.
- Mileage of \$500 or more per month must be submitted to the General Manager using the Vehicle Mileage Report. (The Vehicle Mileage Report and Travel Reconciliation Form do not require a requisition.)
- Mileage less than \$500 per month must be submitted to the General Manager, using the Vehicle Mileage Report.
- Trips involving more than just mileage should be submitted to the General Manager, using a Travel Request form.
- Employee Reimbursements of \$500 or more must be pre-approved by the General Manager

The employee will be reimbursed with the next payroll.

If there is no prior approval for an expenditure incurred by an employee, the employee runs the risk of having the expenditure disallowed by the General Manager. If the expenditure is not approved, it becomes the responsibility of the employee.

Employees that request reimbursements in excess of 45 days from the date the expenditure or travel cost occurred, will not be eligible for reimbursement.



## FINANCIAL REPORTS

### **Policy Statement**

Information regarding the current financial status of the agency is provided by the CliftonLarsonAllen on a monthly and annual basis.

### **Rationale For Policy**

Monthly financial reports are necessary in order to invoice funding sources for reimbursement and meet contract compliance. They also provide managers with information on the financial status and comparison to budget of their programs. Reports such as the Balance Sheet and Expense Report are necessary when applying for funding through grants or loans. Annual reports are required for most contracts.

### **Policy Implementation**

The financial reports are the focal point of TranGO's accounting system. They are the end product of the collection, classification, and recording of transactions throughout the accounting period.

Financial statements are prepared on a monthly basis. Since TranGO operates on a modified accrual basis, it will normally be around the tenth working day of the month that reports will be issued.

TranGO's management personnel use financial reports for several purposes, including the following:

- To present the current financial position of TranGO.
- To report the results of operations for the period in the report.
- To measure actual performance in comparison to a budget.
- To control operations.
- To evaluate management effectiveness.
- To report the status of funds.
- To produce grant or funding invoices.

### **Types of Reports**

TranGO's internal financial reports are designed to meet management's information needs related to planning, organizing, and controlling organizational operations. The specific financial reports prepared are as follows:

- Balance Sheet – This report sets forth the overall financial position of TranGO as of a particular date by providing a list of its assets and liabilities in a balanced form.
- General Ledger – The general ledger is composed of transactions for each general ledger account by grant or contract. It is used for preparing monthly and annual financial statements and reports.

- Revenue and Expense Reports – These reports are printed in a summary form by BARS code with expense and revenue types summarized by each separate grant/contract. These reports show budgets when applicable, all income and expenditure activity for the current month, project-to-date totals, the remaining budget and percentage of budget expended.
- Cost – Detailed monthly report showing all revenues and expenses by project/grant number. Detail matches the summary amounts in the Revenue and Expense Report.
- Check Register – This report shows each check issued and listed separately in the accounts payable check register or the payroll check register. Each register is in check number order.

### **Financial Reports Analysis**

In order to provide management with the information needed to control operations, the General Manager must analyze the information reported. This analysis should include a review for the following:

- Unallowable expenses
- Incorrect posting of revenues or expenses
- Performance based on plan or budget
- Over-expenditures by line item or total budget

## INSURANCE

### **Policy Statement**

TranGO shall maintain adequate insurance to meet agency needs and comply with all contractual funding requirements. It is the responsibility of the General Manager to notify or verify notification to our insurance carrier of all changes to buildings, vehicles, lease business sites, and any incidents concerning agency assets, locations, clients, volunteers, or staff that are reportable to the insurance agent.

### **Rationale for Policy**

Proper insurance coverage is necessary to protect the agency's assets and funding. The majority of our contracts and funding agreements require specific insurance minimums as well as Certificates of Insurance.

### **Policy Implementation**

Annually, prior to insurance renewal, the General Manager shall verify that all buildings, vehicles, and leased business sites are properly accounted for in the list provided to the insurance agency for general liability and property insurance coverage.

All funding sources that request proof of insurance, shall be provided with a Certificate of Insurance assuring that the minimum amounts requested are provided in our policy. The General Manager shall report any new or changes in existing requests for certificates to the insurance company.

All accidents and incidents covered under our general liability and property insurance are to be reported to your immediate supervisor, and the General Manager, by filling out the Insurance Incident Report. If due to specialized knowledge of the incident, an individual other than the General Manager is working with the insurance company, all reports, emails, phone conversations, or any other pertinent information is to be provided to the General Manager in order to compile a complete file of the incident. Even if it is decided not to report the incident to the insurance company for any reason, the information still needs to be turned over to the General Manager for the file.



## INTERNAL CONTROLS

### **Policy Statement**

TranGO will maintain appropriate segregation of duties (based on the size of fiscal / administrative staff) and approval authority to establish internal controls to safeguard TranGO and publicly funded or grant controlled assets.

### **Rationale for Policy**

No one person should have enough of the duties or responsibilities in the control of assets to allow that person the ability to defraud the agency or create errors that go undetected.

### **Policy Implementation**

The General Manager shall be responsible for scheduling job duties so that no fiscal function is solely carried out by one individual. Whenever staffing allows, parts of job functions will be split between two or more staff or job duties will be rotated between staff.

## JOURNAL ENTRIES

### **Policy Statement**

Although the majority of entries to the accounting system occur through daily or through routine transactions, it is necessary to make some corrections and adjustments to the monthly accounting with direct general journal entries.

### **Rationale for Policy**

The normal routine transactions such as cash disbursements, payroll, and cash receipts, account for most of the entries to the accounting system. However, errors in coding or keying must be corrected by direct access to the accounting system through journal entries. In addition, there are monthly adjustments to the system that do not go through routine transaction journals.

### **Policy Implementation**

Journal entries (J.E.) should have the necessary supporting documentation and an explanation given for the JE. All JE's initiated outside of CliftonLarsonAllen will require approval of the General Manager.

Changes and corrections initiated by TranGO will be documented on a General Journal Correction Form. For changes and corrections in coding, a copy of the original document will be submitted attached to the request for approval. The General Manager will review all General Journal Correction Forms and supporting documents. If the General Manager approves the correction, the PO will be updated to reflect the change in coding. The General Journal Correction Form will be submitted to CliftonLarsonAllen for entry into the accounting system. A correction is to be made to the original purchase order or timesheet form on file in accounting. If CliftonLarsonAllen reviews the request and believes that the requested change is not correct, they will not enter the change into the system. They will complete the form indicating why they believe the initial coding should remain in place.

Changes and corrections initiated by CliftonLarsonAllen will be documented on a General Journal Correction Form. The forms will be reviewed by the General Manager. If the General Manager agrees with the change, the form will be approved. A copy of the approval will be returned to CliftonLarsonAllen for their records.

If there is disagreement between TranGO and CliftonLarsonAllen regarding the appropriate BARS code assignment, the General Manager will contact CliftonLarsonAllen staff to resolve the coding questions.

Other monthly journal entries are initiated by CliftonLarsonAllen for items such as distribution codes, pools, direct deposit or payment items, and other items that do not go through the normal transaction process.

## PAYROLL / ADVANCES

### **Policy Statement**

Approved payroll advances will be issued with the next Accounts Payable run.

### **Rationale For Policy**

There are emergency situations where an employee cannot wait until the next Payroll run to handle the situation. When this occurs TranGO will make every effort to help the employee obtain a payroll advance. This policy is only for emergency situations and is not be used as an extra pay period for employees.

### **Policy Implementation**

An employee must request a payroll advance using the Salary Advance Request form. The form must be submitted to CliftonLarsonAllen prior to the cut- off date for the next Accounts Payable run. The reason for this request must be given and specific dollar amount should be requested.

This request cannot be for more than the net pay equivalent for the time worked up to that point.

This request must be approved by the General Manager.



## PAYROLL / TIMESHEETS

### **Policy Statement**

All non-exempt employees shall keep track of their time on a daily basis and submit an approved timesheet to the Administrative Assistant/Customer Service on a monthly basis. The Administrative Assistant/Customer Service will forward the timesheet to CliftonLarsonAllen when all approval signatures are received.

All exempt employees shall submit an approved Activity Report to the General Manager describing the activities performed for the month and number of hours representing the percentage of time spent on each activity. The General Manager approves all activity reports and forwards the information to the Administrative Assistant/Customer Service. The Administrative Assistant/Customer Service will forward activity reports to CliftonLarsonAllen.

### **Rationale For Policy**

Trango is required to have back-up for all costs incurred. Payroll costs represent over 1/3 of all costs and timesheets are the formal documents showing how monies were spent.

### **Policy Implementation**

Timesheets shall have accurate payroll codes and be approved by the employee's supervisor.

These documents shall be submitted to CliftonLarsonAllen by the cut off date for each payroll.

Incomplete or inaccurate timesheets will be returned to the employee for correction, if time permits. Late or missing timesheets must be completed by the supervisor. All employees must be paid, on time, regardless of the condition of their timesheet. Supervisors will make the best determination possible if the employee is not available for immediate corrections. Employees and supervisors must reapprove any changes to the timesheet. Repeated submission of incorrect or late timesheet may result in disciplinary action.

Employees who voluntarily terminate between pay periods will be paid on the next scheduled pay period.

*Employees that are terminated involuntarily shall receive their paycheck on the last day they work if possible. This will be by physical check, not electronic deposit. If a paycheck is not available on the last day of work, it will be processed as soon as practical, not to exceed 5 business days from the date of termination.*

NOTE: Please see the Personnel Policies for overtime and leave-of-absence information.

## PROPERTY CONTROL

### **Policy Statement**

TranGO will maintain adequate inventory control to safeguard all equipment and fixed assets purchased by TranGO or outside contracting sources.

### **Rationale For Policy**

Inventory control is necessary to prevent the loss or damage of equipment in TranGO's custody. Adequate inventory control is also necessary for the capitalization and depreciation of fixed assets.

### **Policy Implementation**

The Clerk of the Board will assign asset tags to all fixed assets and any non-fixed asset that is considered small and attractive with a value greater than \$500 and at least a two year expected life, no later than 90 days after date of purchase. In addition, all computers will be tagged, regardless of value.

The Clerk of the Board will maintain property records to include the following:

- A description of the property;
- Manufacturer's serial number or identification number;
- Acquisition date and cost;
- Grant and program from which purchased;
- Location of the property;
- Asset number.

In addition, all original back-up documentation for fixed assets records will be kept in a separate file.

The General Manager will assign or complete a physical inventory of all property items and reconcile them to the inventory control records once every year.

Any loss, damage or theft of property will be investigated and fully documented. The General Manager will be immediately notified of all cases of loss, damage, destruction, or transfer of any property so property records are kept up-to-date.



## REQUISITION-PURCHASE ORDER PROCESS

### **Policy Statement**

Whenever possible, all equipment, material and service acquisitions will have the approval of the General Manager prior to the purchase. All TranGO vendors/suppliers will be assured of payment by TranGO by receiving a purchase order (PO) which becomes a formal contract between TranGO and that vendor.

### **Rationale For Policy**

General Manager approval is required prior to the purchase to ensure availability of funding, contract compliance, appropriate BARS coding, and policy compliance. If prior approval is not obtained, the staff person making the purchase will be responsible to pay for the purchase if funding is not available or the purchase does not comply with the contract or TranGO policies. The PO is not only protection for the employee, but it is also protection for the vendor/supplier. Without a PO, the vendor is supplying goods or services on the verbal authorization of an employee. Under these circumstances, TranGO has no obligation to pay that vendor.

### **Policy Implementation**

The employee shall obtain an estimate of the purchase price and complete a requisition with the following information:

- Source/vendor to be used for the purchase
- Address of new vendor
- Description of purchase
- Number of units, hours, etc. required
- Cost per unit, hour, etc
- Total Cost per item
- Total cost, including tax and/or shipping charges, for the items
- Out-of-State purchase with no sales tax must include use tax at the Okanogan County sales tax rate
- BARS code to be charged

In order to obtain competitive pricing, employees are encouraged to plan ahead and seek the assistance of the Administrative Assistant/Customer Service to research various vendors. The employee (or the Administrative Assistant/Customer Service) shall complete the Requisition Form and submit it to the General Manager for approval. The General Manager will approve the Requisition, and forward to the Clerk of the Board for creation of a PO. The PO, along with supporting documentation will be forwarded to CliftonLarsonAllen.

The Clerk of the Board prepares a 3-part PO.

The Clerk of the Board will distribute the PO in the following manner.

Original– To the employee requesting the purchase. This copy should then be given to the vendor to authorize the purchase.



Duplicate— To be filed in the PO file. This copy becomes the receiving report.

Triplicate— To CliftonLarsonAllen.

When the goods or services are received, the employee requesting the purchase (or the Administrative Assistant/Customer Service, if the items are delivered through the mail, or by a delivery service) will sign their copy of the PO as indicating they have received the goods or services and route it to the Clerk of the Board along with any shipping, or invoicing documentation.

## TRAVEL ADVANCES

### **Policy Statement**

Travel advances may be given to cover allowed out-of-pocket costs for overnight travel. Only one travel advance will be allowed outstanding (meaning unreconciled after 10 working days) at any given time and all travel costs must be reconciled within 10 working days after the travel is completed.

### **Rationale For Policy**

Employees should not be required to cover allowable costs they incur on TranGO business. Travel advances must be reconciled as soon as possible to protect both the employee and TranGO from having balances due.

### **Policy Implementation**

To obtain a travel advance, an employee must request the advance on a Travel Request Form

Advance requests must be submitted within the timeframes of the accounts payable check runs.

After travel is completed, the employee reconciles the travel advance by completing the Travel Reconciliation Form within 10 days of returning from travel. The employee must attach receipts for registration, lodging, parking, taxis, etc. in order to claim reimbursement.

Employees that receive an advance in excess of their total costs must repay TranGO the balance with the next payroll.

TranGO will not issue another travel advance to anyone who has not reconciled a previous travel request within 10 days of their return.

## TRAVEL APPROVAL

### **Policy Statement**

All over-night travel or travel that meets the minimum for receiving per diem must be approved prior to the date of departure.

### **Rationale For Policy**

Travel costs, like all other program costs, should be approved by the appropriate personnel before the cost is incurred.

### **Policy Implementation**

Employees must fill out a Travel Authorization Form. This form will show all estimated costs associated with the travel and any amount to be reimbursed from an outside funding source.

This request form must be approved by a supervisor or the General Manager.

After receiving approval for travel, the employee then submits all appropriate requisitions (i.e. airfare, registration, etc.) with the completed Travel Authorization Form to CliftonLarsonAllen.



## TRAVEL MILEAGE

### **Policy Statement**

Mileage cost for the use of privately owned automobiles shall be paid at a rate approved by the Board.

### **Rationale For Policy**

Employees should receive adequate reimbursement for using their automobile on TranGO business. Only actual miles driven are allowable costs to the programs.

### **Policy Implementation**

If the mileage cost was incurred on a trip requiring a Travel Authorization Form, the mileage is claimed on the Travel Reconciliation Form.

All other mileage costs must be claimed on a Vehicle Mileage Report and submitted with timesheets

In all cases the date, destination and purpose must be given and the odometer, trip meter reading or any internet trip tracking must be used.

The following criteria shall be used to determine the basis for mileage reimbursement:

- The official workstation is defined as the city, town or other location where the employee's office is located, or the city, town or location where such work is performed on a permanent basis. An employee's official station is to be designated by TranGO. It is to be determined by the needs of TranGO and not the personal preferences of an employee.
- The official residence is defined as the location where an employee maintains a residence, which is used as a domicile by such employee or family.
- The temporary workstation is defined as the destination point of the employee's business travel.

In traveling to a temporary workstation from an employee's official residence, mileage reimbursements will be allowed from the official workstation or the official residence, whichever is less mileage.

## TRAVEL PER DIEM – COMPUTATION FOR SUBSISTENCE / LODGING

### **Policy Statement**

The employee may be entitled to per diem when they are traveling on TranGO business. The per diem rate is published on the OFM website at <https://www.ofm.wa.gov/sites/default/files/public/resources/travel/bwmap.pdf> Any personal time that extends the length of travel is not eligible for per diem.

### **Rationale For Policy**

Employees should not have to cover subsistence costs when traveling on TranGO business. The per diem rate shall be equitable for all employees and consistent with contract regulations.

### **Policy Implementation**

Per Diem will be computed on the following basis:

- In traveling to a temporary work station from an employee's official residence per diem will be allowed from the official work station or the official residence, whichever is less costly.
- Per Diem - subsistence is computed on a daily basis, using 12:00 midnight as the beginning of the day.
- Each day is divided into four quarters with each quarter consisting of 6 hours.
- If travel starts and/or stops within a quarter, that quarter is reimbursed.
- For each meal, which is included in the fees or registrations, a quarter of per diem will be deducted from the per diem reimbursement.
- Per Diem rates are current State approved
- All lodging reimbursements require a receipt.

An exception to the maximum lodging rate may be given if the employee is staying at the hotel where the conference or other related business is taking place. This exception is given when less costly alternatives are not available or reasonable and must be approved by the General Manager prior to travel.

NOTE: See Travel Per Diem – Minimum Requirements for One-Day

## TRAVEL PER DIEM – MINIMUM REQUIREMENTS FOR ONE-DAY

### **Policy Statement**

Per Diem reimbursement will be allowed only where the number of travel hours of an employee, before and/or after the employee's regularly scheduled workday of eight or more hours exceeds 4 hours. That is, a minimum day of 12 hours of which 4 or more are travel hours or the employee is required to stay overnight.

### **Rationale For Policy**

Per Diem reimbursement should only be allowed when travel extends the length of an employee's day. If an employee is just working an extended day within the office, no per diem is required.

### **Policy Implementation**

The employee requests per diem reimbursement on a Travel Voucher & Expense Schedule.

This form must be approved by the General Manager before submission to CliftonLarsonAllen.

Travel hours for this policy are defined as hours spent in transit or hours spent at a temporary work station.

NOTE: See Personnel Policies for additional information on travel.



## TRAVEL REASONABLE COST

### **Policy Statement**

The most reasonable means of travel and accommodations should be used to ensure prudent use of public funds. Travel costs will not exceed the State per diem rates unless approval is given by the General Manager.

### **Rationale For Policy**

Funding source requirements and efficient use of public money require that staff use the most reasonable means of travel that is practical for the situation.

### **Policy Implementation**

If an employee uses a higher cost of travel for personal reasons, they will only be reimbursed at the lower cost.

The General Manager may approve more costly travel if one of the following conditions exist:

- A cheaper form of travel does not exist or is not available within a reasonable timeframe.
- Lodging at the site of the training or conference even if it exceeds per diem rates.
- Physical condition of the traveler or other extenuating circumstances require the use of a more expensive mode of travel.

Whenever it is feasible, two or more employees traveling on company business, to the same destination, should ride together in one vehicle.

NOTE: See Travel Per Diem.

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