

WASHINGTON BRUCE ROMEO PARKS & RECREATION COMMISSION

PARKS & RECREATION (ACH) AUTOMATED CLEARING HOUSE POLICY

The Washington Bruce Romeo Parks & Recreation Committee has adopted this administrative policy to standardize and control (ACH) Automated Clearing House uses for Accounts Payable and Payroll. The Washington Bruce Romeo Parks & Recreation Committee recognizes that it is in the best interest of Parks & Recreation to make certain financial transactions via (ACH) Automated Clearing House, as authorized by Public Act 738 of 2002, effective December 30, 2002.

It is every Parks & Recreation Employee's fiduciary responsibility to follow this policy and associated procedures.

1. Definitions

"Automated Clearing House" or "ACH" means a national and governmental organization that has the authority to process electronic payments, including, but not limited to, the national automated clearing house association and the Federal Reserve System.

An "ACH arrangement" means an agreement between the originator of the ACH transaction of the receiver of the ACH transaction. An "ACH transaction" means -an electronic payment, debit, or credit transfer processed through an automated clearinghouse.

An "ACH policy" means the procedures and internal controls as determined under this written policy developed and adopted by the Washington Bruce Romeo Parks & Recreation Committee.

2. Authority to Enter into ACH Arrangements and Electronic Transfers of Public Funds

The Parks & Recreation Accounts Payable Accounting Department may enter into an ACH arrangement as provided by Public Act 738 of 2002, effective December 30, 2002.

Parks & Recreation shall not be a party to an ACH arrangement unless the Washington Bruce Romeo Parks & Recreation Committee has adopted a resolution to authorize electronic transactions and the Treasurer has presented a written ACH policy to the Washington Bruce Romeo Parks & Recreation Committee.

An ACH arrangement under PA 738 of 2002 is not subject to the Revised Municipal Finance Act, Public Act 34 of 2001 (MCL 141.2101, et seq.), or to provisions of law or charter concerning the issuance of debt by a local unit.

3. Responsibility for ACH Agreements

The Accounts Payable Accounting Department is responsible for the Parks & Recreation ACH agreements, including the request for payment, accounting, reporting, and generally for overseeing compliance with the ACH policy.

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The Parks & Recreation Accounts Payable Accounting Department submits an ACH Remittance for approval detailing the goods or services purchased at the cost, of the goods or services, the date, of the payment, and the department levels serviced by each payment of public funds made by electronic transfer. This report may be contained in, in the accountant's general ledger software system or in a separate report to the commission.

4. The following system of internal accounting controls will be used to monitor the use of ACH transactions made by Parks & Recreation.

- 1) The Accounts Payable Accounting Department shall prepare a list of vendors authorized to be paid by ACH transaction and provide that list to the Washington Bruce Romeo Parks & Recreation Treasurer.
- 2) The Accounts Payable Accounting Department initiates the transaction upon receipt of an invoice included on the authorized ACH list approved by the Washington Bruce Romeo Parks & Recreation Committee. ACH invoices must be approved before payment. The treasurer signs the check register of the ACH transaction which acts as the warrant.
- 3) The Accounts Payable Accounting Department presents the checks, a list of bills for payment, and a separate list of electronic payments for the Commission/Board approval. The Commission-authorized check signers approve all transactions prior to disbursement. The Commission does allow pre-approved authorization for payroll and vendors listed in the post-audit policy. Those payments and disbursement reports are provided for review to the Washington Bruce Romeo Parks & Recreation Commission following their disbursements.
- 4) Following the Treasurer's approval, the Accounts Payable Accounting Department initiates the electronic transaction with the vendor and makes the actual transfer of funds. For Payroll, the Treasurer initiates the request, and the Accounting Department initiates the electronic transactions. The Accounting Department and other authorized banking personnel will make the actual transfer of funds.

5. The Accounting Department shall retain all ACH transaction documents as well as invoices for audit purposes.

ADOPTION

This policy is in effect upon adoption by the Washington Bruce Romeo Parks & Recreation Committee and will remain in effect until rescinded by the Washington Bruce Romeo Parks & Recreation Committee. Amendments must be approved by the Washington Bruce Romeo Parks & Recreation Committee, and must be recorded, and kept with the original policy by the official Committee record keeper, the Secretary.

Secretary's Certification: I hereby certify that the above Washington Bruce Romeo Parks & Recreation Committee Use of Parks & Recreation's ACH – Automated Clearing House Policy was adopted by the Washington Bruce Romeo Parks & Recreation Committee at the Regular Meeting on _____.

WASHINGTON BRUCE ROMEO PARKS & RECREATION COMMISSION

PARKS & RECREATION-OWNED CELL PHONE POLICY

The Washington Bruce Romeo Parks & Recreation Commission has adopted this administrative policy to govern the use of Parks & Recreation-owned cellular phones.

It is every Parks & Recreation Employee's responsibility to follow this policy and associated procedures in serving our residents.

1.0 Authority and Responsibility

1.1 The Accounting Department

1.2

The Board of Commissioners designates the Parks & Recreation Accounting Department as being responsible for the oversight of Parks & Recreation cell phone usage. The Accounting Department is authorized to:

- 1.1.1 Monitor and review cell phone usage on an ongoing basis to ensure that use is appropriate and that prudent fiscal management guidelines are followed; and
- 1.1.2 Enforce this policy and work with the Director to make a recommendation to the Commission for corrective and/or disciplinary action when there is a violation of this policy.

1.2 Washington Bruce Romeo Parks & Recreation Commission

The Washington Bruce Romeo Parks & Recreation Commission is responsible for:

- 1.2.1 Reviewing and approving this policy; and
- 1.2.2 Any other matters pertaining to cell phones that the Commission considers advisable.

1.3 Director

The Director is responsible for oversight of Parks & Recreation-owned cell phone use by their employees.

1.4 All Employees

- 1.4.1 A Parks & Recreation employee who uses a Parks & Recreation cell phone shall be responsible for its protection and custody and shall immediately notify the Accounting Department or Director if the phone is lost or stolen. Notification must be within 24 hours of the incident.

1.4.2 A Parks & Recreation employee who is issued a Parks & Recreation cell phone shall return the phone upon termination, separation from employment, or extended leave.

1.5 Director

The Director is responsible for:

1.5.1 Corrective and/or disciplinary action when there is a violation of this policy; and

1.5.2 Hearing an appeal from any employee regarding a violation of this policy.

2.0 General Guidelines

2.1 Type of Phone

The make and model of the phone furnished for employee use is determined by the Accounting Department with input from the director if needed.

2.2 Ownership of Phone

2.2.1 Phones provided by Parks & Recreation are the property of Parks & Recreation.

2.2.2 The theft or loss of a phone must be reported to the Accounting Department or Director, as soon as possible, but no later than 24 hours after the incident.

2.2.3 Upon cessation of employment with Parks & Recreation or extended leave (more than two weeks), the employee must return the phone to the Accounting Department to be redirected as needed.

2.3 Phone Usage

2.3.1 Parks & Recreation-owned phones are provided to employees because of a business need and it is reserved primarily for official Parks & Recreation business. Employees are expected to exercise good judgment while using Parks & Recreation cell phones. The general use of a Parks & Recreation cell phone shall not be in lieu of other readily available, cost-effective means of communication. Limited, occasional, or incidental use of cell phones for personal, non-business purposes is understandable and acceptable, and all such use must be done in a manner that does not negatively affect the public or Parks & Recreation. If an employee exceeds the plan minutes or services for their phone, Parks & Recreation reserves the right to reimbursement for any personal calls, texts, or usage that impacted the month's usage.

2.3.2 Advanced Features

Some Parks & Recreation phones are equipped with advanced features such as texting, data transfer, and direct connection capability. Employees with advanced feature phones are responsible for using the Parks & Recreation-owned phone within the limits of their cell phone plan. Employees may use the features to better manage their schedules and assist in fulfilling their job responsibilities.

If a phone is equipped with a direct connection, employees shall make every effort to use this capability when communicating rather than dialing each other.

2.3.3 Information Calls

If an employee makes more than three calls in a billing period to information without adequate justification, they shall reimburse Parks & Recreation for the excess calls.

2.3.4 Damaged or Lost Phone

If there is damage or loss of a phone due to the negligence of the employee, repair and/or replacement costs shall be the sole responsibility of the employee.

2.4 Prohibited Uses of Phone

2.4.1 Frequent or repeated use of cellular phones (either Parks & Recreation-owned or employee-owned) for personal calls during normal working hours may result in revocation of the Parks & Recreation-owned cellular telephone and/or disciplinary actions.

2.4.2 Parks & Recreation-owned cellular phones shall not be used while operating any vehicles or equipment.

2.4.3 Parks & Recreation cellular telephones shall not be used knowingly:

- b. using services that may bill by the minute for information or services provided.
- c. discriminating, harassing, or being derogatory to any individual or group.
- d. defaming or threatening.
- e. campaigning for any particular candidate in violation of Federal, State, and local statutes.
- e. any purpose that is illegal or contrary to Parks & Recreation policy or business interests.
- f. using the text or email system for gambling, betting pools, or investment clubs;
- g. creating or forwarding chain letters.
- h. job hunting.

2.5 No Expectation of Privacy

2.5.1 Parks & Recreation-owned cell phones are given to employees to assist them in the performance of their jobs. Users should not have an expectation of privacy in anything they create, store, send or receive on their cellular phones.

2.5.2 By use of the Parks & Recreation's cellular phones, users, expressly waive any right of privacy in anything they create, store, send or receive on their cellular phones. Users consent to allow the Accounting Department, as authorized by the Director or Commission, to access and review all materials that users create, store, send or receive on cellular phones. Users understand that Washington Bruce Romeo Parks & Recreation Commission may use human or automated means to monitor the use of its resources.

2.5.3 Freedom of Information Act regulations provide that any electronic communications generated by Washington Bruce Romeo Parks & Recreation Commission resources are subject to the Freedom of Information Act.

2.5.4 Parks & Recreation reserves the right to monitor cellular phone activity or monitor employee communication directly.

2.5.5 Parks & Recreation reserves the right, at its discretion, to review any employee's Parks & Recreation cell phone usage or messages to the extent necessary to ensure electronic media and services are being used in compliance with the law, this policy, and other Parks & Recreation policies.

2.5.6 Employees should not assume Parks & Recreation cellular and/or electronic communications are completely private. Accordingly, if an employee has sensitive information to transmit, an alternative method of communication should be pursued.

3.0 Modifications to the Policy

The Accounting Department will monitor the use of cell phones. If necessary, modifications will be made to the policy and submitted to the Commission for adoption. The Washington Bruce Romeo Parks & Recreation Commission reserves the right to modify or discontinue this policy at any time.

ADOPTION

This policy is in effect upon adoption by the Washington Bruce Romeo Parks & Recreation Commission and will remain in effect until rescinded by the Washington Bruce Romeo Parks & Recreation Commission. Amendments must be approved by the Washington Bruce Romeo Parks & Recreation Commission, and must be recorded, and kept with the original policy by the official Washington Bruce Romeo Parks & Recreation Commission record keeper, the Secretary.

Secretary's Certification: I hereby certify that the above Washington Bruce Romeo Parks & Recreation Commission Owned Cell Phone Policy was adopted by the Washington Bruce Romeo Parks & Recreation Commission at the Regular Meeting on _____.

WASHINGTON BRUCE ROMEO PARKS & RECREATION COMMISSION

PARKS & RECREATION & CHECK SIGNING & POST AUDIT POLICY

The Washington Bruce Romeo Parks & Recreation Committee has adopted this administrative policy to standardize and control who has check signing authority, and its guidelines. Along with post-audit policy guidelines.

It is every Parks & Recreation Employee's fiduciary responsibility to follow this policy and associated procedures.

1.0 Authority and Responsibility

1.1 Check Signing Agents

The Washington Bruce Romeo Parks & Recreation Commission designates the Treasurer and the Chair as Check Signing Agents for Parks & Recreation. The Check Signing Agents are responsible and authorized to sign checks for Parks & Recreation. In their absence, the Co-Chair is approved to sign. The Check Signing Agent is authorized to:

- 1.1.1 Review and approve the weekly Accounts Payable checklist so that checks can be run.
- 1.1.2 Treasurer to verify details on all checks over the \$2500 threshold except for post-audit checks or approved contracts.
- 1.1.3 Treasurer to review and approve the weekly ACH checklist and ensure the Vendors are on the approved ACH payment list.
- 1.1.4 Treasurer to ensure all checks have an accompanying receipt or invoice detailing the Vendor, amount, date, and job description.
- 1.1.5 Verify department heads and the Director have signed off on the receipt or invoice.
- 1.1.6 Treasurer to request a weekly journal of disbursements to be presented at the monthly Washington Bruce Romeo Committee meeting for approval.
- 1.1.7 Once the Commission has approved the disbursement the checks can be sent to the Vendors.

2.0 Post-audit Checks

This post-audit policy allows the Washington Bruce Romeo Parks & Recreation Commission to allow certain limited, specific routine payments to be made prior to the board voting on them to avoid late penalties.

2.1 The following electronic and actual checks can be released via the post-audit rule.

2.1.1 All payroll checks as long as they have been signed by the Director, the Accounting Department, and the Treasurer.

2.1.1 All utility bills – phone, gas, electric, cell phone

2.1.2 Previous Commission approved Vendors contracts.

ADOPTION

This policy is in effect upon adoption by the Washington Bruce Romeo Parks & Recreation Committee and will remain in effect until rescinded by the Washington Bruce Romeo Parks & Recreation Committee. Amendments must be approved by the Washington Bruce Romeo Parks & Recreation Committee, and must be recorded, and kept with the original policy by the official Committee record keeper, the Secretary.

Secretary's Certification: I hereby certify that the above Washington Bruce Romeo Parks & Recreation Committee Check Signing & Post-Audit Policy was adopted by the Washington Bruce Romeo Parks & Recreation Committee at the Regular Meeting on _____.

WASHINGTON BRUCE ROMEO PARKS & RECREATION COMMISSION

PARKS & RECREATION CREDIT CARD(S) POLICY

The Washington Bruce Romeo Parks & Recreation Committee has adopted this administrative policy to standardize and control credit card purchases for goods and services used for the official business of Parks & Recreation. The Washington Bruce Romeo Parks & Recreation Committee recognizes that it is in the best interest of Parks & Recreation to make certain financial transactions with a credit card, as authorized by Public Act 266 of 1995.

Standardization of these processes and cooperation by all employees ensure that Parks & Recreation is receiving the best value for the money being expended. It is the policy of the Washington Bruce Romeo Parks & Recreation Committee to competitively price goods and services prior to purchase.

It is every Parks & Recreation Employee's fiduciary responsibility to follow this policy and associated procedures in serving our residents.

1.0 Authority and Responsibility

1.1 Purchasing Agent

The Washington Bruce Romeo Parks & Recreation Committee designates the Director as the Purchasing Agent for Parks & Recreation. The Purchasing Agent is responsible and authorized to ensure all purchases follow this policy, all applicable policies, and/or procedures. The Purchasing Agent is authorized to:

- 1.1.1 Issue, account for, monitor, retrieve and generally oversee compliance with the Parks & Recreation credit card policy; and
- 1.1.2 Designate employees with the authority to use and maintain the credit card(s). It is the policy of Parks & Recreation that the Accountant maintains a list of all Parks & Recreation credit cards, authorized users, and the established credit limit.

1.2 Washington Bruce Romeo Parks & Recreation Committee

The Washington Bruce Romeo Parks & Recreation Committee is responsible for:

- 1.2.1 Reviewing and approving this policy.
- 1.2.2 Approving Parks & Recreation credit cards; and
- 1.2.3 Any other matters pertaining to credit cards that the Committee considers advisable.

1.3 All Employees

- 1.3.1 A Parks & Recreation employee who uses a Parks & Recreation credit card shall be responsible for its protection and custody and shall immediately notify the Accountant & Director if the card is lost or stolen.
- 1.3.2 A Parks & Recreation employee who is issued a Parks & Recreation credit card shall return the credit card upon termination, separation from employment, or extended leave. The employee shall sign out and sign in for each use of a credit card.
- 1.3.3 All employees of Parks & Recreation are required to avoid all actual or potential conflicts of interest when using a credit card for the purchase of goods, recurring services, and contract labor. For purposes of the policy, the term "conflict of interest" shall mean a financial interest or an interest that would undermine Parks & Recreation's goal of assuring an independent, impartial, and honest purchasing process. All employees shall disclose, in writing to the Purchasing Agent, any and all potential conflicts of interest.

2.0 General Guidelines

2.1 Parks & Recreation credit cards may be used only by employees of Parks & Recreation for the purchase of goods and services for the official business of Parks & Recreation.

2.2 An employee who uses a Parks & Recreation credit card, shall, as soon as possible submit the original copy of the vendor's credit card slip or invoice to Accounting. If no credit card slip or invoice was obtained that describes the transaction, the employee shall submit documentation detailing the name of the vendor or entity from which goods or services were purchased, the date and amount of the transaction, and the official business that required that transaction.

2.3 The Washington Bruce Romeo Parks & Recreation Committee shall approve credit card invoices after expenses are reviewed by the Purchasing Agent and determined to comply with the established purchasing policy.

2.4 The credit card balance, including interest due on an extension of credit under the credit card arrangement, shall be paid not more than 60 days of the initial statement date.

2.5 Parks & Recreation employees who use a credit card in a manner contrary to this policy shall be subject to all or any of the following disciplinary actions, as deemed appropriate by the Washington Bruce Romeo Parks & Recreation Committee :

2.5.1 Verbal Counseling.

2.5.2 Written reprimand.

2.5.3 Suspension.

2.5.4 Termination.

2.5.5 Reimbursement to Parks & Recreation for unauthorized expenditures.

2.6 The total combined credit limit of all credit cards issued shall not exceed 5% of the total budget for the current fiscal year and may include in its budget the authorization to pay the balance due on any credit cards including the annual fee and interest.

2.7 The Parks & Recreation Federal ID number, used for tax-exempt purchases, shall only be used for purchases paid for by a Parks & Recreation check or charge account in accordance with all applicable Federal and State laws. Section 4 of the General Sales Tax Act, MCL

205.54(5); MSA 7.524(5) and Michigan Sales and Use Tax Rules, 1979 AC, R205.79.

ADOPTION

This policy is in effect upon adoption by the Washington Bruce Romeo Parks & Recreation Committee and will remain in effect until rescinded by the Washington Bruce Romeo Parks & Recreation Committee. Amendments must be approved by the Washington Bruce Romeo Parks & Recreation Committee, and must be recorded, and kept with the original policy by the official Committee record keeper, the Secretary.

Secretary's Certification: I hereby certify that the above Washington Bruce Romeo Parks & Recreation Committee Use of Township Credit Card(s) Policy was adopted by the Washington Bruce Romeo Parks & Recreation Committee at the Regular Meeting on

_____.

DRAFT

CHARTER TOWNSHIP OF WASHINGTON

USE OF TOWNSHIP FLEET FUEL CARD POLICY

The Washington Bruce Romeo Parks & Recreation Committee has adopted this administrative policy to standardize and control Fleet Card fuel purchases used for official business of Parks & Recreation. The Commission recognizes that it is in the best interest of Parks & Recreation to make certain financial transactions with a Fleet Card, as authorized by Public Act 266 of 1995.

Standardization of these processes and cooperation by all Employees and Washington Bruce Romeo Parks & Recreation Committee ensures that Parks & Recreation receives the best value for the money being expended.

It is every Parks & Recreation Employee's fiduciary responsibility to follow this policy and associated procedures.

1.0 Authority and Responsibility

1.1 Purchasing Agent

The Washington Bruce Romeo Parks & Recreation Committee designates the Director as the Purchasing Agent for Parks & Recreation. The Director is responsible and authorized to ensure all purchases follow this policy, all applicable policies, and/or procedures. The Purchasing Agent is authorized to:

- 1.1.1 Issue, account for, monitor, retrieve and generally oversee compliance with the Township's Fleet Card policy; and
- 1.1.2 Designate employees with the authority to use and maintain the Fleet Card(s). The Director maintains a list of all Parks & Recreation Fleet Cards, authorized users, and the established Fleet limit.
- 1.1.3 Issue personal identification numbers to employees to be used for Fleet Card purchases.

1.2 Washington Bruce Romeo Parks & Recreation Committee

The Commission is responsible for:

- 1.2.1 Reviewing and approving this policy;
- 1.2.2 Any other matters pertaining to Fleet Cards that the Board considers advisable.

1.2 Department Heads

- 1.2.1 A Parks & Recreation employee who is issued for specific vehicles. Department Heads are responsible for ensuring that the assigned card is placed in the appropriate vehicle.
- 1.2.2 Department Heads are responsible for ensuring that all Fleet Card receipts are turned in to the Director's office by the second working day of the month.
- 1.2.3 Department Heads shall notify the Director whenever an employee's PIN is compromised; the employee is on extended leave; or when an employee is separated or terminated from employment the Director will take the necessary administrative action to secure Fleet Card access.

1.3 All Employees

- 1.3.1 A Parks & Recreation employee who is issued a PIN to be used with a Parks & Recreation Fleet Card shall be responsible for its protection and custody and shall immediately notify the Director or Accountant if the Card is lost or stolen, or their PIN compromised.
- 1.3.2 Parks & Recreation employees are required to select a vendor for fuel purchases that is offering a competitive price.
- 1.3.3 All employees of Parks & Recreation are required to avoid all actual or potential conflicts of interest when using a Fleet Card for purchases. For purposes of the policy, the term "conflict of interest" shall mean a financial interest or an interest that would undermine Parks & Recreation's goal of assuring an independent, impartial, and honest purchasing process. All employees shall disclose, in writing to the Director, any and all potential conflicts of interest.

2.0 General Guidelines

- 2.1 Parks & Recreation Fleet Cards may be used for the purchase of fuel, or those goods or services designated by the Director, for official business of the Parks & Recreation.
- 2.2 Parks & Recreation employees who use a Fleet Card in a manner contrary to this policy shall be subject to all or any of the following disciplinary actions, as deemed appropriate by the Director and/or Commission.
 - 2.2.1 Verbal Counseling.
 - 2.2.2 Written reprimand.
 - 2.2.3 Suspension.
 - 2.2.4 Termination.

2.2.5 Reimbursement to Parks & Recreation for unauthorized expenditures.

2.3 The Parks & Recreation Federal ID number, used for tax-exempt purchases, shall only be used for purchases paid for by a Parks & Recreation check or charge account in accordance with all applicable Federal and State laws. Section 4 of the General Sales Tax Act, MCL 205.54(5); MSA 7.524(5) and Michigan Sales and Use Tax Rules, 1979 AC, R205.79.

ADOPTION

This policy is in effect upon adoption by the Washington Bruce Romeo Parks & Recreation Committee and will remain in effect until rescinded by the Washington Bruce Romeo Parks & Recreation Committee. Amendments must be approved by the Washington Bruce Romeo Parks & Recreation Committee, and must be recorded, and kept with the original policy by the official Commission record keeper, the Secretary.

Secretary's Certification: I hereby certify that the above Washington Bruce Romeo Parks & Recreation Committee Fleet Card(s) Policy was adopted by the Washington Bruce Romeo Parks & Recreation Committee at the Regular Meeting on _____.

WASHINGTON BRUCE ROMEO PARKS & RECREATION COMMISSION

PARKS & RECREATION INVESTMENT POLICY

1.0 PURPOSE

It is the policy of the Washington Bruce Romeo Parks & Recreation Commission to invest public funds in a manner that will provide maximum security while meeting the daily cash flow needs of Parks & Recreation and ensuring that the portfolio is in compliance with all statutes governing the investment of public funds under Michigan Public Act 20.

2.0 SCOPE

This investment policy applies to all liquid financial assets of Parks & Recreation held or controlled by Washington Bruce Romeo Parks & Recreation Commission, other than pension fund assets when held by a third-party custodian and/or money manager. These assets are accounted for in the Washington Bruce Romeo Parks & Recreation Commission Comprehensive Annual Financial Report and include:

2.1 Fund Types

2.1.1 General Fund

2.1.2 Capital Development Projects

3.0 PRUDENCE

The standard of prudence to be used by the Washington Bruce Romeo Parks & Recreation Commission Treasurer shall be the "prudent person" rule which states the following. "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but investment, considering the probable safety of their capital as well as the probable income to be derived."

The above standard is established as the standard for professional responsibility and shall be applied in managing the Township's entire portfolio.

Investment officers of the Washington Bruce Romeo Parks & Recreation Commission, acting according to this investment policy and written procedures as may be established and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from exceptions are reported to the Township Manager in a timely fashion and appropriate action is taken to control adverse developments.

4.0 INVESTMENT OBJECTIVES

The following investment objectives, in priority order, will be applied in the management of the Parks & Recreation funds.

- 4.1 **Safety:** The primary objective of Parks & Recreation investment activities is the preservation of capital and the protection of investment principles. To attain this objective and manage the five Governmental Accounting Standards Board (GASB) risks identified below, Washington Township will diversify its investments.

Credit Risk

Parks & Recreation will minimize credit risk, the risk of loss due to the failure of the security, issuer, or backer, by:

- Limiting investments to the safest types of securities
- pre-qualifying financial institutions with which Parks & Recreation will do business
- Diversifying the portfolio so that the potential losses on individual security would be minimized.
- Maintaining credit rating on all holdings.

Interest Rate Risk

Parks & Recreation will minimize the risk that the market value of the securities in the portfolio will fall due to changes in general interest rates by structuring the portfolio to meet the cash requirements of ongoing operations, thereby mitigating the need to liquidate securities at a loss prior to maturity. In addition, investments over two years in maturity will be made to coincide as nearly as practicable with the expected use of the funds.

Concentration Risk - will be minimized by limiting the exposure of a single security issuer to 5% of the total portfolio. (See Appendix A)

Custodial Credit Risk

Parks & Recreation will minimize custodial credit risk by using only financial institutions meeting a pre-qualification evaluation and holding securities in the Washington Bruce Romeo Parks & Recreation Commission name.

Foreign Currency Risk

Parks & Recreation will only invest in US dollar-denominated securities.

- 4.2 **Liquidity:** Parks & Recreation's investment portfolio and/or portfolio management strategy will provide sufficient liquidity to meet Parks & Recreation's projected operating and capital requirements to ensure the orderly conduct of Parks & Recreation's business affairs. This is accomplished by structuring the portfolio so that securities mature concurrently with cash needs as best as possible.

4.3 **Return:** In investing in public funds, Parks & Recreation will strive to maximize the return on the portfolio but will avoid assuming unreasonable investment risk. Return on investment is of secondary importance to the safety and liquidity objectives described above.

5.0 **DIVERSIFICATION**

To control risks regarding specific security types, individual financial institutions, or specific maturity, Parks & Recreation will diversify its investments. (See Appendix A)

6.0 **DELEGATION OF AUTHORITY TO MAKE INVESTMENTS**

Management responsibility for the investment program is hereby delegated to the Washington Bruce Romeo Parks & Recreation Commission Treasurer, who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer, **with the approval of the Board**, may delegate investment transactions to a qualified investment advisor.

7.0 **INVESTMENT PERFORMANCE AND REPORTING**

The performance of the portfolio shall be reported quarterly on a fiscal cycle and submitted to the Washington Bruce Romeo Parks & Recreation Commission. Reports shall include details of the characteristics of the portfolio as well as its performance for that period. Material deviations from projected investment performance shall be reported immediately to the Commission.

8.0 **INVESTMENT MATURITY AND LIQUIDITY**

To the extent possible, Parks & Recreation will attempt to match its investments with overall anticipated cash flow requirements. Unless matched to a specific cash flow requirement, Parks & Recreation will not directly invest in securities maturing more than five (5) years from the date of purchase. No more than thirty percent (30%) of Parks & Recreation's total investment portfolio shall be placed in securities maturing in more than three (3) years.

9.0 **ETHICS AND CONFLICT OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the Commission, as appropriate, any material interest in financial institutions that conduct business with Parks & Recreation, and they shall perform the Parks & Recreation's portfolio.

Employees and officers shall subordinate their personal investment transactions to those of Parks & Recreation, particularly regarding the timing of purchases and sales.

10.0 **SAFETY AND CUSTODY**

All securities purchased by Parks & Recreation shall be properly designated as an asset of Washington Bruce Romeo Parks & Recreation Commission and (except for non-negotiable certificates of deposit and those securities related to overnight deposits and repurchase agreements) held in safekeeping by a third-party institution.

No withdrawal of such securities, in whole or in part, shall be made from safekeeping except by the Treasurer as authorized herein, or by his/her respective designee(s).

Parks & Recreation will execute a third-party custodial agreement(s) with its custodial institution(s). Such agreements may include letters of authority from Parks & Recreation, details as to responsibilities of each party, methods of notification of security purchases, sales, delivery, procedures related to repurchase agreements and wire transfers, safekeeping and transaction costs, procedures in case of wire failure or other unforeseen mishaps and describing the liability of each party.

All securities purchased or sold will be transferred, when possible, only under the "delivery versus payment" (D.V.P.) method (or "payment versus delivery" method) to ensure that funds or securities are not released until all criteria relating to the specific transaction are met.

11.0 **AUTHORIZED INVESTMENTS**

The Treasurer may purchase/sell investment securities authorized by Public Act 20 of 1948 as amended, at prevailing market rates in the following types of securities.

Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution complies with subsection (2) of Public Act 20 of 1943, as amended. Bank or a savings and loan association which is a member of the Federal Deposit Insurance Corporation or a credit union that is insured by the National Credit Union Administration; but only if the bank, savings, and loan association or credit union are eligible to be a depository of surplus funds belonging to the State under the statute.

Commercial paper rated at the time of purchase within the top two (2) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.

United States government or federal agency obligation repurchase agreements. Repurchase agreements shall be negotiated only with dealers or financial institutions with whom the Township has negotiated a Master Repurchase Agreement or with Parks & Recreation's primary financial institutions. Repurchase agreements must be signed with the bank or dealer and must contain certain provisions similar to those outlined in the Public Security Association's Master Repurchase Agreement.

Banker's acceptances of the United States banks.

Mutual Funds are composed of investment vehicles that are legal in the State of Michigan for direct investment by local units of government. For further clarification, this authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share.

Obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

Obligations are described as authorized investments above if purchased through an interlocal agreement under the Urban Cooperation Act of 1967. 1967 (ex Sess) PA 7, MCL 124.501 to MCL 124.512.

Investment pools organized under Surplus Funds Investment Pool Act, 1982, PA 367, MCL 129.11 to MCL 129.118 and the Local Government Pool Act, 1985, PA 121, MCL 129.141 to MCL 129.150. A due diligence standard must apply prior to investing in all bank-sponsored or money market investment pools.

12.0 PORTFOLIO MATURITY AND LIMITATION PERCENTAGES

The average maturity of the portfolio may not exceed three (3) years. This calculation excludes the maturities of the underlying securities of a repurchase agreement. It is also the policy of Washington Bruce Romeo Parks & Recreation Commission to diversify its investment portfolio with a goal of a 5% maximum exposure to any one credit risk at the time of purchase. (See Appendix A)

13.0 POLICY AMENDMENT

This policy may be amended by resolution of the Washington Bruce Romeo Parks & Recreation Commission and replaces any and all prior investment policies.

ADOPTION

This policy is in effect upon adoption by the Washington Bruce Romeo Parks & Recreation Committee and will remain in effect until rescinded by the Washington Bruce Romeo Parks & Recreation Committee. Amendments must be approved by the Washington Bruce Romeo Parks & Recreation Committee, and must be recorded, and kept with the original policy by the official Committee record keeper, the Secretary.

Secretary's Certification: I hereby certify that the above Washington Bruce Romeo Parks & Recreation Committee Investment Policy was adopted by the Washington Bruce Romeo Parks & Recreation Committee at the Regular Meeting on _____.

APPENDIX A

PORTFOLIO DIVERSIFICATION GUIDELINES

Instrument Description	Security Type Maximum	Issuer Maximum	Maturity Maximum
U.S. Treasuries	100%	100%	5 years ¹
U.S. Agencies & Instrumentalities	100%	50%	5 years ¹
CO's Non-negotiable	50%	10%	2 years
CO's Negotiable	50%	10%	3 years
Municipal Bonds	50%	10%	5 years
Commercial Paper	50%	10%	270 days
Bankers Acceptances	25%	10%	184 days
Overnight Deposits ²	100%	100%	1 day
Mutual Funds ³	100%	100%	3 years

Maturity Maximum- the five-year maximum applies to non-enterprise fund investments only. Enterprise fund reserves may be invested in securities exceeding five (5) years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

²
Overnight Deposits -The Treasurer may invest overnight or short-term liquid assets to cover cash flow requirements in the following types of pools: Investment Pools organized under the surplus fund's investment pool act of 1982, PA 367, MCL 129.111 to 129.118 or Investment Pools organized under the Urban Cooperation Act of 1967, PA?, MCL 124.501 to 124.512.

³
Authority to Purchase Mutual Funds- The Treasurer may invest in no-load fixed-income mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan, either taxable or tax-exempt. This authorization is limited to mutual funds whose intent is to maintain a net asset value of \$1.00 per share.

WASHINGTON BRUCE ROMEO PARKS & RECREATION COMMISSION

PARKS & RECREATION PURCHASING AND BID POLICY

The Washington Bruce Romeo Parks & Recreation Commission has adopted this administrative policy to standardize and control purchasing, bid, and proposal procedures. Standardization of these processes and the cooperation by all employees, department heads, the director, and the Commission ensures that Parks & Recreation receives the best value for the money being expended. It is the policy of the Washington Bruce Romeo Parks & Recreation Commission to competitively price goods and services prior to purchase.

It is the Parks & Recreation Employee's fiduciary responsibility to follow this policy and associated procedures in servicing our residents.

1.0 Authority and Responsibility

1.1 Purchasing Agent

The Washington Bruce Romeo Parks & Recreation Commission designates the Director as the Purchasing Agent for Parks & Recreation. The Purchasing Agent is responsible and authorized to ensure all purchases follow this policy and all applicable procedures. The Purchasing Agent is authorized to:

- 1.1.1. Review and approve and/or deny all budgeted and unbudgeted purchase requests up to \$5000.
- 1.1.2. Request Washington Bruce Romeo Parks & Recreation Commission approval for any proposed purchase when deemed advisable and in the best interest of the residents.
- 1.1.3. Present Purchase Requests and Blanket Purchase Orders to the Commission for their review and approval when required or deemed appropriate by the Purchasing Agent.
- 1.1.4. Administer the Bid and Proposal process according to approved procedures.
- 1.1.5. Assure that budgets are appropriately amended when unbudgeted items are approved for purchase.
- 1.1.6. Maintain a list of approved vendors:
- 1.1.7. Prepare purchase orders and purchasing documents and obtain approval as needed.
- 1.1.8. Maintain a list of capital assets and inventory items.
- 1.1.9. Dispose of capital assets and inventory items when obsolete or damaged if the total value of the asset/item is less than \$2,500.00.
- 1.1.10. Maintain a list of all petty cash funds and authorized amounts;

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- 1.1.11 Issue a tax-exempt certificate to businesses, as needed.
- 1.1.12 Approve maintenance or service agreements for approved purchases.
- 1.1.13 Report to the Commission on purchases on a scheduled basis.

1.2 Washington Bruce Romeo Parks & Recreation Commission

The Commission is responsible for reviewing and approving this policy. The Commission is also responsible for:

- 1.2.1 Approving Parks & Recreation credit cards.
- 1.2.2 Approving Blanket Purchase Orders.
- 1.2.3 Final Approval of Unbudgeted Purchases, Emergency Purchases, and amendments to budgets.
- 1.2.4 Approving Petty Cash Funds.
- 1.2.5 Awarding contracts from solicited bids or proposals for recurring services or contracted labor including professional services.
- 1.2.6 Approving purchases and contracts greater than \$2500.

1.3 Department Heads

Department Heads are responsible for adhering to and enforcing this policy and all applicable procedures. Department Heads are responsible for:

- 1.3.1 Preparing Purchase Requests and assuring that the Purchase Request is accurate and complete prior to submittal to the Purchasing Agent.
- 1.3.2 Managing credit card purchases in accordance with this policy and applicable procedures.
- 1.3.3 Planning for purchases to ensure that all Parks & Recreation requirements are met prior to purchasing goods or services.
- 1.3.4 Preparing Blanket Purchase Order Requests and assuring that departmental budgets support the requests.
- 1.3.5 The inspection and acceptance of all materials, supplies, services, and equipment resulting from their Purchase Requests;

1.4 All Employees

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All employees of Parks & Recreation are required to avoid all actual or potential conflicts of interest in soliciting bids for goods, recurring services, and contract labor. For purposes of the policy, the term "conflict of interest" shall mean a financial interest or an interest that would undermine the Commission's goal of assuring an independent, impartial, and honest bid process.

All employees shall disclose, in writing to the Purchasing Agent, any and all potential conflicts of interest in connection with the bid process for recurring services or contracted labor.

2.0 General Guidelines

2.1 Materials, services & supplies shall be purchased only when the funds for their cost have been appropriated and included in the annual budget of the Washington Bruce Romeo Parks & Recreation Commission.

2.2 In accordance with federal law requirements, an independent contractor for professional services or labor must have a completed W-9 form on record prior to the commencement of work and before any payment is released. Also, proper insurance documentation with specific insurance requirements and additional insured language is mandatory prior to the commencement of any service and purchase order issuance.

2.3 Standardized purchase requisitions are to be prepared in advance of a purchase and standardized purchase orders are to be used to authorize purchases.

2.4 All purchase orders and contracts should contain a hold harmless clause for the benefit of the community with the exception of a building contract.

2.5 Parks & Recreation shall comply with the requirements of P.A. 167 & 168 of 1993, which requires sealed competitive bidding for any contract of \$5,000 or more, with certain exceptions. The Washington Bruce Romeo Parks & Recreation Commission requires that formal bids be obtained for all purchases in excess of \$5000.00.

2.6 Parks & Recreation Federal ID number, used for tax-exempt purchases, shall only be used for purchases paid for by a Parks & Recreation check or charge account in accordance with all applicable Federal and State Laws. Section 4 of the General Sales Tax Act, MCL 205.54(5); MSA 7.524(5) and Michigan Sales and Use Tax Rules, 1979 AC, R205.79.

3.0 Budgeted Items

3.1 Purchases must be competitively priced prior to the release of a Purchase Order.

3.2 Purchase Requisitions will be prepared by Department Heads in advance for any purchase greater than \$500.00. The Purchasing Agent will obtain the concurrence of the Treasurer or Commission when deemed necessary or required. The approved Purchase Requisition will then be provided to Accounting for the issuance of a Purchase Order.
Purchase Order.

4.0 Unbudgeted Items

Department Heads will submit a Purchase Requisition to the Purchasing Agent for all unbudgeted item(s). The Purchasing Agent will solicit the Commission's approval of the purchase and amendment to the Department's budget.

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5.0 Capital Assets and Inventory Items

All capital assets, (i.e. furniture equipment, software, building improvements) purchased in excess of \$500.00 (or collectively over \$1000) shall be considered an inventory item. At the discretion of the Purchasing Agent, certain individual items purchased at a price less than \$500 may be considered inventory items. Purchases over \$5,000.00 shall be identified as a capital asset, as well as inventory.

6.0 Bid Policy

6.1 All purchases of goods or services and all contracts for recurring services must be competitively priced.

6.2 Informal bids (quotes) are required for all purchases of goods or services between \$0 and \$5,000.

6.3 Bids or proposals for recurring services or contracted labor, including professional services greater than \$10,000.00, must be solicited with the following requirements:

6.3.1 All contracts must cover a two-year period and include the total cost of each fiscal year:

6.3.2 Terms of the contract should be the fiscal year of Parks & Recreation.

6.3.3 The Commission reserves to itself the authority to award the bid;

6.3.4 The Commission will use a roll-call vote when awarding a bid.

6.4 The Commission is not required to accept the lowest bid. The Board can consider factors such as workmanship and reliability of the bidder. Every effort will be made to award bids to local bidders.

5 W en ossible, the procurement of goods or contractual of services should be townsh1p-w1de.

6:5 If the Commission decides that the bid process is not practical in a given situation, they may waive the requirements of this policy on a majority, roll-call vote. A majority shall consist of three or more affirmative votes.

6.6 Competitive Bidding Procedures

6.6.1 The invitation for bids must include a standardized specification sheet, information as to where the bids must be filed, and when and where the bids will be opened. The invitation will indicate that each bidder must provide appropriate proof of insurance at the time of bidding. Bidders will be instructed to submit sealed bids, which are clearly labeled as bids on the outside of the envelope.

6.6.2 Invitations for bids will be published either through a governmental bid website (such as XXX), Parks & Recreation website, suitable trade publications, or in a local newspaper. It is Parks & Recreation's responsibility to publish invitations in the most beneficial and most cost-effective manner.

6.6.3. All bids received will be time-stamped and remain unopened until the date and hour of the bid opening. Bids are to be opened publicly at the time, date, and place specified in the invitation for bids. Bids are to be recorded and made available for public inspection.

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6.6.4. After final approval of the Board, all bidders will be notified of the decision. A Purchase/Check Request will be signed by the Parks & Recreation Director with the date of Commission approval documented on the Purchase/Check Request.

6.6.5 The Commission at its discretion may waive the requirement for competitive bidding.

6.6.6 The Commission will not be obligated to purchase from the lowest bidder.

7.0. Emergency Purchases

7.1 In the case of Fire and Emergency Services, where an emergency exists which is a threat to the health and/or safety of the public or Parks & Recreation staff, repairs that are immediately needed may be ordered by the Parks & Recreation Director after conferring with one Commission member. The matter would then be placed on the agenda of the next regular Parks & Recreation meeting to inform Commission members of the circumstances, at which time the Board will approve the payment(s).

7.2 In the case of Water and Septic problems, the Parks & Recreation Director has authorization to carry out necessary repairs/maintenance to avoid or prevent further damage caused by an emergency situation. Emergency repairs and maintenance will be considered as: all repairs and maintenance which are unforeseen and have the potential as either a hazardous condition or situation where delayed attention could cause greater overall damage and/or cost. The day following such repairs, the Parks & Recreation Director will notify the Commission Chair and Treasurer of the repairs and the expense incurred by the repairs. The Parks & Recreation Director will inform the Commission members of the repairs at the next scheduled meeting, at which time the Board will approve the payment(s).

7.3 In the case of other types of emergencies not specified above, the Parks & Recreation Director has the authorization to carry out necessary repairs/maintenance to avoid or prevent further damage caused by an emergency situation. Emergency repairs and maintenance will be considered as all repairs and maintenance which are unforeseen and have the potential as either a hazardous condition or situation where delayed attention could cause greater overall damage and/or cost. The day following such repairs, the Parks & Recreation Director will notify the Commission Chair and Treasurer of the repairs and the expense incurred by the repairs. The Parks & Recreation Director will inform the Commission members of the repairs at the next scheduled meeting, at which time the Board will approve the payment(s).

8.0 Approval Limitations and Required Price Comparisons for Purchasing

8.1 The Board establishes the following approval limits and price comparison requirements in order to delegate to the Director and the appropriate staff the responsibility and authority to operate Parks & Recreation in an efficient manner on a day-to-day basis. Purchase limits noted below refer to both single purchases and collectively purchased items. Purchases may not be "split" into smaller purchases as a means of circumventing the approval limits or price comparison requirements.

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Level of Purchase	Approval Needed	Price Comparison
Upto\$499	Department Head or Director	Simple price comparison
\$500 - \$2,500	Director	A written summary of competitive quotes from a minimum of three vendors.
\$2,500 - \$5,000	Commission	Written competitive quotes from a minimum of three vendors. Competitive bids may be required at the Commission's discretion.
\$5,000 and above	Commission	Competitive bidding

ADOPTION

This policy is in effect upon adoption by the Washington Bruce Romeo Parks & Recreation Commission and will remain in effect until rescinded by the Washington Bruce Romeo Parks & Recreation Commission. Amendments must be approved by the Commission and must be recorded and kept with the original policy by the official Commission record keeper the Secretary.

Secretary Certification: I hereby certify that the above Washington Bruce Romeo Parks & Recreation Commission Purchasing & Bid Policy was adopted by the Commission at the Regular Meeting on_____.

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DRAFT