



Working together, restoring the river

James W. Ridgway, P.E.
Executive Director

DRAFT AGENDA EXECUTIVE COMMITTEE MEETING

Thursday, August 26, 2010, 1:30 p.m.
Canton Twp. Administrative Bldg., Lower Level Room A
1150 Canton Center Road South, Canton, MI 48188

1. **Welcome** – Tim Faas, Chair
2. **Roll Call of Members** (ECT) and record of others present

| <i>Alliance of Rouge Communities Executive Committee</i> | | |
|--|-------------------|---------------------|
| Officers | | |
| Chair | Tim Faas | Canton |
| Vice-Chair | Gary Mekjian | Southfield |
| Interim Treasurer/Past Vice-Chair | Wayne Domine | Bloomfield Township |
| | | |
| Counties | | |
| Oakland Co. – Rep. | John McCulloch | OCWRC |
| Oakland Co. – Alt. | Jim Wineka | OCWRC |
| Oakland Co. – Alt. | Joseph Colaianne | OCWRC |
| Washtenaw Co.- Rep. | Janis Bobrin | WCWRC |
| Washtenaw Co.- Alt. | Meghan Bonfiglio | WCWRC |
| Wayne Co. - Rep. | Kelly Cave | WCDPS |
| Wayne Co. - Alt. | Noel Mullett | WCDPS |
| SWAGs | | |
| Main 1 & 2 - Rep. | Brandy Siedlaczek | Southfield |
| Main 1 & 2 - Alt. | Noah Mehalski | Bloomfield Township |
| Main 3 & 4 - Rep. | Jim Murray | Dearborn |
| Main 3 & 4 - Alt. | Eric Witte | Melvindale |
| Upper - Rep. | Tom Biasell | Farmington Hills |
| Upper - Alt. | Kevin Maillard | Livonia |
| Middle 1 - Rep. | Jill Rickard | Northville Township |
| Middle 1 - Alt. | Aaron Staup | Novi |
| Middle 3 - Rep. | Jack Barnes | Garden City |
| Middle 3 - Alt. | Kevin Buford | Westland |
| Lower 1 - Rep. | Bob Belair | Canton Township |
| Lower 1 – Alt. | Dan Swallow | Van Buren Township |
| Lower 2 - Rep. | Ramzi El-Gharib | Wayne |
| Lower 2 - Alt. | Tom Wilson | Romulus |

- Auburn Hills
- Beverly Hills
- Bingham Farms
- Birmingham
- Bloomfield Hills
- Bloomfield Twp.
- Canton Twp.
- Commerce Twp.
- Dearborn
- Dearborn Heights
- Farmington
- Farmington Hills
- Franklin
- Garden City
- Inkster
- Lathrup Village
- Livonia
- Melvindale
- Northville
- Northville Twp.
- Novi
- Oakland County
- Oak Park
- Orchard Lake
- Plymouth
- Plymouth Twp.
- Pontiac
- Redford Twp.
- Rochester Hills
- Romulus
- Southfield
- Troy
- Van Buren Twp.
- Walled Lake
- Washtenaw County
- Wayne
- Wayne County
- Wayne County Airport Authority
- Westland
- Wixom

Cooperating Partners:
Friends of the Rouge
Southeastern Oakland
County Water Authority
Wayne State University

3. **Additions or Changes to Draft Agenda**
4. **Summary of June 29, 2010, Executive Committee Meeting** Action
5. **Executive Director Report (Ridgway)**
 - a. Grant status and approval of match requirements Action
6. **Standing Committee Reports (Faas)**
 - a. Organization Committee (Cave, Chair)
 - i. ARC Record Retention Policy Action
 - ii. ARC Property Management Policy Action
 - iii. ARC Travel Reimbursement Policy Action
 - iv. ARC Sole Source Policy (added to Purchasing Policy) Action
 - v. ARC Membership Action
 1. Henry Ford Community College, Associate
 2. Cranbrook Educational Community, Cooperating Partner
 - b. Finance Committee (Domine, Interim Treasurer/O'Meara)
 - i. 2010 Budget Status Report Information
 - ii. 2010 Budget Amendments Action
 - iii. ARC Audit Year Ending 12/31/09 Action
 - iv. ARC Timekeeping Policy Action
 - v. ARC Accounting Procedures Manual Action
 - c. PIE (Public Involvement and Education) Committee (Siedlaczek, Chair)
 - i. Status Report Information
 - d. Technical Committee (Zorza, Vice Chair)
 - Status Report Information
7. **Report from WCDPS (Cave)**
 - a. Status Report Information
8. **Report from SWAGS**
 - a. Status Report Information
9. **Other Business**
10. **Summary of Executive Committee Actions (O'Meara)**
11. **Upcoming Meeting(s)**
 - Full ARC Meeting, September 9, 2010 at 1:30 p.m., Southfield Public Library, 26300 Evergreen Road, library meeting room
 - Finance Committee Meeting, September 21, 2010, 1:30 p.m., Bloomfield Twp. Offices
 - Finance Committee Meeting, October 7, 2010, 2:30 p.m., location TBD
 - Executive Committee meeting, October 14, 2010, 1:30 p.m., location TBD
 - Full ARC Meeting, October 26, 2010 at 1:30 p.m.
 - PIE Committee Meeting, October 28, 2010 at 1:30 p.m., Wayne County Commerce Court Offices
12. **Adjourn**



Working together, restoring the river

James W. Ridgway, P.E.
Executive Director

DRAFT EXECUTIVE COMMITTEE MEETING SUMMARY

Tuesday, June 29, 2010, 1:30 p.m.

Canton Twp. Administrative Bldg., Lower Level Room D
1150 Canton Center Rd.

1. **Welcome** – Tim Faas, Chair
2. **Roll Call of Members**
ECT took roll call of members and others present. A quorum was present.

| ARC Executive Committee | | | Attended Meeting |
|--|-------------------|---------------------|------------------|
| Officers | | | |
| Chair | Tim Faas | Canton | Y |
| Vice-Chair | Gary Mekjian | Southfield | Y |
| Interim Treasurer/Past Vice-Chair | Wayne Domine | Bloomfield Township | Y |
| Counties | | | |
| Oakland Co. – Rep. | John McCulloch | OCWRC | N |
| Oakland Co. – Alt. | Jim Wineka | OCWRC | N |
| Oakland Co. – Alt. | Joseph Colaianne | OCWRC | N |
| Washtenaw Co. - Rep. | Janis Bobrin | WCWRC | Y |
| Washtenaw Co. - Alt. | Michelle Bononi | WCWRC | N |
| Wayne Co. - Rep. | Kelly Cave | WCDPS | Y |
| Wayne Co. - Alt. | Noel Mullett | WCDPS | N |
| SWAGs | | | |
| Main 1 & 2 - Rep. | Brandy Siedlaczek | Southfield | Y |
| Main 1 & 2 - Alt. | Noah Mehalski | Bloomfield Township | N |
| Main 3 & 4 - Rep. | Jim Murray | Dearborn | N |
| Main 3 & 4 - Alt. | Eric Witte | Melvindale | N |
| Upper - Rep. | Tom Biasell | Farmington Hills | Y |
| Upper - Alt. | Kevin Maillard | Livonia | N |
| Middle 1 - Rep. | Jill Rickard | Northville Township | Y |
| Middle 1 - Alt. | Aaron Staup | Novi | N |
| Middle 3 - Rep. | Jack Barnes | Garden City | N |
| Middle 3 - Alt. | Kevin Buford | Westland | N |
| Lower 1 - Rep. | Bob Belair | Canton Township | Y |
| Lower 1 - Alt. | Dan Swallow | Van Buren Township | Y |
| Lower 2 - Rep. | Ramzi El-Gharib | Wayne | N |
| Lower 2 - Alt. | Tom Wilson | Romulus | N |

Others Present: Mark Mikesell, ECT; Jim Ridgway, Executive Director; Zachare Ball, ARC Staff, Annette DeMaria, ARC Staff and Tina Cusac, ARC Accountant

Auburn Hills
Beverly Hills
Bingham Farms
Birmingham
Bloomfield Hills
Bloomfield Twp.
Canton Twp.
Commerce Twp.
Dearborn
Dearborn Heights
Farmington
Farmington Hills
Franklin
Garden City
Inkster
Lathrup Village
Livonia
Melvindale
Northville
Northville Twp.
Novi
Oak Park
Oakland County
Orchard Lake
Plymouth
Plymouth Twp.
Pontiac
Redford Twp.
Rochester Hills
Romulus
Southfield
Troy
Van Buren Twp.
Walled Lake
Washtenaw County
Wayne
Wayne County
Wayne County Airport
Authority
Westland
Wixom

Cooperating Partners:
Friends of the Rouge
Southeastern Oakland
County Water Authority
Wayne State University

3. Additions or Changes to Draft Agenda

The following additions were made to Agenda Item 6 (Executive Director's Report):

- Discussion with the ARC's accountant regarding policy requirements for the GLRI grants.
- The Lower Rouge (Main Branch) Legacy Act Site Investigation in the Rouge Area of Concern
- RPO Round X Grant Awards
- Potential Partnership with the City of Detroit

4. Summary of April 2, 2010 Executive Committee Meeting

A motion was made by Jill Rickard to accept the April 2, 2010 meeting summary. The motion was seconded by Tom Biasell. Motion passed.

5. Summary of 4/29/10 Meeting with SEMCOG on Next Steps (Faas)

Tim Faas gave an update on discussions with SEMCOG about providing additional services to the ARC. He said it was decided that it was best at this time to maintain the status quo. He said SEMCOG has provided good service to the ARC, but there was a concern with SEMCOG's staffing levels and its ability to provide more support than is already being provided. Brandy Siedlaczek suggested that SEMCOG be made a cooperating partner in the ARC and it was agreed to discuss that further.

6. Executive Director Report

- Grant Status Report:** Zachare Ball reported that the ARC had received two grants from the Great Lakes Restoration Initiative: \$499,254 (no match) for the Danvers Pond Dam Removal in Farmington Hills and \$648,750 (\$181,250 match from various sources; \$15,000 match from the ARC) for Rouge Green Infrastructure projects in Southfield, Detroit Parks and Wayne County Parks. Additionally, the ARC was approved for funding of two projects through the Wayne County RPO Round X program: \$57,550 for the design to remove Wayne Road Dam in Wayne (\$57,550 match required) and \$7,350 for green infrastructure projects in the Rouge Green Corridor communities of Birmingham, Beverly Hills and Southfield (no match required).
- Policy Requirements for the GLRI grants:** ARC Accountant Tina Cusac reviewed the policies and procedures that are required by the EPA for grantees receiving funding from the GLRI. They include:
 - Accounting procedures
 - Audited financial statements
 - Conflict of interest Policy
 - Personnel and timekeeping Policies
 - Procurement Policy
 - Property Management Policy
 - Record Retention Policy
 - Travel Policy

She said that an A-133 audit of the ARC will be required when the ARC spends more than \$500,000 in federal funding, which probably won't happen until 2011. She said she would have the regular ARC Audit for 2009 completed in about six weeks, and suggested that the ARC could send Wayne County's audit to the EPA until the ARC's audit is completed. She said that once all of the ARC's paperwork is in and approved by the EPA, the certification would last for three years. She said she would forward example policies to the ARC to help develop the required documents for EPA.

- c. **The Lower Rouge (Main Branch) Legacy Act Site Investigation in the Rouge Area of Concern :** Mark Mikesell, ECT, said this project is focused on contaminated sediment in the industrialized portion of the Rouge River Main Branch, south of the concrete channel. Ultimately, the project will create a list of potentially responsible parties in the study area who may be able to access Legacy Act funding to clean up contaminated sites. The project will also identify data gaps and prioritize any needs for additional studies in this portion of the Rouge River.
- d. **RPO Round X Grant Awards:** Kelly Cave distributed a list of the projects recommended for funding under the Round X grant funding. Seven projects were recommended for CSO/SSO funding (Part A) and 20 projects were recommended for Storm Water General Permit Activities (Part B). Two Part B projects needed further action by the ARC.
- Henry Ford Community College (HFCC) Green Roof and Rain Garden Science Building Addition: The grant RFP required that permit holders applying for grants be members of the ARC. HFCC is eligible to be an Associate Member. It was recommended that the grant be awarded to HFCC with the condition that HFCC become an ARC Associate Member and pay commensurate dues.
 - 2010 Rouge River Water Festival at Cranbrook: The grant required that applicants be covered by a storm water permit if required by the state. It is unclear if Cranbrook is required to obtain a MS4 storm water permit or not. It was recommended that Cranbrook's permit status be determined.

A motion was made by W. Domine to approve the RPO Round X Projects recommended for funding with the above caveats. The motion was seconded by J. Rickard. Motion passed.

- e. **Potential Partnership with the City of Detroit:** Jim Ridgway reported that there is a big push for the City of Detroit to install green infrastructure in its CSO areas. He said that Detroit Parks has been a willing partner with the ARC as evidenced by its inclusion in the GLRI grant-funded project. He requested that the ARC approach DWSD again about partnering with the ARC.

7. Standing Committee Reports

a. Finance Committee

i. Final 2009 Budget vs. Actual Report

Wayne Domine reviewed the ARC's financial documents, including the Status Report (final) on the ARC's 2009 fiscal year. There is \$64,466 in the ARC contingency fund.

ii. 2010 Budget Status Report

1. 2010 ARC Membership Dues: W. Domine said that dues from Beverly Hills, Novi, Orchard Lake and Livonia have been received. Dues for Commerce Township and Wayne County Airport Authority (WCAA) are overdue. He added that WCAA is currently negotiating with the State about whether it is required to have a storm water permit and if it does not need to have a permit, WCAA would drop out of the ARC. Additionally, he said he received a phone call from the City of Allen Park that it was dropping out of the ARC and would not be paying 2010 dues, because there is no money in its budget for dues. He added that a large number of invoices have been sent out which are due at the end of July.

iii. Draft Procedure for Annual Budget Preparation and Request for Budget Amendment

iv. Draft 2011 Budget Preparation Schedule

W. Domine reviewed iii and iv with the Executive Committee.

b. Nominating Committee

i. **Status Report:** Committee Chair T. Biasell recommended the following slate for the 2011 ARC Officers be approved and noted that any additional nominations would be taken from the floor at the next full ARC meeting.

- ARC Chair: Gary Mekjian, City of Southfield
- ARC Vice-Chair: Vice-Chair, Kevin Buford, City of Westland
- ARC Treasurer: Dan Swallow, Van Buren Township

A motion was made by W. Domine to forward the nominations to the full ARC for a vote at the next regularly scheduled meeting. The motion was seconded by J. Rickard. Motion passed.

c. Organization Committee

K. Cave announced that committee co-chair Michelle Bononi has left Washtenaw County. Janis Bobrin added that Meghan Bonfiglio is leaving Bloomfield Township to replace Michelle. K. Cave expressed thanks for all of Michelle's hard work on the committee and for the ARC in general and requested that J. Bobrin appoint someone else to sit on the Organization Committee. Tim Faas said he would make a recommendation for a replacement for M. Bononi as committee co-chair.

- Record Retention and Access Policy: K. Cave requested that the Record Retention and Access Policy, which was forwarded directly to the Executive Committee be referred to the Organization Committee for review.
- Additionally, she requested that the Officer Appointments Policy be forwarded to the full ARC for approval.

A motion was made by Gary Mekjian to refer the Record Retention and Access Policy to the Organization Committee for review and the Officer Appointments Policy to the full ARC for approval. The motion was seconded by W. Domine. Motion passed.

She said that the next Organization Committee will be at 9:30 a.m. July 13, 2010 in Southfield and the following items would be addressed:

- Purchasing Policy revisions if needed
- Strategic Plan revisions
- Record Retention Policy
- Other policies required by the GLRI grant.

Additionally, she said a list of potential Cooperating Partners and Associate Partners and draft invitation letters to join the ARC will be brought to the next Executive Committee meeting for approval.

d. Public Involvement and Education (PIE) Committee

i. **Status Report:** Chair Brandy Siedlaczek said the PIE Committee met in April and has its next meeting scheduled for July 15, 2010 in Beverly Hills. She said the nine 2010 grow zone projects have been installed. The ARC Rain Barrel Sale will be held from 9 a.m. to 3 p.m. Saturday, July 10 in Redford Township.

e. Technical Committee

i. **Status Report:** Annette DeMaria, ARC staff, gave the report for Gary Zorza. She said 40 people attended the IDEP Training held in Canton Township on May 11, 2010. She said the Land Cover Inventory conducted by Sanborn has been completed and a Technical Committee Meeting was held on June 16, 2010 in Plymouth Township to present the results. Each ARC member will get a CD of the land cover inventory for its area. She distributed a report of some of the land

cover data. K. Cave asked that the land cover totals for the three ARC counties be added to the Rouge River Watershed Land Cover Classification – All communities Table.

8. Report from WCDPS

K. Cave reported that SEMCOG received a GLRI grant award for Green Streets projects in Wayne, Oakland and Macomb counties to install green infrastructure along roadways. She said Wayne County continues to work with the Army Corps of Engineers on the concrete channel restoration. She said the 2009 Rouge River Progress Report is almost complete. She added that her office will be moved from downtown Detroit, but a location has not yet been determined.

9. Report from SWAGS

Nothing to report

10. Other Business

T. Biasell reported that Farmington Hills has received the summary of the storm water permit audit conducted by the MDNRE. He said the MDNRE summary indicated recommended improvements and required improvements.

11. Summary of Executive Committee Actions

- Approval of the 3/23/10 Executive Committee Meeting Summary.
- Approval of Wayne County Rouge Program Office Round X Grant projects with caveats that Henry Ford Community College become an ARC Associate Member and determination of Cranbrook's permit status.
- The 2011 ARC Officer Recommendations is forwarded to the full ARC for approval.
- The revised Officer Appointment Policy is forwarded to the full ARC for approval.
- The draft Record Retention Policy is forwarded to the Organization Committee for review and approval.

12. Upcoming Meetings

- ARC Executive Committee, July 27, 2010, 1:30 p.m., Canton Township.
- PIE Committee Meeting, October 28, 2010, 1:30 p.m. Wayne County Commerce Court, Wayne.

11. Adjourn



The motion to adjourn the meeting was made by J. Rickard and seconded by W. Domine. The motion passed.

ARC Executive Committee Attendance List

Meeting Date: 6/29/10

| Name | Community | Attended | Initials |
|-----------|-----------|-------------------------------------|-----------|
| Alsaigh | Razik | <input type="checkbox"/> | _____ |
| Ball | Zachare | <input type="checkbox"/> | <i>SB</i> |
| Barnes | Jack | <input type="checkbox"/> | _____ |
| Belair | Bob | <input checked="" type="checkbox"/> | <i>RB</i> |
| Biasell | Thomas | <input checked="" type="checkbox"/> | <i>TB</i> |
| Bobrin | Janis | <input checked="" type="checkbox"/> | <i>JB</i> |
| Bonfiglio | Meghan | <input type="checkbox"/> | _____ |
| Buford | Kevin | <input type="checkbox"/> | _____ |
| Buiten | Mike | <input type="checkbox"/> | _____ |
| Cave | Kelly | <input checked="" type="checkbox"/> | <i>KC</i> |
| Colaianne | Joe | <input type="checkbox"/> | _____ |
| Domine | Wayne | <input checked="" type="checkbox"/> | <i>WD</i> |
| El-Gharib | Ramzi | <input type="checkbox"/> | _____ |
| Faas | Tim | <input checked="" type="checkbox"/> | <i>TF</i> |
| Lawson | Jennifer | <input type="checkbox"/> | _____ |
| Maillard | Kevin | <input type="checkbox"/> | _____ |
| McCulloch | John | <input type="checkbox"/> | _____ |

Meeting Date: 6/29/10

| Name | Community | Attended | Initials | |
|------------------------|-----------------------|-------------------------------------|-------------------------------------|---|
| Mehalski | Noah | Bloomfield Township | <input type="checkbox"/> | _____ |
| Mekjian | Gary | Southfield | <input type="checkbox"/> | _____ |
| Mullett | Noel | WCDPS | <input type="checkbox"/> | _____ |
| Murray | Jim | Dearborn | <input type="checkbox"/> | _____ |
| Rickard | Jill | Northville Township | <input checked="" type="checkbox"/> |  |
| Ridgway | Jim | ECT | <input type="checkbox"/> |  |
| Siedlaczek | Brandy | Southfield | <input checked="" type="checkbox"/> |  |
| St. Henry | Paul | Livonia | <input type="checkbox"/> | _____ |
| Staup | Aaron | Novi | <input type="checkbox"/> | _____ |
| Swallow | Dan | Van Buren Township | <input checked="" type="checkbox"/> |  |
| Wilson | Tom | Romulus | <input type="checkbox"/> | _____ |
| Wineka | Jim | Oakland County | <input type="checkbox"/> | _____ |
| Witte | Eric | Melvindale | <input type="checkbox"/> | _____ |
| Zorza | Gary | Farmington Hills | <input type="checkbox"/> | _____ |
| <u>Mikesell Mark</u> | <u>ECT</u> | <input checked="" type="checkbox"/> | _____ | |
| <u>Annette DeMaria</u> | <u>ECT</u> | <input checked="" type="checkbox"/> | _____ | |
| <u>Tina Cusac</u> | <u>PRR Accountant</u> | <input type="checkbox"/> | _____ | |
| _____ | _____ | <input type="checkbox"/> | _____ | |
| _____ | _____ | <input type="checkbox"/> | _____ | |



Working together, restoring the river

Successful 2010 ARC Applications and Applicable Match Requirements

| Org | Project | Total Cost | Grant Funds | Match by Others | Match by ARC |
|--------|----------------------------|------------|-------------|-----------------|--------------|
| GLRI 1 | Danvers Pond | \$499,254 | \$499,254 | \$0 | \$0 |
| GLRI 2 | Rouge Green Infrastructure | \$830,000 | \$648,750 | \$181,250* | \$15,000 |
| RPO 1 | Wayne Road Dam | \$115,100 | \$57,550 | \$0 | \$57,550 |
| RPO 2 | Rouge Green Corridor | \$15,869 | \$7,350 | \$7,350** | \$0 |

* Remaining match will be provided by:

| | |
|--|----------|
| Wayne County | \$56,250 |
| City of Southfield | \$30,000 |
| FOTR (applied for Erb Foundation monies) | \$80,000 |

** Match will be provided by: Oakland Co. Planning and Economic Development Services, Six Rivers Regional Land Conservancy and the communities of Beverly Hills, Birmingham and Southfield.



ALLIANCE OF ROUGE COMMUNITIES DRAFT RECORD RETENTION POLICY

Adopted by the Alliance of Rouge Communities on _____

The Alliance of Rouge Communities (ARC) shall retain records for the period of their immediate or current use, unless longer retention is necessary for historical reference or to comply with contractual or legal requirements. The records will be retained in the office of the Alliance of Rouge Communities, which is currently located at: 719 Griswold, Suite 1040, Detroit MI 48226.

Records and documents outlined in this policy include paper, electronic files (including e-mail) and voicemail records regardless of where the document is stored, including network servers, desktop or laptop computers and handheld computers and other wireless devices with text messaging capabilities.

In order to eliminate accidental or innocent destruction, the ARC has adopted the following document retention policy:

| <u>TYPE OF DOCUMENT</u> | <u>RETENTION PERIOD</u> |
|---|-------------------------|
| Accounts receivable and payable ledgers and schedules | 7 years* |
| Annual audited financial statements, audit reports, general ledgers, internal audit reports, trial balance journals | Permanently |
| Memoranda of Understanding, Bylaws, policies and procedures, meeting summaries and other incorporation records | Permanently |
| Bank Reconciliation | 3 years |
| Bank Statements, deposit records, electronic fund transfer documents and cancelled checks | 3 years |
| Chart of Accounts | Permanently |
| Contracts (included expired contracts) | 7 years* |
| Correspondence (general) | 3 years |
| Legal Correspondence | Permanently |
| Correspondence (with members and vendors) | 2 years |
| Insurance policies (still in effect) | Term of contract |
| Insurance policies (expired) | 3 years |
| Invoices (to members or to granting agencies) | 7 years* |
| Grant documents and notes | 7 years* |

TYPE OF DOCUMENT

RETENTION PERIOD

Miscellaneous documents

- Expense reports 7 years*

- Personnel records 7 years*

*These records will be retained a minimum of 7 years or until closeout of any federal contract (grant) that provided funding for work completed during a given year, which ever is longer. Closeout requirements for a federal grant contract are defined within the grant agreement. For the federal grants providing funding to the ARC via the Rouge River National Wet Weather Demonstration Project, grant closeout is defined as 3 years after submittal of the final financial status report to the U.S. Environmental Protection Agency, which typically occurs three months after the grant end date specified in the grant agreement.



Working together, restoring the river

ALLIANCE OF ROUGE COMMUNITIES (ARC) PROPERTY MANAGEMENT POLICY

Adopted by the Alliance of Rouge Communities on _____

The Alliance of Rouge Communities (ARC) does not own any real property or equipment. However, in the event any real property or equipment is procured with ARC funds or with grant funds from the U.S. Environmental Protection Agency (EPA), or other federal agencies, the following rules will apply.

INSURANCE

The ARC will acquire insurance coverage for all real property and for equipment whose purchase price exceeds \$5,000. In the event the ARC uses federal funds to purchase any type of property, insurance coverage will be equal to what the ARC has for its own property.

ACQUISITION OF REAL PROPERTY

The ARC does not own any real property and does not anticipate owning any real property. However, if in the future the ARC purchases property with federal funds it will:

- Have the title for the property,
- Will not encumber the property without approval of the federal funding agency, and
- Will get written approval from the federal funding agency to use the real property in other federally-sponsored projects or in programs that are consistent with those supported by the federal funding agency, once it is determined that the property is no longer needed for the original project.

USE OF FEDERALLY-OWNED AND EXEMPT PROPERTY

If the ARC uses federally-owned property in any contract with the EPA or another federal agency, the following principles will be followed:

- Title to federally-owned property remains vested in the Federal Government;
- An annual inventory of federally-owned property in the ARC's custody will be sent to the property management staff of the federal funding agency;
- Upon completion of the contract or when the property is no longer needed, the ARC will report the property to the property management staff of the federal funding agency for further utilization; and
- If the federal funding agency has no further need for the property, it shall be declared excess and reported to the General Services Administration.

If the ARC uses exempt property in its contract with a federal agency:

- The federal agency can choose to give the ARC title to property acquired with Federal funds without further obligation, when allowed by law; and
- If the federal agency doesn't establish conditions, the ARC will have the title upon acquisition without further obligation.

EQUIPMENT ACQUISITION AND MANAGEMENT

The ARC Purchasing Policy will be followed for acquisition of equipment with ARC funds. The ARC will maintain records for equipment with a purchase price of \$200 or more. The records will include the:

- Equipment description;
- Serial number, model number, or other identification number;
- Source of the equipment, including award number;
- Title holder;
- Identification as Federally-owned, if applicable;
- Acquisition date (or date received) and cost;
- Information to calculate percentage of Federal participation in cost, if applicable;
- Location and condition of the equipment and date reported;
- Unit acquisition cost; and
- Ultimate disposition data, including date of disposal and sales price or method used to determine fair market value.

The ARC will take a physical inventory that is reconciled with equipment records at least once every two years with any differences investigated to determine the causes. The inventory will include verification of the existence, current utilization, and continued need for all equipment. The ARC will establish an equipment control system to insure safeguards to prevent loss, damage, or theft. Any loss, damage, or theft of equipment will be investigated and fully documented and if owned by the Federal Government, notification will be provided to the federal funding agency. The ARC will employ proper maintenance procedures to keep the equipment in good condition.

If the ARC acquires equipment with federal funds, it will:

- Not use the equipment to provide services for a fee less than that charged for equal services while the Federal Government has an interest in the equipment, unless authorized.
- Use the equipment for the applicable project or program as long as needed, even if the project or program is no longer supported by Federal funds.
- Make the equipment available for other projects or programs during the original project or program, if it will not interfere with work on the original project or program. Give first priority to activities sponsored by the federal funding agency, then to activities sponsored by other Federal agencies.
- Use the equipment for other federally-sponsored activities if the equipment is no longer needed for the original project or program. Give first priority to activities sponsored by the federal funding agency, then to activities sponsored by other Federal agencies.
- Use equipment owned by the Federal Government for activities not sponsored by the Federal Government, if authorized by the federal funding agency. Any user charges will be treated as program income.
- Use the equipment as trade-in or sell it and use the proceeds to offset the costs of replacement, if approved by the federal funding agency.

INTANGIBLE PROPERTY

The ARC may copyright any work that is subject to copyright. For ARC-copyrighted work that is developed under a contract with a federal funding agency, that agency can reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so. The ARC will follow any applicable regulations for patents and inventions.

If a Freedom of Information Act (FOIA) request is made to the federal agency that is funding work of the ARC, the ARC will provide research data within a reasonable amount of time for the federal funding agency to respond to the FOIA request.

The ARC will retain title to intangible property and debt instruments. For such property acquired using federal funds, the ARC will use that property for the originally-authorized purpose, and will not encumber the property without approval of the federal funding agency.

PROPERTY TRUST RELATIONSHIP FOR FEDERALLY-FUNDED REAL PROPERTY

The ARC will record liens, deed restrictions, or other appropriate notices of record to show that real property has been acquired with Federal funds and that use and disposition conditions apply to the property. In the event property is improved with ARC funds or federal funds, the ARC will file notices of record as deemed appropriate by the ARC and in accordance with federal requirements.

PROPERTY DISPOSITION

Real Property

If the property was purchased with federal funds and is no longer needed, the ARC will request disposition instructions from the appropriate federal agency to:

- Keep the title without further obligation after the Federal Government is compensated for its share of the current fair market value of the property;
- Sell the property under guidelines provided by the Federal Government and pay the Federal Government for its share of the current fair market value of the property (after deducting reasonable selling and fix-up expenses, if any, from the sales proceeds); or
- Transfer title to the Federal Government or an eligible third party after being compensated for the ARC's share of the current fair market value of the property.

Equipment

When equipment purchased by the ARC becomes obsolete or is no longer needed, it will be sold or otherwise disposed of properly. The current per-unit fair market value will be determined for each item prior to disposal. If the item is to be sold, the highest possible return will be sought, and sales procedures to provide for competition will be used where beneficial. All disposals will be recorded on the ARC equipment inventory.

For equipment purchased with federal funds that has a current per unit fair market value of \$5,000 or more at the time of desired disposition, the federal funding agency will be contacted regarding disposition. One of the following disposal methods will be utilized in such cases:

- The equipment will be kept for other uses after compensation to the funding agency for the Federal share of the current fair market value of the equipment;
- The equipment will be sold, and the difference between the sales proceeds and the Federal share of the original project or program will be reimbursed to the funding agency. This is the default action if the ARC hasn't received disposition instructions from the funding agency within 120 calendar days after request. A deduction of \$500 or ten percent of the proceeds, whichever is less, will be applied from the Federal share for selling and handling expenses.
- Ship the equipment elsewhere after federal reimbursement for the ARC share of the current fair market value of the equipment, plus reasonable shipping or interim storage costs.
- Otherwise dispose of the equipment after federal reimbursement for any costs incurred.

- Transfer the equipment title to the Federal Government or to an eligible third party if the equipment was identified in the federal contract or otherwise made known to the ARC in writing.

Supplies and other expendable property

If the ARC has unused supplies worth more than \$5,000 when a federally-sponsored project or program is over and the supplies are not needed for any other federally-sponsored project or program, the ARC can either keep the supplies or sell them, but the ARC will compensate the Federal Government for its share.

The ARC will not use supplies acquired with Federal funds to provide services to non-Federal organizations for a fee less than that charged for equivalent services if the Federal Government retains an interest in the supplies, unless authorized.



**ALLIANCE OF ROUGE COMMUNITIES (ARC)
TRAVEL REIMBURSEMENT POLICY**
Adopted by the Alliance of Rouge Communities on _____

INTRODUCTION

This travel policy requires that sound business judgment is used in both determining the need for travel on behalf of the ARC, as well as in expending financial resources when travel is necessary. This travel policy will apply to any ARC-funded travel outside of the general boundaries of the Rouge River Watershed conducted by ARC members, staff or contractors.

1.0 APPLICABILITY

ARC contractors are entitled to reimbursement for travel if the contract allows for travel. ARC members or staff who travel on ARC business may be reimbursed for eligible expenses as determined by the ARC Chair.

2.0 TRAVEL AUTHORIZATION

The ARC Chair shall ensure that travel on behalf of the ARC is necessary and allowable under any contract and shall authorize all ARC-funded travel prior to the beginning of the trip, with the exception of mileage reimbursement for contractor use of personal vehicles.

3.0 AIR TRAVEL

Air travel should be in coach class only. Travel should be planned as far in advance as possible to take advantage of discounted fares, especially if reasonable certainty exists that the event will take place. If more than one carrier offers service, travel should be on the carrier that offers the lowest price.

4.0 RENTAL CARS

Generally no cars larger than a mid-size should be rented. The use of rental cars, even if authorized, must be justified in writing by the traveler and attached to the voucher. Claims for rental car gasoline must be supported by original receipts.

5.0 LODGING

ARC contractors are entitled to reimbursement for lodging if the contractor's employee is on a temporary assignment that is at least 150 miles in distance from either his/her office or residence. If a temporary assignment concludes during the workday and is located within 150 miles of the contractor's employee's official station or residence, the contractor's employee is expected to return to their residence, rather than remain at the temporary location overnight.

When overnight lodging is required, accommodations should be reserved that are reasonable but not extravagant. When applicable, government rates, corporate rates or other discounts should be obtained. Any hotel expenses considered excessive or unreasonable will not be reimbursed. Instead, in those cases, lodging reimbursement will be limited to the General Services Administration (GSA) lodging rate for the location in question as per the following website:

<http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA-BASIC>

6.0 SUBSISTENCE

Subsistence for those traveling on ARC-related business which requires an overnight stay is eligible for reimbursement on a per diem basis. Specific per diem rates for different localities may be found at the General Services Administration website as follows:

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC

7.0 MILEAGE RATE FOR USE OF PERSONAL VEHICLE

ARC contractors are entitled to mileage reimbursement for use of a personal vehicle while on ARC-related business if the contract allows for mileage reimbursement. ARC members or staff who travel on ARC business may be reimbursed for personal vehicle mileage while on ARC-related business as determined by the ARC Chair.

The maximum reimbursement rate will be the rate stipulated by the General Services Administration as follows:

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_BASIC&contentId=9646

8.0 NON-REIMBURSABLE EXPENSES

Examples of expenses that will not be reimbursed include but are not limited to the following:

- Alcoholic beverages, entertainment;
- Laundry, dry cleaning and pressing of clothing;
- Travel insurance;
- Parking fines and traffic violations;
- Charges incurred because of indirect travel for personal reasons, and
- The cost of travel for spouses, other family members and friends is not reimbursable under any circumstances.

Additionally, ARC members, staff and contractors who travel on behalf of the ARC will not be reimbursed for excess costs caused by:

- An indirect route as a matter of personal preference
- Premature departure for personal reasons from a temporary location, or
- Extending a stay for personal reasons.

9.0 RECEIPTS

Except for per diem expenses, valid original receipts are required for all expenditures regardless of cost. If a receipt is not normally provided for the expense (bus tokens, etc), the certification signed by the traveler on the voucher will justify the expense. Receipts submitted with the voucher should be originals indicating the name of the payee, date paid, amount and the service rendered. This includes the original Passenger Receipt Coupon of the airline ticket. If an electronic ticket is used, the boarding passes for each flight must be submitted with the travel voucher.

10. TRAVEL VOUCHER COMPLETION

After completion of travel, a travel voucher must be submitted for reimbursement. Original receipts must be attached to all travel vouchers, along with the pre-travel authorization from the ARC Chair. Travel vouchers must be completed and submitted to the appropriate

reviewer within twenty (20) business days after completion of the trip. Travel vouchers for contractors are submitted to a management official of the contractor for review and authorization for inclusion in an invoice submitted to the ARC. Travel vouchers for ARC members or staff are submitted to the ARC Treasurer for review and authorization for payment.

Dates and times of each departure from residence or office, arrival at and the name of the destination and arrival back to the residence or office must be shown on the travel voucher. A certification signed by the traveler must be included on the travel voucher that states that the trip indicated was actually taken and that all expenses are accurate and correct.

INSERT TO ARC PURCHASING POLICY
Insert as a titled subsection under “EXPENDITURE CONTROL”
Insert at end of Expenditure Control immediately prior to “PURCHASE ORDERS”
Section

Exceptions to Price Comparison or Competitive Bid/Proposal Requirements

As described above, purchases above \$ 1,000 - \$19,999 require price comparison and purchases above \$20,000 require a competitive process for bids/proposals. Criteria for when an exception to these requirements may be made are:

- (1) Where there is only one source able, suitable, or acceptable to provide the service or equipment desired;
- (2) Where the subject of the contract is not competitive in nature and/or no advantage to the ARC would result from requiring competitive bidding; or
- (3) Where the urgency of the need is determined to be of an emergency nature by the Executive Director or ARC Chair and time requirements imposed for receipt of quotations for price comparison or competitive, sealed bids would be detrimental to the best interest of the ARC. Such emergency procurements shall be made with such competition as is practicable under the circumstances.

For exceptions based on criteria (1) and (2), documentation of potential exceptions to the price comparison or competitive bid/proposal requirements should be included in the request forms for annual budget items or amendments to budget items submitted to the Finance Committee by an ARC Committee. After the Finance Committee has verified that a sole source vendor or a sole source purchase is warranted, the purchase will proceed according to other terms of this policy.

For exceptions based on criteria (3), the Executive Director or ARC Chair will proceed with the emergency procurement and will provide a report to the Executive Committee and Full ARC that describes the details of the needed service or equipment, documentation of the emergency circumstances, actions taken, and details of the expenditure.

**Alliance of Rouge Communities
Approved 2010 Budget**

Expected Revenues Available for 2010

| | | |
|---------------------------------|----|----------------|
| * 2010 Dues from Communities | \$ | 274,681 |
| 2010 Rouge Project Grant | \$ | 313,121 |
| Future other Grants (estimated) | \$ | 45,000 |
| Rollover Dues from 2009 Budget | \$ | 127,973 |
| | \$ | <u>760,774</u> |

| Proposed 2010 Budget Items | Committee Proposal | Funding Source | | | "Provider" using Budget (3) |
|--|--------------------|-------------------|-------------------|------------------|-------------------------------------|
| | | ARC Dues | Rouge Grant | Other Source | |
| Organization Committee | | | | | |
| (1)OC1 Executive Director Services | \$ 159,771 | \$ 79,886 | \$ 79,886 | | Exe.Dir. Serv. |
| (2)(4) OC2 ARC Insurance | \$ 3,978 | \$ 3,978 | \$ - | | outside purchase |
| (2)OC3 Accounting/Legal Services | \$ 5,000 | \$ 5,000 | \$ - | | outside purchase |
| Organization Committee Total | \$ 168,749 | \$ 88,864 | \$ 79,886 | \$ - | |
| Public Education and Involvement Committee | | | | | |
| PIE1 Green Infrastructure Campaign | \$ 94,000 | \$ 47,000 | \$ 47,000 | | Exe.Dir. Serv./Wayne County |
| PIE2 Riparian Corridor Management Booklet | \$ 9,000 | \$ 4,500 | \$ 4,500 | | Exe.Dir. Serv. |
| PIE3 Pub Ed Materials | \$ 32,000 | \$ 16,000 | \$ 16,000 | | Exe.Dir. Serv./Wayne County |
| PIE4 ARC Website Maintenance | \$ 7,000 | \$ 3,500 | \$ 3,500 | | Exe.Dir. Serv. |
| PIE5 Friends of the Rouge | \$ 20,886 | \$ 10,443 | \$ 10,443 | | Friends of the Rouge |
| PIE6 WMP Revisions (edit/format only) | \$ 7,600 | \$ 3,800 | \$ 3,800 | | Exe.Dir. Serv. |
| PIE Committee Total | \$ 170,486 | \$ 85,243 | \$ 85,243 | \$ - | |
| Technical Committee | | | | | |
| TC1 Rouge River Watershed Monitoring Activities | \$ 135,417 | \$ 67,709 | \$ 67,709 | | Friends of the Rouge- RPO |
| TC2 Collaborative Storm Water Action Plan Implementation | \$ 139,000 | \$ 69,500 | \$ 69,500 | | Exe. Dir. Serv./Wayne & Oakland Co. |
| (2)TC3 Pursuing Grant Opportunities | \$ 10,000 | \$ 10,000 | \$ - | | Exe. Dir. Serv. |
| Potential project & Available Match | \$ 90,000 | \$ 45,000 | \$ - | \$ 45,000 | ARC and outside grant |
| TC4 Land Cover Inventory | \$ 20,000 | \$ 10,000 | \$ 10,000 | | Exe. Dir. Serv./Wayne Co. |
| Technical Committee Total | \$ 394,417 | \$ 202,209 | \$ 147,209 | \$ 45,000 | |
| Total Amount Requested by All Committees | \$ 733,652 | \$ 376,315 | \$ 312,337 | \$ 45,000 | |
| Available Unallocated Budget | \$ 72,122 | \$ 71,339 | \$ 784 | | |

Notes

- (1) Includes fiduciary services, advocacy and administration
- (2) Not a Rouge grant eligible item; funded 100% from ARC dues
- (3) Officers and committee members provide assistance to implement most of the ARC tasks. Cost for this assistance is not included in ARC budget.
- * Based on 2009 dues amounts minus Superior Township (\$7,359), Ypsilanti (\$1,054) W. Bloomfield Twp. (\$12,851) and Allen Park (\$759)
- (4) BUDGET CORRECTION: Estimate was \$4,100. Actual insurance cost shows a reduction of \$122 to bring to current \$3,978

Alliance of Rouge Communities
Balance Sheet
As of August 19, 2010

| | <u>Aug 19, 10</u> |
|---------------------------------------|--------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 9998 - ARC Chase Checking | 269,672.22 |
| Total Checking/Savings | <u>269,672.22</u> |
| Accounts Receivable | |
| 11000 - Accounts Receivable | 54,503.14 |
| Total Accounts Receivable | <u>54,503.14</u> |
| Total Current Assets | <u>324,175.36</u> |
| TOTAL ASSETS | <u>324,175.36</u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 20000 - Accounts Payable | 113,477.26 |
| Total Accounts Payable | <u>113,477.26</u> |
| Total Current Liabilities | <u>113,477.26</u> |
| Total Liabilities | 113,477.26 |
| Equity | |
| 32000 - Unrestricted Net Assets | 140,615.57 |
| Net Income | 70,082.53 |
| Total Equity | <u>210,698.10</u> |
| TOTAL LIABILITIES & EQUITY | <u>324,175.36</u> |

2:13 PM

08/19/10

**Alliance of Rouge Communities
A/R Aging Summary
As of August 19, 2010**

| | <u>Current</u> | <u>1 - 30</u> | <u>31 - 60</u> | <u>61 - 90</u> | <u>> 90</u> | <u>TOTAL</u> |
|---|-------------------------|------------------------|----------------------|--------------------|-------------------------|-------------------------|
| Commerce Township | 0.00 | 0.00 | 0.00 | 0.00 | 522.00 | 522.00 |
| Dearborn Heights | 0.00 | 0.00 | -30.00 | 0.00 | 0.00 | -30.00 |
| Inkster | 0.00 | 6,468.00 | 0.00 | 0.00 | 0.00 | 6,468.00 |
| Plymouth | 0.00 | 2,210.00 | 0.00 | 0.00 | 0.00 | 2,210.00 |
| Pontiac | 0.00 | 508.00 | 0.00 | 0.00 | 0.00 | 508.00 |
| Rouge River National Wet Weather Dem. Pro | 35,200.14 | 0.00 | 0.00 | 0.00 | 0.00 | 35,200.14 |
| Superior Township | 0.00 | 0.00 | 0.00 | 0.00 | 7,359.00 | 7,359.00 |
| Wayne County Airport Authority | 0.00 | 0.00 | 0.00 | 0.00 | 2,266.00 | 2,266.00 |
| TOTAL | <u>35,200.14</u> | <u>9,186.00</u> | <u>-30.00</u> | <u>0.00</u> | <u>10,147.00</u> | <u>54,503.14</u> |

2:14 PM

08/19/10

**Alliance of Rouge Communities
A/P Aging Summary
As of August 19, 2010**

| | <u>Current</u> | <u>1 - 30</u> | <u>31 - 60</u> | <u>61 - 90</u> | <u>> 90</u> | <u>TOTAL</u> |
|---|-------------------------|-------------------------|------------------------|--------------------|--------------------|--------------------------|
| Environmental Consulting & Technology, In | 33,600.50 | 0.00 | 0.00 | 0.00 | 0.00 | 33,600.50 |
| Friends of the Rouge | 4,424.29 | 4,861.09 | 0.00 | 0.00 | 0.00 | 9,285.38 |
| Sanborn | 0.00 | 0.00 | 5,216.50 | 0.00 | 0.00 | 5,216.50 |
| Wayne County - DOE | 0.00 | 65,374.88 | 0.00 | 0.00 | 0.00 | 65,374.88 |
| TOTAL | <u>38,024.79</u> | <u>70,235.97</u> | <u>5,216.50</u> | <u>0.00</u> | <u>0.00</u> | <u>113,477.26</u> |

Alliance of Rouge Communities

8/19/2010 2:12 PM

Register: 9998 · ARC Chase Checking

From 01/01/2010 through 08/19/2010

Sorted by: Date, Type, Number/Ref

| <u>Date</u> | <u>Number</u> | <u>Payee</u> | <u>Account</u> | <u>Memo</u> | <u>Payment</u> | <u>C</u> | <u>Deposit</u> | <u>Balance</u> |
|-------------|---------------|-------------------------------|------------------------------|-------------------------|----------------|----------|----------------|----------------|
| 01/07/2010 | | | 12000 · Undeposited Funds | Deposit: grant reimb... | | X | 18,518.27 | 191,816.73 |
| 01/07/2010 | | | -split- | VOID: Deposit recor... | | X | 0.00 | 191,816.73 |
| 01/07/2010 | | | -split- | Deposit: sanborn lan... | | X | 11,070.70 | 202,887.43 |
| 01/21/2010 | | Allen Park | 11000 · Accounts Receivable | VOID: made out wro... | | X | | 202,887.43 |
| 01/21/2010 | 1025 | David Chapman Agency | 20000 · Accounts Payable | ARC insurance | 3,978.00 | X | | 198,909.43 |
| 01/21/2010 | 1026 | Friends of the Rouge | 20000 · Accounts Payable | | 15,732.23 | X | | 183,177.20 |
| 01/21/2010 | 1027 | Honigman Miller Schwartz a... | 20000 · Accounts Payable | ARC foundation | 71.00 | X | | 183,106.20 |
| 01/21/2010 | 1028 | Wayne County - DOE | 20000 · Accounts Payable | grow zone signs | 630.00 | X | | 182,476.20 |
| 01/21/2010 | 1029 | Allen Park | 11000 · Accounts Receivable | VOID: check made o... | | X | | 182,476.20 |
| 01/21/2010 | 1030 | Oak Park | 11000 · Accounts Receivable | VOID:check made o... | | X | | 182,476.20 |
| 01/21/2010 | 1031 | Romulus | 11000 · Accounts Receivable | VOID: check made o... | | X | | 182,476.20 |
| 01/21/2010 | 1032 | Novi | 11000 · Accounts Receivable | VOID:check made o... | | X | | 182,476.20 |
| 01/21/2010 | 1033 | Allen Park | 11000 · Accounts Receivable | Refund of ARC Land... | 100.00 | X | | 182,376.20 |
| 01/21/2010 | 1034 | Oak Park | 11000 · Accounts Receivable | Refund of ARC Land... | 100.00 | X | | 182,276.20 |
| 01/21/2010 | 1035 | Romulus | 11000 · Accounts Receivable | Refund of ARC Land... | 483.00 | X | | 181,793.20 |
| 01/21/2010 | 1036 | Novi | 11000 · Accounts Receivable | Refund of overpaym... | 103.95 | X | | 181,689.25 |
| 01/26/2010 | 1037 | Environmental Consulting &... | 20000 · Accounts Payable | | 67,514.98 | X | | 114,174.27 |
| 02/19/2010 | | | 12000 · Undeposited Funds | VOID: Deposit enter... | | X | 0.00 | 114,174.27 |
| 02/19/2010 | | Birmingham | 47240 · Program Service Fees | landcover inventory ... | | X | 146.99 | 114,321.26 |
| 03/04/2010 | 1038 | Environmental Consulting &... | 20000 · Accounts Payable | | 20,530.62 | X | | 93,790.64 |
| 03/04/2010 | 1039 | Friends of the Rouge | 20000 · Accounts Payable | | 7,213.25 | X | | 86,577.39 |
| 03/04/2010 | 1040 | Honigman Miller Schwartz a... | 20000 · Accounts Payable | | 842.00 | X | | 85,735.39 |
| 03/04/2010 | 1041 | Sanborn | 20000 · Accounts Payable | | 12,000.00 | X | | 73,735.39 |
| 03/12/2010 | | | -split- | Deposit | | X | 76,892.23 | 150,627.62 |
| 03/15/2010 | 1043 | Environmental Consulting &... | 20000 · Accounts Payable | ECT project 09-0008 | 3,097.89 | X | | 147,529.73 |
| 03/15/2010 | 1044 | Sanborn | 20000 · Accounts Payable | | 45,700.00 | X | | 101,829.73 |
| 03/15/2010 | 1045 | Wayne County - DOE | -split- | wayne county services | 11,152.29 | X | | 90,677.44 |
| 03/17/2010 | | Rochester Hills | 11000 · Accounts Receivable | 2010 Membership D... | | X | 1,875.00 | 92,552.44 |

Alliance of Rouge Communities

8/19/2010 2:12 PM

Register: 9998 · ARC Chase Checking

From 01/01/2010 through 08/19/2010

Sorted by: Date, Type, Number/Ref

| <u>Date</u> | <u>Number</u> | <u>Payee</u> | <u>Account</u> | <u>Memo</u> | <u>Payment</u> | <u>C</u> | <u>Deposit</u> | <u>Balance</u> |
|-------------|---------------|-------------------------------|------------------------------------|---------------------------|----------------|----------|----------------|----------------|
| 03/20/2010 | 1046 | Environmental Consulting &... | 20000 · Accounts Payable | VOID: paid invoice i... | | X | | 92,552.44 |
| 04/09/2010 | 1047 | Environmental Consulting &... | 20000 · Accounts Payable | paid last of 2009 inv... | 8,896.23 | X | | 83,656.21 |
| 04/13/2010 | | | -split- | VOID: Deposit typo ... | | X | 0.00 | 83,656.21 |
| 04/13/2010 | | | 12000 · Undeposited Funds | Deposit: 2010 memb... | | X | 2,635.00 | 86,291.21 |
| 04/13/2010 | | | -split- | Deposit: \$1453 from ... | | X | 21,346.00 | 107,637.21 |
| 04/27/2010 | | | 12000 · Undeposited Funds | Deposit | | X | 25,432.00 | 133,069.21 |
| 05/25/2010 | | | -split- | Deposit | | X | 71,115.28 | 204,184.49 |
| 05/25/2010 | 1049 | Environmental Consulting &... | 20000 · Accounts Payable | | 65,466.30 | X | | 138,718.19 |
| 05/25/2010 | 1050 | Friends of the Rouge | 20000 · Accounts Payable | | 11,765.82 | X | | 126,952.37 |
| 05/25/2010 | 1051 | Honigman Miller Schwartz a... | 20000 · Accounts Payable | 501c3 mailing | 45.84 | X | | 126,906.53 |
| 06/22/2010 | | | -split- | Deposit: 2010 dues | | X | 9,073.00 | 135,979.53 |
| 06/23/2010 | | | -split- | Deposit: 2010 dues | | X | 47,621.00 | 183,600.53 |
| 07/02/2010 | | | -split- | Deposit: 2010 dues a... | | | 49,264.11 | 232,864.64 |
| 07/06/2010 | | | -split- | Deposit | | | 31,972.00 | 264,836.64 |
| 07/14/2010 | | Great Lakes Commission | 48600 · GLC PAC Support Grant | grant reimbursement | | | 5,805.30 | 270,641.94 |
| 07/26/2010 | 1048 | Environmental Consulting &... | 20000 · Accounts Payable | | 58,947.80 | | | 211,694.14 |
| 07/26/2010 | 1052 | Friends of the Rouge | 20000 · Accounts Payable | | 7,457.85 | | | 204,236.29 |
| 07/26/2010 | 1053 | Honigman Miller Schwartz a... | 20000 · Accounts Payable | | 201.25 | | | 204,035.04 |
| 07/26/2010 | 1054 | Sanborn | 20000 · Accounts Payable | land cover | 12,000.00 | | | 192,035.04 |
| 07/26/2010 | 1055 | Tina L. Cusac, CPA | 20000 · Accounts Payable | | 902.50 | | | 191,132.54 |
| 07/27/2010 | | | 12000 · Undeposited Funds | Deposit 2010 dues | | | 1,220.00 | 192,352.54 |
| 07/29/2010 | | | -split- | 2010 ARC Dues Dep... | | | 23,188.00 | 215,540.54 |
| 08/04/2010 | 1056 | United States Treasury | 60920 · Business Registration F... | 501c4 application fili... | 850.00 | | | 214,690.54 |
| 08/04/2010 | 1057 | Plymouth Township | 11000 · Accounts Receivable | Refund of 2009 and ... | 20.00 | | | 214,670.54 |
| 08/05/2010 | | | 12000 · Undeposited Funds | Deposit: Rouge Gran... | | | 34,746.68 | 249,417.22 |
| 08/19/2010 | | | 12000 · Undeposited Funds | Deposit 2010 dues | | | 20,255.00 | 269,672.22 |

**Wayne County ARC PIE 2010
Budget Shift Summary**

Introduction

Modifications to the ARC PIE Task 3 implementation identified at the July ARC PIE and subsequent planning meeting along with a greater number of Rouge Green Schools than anticipated (ARC PIE Task 1) require budget adjustments to Wayne County’s 2010 ARC PIE budget. No additional funds are requested. Funding between the two PIE tasks and division of budget allocated to Wayne County for labor and direct expenses must be revised. The purpose of this document is to summarize the changes in budget, scope and deliverables.

Table 1: Wayne County Budget – Original vs. Revised (Tasks 1 & 3 combined)

| Wayne County Expenses | Original | Revised |
|------------------------------|-----------------|-----------------|
| Labor | \$25,000 | \$33,000 |
| Direct Expenses | \$20,000 | \$12,000 |
| Total | \$45,000 | \$45,000 |

Revised Scope

1) Rather than bulk purchase and delivery to individual ARC communities for subsequent distribution to the general public, the 2010 ARC public education materials will be distributed directly to the general public at two primary events. The first will be August 28th in conjunction with a household hazardous waste collection at the Westland Mall. The second will be at the ARC Rain Barrel Sale in the City of Troy on September 18th. At both events tree seedlings (6”-12”) will be distributed along with pollution prevention literature. Anticipated seedling give-away is 1000 on August 28th and 500 on September 16th. This change in strategy will increase the staff time involved in preparation and to staff the events while reducing the direct expenses needed to implement this task. This change in strategy will also coordinate closer with the ARC’s Green Infrastructure Education Campaign and establish/launch the ARC’s Tree Planting Campaign.

2) The number of trees purchased by the ARC for the 2010 recognized Rouge Green Schools (ARC PIE 1) will increase from the original estimate of 50 to 75 trees. This will provide a tree to each of the Rouge Green Schools that has not previously receive one and expands the ARC’s Tree Planting Campaign.

3) As budget allows WC staff will perform site integrity and maintenance visits to a prioritized list of the 2009 & 2010 grow zone sites and propose strategies for implementing ARC Grow Zone Workdays at these sites. Proposed strategies will be intended to build upon the on-going Green Infrastructure Education Campaign including the ARC’s Tree Planting Campaign. As budget allows workday strategies may include additional tree seedling and literature distribution.



Working together, restoring the river

ALLIANCE OF ROUGE COMMUNITIES FINANCE COMMITTEE

2010 BUDGET AMENDMENT: PIE Amendment 1

REQUEST DATE: August 18, 2010

LINE ITEM: PIE 2: Riparian Corridor Management Booklet

COMMITTEE MAKING REQUEST: Public Involvement and Education Committee

BACKGROUND: This is a budget amendment request to transfer \$2,500 in non-federal funds from the PIE Budget (PIE2) to the Technical Committee Budget to increase funding for grant-writing. The funds are coming from PIE2: Riparian Corridor Management Booklet, which was not developed this year as planned. The original \$9,000 budget remains. The Technical Committee had a budget of \$10,000 under Task TC 2 to complete two grant applications. However, the ARC submitted more than two grants this year. This request would reallocate \$2,500 in non-federal funds (dues) from PIE Task 2 *Riparian Corridor Management Booklet* to Technical Committee Task TC3 *Pursuing Grant Opportunities* to cover the development of six grants.

DESCRIPTION OF ANTICIPATED ACTIVITIES: This is a request to reduce the budget for PIE 2 (Riparian Corridor Management Booklet) by \$2,500 in non-federal funding (dues) and transfer it to TC 3 (Pursuing Grant Opportunities) to increase the budget of that task. This will cover the development of the following grants this year:

| Org | Project | Total Cost | Grant Funds | Match | Success? |
|------|--|------------|-------------|--------------------------------|----------------|
| GLRI | Danvers Pond | \$499,254 | \$499,254 | \$0 | Yes |
| GLRI | Rouge Green Infrastructure | \$830,000 | \$648,750 | \$181,250 * (ARC: \$15,000) | Yes |
| RPO | Wayne Road Dam | \$115,100 | \$57,550 | (ARC) \$57,550 | Yes |
| RPO | Rouge Green Corridor | \$15,869 | \$7,350 | \$7,350 ** | Yes |
| EPA | Targeted Watersheds | \$800,000 | \$600,000 | \$200,000 *** (ARC: \$0) | Unknown |
| GLC | Soil Erosion and Sediment Control Training for Contractors | \$13,400 | | | No |

* Remaining match will be provided by:

| | |
|--|----------|
| Wayne County | \$56,250 |
| City of Southfield | \$30,000 |
| FOTR (applied for Erb Foundation monies) | \$80,000 |

** Match will be provided by: Oakland Co. Planning and Economic Development Services & Six Rivers Land Conservancy

*** Match will be provided by:
 Subgrantees \$140,000
 ECT, Inc. \$60,000

RATIONALE: A majority of the work for this task has already been completed. Additional funds of \$1,000 are included in this request to complete a Statewide Public Advisory Council grant for Michigan AOCs due September 1, 2010.

BUDGET: This budget amendment is needed to address the unforeseen effort in applying for and securing GLRI grants and grants from other sources.

Budget Reallocation Detail

| | |
|---|-----------------|
| <i>TC3: Pursuing Grant Opportunities (allocated budget)</i> | \$10,000 |
| <i>Reallocation from TC1-5: Brochure</i> | \$7,500 |
| <i>Reallocation from TC2-4: IDEP Training</i> | \$1,000 |
| Reallocation from PIE2: Riparian Corridor Management Booklet | \$2,500 |
| Total TC 3 funding for 2010 | \$21,000 |

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: The ARC Executive Director Staff will be responsible for the budget transfers required by this amendment.



Alliance
of Rouge
Communities

ALLIANCE OF ROUGE COMMUNITIES
FINANCE COMMITTEE

2010 Technical Committee Budget Amendment 1
DRAFT

Working together, restoring the river

REQUEST DATE: August 17, 2010

LINE ITEM: TC3 – Pursuing Grants

COMMITTEE MAKING REQUEST: Technical Committee

BACKGROUND: The ARC approved \$10,000 in funding to pursue grants as part of the 2010 budget. ARC staff has worked throughout the 2010 budget year to pursue several grants, successfully receiving \$1,460,223 of project dollars. A summary of grant applications and outcomes is as follows:

| Org | Project | Total Cost | Grant Funds | Match | Success? |
|------|--|------------|-------------|-------------------------------|----------------|
| GLRI | Danvers Pond | \$499,254 | \$499,254 | \$0 | Yes |
| GLRI | Rouge Green Infrastructure | \$830,000 | \$648,750 | \$181,250* (ARC: \$15,000) | Yes |
| RPO | Wayne Road Dam | \$115,100 | \$57,550 | \$57,550 | Yes |
| RPO | Rouge Green Corridor | \$15,869 | \$7,350 | \$8,519** (ARC: \$0) | Yes |
| EPA | Targeted Watersheds | \$800,000 | \$600,000 | \$200,000*** (ARC: \$0) | Unknown |
| GLC | Soil Erosion and Sediment Control Training for Contractors | \$13,400 | | | No |

* Remaining match will be provided by:

| | |
|--|----------|
| Wayne County | \$56,250 |
| City of Southfield | \$30,000 |
| FOTR (applied for Erb Foundation monies) | \$80,000 |

** Match will be provided by:

Oakland County Planning and Economic Development Services, Six Rivers Land Conservancy and the communities of Southfield, Birmingham and Beverly Hills.

*** Remaining match will be provided by:

| | |
|-------------|-----------|
| Subgrantees | \$140,000 |
| ECT, Inc. | \$60,000 |

This budget amendment is being requested to cover a budget deficit caused by the fact that ARC staff wrote six grants rather than the budgeted two grants. There are funds available in TC1 item 5 if we do not produce the Monitoring Brochure. Additionally, there is excess funding in TC2 item 4 (IDEP Training) that is available.

DESCRIPTION OF ANTICIPATED ACTIVITIES: A majority of the work for this task has already been completed as described in the Background section. Additional funding of \$1,000 is included in this request to complete a Statewide Public Advisory Council grant for Michigan AOCs due September 1, 2010.

RATIONALE (including why needed): This budget amendment is needed to address the unforeseen effort in applying for and securing GLRI grants and grants from other sources.

BUDGET (including how the amount requested was established): The total 2010 budget allocation for TC3 (Pursuing Grants) was \$10,000. To date, ARC staff has spent approximately \$20,000 for this task. An additional \$1,000 is anticipated to be spent through the end of the year for finalizing grants and application for the Public Advisory Council Support Grants for Michigan Areas of Concern through the Great Lakes Commission. The resulting budget reallocations are shown below. If approved, this amendment will not increase the ED's overall budget.

Budget Reallocation Detail

| | |
|--|-----------------|
| Original budget | \$10,000 |
| Transfer from TC1 item 5: Monitoring Brochure | \$7,500 |
| Transfer from TC2 item 4: IDEP Training | \$1,000 |
| Transfer from PIE2: Booklet <i>**note: additional funding will come from a budget amendment by the PIE.</i> | \$2,500 |
| Total Revised Budget for TC3 | \$21,000 |

NOTE: the reallocated funds are non-federal dollars only.

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: The Chair of the Technical Committee (currently, Mr. Gary Zorza, Vice-Chair) will oversee the task on behalf of the Technical Committee. Executive Director staff will provide grant writing and administrative services.

TINA L. CUSAC **CPA**

10317 DURHAM RD. CLARKSTON, MI 48348
C: 248.895.3164 F: 248.575.4224 E: TLCUSAC@ADL.COM

ALLIANCE OF ROUGE COMMUNITIES

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2009

ALLIANCE OF ROUGE COMMUNITIES

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2009

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS -

Statement of Financial Position

Statement of Activities

Statement of Cash Flows

Notes to the Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
ALLIANCE OF ROUGE COMMUNITIES
Detroit, Michigan

I have audited the accompanying statement of financial position of **ALLIANCE OF ROUGE COMMUNITIES** as of December 31, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of **ALLIANCE OF ROUGE COMMUNITIES** organization's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require the I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **ALLIANCE OF ROUGE COMMUNITIES** as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

Tina L. Cusac, CPA

TINA L. CUSAC, CPA
Clarkston, MI 48348
August 12, 2010

**ALLIANCE OF ROUGE COMMUNITIES
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009**

ASSETS

| | |
|---------------------------|-----------------------|
| CURRENT ASSETS: | |
| Cash and cash equivalents | \$ 173,298 |
| Accounts receivable | <u>130,848</u> |
| TOTAL ASSETS | <u>\$ 304,146</u> |

LIABILITIES AND NET ASSETS

| | |
|--------------------------------------|-----------------------|
| CURRENT LIABILITIES: | |
| Accounts payable | <u>\$ 180,468</u> |
| TOTAL CURRENT LIABILITIES | 180,468 |
| NET ASSETS - unrestricted | <u>123,678</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 304,146</u> |

**ALLIANCE OF ROUGE COMMUNITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009**

REVENUE:

| | |
|-----------------|----------------|
| Membership dues | \$ 289,345 |
| Grant | 228,195 |
| Other | 1,733 |
| Total Revenue | <u>519,273</u> |

EXPENSES:

| | |
|---|----------------|
| Organization Committee | |
| Executive director services | 160,248 |
| Public Involvement and Education Committee | |
| Green Infrastructure Campaign | 85,831 |
| Detention Pond Maintenance Manual Update | 7,496 |
| Public Education Materials | 22,906 |
| Collaborative PEP | 944 |
| Website Maintenance | 5,383 |
| Rouge 2009 | 5,610 |
| Friends of the Rouge | 14,169 |
| Total Public Involvement and Education Committee | <u>142,339</u> |
| Technical Committee | |
| Rouge River Watershed Monitoring Activities | 50,672 |
| ARC Collaborative IDEP and E. coli TMDL Plan | 36,165 |
| Green Infrastructure and Impervious Cover Mapping | 65,848 |
| Pursuing Grant Opportunities | 18,355 |
| NPDES Phase II Workgroup | 1,118 |
| Total Technical Committee | <u>172,158</u> |
| General | |
| Legal and accounting | 19,250 |
| Registration fees | 750 |
| Insurance | 4,100 |
| Total General | <u>24,100</u> |
| Total Expenses | <u>498,845</u> |

CHANGE IN NET ASSETS 20,428

NET ASSETS - beginning of year 103,250

NET ASSETS - end of year \$ 123,678

The accompanying notes are an integral part of the financial statements.

TINA L. CUSAC, CPA

**ALLIANCE OF ROUGE COMMUNITIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009**

CASH FLOW TO OPERATING ACTIVITIES:

| | |
|--|--------------------------------|
| CHANGE IN NET ASSETS | \$ 20,428 |
| Changes in operating assets and liabilities which increase (decrease) cash flow - | |
| Accounts receivable | (130,848) |
| Accounts payable | <u>180,468</u> |
| NET CASH TO OPERATING ACTIVITIES | <u><u>\$ 70,048</u></u> |

| | |
|--|------------------|
| NET INCREASE IN CASH AND CASH EQUIVALENTS | \$ 70,048 |
|--|------------------|

| | |
|--|---------------------------------|
| CASH AND CASH EQUIVALENTS BALANCE - beginning of year | <u>103,250</u> |
| BALANCE - end of year | <u><u>\$ 173,298</u></u> |

Supplemental disclosures of cash flow information:

Cash paid during the year for:

| | |
|--------------|------|
| Interest | \$ - |
| Income taxes | - |

ALLIANCE OF ROUGE COMMUNITIES NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Organization

Alliance of Rouge Communities (ARC) was formed in 2005 as an unincorporated association operating under and authorized by Part 312 of the Michigan Natural Resources and Environmental Protection Act. ARC is a voluntary public watershed entity. Its members consist primarily of municipal governments located in Wayne, Oakland and Washtenaw counties. ARC's purpose is to encourage watershed-wide cooperation and mutual support to meet water quality permit requirements and to restore beneficial uses of the Rouge River to the area residents.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Cash and Cash Equivalents

The organization considers all cash and amounts due from depository institutions to be cash equivalents for purposes of the statement of cash flows.

Revenue and Expenses

Membership dues are recognized in the period for which they cover. Dues cover the calendar year in which they are billed. Grant reimbursements are recognized in the period in which the reimbursable expenses are recognized.

Use of Estimates

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax Status

Alliance of Rouge Communities has applied for federal tax exempt status under Section 501(c)(4) of the Internal Revenue Code. ARC has not received a determination letter as of the date of these financial statements.

**ALLIANCE OF ROUGE COMMUNITIES
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2 - RELATED PARTY TRANSACTIONS:

The Organization has a contract with ECT, Inc. for Executive Director services. The Executive Director is a shareholder and employee of ECT, Inc. The amount billed from ECT, Inc. totaled \$308,847 for 2009.

NOTE 3 - CONCENTRATION OF CREDIT RISK:

The Organization maintains its cash account in a commercial bank located in Michigan. The account is guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2009, the balance was fully insured.

NOTE 4 - RECEIVABLES:

Accounts receivable consists of membership dues for 2009 that have not been paid at December 31, 2009 and unsubmitted requests for reimbursement from Wayne County under the Rouge River National Wet Weather Demonstration Project grant.

The Organization believes all receivables are collectible and therefore has no allowance for doubtful accounts.

NOTE 5 - SUBSEQUENT EVENTS:

Subsequent events have been evaluated through August 12, 2010, the date which the financial statements were available to be issued.



Alliance of Rouge Communities Timekeeping Policy

Adopted by the ARC on _____

The Alliance of Rouge Communities (ARC) does not have employees. However, in the event employees are hired the following rules will apply.

These procedures are designed to assure that payroll is based on proper authorization and required documentation, is paid at the approved rate, is only paid to actual employees, and to assure that proper and timely reporting is made to federal, state, and local taxing authorities.

The ARC outsources its payroll to a payroll company.

- The ARC's payroll is processed on a bi-weekly basis. Pay dates are the 1st and 15th of the month.
- Payroll is based on time sheets completed by employees and approved by supervisors. Each time sheet reflects the cost centers to which the employees' time is charged.
- Time sheets will reflect the use of sick, vacation, or other leave time, if applicable. Overtime for Non Exempt employees requires the prior approval of the employee's supervisor.
- Time sheets must be completed in ink with no whiteout or correction tape. Changes are initialed by the employee. The time sheet will be signed by both the employee and the assigned supervisor.
- New hires and salary and/or benefit changes must be approved by the Chair. A Personnel Action Form authorizing the salary, wages and employee position is completed by the Executive Director and signed by the Chair and forwarded to the Administrative Coordinator for processing.
- Payroll records are maintained by the Administrative Coordinator in a confidential manner. Information regarding payroll will not be discussed with other staff. Files must be in locked cabinets with access limited to designated personnel.
- Documents that verify tax withholding and authorize other deductions such as health insurance premiums or voluntary contributions are filed in the payroll files by the Administrative Coordinator. A separate file contains the I-9 forms for each current employee and is maintained by the Administrative Coordinator.



Working together, restoring the river

ALLIANCE OF ROUGE COMMUNITIES ACCOUNTING PROCEDURES MANUAL

(Date Approved:_____)

TABLE OF CONTENTS

| | |
|---|----|
| INTRODUCTION | 1 |
| RESPONSIBILITIES | 1 |
| GENERAL POLICIES..... | 1 |
| Compliance with External Policies | 2 |
| Security and Access | 2 |
| OVERVIEW OF ACCOUNTING SYSTEM..... | 3 |
| Data Backup..... | 3 |
| Funds Received | 3 |
| Funds Disbursed..... | 3 |
| DETAILED ACCOUNTING PROCEDURES | 3 |
| Funds Received | 3 |
| Receipt Book | 4 |
| Fund Disbursements..... | 5 |
| ARC Funds | 5 |
| Missing Invoices..... | 5 |
| Vendor Documentation..... | 5 |
| Check Writing Procedures..... | 5 |
| Check Approval Process | 6 |
| Payroll | 7 |
| Purchasing | 7 |
| Bank Accounts | 7 |
| Accounts Receivable | 8 |
| OTHER FINANCIAL SAFEGUARDS..... | 8 |
| Travel | 8 |
| Allocation of Costs | 9 |
| Property and Inventory Control | 9 |
| Audits | 9 |
| Taxes and Reporting Requirements..... | 10 |
| Grants and Contracts | 11 |
| Budgets | 11 |
| Internal Reporting | 12 |
| Record Retention | 12 |
| Insurance..... | 12 |
| Staff Responsibilities..... | 13 |
| APPENDIX A: ARC Policies | |

INTRODUCTION

This manual puts in place basic accounting, billing, and cash control policies and procedures designed to protect and secure the Alliance of Rouge Communities (ARC), ensure the maintenance of accurate records of financial activities and ensure compliance with governmental and private funding source reporting requirements. Where this manual conflicts with specific federal or State regulation or with the ARC's Bylaws, the regulations or bylaws shall prevail.

RESPONSIBILITIES

- The Executive Committee formulates financial policies, delegates' administration of the financial policies to the Finance Committee, and reviews operations and activities.
- The Finance Committee has responsibility for all operations and activities, including financial management.
- Exceptions to these policies may be made on an individual basis, as necessary, with the approval of the Executive Committee.
- The Treasurer is responsible to the ARC for all financial operations.
- The Executive Director Staff is responsible to the ARC for operations.

GENERAL POLICIES: (Example showing proper business practices)

- Current job descriptions are maintained for all staff members indicating their duties and responsibilities.
- There are separation of financial duties and responsibilities so that no staff member has sole control over cash receipts, payroll, bank reconciliations, accounts payable or other accounting functions.
- Accounting duties are rotated among Executive Director Staff whenever possible.
- Financial Procedures are reviewed annually by the Finance Committee.
- Separate General Ledger accounts are maintained as required by funding source regulations.
- Passwords must comply with organizational standards. They are to be treated confidentially and are not shared with other staff.

Compliance with External Policies

The ARC accounting policies and procedures are consistent with:

- Generally Accepted Accounting Principles (GAAP).

- OMB Circular A-133 “Audits of States, Local Governments, and Non-Profit Organizations”.

Security and Access:

To ensure that only authorized staff can access the financial, personnel, payroll, computer, on-line and paper records of the organization:

- Security and access is determined by the Executive Director.
- Access to computer or on-line systems for accounting, personnel, payroll, and online and phone banking is controlled by password protection. Within each system, access permission is set to allow the appropriate level of access depending on staff positions and job duties.
- Upon separation of a staff member, the password is immediately locked to prohibit any unauthorized activities or entries and keys to ARC’s office(s) are returned.

OVERVIEW OF THE ARC’S ACCOUNTING SYSTEM:

The financial records of the ARC are maintained on Quickbooks using the Accrual basis of accounting. Access to the accounting system is controlled to maintain the reliability and integrity of the data. Security is set by the Executive Director to allow different levels of access. The Treasurer has full access to the entire system including setup and administration.

- **Data Backup:** Backup is done weekly to assure that the data is secure and will not be lost in the event of a computer failure.
- **Funds Received:** All in-coming funds are properly recorded and safeguarded through separation of duties and proper documentation. The Executive Director designates which staff is authorized to collect in-coming ARC funds.
- **Funds Disbursed:** Only the Chair, Treasurer or Executive Director may authorize the issuance of checks. Access to the check printing system is limited to accounting staff and is controlled by passwords by the Executive Director.

DETAILED ACCOUNTING PROCEDURES

Funds Received

- Cash will be accepted from participants for payment of deposits, credit checks, loan payments, etc.
- ARC mail is to be opened promptly and distributed by the Executive Director Staff Assistant (Staff Assistant).

- All checks, money orders and cash are promptly logged into a “Cash Receipts Log” maintained and then given to the Executive Director Administrative Coordinator (Administrative Coordinator) for processing these receipts. The Staff Assistant will restrictively endorse the back of any checks received; and enter into the “Cash Receipts Log” prior to distributing checks to designated staff.
- The Staff Assistant will log in-coming cash into a pre-numbered duplicate Cash Receipts book. A pre-numbered receipt will be issued or mailed to issuer of cash by the Staff Assistant, preferably at time of receipt.
- Documentation for receipts (letter, stubs, etc.) is provided with the checks/cash when forwarded to designated staff for processing and deposit.
- Funds awaiting bank deposit are kept in a locked file/safe with access limited to staff designated by the Executive Director.
- The Administrative Coordinator verifies the checks and cash to documentation received, makes copy of checks and prepares deposit for delivery to bank.
- Executive Director Staff I delivers deposits to the bank.
- Bank confirmations are delivered to the Administrative Coordinator to attach to back up documentation. The deposit is entered into the accounting system by the Administrative Coordinator, and then filed in chronological order into a Cash Receipts file/folder for the month.
- At the end of the month, Executive Director Staff II totals each column of the Cash Receipts log verifying that all bank account totals add up to total funds received for the month and then prints out the log, retaining one copy, for the auditors, and forwarding a second copy to the Treasurer or other designee to verify against the deposits listed on the bank statement(s).

Receipt Books

- Receipt books are assigned by the Treasurer to the Administrative Coordinator.
- The Administrative Coordinator is responsible for safeguarding the receipt book.
- Receipt Books must be kept in a secure place at all times.
- Receipt Books consist of three-part, pre-numbered forms. They should be used in numerical order and filled out completely. The original is to be given to the person (participant) from whom funds have been received. The second copy (yellow) is to be sent with the transmittal form and the cash to the Administrative Coordinator for processing and deposit. The third copy (pink) is to remain in the receipt book.
- Receipts may be voided, but the pink copy of any voided receipt must remain in the book.

- The receipt book should be reviewed against either the monthly bank statement or Cash Receipts log to assure all cash received was recorded and deposited.
- When all the receipts are used, the book must be returned to the Treasurer or other designee who will issue a new book.

Fund Disbursements

Disbursement of funds, including all approvals and authorizations will follow the ARC Purchasing Policy based on adequate documentation and proper authorization.

ARC Funds

- Payment for supplies or services will be made based on invoices, not statements.
- Requests for Payment (RFP) are submitted with the original invoice attached. The RFP is coded by the staff requesting the payment as to the fund and expense code to be charged. The RFP is signed by an authorized staff member indicating approval of the expenditure.
- RFP/Invoices are processed by the Administrative Coordinator. Each invoice is stamped “ENTERED” or “POSTED” when entered as a payable in the accounting system and the check and all corresponding documentation is stamped “PAID” when the payable is processed for payment.

Missing Invoices

In the event that an invoice for services or supplies is lost, a memo explaining the expense and detailing the cost is submitted with the Request for Payment for approval by the Treasurer.

Vendor Documentation

All vendors must submit an IRS Form W-9 Request for Tax Payer Identification and Certification or equivalent to the Accounting Department, prior to payment. A determination is made by the Administrative Coordinator on the need to file an annual IRS Form 1099-Misc. on payments made to vendors. Form W-9's should be mailed to all current vendors each year prior to Form 1099 preparation to assure information is current.

Check Writing Procedures

- Checks are processed as needed.
- Checks are written through Quickbooks. The Treasurer will designate staff with access to the check printing system.
- Checks are automatically numbered and printed on blank check paper and signed by two authorized signers.
- Checks are not to be post dated, signed blank, or made out to cash.
- A copy of each check is attached to the RFP/Invoice plus any other documentation, such as purchase orders or shipping documents, and filed in check number order in the respective Paid vendor files.
- Voided or spoiled checks will have the signature block torn off and will then be filed in numerical order with the bank statements and corresponding bank reconciliations.
- Checks are recorded in Quickbooks.

Check Approval Process

This procedure is designed to ensure that all checks have adequate documentation and authorization and that there are no missing checks or checks written to phantom vendors.

- The RFP is reviewed for proper account coding, appropriateness of expenditure, and authorized signatures.
- The RFP is compared with the invoice and the check amount. The copy of the check is initialed by the Administrative Coordinator to indicate the review has been completed and the documentation is in order.
- The batch of checks is reviewed in check number sequence to assure no checks are unaccounted.
- The Disbursement log will be reviewed by the authorized signers to assure that the first check in each batch of checks begins with the next sequential check after last batch processed. The Disbursement log is initialed by the reviewer to indicate that all checks in the current batch have been verified to assure there is no gap in the check sequence.
- If there are no questions to be resolved, the Disbursement log and signed checks are returned to the Administrative Assistant as authorization to mail or release the check to the vendor.
- Checks are mailed to vendors by the Administrative Assistant unless specific arrangements had been made in advance for pickup of checks at the office. If a check is

picked up, the person picking up the check must provide identification which agrees with the payee on the check or must have verifiable written authorization from the payee to pick up the check.

Payroll

The ARC does not employ staff. In the event that the ARC hires staff the ARC will follow the ARC's Timekeeping Policy.

Purchasing

The ARC will follow its Purchasing Policy and Contract Approval Procedure for all purchases.

Bank Accounts

The Executive Committee may delegate by resolution the authority for the Executive Director and Treasurer to establish bank accounts according to the ARC Purchasing Policy.

Bank accounts are established to meet the needs of the organization for separation of funds and the specific requirements of funding sources. Separate accounts for specific federal or state programs which exceed the FDIC limits must be collateralized by the bank to ensure the safety of the deposit. All other accounts, where possible, are established to maximize the use and earnings of cash.

- A complete listing of all accounts and the account numbers shall be maintained by the Administrative Coordinator.
- Bank Reconciliations for each account are completed monthly by the Executive Director Staff II. The bank statements are received by the Administrative Assistant unopened to assure that they remain intact.
- Reconciled bank statements are reviewed by the Treasurer or designee monthly.
- Outstanding checks more than 90 days old are investigated and stop payments issued as required. Replacement checks are reissued after appropriate documentation has been collected.

Accounts Receivable

For each grant, contract, membership or other agreement, the Executive Director will designate the staff responsible for preparation of invoices, payment requests, or reports necessary to secure

payment to ARC. The following procedures ensures that all requests for funds are properly recorded and tracked.

- Generally, the Administrative Coordinator processes invoices to partner agencies and members, with copies provided to the Treasurer.
- The Administrative Coordinator prepares requests for funds from other agencies.
- Billings to funding agencies or members are entered as revenue/receivable when sent out to the agencies or members.
- Aged receivables are reviewed by Finance Committee.
- Write-offs of uncollectible receivables must be approved by the Treasurer and documented through the general journal entry for each write-off.
- Accounts receivable are reviewed by the Treasurer and Administrative Coordinator annually to ensure that receivables have a reasonable expectation of being collected and any necessary steps are to taken to ensure collection. If there is no reasonable expectation of collection, a decision is made on what action to take.

OTHER FINANCIAL SAFEGUARDS

Travel

The ARC travel policy will be used and requires that sound business judgment is used in both determining the need for travel on behalf of the ARC, as well as in expending financial resources when travel is necessary. This travel policy will apply to any ARC-funded travel outside of the general boundaries of the Rouge River Watershed conducted by ARC members, Executive Director Staff or contractors.

Allocation of Costs

All programs will be charged their fair share of the costs whose benefits are not readily identifiable with a specific program or funding source but are necessary to the general operation of the organization.

Property, Inventory and Control

The ARC does not own any real property or equipment. However, in the event any real property or equipment is procured with ARC funds or with grant funds from the U.S. Environmental Protection Agency (EPA), or other federal agencies, the ARC Property Management Policy will be followed.

Audits

The ARC is required to have an annual audit. Periodically, as determined by the Board, a Request for Proposal is sent to audit firms qualified to provide the type of audit that meets the ARC and/or funder need. The Audit Committee is responsible for soliciting bids, interviewing firms and making the recommendation to the Executive Committee when selecting the firm to be awarded the audit contract. Acceptance of the audit contract will be evidenced by a signed audit engagement letter that contains the type of service to be provided, the timeframe for providing the service, the cost for the service including incidental expenses, the term of the engagement and a clause stating “if unanticipated issues arise during the course of the audit that will result in additional fees, the audit firm will notify the Audit Committee for approval prior to incurring additional costs”.

The audit is reviewed in detail by the Audit Committee, but presented to the Executive Committee by the auditor and accepted by the Full ARC based upon recommendation by the Audit Committee.

Taxes and Reporting Requirements

The auditor prepares Form 990 “IRS Return of Organization Exempt from Income Tax,” the “Michigan Exempt Organization Annual Information Return,” and the State of “Michigan License to Solicit”.

Grants and Contracts

The ARC will follow the ARC Procedures for the Pursuit and Acceptance of Grants in addition to the below. Contracts and grant documents are reviewed and approved by appropriate program staff, the Treasurer, Executive Committee and full ARC prior to being signed by the ARC Chair and/or Executive Director.

- The Treasurer will carefully review each award to ensure that the ARC will be in compliance with all financial provisions.
- The Committee Chair will carefully review each award to ensure that all programmatic provisions will be met.
- Original copies of signed grants and contracts are filed in the contract file with copies to the Treasurer, Committee Chair and Chair.

- The Administrative Coordinator will assign appropriate general ledger account numbers and customer numbers for each new grant or contract.
- The Treasurer will designate the appropriate staff responsible for preparation of reports, payment requests and/or invoices.
- The Administrative Coordinator will maintain individual contract files containing copies of the grant/contract, any amendments, relevant correspondence regarding the grant/contract, and reports of expenditures or billings.

Budgets

The ARC will follow the Budget Preparation and Amendment Request Procedure in addition to the below. Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements. Budgets should use reasonable assumptions of income and expenses. All budget assumptions should be documented to facilitate a thorough analysis and evaluation, not only of the budget, but of the actual revenue and expenditures as they relate to the budget.

- The budget is prepared by the Committee Chairs and Finance Committee.
- Budgets are submitted to the Executive Committee for review and approval prior to submission to the full ARC.
- The Treasurer will submit an annual budget to the full ARC for their approval.

Internal Reporting

Reports assist the full ARC, Executive Committee, and funders with managing and controlling of program activities and financial resources.

- Monthly financial reports, including a revenue and expense report, and balance sheet where appropriate, will be provided to the Treasurer.
- The Administrative Coordinator will prepare monthly and quarterly reports as required by funding sources.
- The Treasurer or designee will review the reports to the funding sources.
- The Treasurer or designee will sign all reports to funding sources.
- The Administrative Coordinator will prepare and maintain, on a current basis, a listing of reports and due dates for funding sources.
- It is the responsibility of the Administrative Coordinator to ensure that all financial reports are submitted on a timely basis.

Record Retention

The ARC Record Retention Policy sets guidelines on the retention of records which will meet the requirements of all federal and state agencies, as well as those of other funding sources.

Insurance

The ARC will maintain Public Officials and Employment Practices Liability Insurance.

ARC Responsibilities

| Financial Systems A=Approval &/or Authority C=Controls Security R=Responsibilities in this area | Full ARC | Executive Committee | Audit Committee | Committee Chairs | Finance Committee | Chair | Treasurer | Executive Director | Administrative Coordinator | Staff Assistant | Executive Director Staff I | Executive Director Staff II |
|--|----------|---------------------|-----------------|------------------|-------------------|-------|-----------|--------------------|----------------------------|-----------------|----------------------------|-----------------------------|
| Security & Access | | | | | | | | AC | ACR | | | |
| Data Backup | | | | | | | | | AC | | | |
| Funds Received | | | | | | | AR | A | ACR | R | R | R |
| Receipt Books | | | | | | | A | | CR | | | |
| Fund Disbursements | | A | | | | A | A | AC | ACR | R | | |
| Purchasing | | A | | | | A | A | AC | CR | R | R | |
| Consultant/Contract Services | A | A | | | | A | A | A | CR | R | | |
| Bank Accounts | | A | | | | A | A | AC | ACR | R | | R |
| Travel Reimbursement | | | | | | A | | R | CR | R | | |
| Allocation of Costs | | | | | | | | A | AC | | | |
| Property & Inventory Control | A | A | | | | A | A | A | CR | | | |
| Audits | A | A | AR | | | R | R | R | CR | R | | |
| Taxes & Reporting | | A | | | | A | A | A | CR | | | |
| Grants & Contracts | | A | | R | | A | A | A | CR | | | |
| Budgets | A | A | | R | R | | AR | R | CR | R | R | |
| Internal Reporting | A | A | | | | A | A | A | CR | | | |
| Record Retention | | A | | | | | | A | CR | R | | |
| Insurance | A | A | | | | A | | AR | CR | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |