



Alliance
of Rouge
Communities

OURS TO PROTECT

Working together, restoring the river

*James W. Ridgway, P.E.
Executive Director*

DRAFT AGENDA
ALLIANCE OF ROUGE COMMUNITIES
Thursday, September 9, 2010
1:30 – 3:30 p.m.
Southfield Public Library
26300 Evergreen Road, Library Meeting Room

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

- 1. Welcome – Tim Faas, Chair**
 - a. Roll Call/Determination of Quorum
 - b. Introductions of ARC guests **Information**
 - c. Additions or changes to the Draft Meeting Agenda
 - d. ARC Resolutions **Action**
 - e. Approval of March 25, 2010, Meeting Summary (pg. 3) **Action**
- 2. Organization Committee Report –Joan Seymour, Co-Chair/Meghan Bonfiglio (for Kelly Cave, Co-Chair)**
 - a. ARC Policies and Procedures **Action**
 - i. Officer Appointment Policy (pg. 17)
 - ii. Purchasing Policy revision to include Sole Source (pg. 18)
 - iii. Record Retention Policy (pg. 23)
 - iv. Property Management Policy (pg. 27)
 - v. Travel Reimbursement Policy (pg. 29)
 - b. Membership (pg. 33) **Action**
 - i. Henry Ford Community College - Associate Member
 - ii. Cranbrook Educational Community - Cooperating Partner
- 3. Treasurers/Finance Committee Report – Wayne Domine, Interim Treasurer**
 - a. Final 2009 Budget vs. Actual Report (pg. 34) **Information**
 - b. 2010 Budget Status Report (pg. 35) **Information**
 - c. 2010 Budget Amendments (pg. 38) **Action**
 - d. ARC Audit Year Ending 12/31/09 (pg. 44) **Information**
 - e. ARC Policies and Procedures **Action**
 - i. Procedure for Annual Budget Preparation/Budget Amendments (pg. 53)
 - ii. ARC Timekeeping Policy (pg. 58)
 - f. ARC Accounting Procedures Manual (pg. 60) **Action**
- 4. Executive Director Report –Jim Ridgway**
 - a. Grant Status Report **Information**
 - i. GLRI/Round X Match requirements (pg. 74) **Action**
 - b. Contested Case Update **Information**

- 5. Standing Committee Reports – Tim Faas**
- a. PIE Committee (B. Siedlaczek, Chair) **Information**
 - i. Progress Report
 - b. Technical Committee (G. Zorza, Vice Chair) **Information**
 - i. ARC Reporting System (J. Lawson, ARC Staff)
 - ii. SEMCOG storm water related services
 - c. Nominating Committee – (T. Biasell, Chair) **Action**
 - i. ARC Nominations for 2011-2012 Officers (pg. 76)
(nominations also accepted from the floor)
Chair – Gary Mekjian, City of Southfield
Vice-Chair – Kevin Buford, City of Westland
Treasurer – Dan Swallow, Van Buren Township
- 6. Report from WCDPS – Kelly Cave** **Information**
- a. Publication of Rouge 2009 Progress Report
 - b. Round X subgrants: Wayne County Commission and Executive approval
- 7. Opportunity for Public Comment – Tim Faas**
- 8. Summary of Actions of Full Alliance – Chris O’Meara** **Information**
- 9. Upcoming Meeting Schedule** **Information**
- Finance Committee Meeting, September 21, 2010, 1:30 p.m., Bloomfield Twp. Offices
 - Technical Committee meeting, October 5, 2010, 1:30 p.m. location TBD
 - 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
- 10. Other Business** **Information**
- a. SSO & SRF Voodoo Reform – Chuck Hersey, SEMCOG
 - b. Support for the Investigation of the Lower Rouge Great Lakes Legacy Act Site and the Rouge River Area of Concern– Mark Mikesell, Ph. D., ECT
- 11. Adjourn (pg. 77)** **Action**



Working together, restoring the river

*James W. Ridgway, P.E.
Executive Director*

DRAFT MEETING SUMMARY ALLIANCE OF ROUGE COMMUNITIES

**March 25, 2010, 1:00 p.m. – 4:00 p.m.
Costick Activity Center, Farmington Hills**

1. Welcome (Tim Faas)

- a. Roll Call /Determination of Quorum** - Roll call was taken. The 24 members listed below were in attendance, which was sufficient for a quorum.

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

b. Introductions of ARC guests

T. Faas asked all guests in attendance to introduce themselves.

c. Additions or Changes to the Draft Meeting Agenda

There were no additions or changes made to the draft meeting agenda.

d. Approval of October 21, 2009 Meeting Summary

A motion was made by Tom Biasell, Farmington Hills, to approve the October 21, 2009 meeting summary. It was seconded by Shawn Keenan, Auburn Hills, and passed unanimously.

Allen Park
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*

e. Progress Update on “The Value of ARC Membership”

Tim Faas gave an update on the value of ARC Membership and the ARC’s 4 ideas/areas to work on from the presentation that he originally gave in December 2008 as follows:

1) Promote ARC membership benefits

Tim informed the members that the Executive Director staff prepared the “Why Join the ARC” slideshow which is available to communities on the ARC website. The officers and executive director staff worked with communities to provide information for their budgets and council meetings. Executive Director staff provided members with MS4 permit compliance assistance.

2) Expand our network of stakeholders

Officers made formal requests to the City of Detroit, attended both the Clinton and Huron Watershed Council functions on behalf of the ARC and are having ongoing discussions, including a meeting on 3/29, with SEMCOG on future assistance to the ARC. The ARC continues to work on solutions to the contested case and FOTR has become more dependent on the ARC for funding as a service provider to the ARC. Executive Director staff has also met with the Erb Foundation. The ARC has not contacted DTE or ITC yet.

3) Enhance our public education efforts

Tim summarized that the ARCommunication newsletter was distributed twice in 2009 and the 501(c)(3) application has been submitted for the ARC Foundation. The ARC website continues to be a work in progress under the PIE budget. The survey and stewardship forum has not been done yet.

4) Better define our roles

T. Faas invited the PIE and Technical Committee chairs to become part of the Finance Committee. Executive Director staff is prioritizing activities on the MS4 permit compliance issue. Executive Director staff is also making sure that only required staff attends the various ARC meetings to optimize time.

T. Faas asked that ARC members contact him or any of the other officers with their feedback.

2. Treasurers/Finance Committee Report (W. Domine)

a. 2009 Budget Status Report

Wayne Domine, Interim Treasurer, informed the Full ARC that all expected 2009 dues have been received. The only dues budgeted in 2009 that will not be received are from Superior Township in the amount of \$7,359. W. Domine informed the group that our estimated 2009 roll-over amount for 2010 is \$122,231. We will not have the exact amount until the beginning of April because one 2009 task will not be completed until March 31.

b. 2010 Budget Status Report

W. Domine stated that the first round of 2010 ARC Membership invoices were sent out in early February and we are beginning to see some checks coming in already. The last round of invoices will go out in late May.

W. Domine said that the Finance Committee has asked the committee chairs to review their 2010 budgets to identify projects that could possibly be put on hold if membership declines.

T. Faas stated that he surveyed all of the ARC Members regarding their membership status in the ARC for 2010. He stated that all members were very positive about their continued membership. T. Faas offered any assistance including meeting with and presenting to the communities councils as they move forward with their budgets. He asked that the communities contact him or Jim Ridgway if they need assistance with this.

3. Executive Director Report (J. Ridgway)

a. Watershed Management Plan Update

J. Ridgway informed the committee that the Watershed Management Plan update continues with SWAG meetings planned for March 30-31 to review priority areas and projects. We intend to edit and format the plan in April and forward it to MDNRE.

b. ARC Foundation 501(c)(3) application

J. Ridgway confirmed that the ARC Foundation 501(c)(3) application was submitted and is being processed.

c. 2009 Executive Director's Annual Report

J. Ridgway presented a summary of the Executive Director 2009 Annual Report for the members. The report showcases the many goals the ARC has accomplished in 2009. The full report, including the appendices, can be found on the ARC website and contains useful information for community's annual reports.

Executive Director Staff (ED Staff) provided support of the 2009 meetings including distribution of notices and materials prior to meetings. They provided ongoing general support services. ED Staff provided technical assistance to members in meeting their Watershed Based Storm Water NPDES permit requirements and monitored the contested case issue. ED Staff also assisted in the development of the annual budget and work plans.

ED Staff provided advocacy and administration services to the ARC. ED Staff received 3 FOIA requests and distributed various materials to ARC members. ED Staff acted as an advocate for the Rouge River Watershed by attending various meetings with organizations, researching funding opportunities with USACE and NOAA among others. ED Staff also provided information about the Storm Water Permit contested case and the Watershed management Plan revisions. ED Staff also planned on behalf of the ARC an EPA/NOAA bus tour to educate officials about habitat restoration activities in the Rouge. ED Staff also supported the ARC in marketing and communication by meeting with MiEarth, the Erb Foundation and preparing the ARCommunication newsletter.

ED Staff provided support to the PIE Committee for the Green Infrastructure campaign which funded 13 projects in the watershed, presented 3 green infrastructure workshops and bus tours and presented 2 septic system maintenance workshops. Ed Staff also assisted with the revisions and distribution of the Maintaining Your Detention Pond manual and distributed training videos from

SEMCOG and the Rouge Watershed video developed by the City of Farmington Hills. ED Staff designed the MiEarth ad for the Signal magazine and provided content for the MiEarth website and developed the ARC promotional ad to air on PBS. FOTR also provided services to the ARC including local and regional outreach, development of an annual report to help members fulfill requirements of their permit and conducted a survey of ARC members to ensure FOTR programs meet the needs/desires of the communities.

ED Staff and FOTR provided support to the Technical Committee. FOTR provided Rouge River watershed monitoring activities for benthic macroinvertebrates in the spring and fall and did the winter stonefly search in January. ED Staff provided support on the collaborative IDEP and E. coli TMDL Plan by assisting the Technical Committee in developing a draft web-based Rouge River Storm Water Reporting System for Phase II permit reporting to the MDNRE. ED Staff assisted the Technical Committee in the development of a land cover inventory for the Rouge River Watershed. ED Staff provided RFP development, bidder ranking, bidder interviews, contract development and negotiations and contract administration. ED Staff also assisted with the preparation of grants.

d. Grant Status Report

J. Ridgway talked about accessing USACE Great Lakes Restoration funding to write a Corps Rouge River Feasibility Study. By doing the feasibility study, the ARC will be eligible for other funding with the USACE. The feasibility study will require \$50,000 match from the ARC.

J. Ridgway gave a summary of the grants that were submitted earlier this year as follows:

- GLRI grants
 - Green Infrastructure: \$648,750 to create green infrastructure in the Valley Woods Nature Preserve (Southfield), Lower and Upper Rouge Parkways in Wayne County and Rouge and Eliza Howell Parks in Detroit.
 - Danvers Pond in Farmington Hills: \$499,254 to remove the dam and create a naturalized water course.
- Great Lakes Commission Soil Erosion and Sedimentation Grants
 - Rouge Green Corridor/Birmingham: (\$30,000) This proposal will install 1,280 square feet of porous pavers near Quarton Lake in Birmingham
 - Soil Erosion and Sedimentation Training for Contractors (\$10,000) The ARC will create a training program on soil erosion and sedimentation for contractors.

J. Ridgway asked all ARC members to forward brief summaries of any grant that were submitted for GLRI funding.

Shawn Keenan, Auburn Hills, asked about the grant that included Eliza Howell Park and it being owned by the City of Detroit. J. Ridgway stated that we will work with ARC communities primarily, but the park qualified for the funding request and it benefited the Rouge Watershed.

4. Review of MS4 Permit Compliance Evaluation (J. Ridgway)

J. Ridgway informed the members that our web-based reporting project is being beta

tested. This will provide the ARC members a streamlined reporting process. J. Ridgway stated that the EPA has performed an audit in Ann Arbor. ARC Staff will review the audit to make sure our reporting system incorporates any issues they may have found during the audit in Ann Arbor. ARC Staff are also following the Riverview case. This reporting system product will allow members to easily assemble our reporting to the MDNRE.

T. Biasell, Farmington Hills, informed the members that the MDNRE contacted them about conducting an audit of their permit. The MDNRE stated that it was going to be a learning process for them. The audit took 2 days. The audit was represented as a work in process but was very intense. Hae-Jin Yoon, MDNRE, stated that their intention is to conduct 20-25 audits by the end of September.

5. Standing Committee Reports

T. Faas took a moment to say that he recently attended both the PIE and Technical Committee's meeting and was very impressed with the way that the Chairs Brandy Siedlaczek, Southfield, and Gary Zorza, Farmington Hills, facilitated them. The Chairs do a lot of work and should be commended.

a. Organization Committee (K. Cave/M. Bononi, Co-chairs)

Kelly Cave, Wayne County, reviewed the draft revisions to the Procedure for the Pursuit and Acceptance of Grants. The committee revised the procedure because grant notices come out and staff has to move quickly to submit a proposal. These revisions will allow the Executive Director staff to work with the committee chairs for approval. If a grant is awarded then the ARC will enter into a contract through the current Purchasing Policy. The main revision to the procedure is that the ARC Chair and Executive Director decide which grants to pursue. The motion was made by W. Domine, Bloomfield Twp., to approve the Procedure for the Pursuit and Acceptance of Grants as submitted and was seconded by G. Mekjian, Southfield. Motion passed.

K. Cave reviewed a memo which summarized the Organizational Committee's March 11 meeting. The Organizational Committee recommended that a policy be drafted to address officer vacancies, in lieu of amending the ARC Bylaws.

The Organizational Committee discussed the issue of updating the formula used to calculate the member dues. K. Cave reported that the bylaws provide for revisions to the formula upon publication of new United States census data, which will be available in 2011.

The Organizational Committee also discussed the issue of whether ARC membership is affected if a member obtains coverage under the jurisdictional General Storm Water Permit instead of under the watershed-based General Storm Water Permit. ARC membership is defined in Article II.B of the ARC Bylaws. Appendix B of the Bylaws provides a listing of eligible Primary Members. Therefore, if an existing ARC member has or changes to coverage under the jurisdictional General Storm Water Permit, it appears that their status as an ARC Primary Member is unchanged. Article II.B.1.b of the bylaws provides that public agencies not shown in Appendix B that have coverage under the jurisdictional General Storm Water Permit may become Associate members, provided that the agency is otherwise eligible for ARC membership as defined in the Bylaws.

K. Cave stated that future agenda items for the Organizational Committee will include discussion of a proposed procedure regarding requests from outside agencies to the ARC for funding, proposed revisions to the ARC Strategic Plan, and a proposed outreach plan to potential Cooperating Partners.

b. PIE Committee (Brandy Siedlaczek, Chair)

Jennifer Lawson, ARC Staff, reported on behalf of Brandy Siedlaczek that the next PIE Committee meeting is scheduled for April 14, 2010. The committee is working with Norsman Plastics on a ARC sponsored rain barrel sale scheduled for May 8 in Plymouth Township. Once we have confirmed the location we will begin advertising through Norsman Plastics. PIE Committee members will volunteer during the sale. The ARC Foundation will receive \$1 per 500 up to \$1,200 as a donation.

J. Lawson stated that the 2010 Green Infrastructure Project received 10 proposals and will support 9. The project not funded is not on public property but in a private subdivision so does not qualify. These should be installed in June.

FOTR Program Survey Results (Sally Petrella, FOTR)

S. Petrella gave a presentation summarizing the results of the survey of ARC members regarding the FOTR programs and whether they meet the needs/desires of the ARC communities. FOTR received 19 responses. The slide show is attached at the end of this meeting summary.

S. Petrella informed the members that FOTR has revised their website including a calendar of events. She invited the members to participate in their new fundraiser run on the Lower Rouge Trail on the morning of Rouge Rescue, June 5, 2010. She also pointed out the new display that was set up which the ARC's support helped pay for.

c. Technical Committee (Gary Zorza, Vice Chair)

G. Zorza, Farmington Hills, informed the members that the committee is finalizing the contract with USGS. They will be hosting a IDEP training on May 11, 2010 (tentative) in Canton for any employees that communities would like trained. The committee hopes to finalize the reporting system by June and are planning to have a listen and learn workshop for the landcover mapping in April so members can learn how they can use the data.

d. Nominating Committee – 2011/2012 (Tim Faas, Chair)

T. Faas introduced T. Biasell, Farmington Hills, who accepted to serve as the chair of the 2011/2012 Nominations Committee for elections at the September Full ARC meeting. T. Biasell asked that any member interested in serving on this committee or anyone interested in nominating someone should contact him or the ARC Staff. New officers would be introduced and take over at the December 2010 Full ARC meeting.

6. Rouge Program Office Report (Kelly Cave, Wayne County)

K. Cave reminded the ARC members that the Round X notice is out and is due on April 12, 2010, and should be delivered to the Wayne County Commerce Court offices located in Wayne. K. Cave and R. Alsaigh will be moving out to this location in April.

K. Cave stated that Wayne County submitted a request through an appropriation for the Rouge to John Dingell and it will be included in his package for 2011.

K. Cave stated that the Year in Review report for 2009 should be out within a month.

7. Opportunity for Public Comment

A. Mangus informed the ARC members that SEMCOG offerers storm water services in regards to communities permit audits. She also stated that SEMCOG will be hosting a regulations workshop. SEMCOG is working with DWSD on green infrastructure with a LID component and they are working on storm water pollution prevention plans wit SWPPI as it relates to garages.

Hae-Jin Yoon, MDNRE, introduced Tracy Kecskemeti who will be taking over for Betsy Nightengale who took a position with EPA. Tracy has worked for MDNRE since 2001 and has experience in spill related issues and is learning the MS4 program and should be a great addition. The MDNRE will be hosting a compliance assistance conference at SEMCOG on April 20, 2010, and you can register on the MDNRE website.

Bill Craig, RRAC, stated that the Rouge is still an Area of Concern and that RRAC is still around but small. He stated that they would like to continue working with the ARC to help delist the Rouge. The Great Lakes Restoration has a large input on the AOCs for habitat and this will help steer funding to the AOCs.

Sally Petrella, FOTR, stated that the Frog & Toad Training workshops hosted 348 people. She informed the members that the Spring Bug Hunt is April 24, at the Environmental Interpretive Center at the University of Michigan-Dearborn. S. Petrella reported that during the winter stone fly search a new species was found while sampling on the Main branch. She reminded the members that Rouge Rescue is June 5 and the Run for the Rouge is May 8.

8. Summary of Actions of Full Alliance (Chris O'Meara, ARC staff)

- Approval of October 21, 2009 Full ARC Meeting Summary.
- Members should contact Tim Faas or any Officers with feedback or concerns about the ARC
- ARC members should send summaries of their GLRI submittals.
- PIE Committee hosting a rain barrel sale on May 8, 2010 in Plymouth Twp.
- The Technical Committee will be hosting an IDEP training tentatively on May 11, 2010 in Canton.
- The motion was made to approve the amendments to the Procedure for the Pursuit ad Acceptance of Grants.
- Any member interested in serving on the Nominating Committee or anyone interested in nominating someone should contact Tom Biasell, Farmington Hills, or the ARC Staff.

9. Upcoming Meeting Schedule (C. O'Meara)

- Lower 1/Middle 1 SWAG Meeting, March 30, 9:30 a.m., Northville Township Municipal Offices
- Upper/Main 1-2 SWAG meeting, March 30, 1:30 p.m., Longacre House, Farmington Hills
- Middle 3/Lower 2 and Main 3-4 SWAG Meeting, March 31, 1:30 p.m., City of Livonia DPW Office

- PIE Committee meeting, April 14, 1:30 p.m., Wayne County's Commerce Court office in Wayne

10. Other Business

After the meeting informational presentations were given by Kelly Cave, Wayne County, and Nina Ignaczak, Oakland County Planning. K. Cave gave the Rouge 2009 presentation and N. Ignaczak gave a presentation on Walled Lake's "Cool City by the Lake". Both presentations are included at the end of this meeting summary.

11. Adjourn

The motion was made by M. Bonfiglio, Bloomfield Twp., to adjourn the meeting. The motion was seconded by T. Biasell, Farmington Hills, and passed unanimously.

Alliance of Rouge Communities Attendance List

Meeting Date: 3/25/10

Name	Community	Attended	Initials
	Redford Township	<input type="checkbox"/>	
Anulewicz James	Plymouth Township	<input type="checkbox"/>	
Ball Zachare	ECT	<input type="checkbox"/>	
Barnes Jack	Garden City	<input type="checkbox"/>	
Barrett Robert	Oak Park	<input type="checkbox"/>	
Belair Bob	Canton Township	<input checked="" type="checkbox"/>	BB
Beyer Lori	Washtenaw County Road Commis	<input checked="" type="checkbox"/>	LB
Biasell Thomas	Farmington Hills	<input checked="" type="checkbox"/>	TB
Bobrin Janis	Washtenaw County	<input type="checkbox"/>	
Bona John	Wayne County Airport Authority	<input type="checkbox"/>	
Bonfiglio Meghan	Bloomfield Township	<input type="checkbox"/>	
Bononi Michelle	Washtenaw County	<input type="checkbox"/>	
Bremer Christine	Lathrup Village	<input type="checkbox"/>	
Brooks Dan	Dearborn Heights	<input checked="" type="checkbox"/>	DB
Buford Kevin	Westland	<input type="checkbox"/>	
Buiten Mike	Wayne	<input type="checkbox"/>	
Cave Kelly	WCDPS	<input checked="" type="checkbox"/>	KAC
Coburn Brian	Novi	<input type="checkbox"/>	
Colaianne Joe	Oakland County	<input type="checkbox"/>	
Cousino Brendon	Birmingham	<input type="checkbox"/>	
Cravens Jay	Bloomfield Hills	<input type="checkbox"/>	
Cureton Lloyd	Walled Lake	<input type="checkbox"/>	
Davis Paul	Rochester Hills	<input type="checkbox"/>	
DeMaria Annette	ECT	<input type="checkbox"/>	
Dombrowski Tony	Pontiac	<input type="checkbox"/>	
Domine Wayne	Bloomfield Township	<input checked="" type="checkbox"/>	WD

Meeting Date: 3/25/10

<i>Name</i>		<i>Community</i>	<i>Attended</i>	<i>Initials</i>
El-Gharib	Ramzi	Wayne	<input type="checkbox"/>	
Faas	Tim	Canton Township	<input checked="" type="checkbox"/>	TF
Fannon	Richard	Commerce Township	<input type="checkbox"/>	
Fellrath	Patrick	Plymouth Township	<input type="checkbox"/>	
Gallogly	James	Northville	<input checked="" type="checkbox"/>	JG
Gruzwalski	Laura	Village of Franklin	<input type="checkbox"/>	
Gruzwalski	Laura	Bloomfield Hills	<input type="checkbox"/>	
Gruzwalski	Laura	Village of Beverly Hills	<input type="checkbox"/>	
Guest	Connie	Commerce Township	<input type="checkbox"/>	
Gushman	Kevin	Farmington	<input type="checkbox"/>	
Hagaman	Kathryn	Bingham Farms	<input checked="" type="checkbox"/>	KOH
Harnos	Brian	Westland	<input type="checkbox"/>	
Harvey	Dave	Garden City	<input type="checkbox"/>	
Howell	Michael	Wixom	<input type="checkbox"/>	
Johnson	Ron	Inkster	<input type="checkbox"/>	
Keenan	Shawn	Auburn Hills	<input checked="" type="checkbox"/>	SK
Keough	Shawn	Plymouth	<input type="checkbox"/>	
Ketai	Don	Bingham Farms	<input type="checkbox"/>	
Knepper	Todd	Van Buren Township	<input type="checkbox"/>	
Kramarz	Kristina	Dearborn Heights	<input type="checkbox"/>	
Lakhani	Muzaffar	Inkster	<input type="checkbox"/>	
LaManes	Paul	Melvindale	<input type="checkbox"/>	
Lang	Rick	Allen Park	<input type="checkbox"/>	
Lawson	Jennifer	ECT	<input type="checkbox"/>	
Maillard	Kevin	Livonia	<input checked="" type="checkbox"/>	SM
McCallum	Gerry	Orchard Lake Village	<input type="checkbox"/>	
McCulloch	John	Oakland County	<input type="checkbox"/>	

Meeting Date: 3/25/10

Name	Community	Attended	Initials	
McGill	Lisa	Walled Lake	<input type="checkbox"/>	
Mekjian	Gary	Southfield	<input checked="" type="checkbox"/>	<i>GM</i>
Melchert	Ron	Auburn Hills	<input type="checkbox"/>	
Meszler	Tom	Village of Beverly Hills	<input type="checkbox"/>	
Moore	Roger	Rochester Hills	<input checked="" type="checkbox"/>	<i>RM</i>
Mueller	Jeff	Lathrup Village	<input type="checkbox"/>	
Mullett	Noel	WCDPS	<input type="checkbox"/>	
Murray	Jim	Dearborn	<input type="checkbox"/>	
O'Meara	Paul	Birmingham	<input checked="" type="checkbox"/>	<i>PO</i>
Overholt Green	Janet	Orchard Lake Village	<input type="checkbox"/>	
Puuri	Steve	Washtenaw County Road Commis	<input type="checkbox"/>	
Rickard	Jill	Northville Township	<input type="checkbox"/>	
Ridgway	Jim	ECT	<input type="checkbox"/>	
Schneck	Allen	Pontiac	<input type="checkbox"/>	
Schueller	Derrick	Romulus	<input type="checkbox"/>	
Selmi	John	Redford Township	<input checked="" type="checkbox"/>	<i>JS</i>
Siedlaczek	Brandy	Southfield	<input type="checkbox"/>	
Sincock	Paul	Plymouth	<input type="checkbox"/>	
Smith	Paul	Farmington	<input type="checkbox"/>	
St. Henry	Paul	Livonia	<input type="checkbox"/>	
Staup	Aaron	Novi	<input type="checkbox"/>	
Stoppels	Jon	Village of Franklin	<input type="checkbox"/>	
Sullivan	Patrick	Northville	<input type="checkbox"/>	
Swallow	Dan	Van Buren Township	<input type="checkbox"/>	
Szczygiel	Larry	Dearborn	<input type="checkbox"/>	
Vandette	Steven	Troy	<input checked="" type="checkbox"/>	<i>SV</i>
Wagoner	Bryan	Wayne County Airport Authority*	<input type="checkbox"/>	

Meeting Date: 3/25/10

<i>Name</i>		<i>Community</i>	<i>Attended</i>	<i>Initials</i>
Weaver	Don	Northville Township	<input type="checkbox"/>	
Wilson	Tom	Romulus	<input type="checkbox"/>	
Wineka	Jim	Oakland County	<input type="checkbox"/>	
Witte	Eric	Melvindale	<input type="checkbox"/>	
Yee	Kevin	Oak Park	<input type="checkbox"/>	
Zorza	Gary	Farmington Hills	<input checked="" type="checkbox"/>	JRZ

Meeting Date: 3/25/10

Name	Community	Attended	Initials
J. Wilson	GAK Park	<input checked="" type="checkbox"/>	JW
Tom Mac Dowell	Wayne	<input checked="" type="checkbox"/>	TM
Sally Petrella	FOTR	<input checked="" type="checkbox"/>	SP
Dima El Gamal	stantec	<input checked="" type="checkbox"/>	DSE
BILL CRAIG	RRAC	<input checked="" type="checkbox"/>	WFC
Amy Mangus	Semog	<input checked="" type="checkbox"/>	Aem
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	



ACTION REQUESTED:

I move to approve the meeting summary of the March 25, 2010 Full ARC Meeting.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)



**DRAFT: APPROVED BY EXECUTIVE COMMITTEE
29 JUNE 2010**

OFFICER APPOINTMENTS POLICY

Background

Article II.C.1 of the Alliance of Rouge Communities (ARC) Bylaws provides for the election of officers as follows:

ARTICLE II

C. Structure of the ARC

1. Election of Officers

The ARC shall elect for a two-year term, from among its members, a Chair, Vice-Chair and Treasurer. The three ARC officers shall be limited to an elected or appointed official, or employee of a Primary Member of the ARC as defined in these Bylaws. Officers shall be elected to two year terms at a regularly scheduled ARC meeting through a formal action as described under Article II. D. of these Bylaws. The Chair, Vice Chair and Treasurer of the Alliance shall serve until replaced by a majority vote of the members. The elected Vice Chair, or the elected Treasurer in the event the Vice Chair is unavailable, shall assume the duties of the Chair if the Chair is unavailable. Newly elected officers will assume their duties at the conclusion of business of the meeting at which those officers were elected.

There may be a substantial time period between resignation of an officer and officer elections at a regularly scheduled ARC meeting as provided above. This policy provides for appointments of officers to serve during the transition period so that ARC functions are not disrupted.

Policy

Appointments for officer vacancies shall be made by the ARC Chair and approved by the ARC Executive Committee; the duration of the appointment is until the regular election of officers as provided in the Bylaws.

This policy shall be considered for incorporation into the ARC Bylaws at such time that amendments to the ARC Bylaws are proposed and adopted pursuant to Article VIII.



DRAFT Purchasing Policy (with Sole Source insert)
Adopted by the Alliance of Rouge Communities on 9/23/08
Revised on _____

PURPOSE

The purchasing policy is to provide the Alliance of Rouge Communities (ARC) a reference tool regarding the purchasing of goods and services.

Specifically, the purpose of a purchasing policy for the Alliance of Rouge Communities is to:

- Ensure proper accounting procedures necessary to maintain efficient control over the ARC's expenditures.
- Ensure necessary authorization is obtained for applicable expenditures.
- Detail specific procedures for emergency purchases.
- Identify eligible expenditure reimbursements.
- Specify vendor selection guidelines.
- Detail the procedure for processing of invoices.
- Detail the procedure for check distribution.

EXPENDITURE CONTROL

A summary of the purchasing policy is provided in the following table with more detail provided in the following paragraphs.

Amount of Purchase	\$0 to \$999	\$1,000 to \$4,999	\$5,000 to \$9,999	\$10,000 to \$19,999	Over \$20,000
Public Bids/Proposals Required	NO	NO	NO	NO	YES
Quotes Required	NO	3 Verbal	3 Written	3 Written	--
Type of Documentation Required	Receipt	Purchase Order	Purchase Order	Purchase Order	Contract
Formal Approval Required By	NO	Exec. Director	Exec. Director	Exec. Director AND Officer	Exec. Committee
Signature Required on PO and/or Contract	--	Exec. Director	Exec. Director	Exec. Director AND Officer	Exec. Director AND Officer

- **For Purchases between \$ 0.00 to \$ 999.00**
The Executive Director can authorize with his/her signature. A receipt is required
- **For purchases between \$ 1000.00 to \$ 4,999.00**
The Executive Director can authorize with his/her signature. Price comparison shall be prepared and attached to purchase order. Verbal quotes are acceptable. A Purchase Order shall be issued.
- **For purchases between \$ 5,000.00 to \$ 9,999.00**
The Executive Director can authorize with his/her signature. Price comparison shall be prepared and attached to purchase order. Three written quotes will be received. A Purchase Order shall be issued.
- **For Purchase between \$ 10,000.00 to \$19,999.00**
Purchases exceeding \$10,000.00 can be authorized by signature of the Executive Director of the ARC and a ARC officer. Price comparison schedule shall be prepared and/or reason for vendor selection to be filled out and attached to purchase order. Three written quotes will be received. A Purchase Order shall be issued.
- **\$20,000.00 and higher**
Formal, publically advertised, competitive sealed bids/proposals are required. A Request for Bids/Proposals shall be developed by the Executive Director, which shall be approved by the ARC Executive Committee. The Request for Bids/Proposals shall require interested bidders/proponents to provide the following information as appropriate:
 - description of service or goods desired
 - desired delivery date or commencement date
 - desired termination date
 - bidder's/proponent's qualifications
 - warranties
 - references
 - performance bonds (if required)
 - acquisition cost, fees, or other potential ARC financial obligation

The Request for Bids/Proposals shall also indicate the following information:

- deadline to submit
- date, time and place that bids/proposals will be publicly opened
- address to which bids/proposals are to be submitted

All Requests for Bids/Proposals shall include a statement that the Alliance of Rouge Communities reserves the right to accept or reject any or all bids/proposals to waive informalities or errors in the process, and to accept any bid/proposal deemed to be in the best interest of the ARC, including bids/proposals that are not for the lowest amount.

Sealed bids/proposals shall be submitted to the ARC Executive Director by a date and time specified, and shall be marked on the outside "sealed bid/proposal for _____ (indicate goods and or services)." Each bid/proposal shall be stamped with date and time received. The ARC Executive Director or her/his designee and one ARC Executive Committee Member shall publicly open all bids/proposals submitted at the date and time indicated on the request for bids/proposals. All bidders/proponents shall be notified of the contract award in a timely manner.

No purchase shall be divided for the purpose of circumventing the dollar value limitation contained in this section. However, a series of purchases from one vendor which individually are within the

above limits, but collectively exceed them, shall not be deemed to be one purchase for the purposes of this division if such series of purchases could not reasonably have been made at one time.

EXCEPTIONS TO PRICE COMPARISON OR COMPETITIVE BID/PROPOSAL REQUIREMENTS

As described above, purchases between \$1,000 and \$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.

PURCHASE ORDERS

All purchases shall require the issuance of a purchase order as described in Expenditure Control, except for the following expenditures:

- Utilities
- Telephone
- Postage
- Publications
- Fuel oil and gasoline
- Intergovernmental Contracts/Inter Agency Agreement
- Per Diems
- Insurance
- Payroll withholdings
- Contractual Obligations
- Professional Services Authorized by the ARC Executive Committee

A purchase order shall be issued provided that the nature of the purchase is indicated, the account number (taken from the annual budget) is provided and the account has a sufficient balance.

BLANKET PURCHASE ORDERS

Requests for blanket purchase orders shall be made in the same manner as other purchases. The blanket purchase order shall contain the vendor, a general description of item(s) requested, amount of appropriation, period of time the blanket order will remain valid (maximum of 1 year, but not beyond the current fiscal year) and account number to charge the expense.

After the blanket purchase order is issued, the Executive Director shall draw on the order and keep a record of the cost of the items received until the blanket purchase order is completed.

The Executive Director shall still be required to adhere to the requirements set forth in the expenditure control section of this policy, when issuing blanket purchase orders. When certain monetary levels are exceeded the proper authorization, quotes and bids/proposals shall still be obtained prior to purchase.

EXPENDITURE AUTHORIZATION

The Alliance of Rouge Communities shall not be responsible for any expenses incurred by an official or ARC member that is contrary to the provisions of this administrative policy. Authorization shall be obtained through the proper channels discussed in this purchasing policy.

EMERGENCY PURCHASES

Occasionally, situations arise that do not allow pre-approval for expenditures. Situations that require immediate attention for the sake of public health and safety should be addressed accordingly. The expenditure shall be provided by the ARC Executive Director or treasurer as soon as possible with the information explaining why the expenditure could not meet the pre-approval requirement.

TAX EXEMPT STATUS

The Alliance of Rouge Communities is a tax-exempt entity and is not required to pay tax. Occasionally, ARC Staff Members purchase goods and/or services with their own funds and submit for reimbursement. Whenever possible, ARC members should obtain a tax-exempt certificate from the ARC Executive Director prior to the purchase.

PROCESSING OF INVOICES

Requests for payments to vendors shall be documented in writing by a vendor invoice or, in the few instances where no invoice is forthcoming, by a written request by the ARC Executive Director. Except for rare exceptions (example: lost invoice), only original invoices shall be processed for payments, as statements or copies of invoices may result in duplicate payments.

ARC member expense reimbursements shall be documented on an expense voucher prepared by the ARC member. Invoices and expense vouchers shall include the following:

- Vendor name and mailing address
- Purpose of payment
- Total amount due
- Unit price and units delivered
- Date goods were delivered or services rendered
- Attached purchase order or resolution

CREDIT CARDS

The Alliance of Rouge Communities will not issue nor allow the use of credit cards issued in the name of the ARC.

Receipts must be obtained for all purchases made using a personal credit card and submitted to the Executive Director's Office for tracking to respective invoices/billings. In those instances when a purchase order or voucher has not been approved prior to the purchase, the credit card holder shall submit receipts clearly marked with the appropriate account to be charged immediately upon return to the ARC to properly account for the purchase.

CHECKING ACCOUNT

The ARC will maintain an interest bearing (when possible) checking account for purchases as defined by this policy. The Executive Director has the authority to request that a check be initiated. The ARC staff will generate the check. All ARC checks require the signatures of two members of the Executive Committee, being the Treasurer and one other member of the Executive Committee.

CONFLICTS

The Executive Director must notify the ARC Executive Committee, in writing, of any known or perceived conflicts of interest within 48 hours of becoming aware of the potential conflict. The Executive Committee shall determine whether, in their opinion, a conflict exists. The decision will be forwarded, in writing, to the Executive Director within seven days of the conclusion of next Executive Committee meeting. The decision of the Executive Committee is final. If it is determined that a conflict exists, the Chair of the ARC, or his/her designee, will assume the duties of the purchasing agent.



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*

<u>TYPE OF DOCUMENT</u>	<u>RETENTION PERIOD</u>
--------------------------------	--------------------------------

Miscellaneous documents	
-------------------------	--

- | | |
|---|----------|
| <ul style="list-style-type: none"> • Expense reports | 7 years* |
| <ul style="list-style-type: none"> • 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.



ACTION REQUESTED:

I move to adopt the following policies: Officer Appointment Policy, Record Retention Policy, Property Management Policy, Travel Reimbursement Policy, and the amended Purchasing Policy to include Sole Source as presented.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)



ACTION REQUESTED:

I move to accept Henry Ford Community College as an Associate Member and Cranbrook Educational Community as a Cooperating Partner in the ARC.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)

Alliance of Rouge Communities Status Report

2009 Fiscal Year - Final 6/2/10

Activity	Budget	Paid	Remaining Balance
Organization Committee			
OC1 Executive Director Services	\$174,273.00	\$172,242.23	\$2,030.77
OC2.a ARC Insurance	\$4,100.00	\$4,100.00	\$0.00
OC2.b Fiduciary Services	\$0.00	\$0.00	\$0.00
OC4 ARC Advocacy and Administration	\$0.00	\$0.00	\$0.00
OC5 501(c)(3) Application	\$20,000.00	\$20,887.59	-\$887.59
Organization Committee Total	\$198,373.00	\$197,229.82	\$1,143.18
Public Education and Involvement Committee			
PIE1 Green Infrastructure Campaign	\$84,100.00	\$85,831.03	-\$1,731.03
PIE2 Detention Pond Maintenance Manual Update	\$7,500.00	\$7,496.56	\$3.44
PIE3 Pub Ed Materials	\$23,000.00	\$22,905.56	\$94.44
PIE4 Collaborative PEP	\$1,000.00	\$943.60	\$56.40
PIE5 Website Maintenance	\$6,000.00	\$5,382.86	\$617.14
PIE6 Rouge 2009	\$7,800.00	\$5,610.29	\$2,189.71
PIE7 PIE Initiatives	\$9,700.00	\$0.00	\$9,700.00
PIE8 Friends of the Rouge	\$22,453.00	\$14,245.20	\$8,207.80
PIE Committee Total	\$161,553.00	\$142,415.10	\$19,137.90
Technical Committee			
TC1 Rouge River Watershed Monitoring Activities	\$64,800.00	\$50,671.77	\$14,128.23
TC2 ARC Collaborative IDEP and E. coli TMDL Plan	\$97,400.00	\$36,165.21	\$61,234.79
TC3 Green Infrastructure and Impervious Cover Mapping	\$54,000.00	\$65,848.51	-\$11,848.51
TC4 Pursuing Grant Opportunities	\$18,350.00	\$18,355.32	-\$5.32
TC5 NPDES Phase II Workgroup	\$1,118.00	\$1,117.54	\$0.46
TC6 Technical Committee Initiatives	\$1,242.00	\$0.00	\$1,242.00
TC7 Potential Grant Project	\$0.00	\$0.00	\$0.00
TC8 Available Match	\$23,150.00	\$0.00	\$23,150.00
Technical Committee Total	\$260,060.00	\$172,158.35	\$87,901.65
Total Budgeted	\$619,986.00	\$511,803.27	\$108,182.73
2009 Contingency (Not budgeted)	\$64,466.00		

Total Available Funds for 2009	\$684,452.00
Amount paid from Alliance Dues	\$277,573.11
Amount Paid from Federal Grant	\$234,230.16 (1)
ARC dues Received	\$405,545.89 (2)
ARC dues available for future bills in FY10 budget	\$127,972.78

NOTES

- (1) Razik Request For Reimbursement form line U. \$208,661.96 plus WC costs razik billed to grant \$25,568.20
- (2) Dues \$289,345 plus landcover \$12,926 plus 2008 rollover of \$103,250 plus bank bonus \$25

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>

**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>

**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
Draft Amended 2010 Budget**

Expected Revenues Available for 2010

DRAFT 9/9/10

* 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
<i>Organization Committee Total</i>	\$ 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	\$ 6,500	\$ 3,250	\$ 3,250		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.
(6)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.
<i>PIE Committee Total</i>	\$ 167,986	\$ 83,993	\$ 83,993	\$ -	
Technical Committee					
TC1 Rouge River Watershed Monitoring Activities	\$ 127,917	\$ 63,959	\$ 63,959		Friends of the Rouge- RPO
TC2 Collaborative Storm Water Action Plan Implementation	\$ 138,000	\$ 69,000	\$ 69,000		Exe. Dir. Serv./Wayne & Oakland Co.
(2)(5)TC3 Pursuing Grant Opportunities	\$ 21,000	\$ 21,000	\$ -		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.
<i>Technical Committee Total</i>	\$ 396,917	\$ 208,959	\$ 142,959	\$ 45,000	
Total Amount Requested by All Committees	\$ 733,652	\$ 381,815	\$ 306,837	\$ 45,000	
Available Unallocated Budget	\$ 72,122	\$ 65,839	\$ 6,284		

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
- (5) DRAFT Budget Amendment to TC3: transfer \$2,500 from PIE2, \$7,500 from TC1 and \$1,000 from TC2 to bring the TC3 budget from \$10,000 to \$21,000. Transfers only affect the Executive Director Services budget, it does not affect services provided by FOTR, WC or OCWRC
- (6) WC IAA shows a budget of \$22,453, the ARC received an adjusted budget from FOTR of \$20,886



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 the Executive Director Services 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. All monies will be used from the Executive Director's budget and no monies will be used from the amounts budgeted for Wayne County or Oakland County.

Budget Reallocation Detail

Original budget	\$10,000
Transfer from TC1 item 5: Monitoring Brochure (Exec. Dir. Monies only)	\$7,500
Transfer from TC2 item 4: IDEP Training (Exec. Dir. Monies only)	\$1,000
Transfer from PIE2: Booklet <i>**note: additional funding will come from a budget amendment by the PIE. (Exec. Dir. Monies only)</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.



ACTION REQUESTED:

I move to amend the ARC 2010 budget as presented in PIE Amendment 1 and TC Amendment 1.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)

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><u>\$ 304,146</u></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><u>\$ 304,146</u></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>\$ 70,048</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>\$ 173,298</u>

Supplemental disclosures of cash flow information:

Cash paid during the year for:

Interest	\$ -
Income taxes	-

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

TINA L. CUSAC, CPA

**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.



Working together, restoring the river

ALLIANCE OF ROUGE COMMUNITIES

PROCEDURE FOR ANNUAL BUDGET PREPARATION AND REQUEST FOR BUDGET AMENDMENT

The following procedure should be utilized to prepare the Alliance of Rouge Communities (ARC) annual budget requests and budget amendment requests of the annual budget of the ARC. This procedure was developed by the Finance Committee of the Alliance of Rouge Communities.

- Changes to the annual budget for the Alliance of Rouge Communities (ARC) (including allocations of the contingency funds) must be reviewed by the ARC Finance Committee prior to implementation.
- Budget amendment requests must be submitted from the proper committee or Officer of the ARC to the ARC Treasurer. Such requests must be submitted in writing a minimum two weeks prior to an Executive Committee meeting. According to the Bylaws, the Executive Committee will meet at least five times a year.
- Budget amendment requests must follow the format shown in Attachment A. The following information must be included in the request: Request Date, Description of Item, Committee Making Requests, Background, Action Requested, Budget, and Person/Agency Responsible for Implementation.
- Prior to the last Executive Committee of the year, the Finance Committee will meet to prepare the budget for the next year. The Budget Preparation Schedule (see Attachment B) will be followed. Committees should use the same process for the annual budget preparation as they do with budget amendments. Requests must follow the format shown in Attachment C.
- The Finance Committee will review the request and will make a recommendation to the ARC Executive Committee.

Adopted by the ARC Finance Committee: June 7, 2010



**ALLIANCE OF ROUGE COMMUNITIES
FINANCE COMMITTEE**

**Attachment A
REQUEST FOR AMENDMENT
Year _____ BUDGET**

REQUEST DATE:

LINE ITEM:

COMMITTEE MAKING REQUEST:

BACKGROUND:

DESCRIPTION OF ANTICIPATED ACTIVITIES:

RATIONALE (including why needed):

BUDGET (including how the requested amount was established):

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION:

Attachment B
Year _____ ARC Budget Preparation Schedule

- | | |
|----------|--|
| 6/7/10 | Finance Committee to approve Budget Schedule |
| 6/11/10 | Treasurer to distribute Budget Schedule |
| 6/29/10 | Executive Committee review Budget Schedule/consider no change to dues |
| 7/1/10 | Treasurer to send out letter to ECT requesting cost proposal for Executive Director Services to the Finance Committee by 9/13/10 |
| 7/1/10 | Treasurer to send out letter to ARC Committees requesting budget submittals to the Finance Committee by 9/13/10 |
| 9/13/10 | Receive cost proposal from ECT and distribute to Executive Committee |
| 9/13/10 | Finance Committee to receive budget proposals from ARC Committees |
| 9/21/10 | Finance Committee meeting to receive draft budget information |
| 10/7/10 | Finance Committee meeting to finalize budget proposals and formulate recommendation to the Executive Committee |
| 10/14/10 | Executive Committee meeting to review the proposed budget |
| 10/26/10 | Full Alliance Meeting to adopt the 2011 ARC budget |



**ALLIANCE OF ROUGE COMMUNITIES
FINANCE COMMITTEE**

Attachment C
Year _____ BUDGET RECOMMENDATION

REQUEST DATE:

LINE ITEM:

COMMITTEE MAKING REQUEST:

BACKGROUND:

DESCRIPTION OF ANTICIPATED ACTIVITIES:

RATIONALE (including why needed):

BUDGET (including how the requested amount was established):

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION:



ACTION REQUESTED:

I move to adopt the Procedure for Annual Budget Preparation/Budget Amendments as presented.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)



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.



ACTION REQUESTED:

I move to adopt the Timekeeping Policy as presented.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)



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.
- Authorized signers of checks are the ARC Chair, Treasurer and Executive Director, except when checks are paid to the company providing the Executive Director services to the ARC and employs the Executive Director. When checks are prepared for RFPs from the vendor providing the Executive Director services the ARC Chair and Treasurer will sign. The ARC Chair can designate additional signers if the need arises.

- 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			



ACTION REQUESTED:

I move to adopt the ARC Accounting Procedures Manual as presented.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)



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.



Working together, restoring the river

TRANSFORMING THE ROUGE AREA OF CONCERN (AOC) FROM MOWED DOWN TO GROWN UP GREAT LAKES RESTORATION INITIATIVE

EPA GLNPO Grant:	\$648,750	Start Date: October 1, 2010
Required Match:	\$181,250	Completion Date: December 1, 2012
<i>City of Southfield</i>	<i>\$30,000</i>	
<i>Wayne County</i>	<i>\$56,250</i>	
<i>FOTR (Erb Foundation)</i>	<i>\$80,000</i>	
<i>ARC (Public Ed.)</i>	<i>\$15,000</i>	
Total Project Cost:	\$830,000	

The three green infrastructure projects to be funded by this grant will:

- Unite the major green corridors along the Rouge River,
- Create a framework to develop consistent priorities for restoration implementation, and
- Improve the Rouge River fisheries by creating green areas that will stabilize flow to encourage a healthy macroinvertebrate population. This will be achieved by improving, installing and enhancing riparian buffers, wetlands and upland habitat in the Rouge River Watershed.

The projects to be completed under this grant are:

Valley Woods Wetland Restoration (Nature Preserve at 10-Mile Road, Southfield, Oakland County)

Restore 7 acres of wetlands and the capacity of wetlands to store and retain storm water from park.

- ◆ This 27-acre preserve is bound on the northeast, where the Rouge River enters the preserve by two major roads. The river channel meanders through a relatively intact floodplain forest containing mature sycamore, oak and red ash trees. A variety of other tree species including maple and elm, complete the overstory composition of this significantly large, functioning floodplain forest. The plant communities within this preserve are diverse relative to many of the other park/preserve sites; a large emergent marsh is present in the northern end and a shrub-carr wetland is present at the southern end of the preserve. This preserve provides a variety of natural functions, including floodwater retention and storage, wildlife habitat and green space.



Lower Rouge and Upper Rouge Parkway (Wayne County)

Convert approximately 15 acres of managed turf grass to native vegetation grow zones within Wayne County Parks in the Upper and Lower Subwatersheds.

- ◆ The Lower Rouge Parkway is nearly 1200 acres of riparian public lands beginning in the City of Dearborn at the downstream end of the Rouge River and extending to Canton Township at the upstream end. Approximately 15 miles of the Lower Rouge River flows through the Lower Rouge Parkway. Wayne County has identified approximately 20 acres of mowed turf area that could potentially be converted to native plant grow zones. With funding as proposed in this grant submittal a minimum of 5 acres would be converted to grow zone.
- ◆ Lola Valley Park is within the Upper Rouge subwatershed and has approximately 1.5 miles of the Upper Rouge River flowing through the 58 acres of riparian parkland owned by Wayne County. Lola Valley Park is completely within Redford Township and winds through a residential neighborhood. The park is approximately one-half mile upstream from the City of Detroit's Eliza Howell Park. Wayne County has identified approximately 12 acres of mowed turf area immediately adjacent to the Upper Rouge River that could potentially be converted to native plant grow zone. With funding as proposed under this grant a minimum of 10 acres would be converted to grow zone.



Eliza Howell Park (City of Detroit, Wayne County)

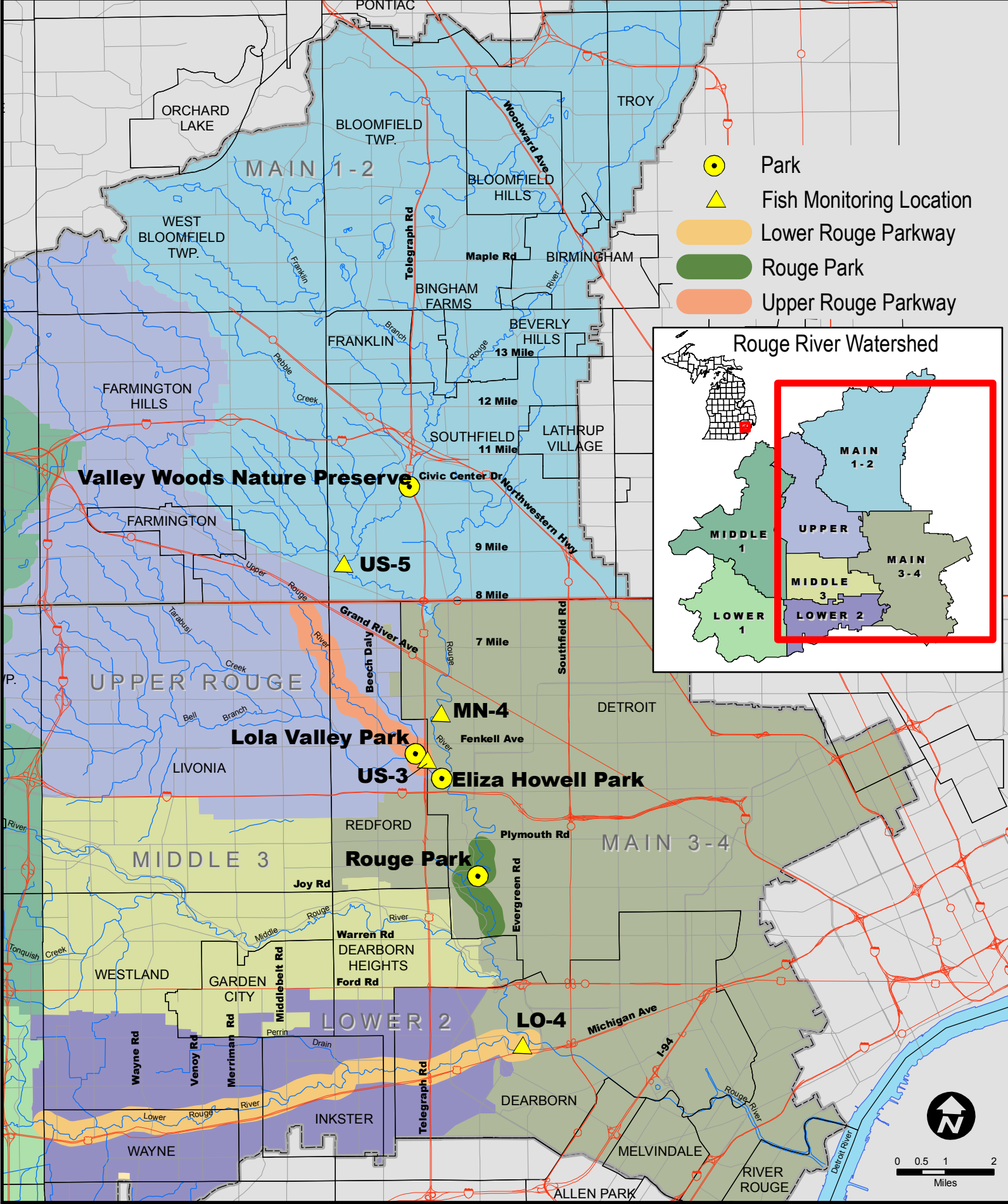
Restore approximately 5 acres of mowed turf grass to native vegetation grow zones. This 200 acre park contains the main stem of the Rouge River and connects the green corridor along this branch.



Rouge River Park (City of Detroit, Wayne County)

Restore approximately 5 acres of mowed turf grass and barren land to native vegetation grow zones. Rouge Park is the City of Detroit's largest park at 1,181 acres. It encompasses 26,000 feet of the Main Branch of the Rouge River and has an abundance of recreational opportunities. The park is home to varied wildlife and includes over 15 acres of restored native prairies.







DANVERS POND DAM REMOVAL AND STREAM RESTORATION

EPA GLNPO Grant:	\$499,254	Start Date: October 1, 2010
Required Match:	\$0	Completion Date: August 1, 2012
Total Project Cost:	\$499,254	

The proposed project will 1)remove the existing dam and create a naturalized water course 2)stabilize erosion using bioengineering and naturalizing techniques 3)restore the former impoundment bottom lands as an open area connected to the stream to dissipate and store flood flows. The project will create and improve habitat and increase water quality in the Creek.

Engineered design plans for restoration were developed under a RPO grant to Farmington Hills and contain the following general elements:

Dam Demolition- The proposed dam demolition consists of the removal of the arch dam structure, wing walls and entire box culvert to the existing 84" x 120" corrugated metal pipe (CMP) culvert. The earth fill outside the box culvert will be re-graded to a 1:3 (v:h) slope and stabilized with rip rap. The existing CMP culvert will be extended to a minimum of 12 feet in order to maintain the proposed 1:3 (v:h) slope from Danvers Drive. The flow of Pebble Creek will then be restored through the existing CMP culvert. The existing culvert under Danvers Road will serve as downstream grade control for the restored stream channel.

Stream Restoration- An artificial riffle will be constructed to control the streambed elevation upstream of the impoundment. It will be constructed with natural boulders and cobbles that are sized such that they are stable and never transported downstream. The riffle sill will be trenched into the streambed and banks to the expected depth of scour. Constructed riffles will be used to dissipate energy and control the stream bed elevation in the restored channel. The design will include restoration of Pebble Creek through the pond after drawdown and dam removal, including active restoration of pattern, profile, and dimension, stream habitat, and an active vegetated floodplain with expected terrestrial wildlife value.

Floodplain Restoration - The bottom lands exposed after draw down of the pond will be restored as natural floodplain, creating a natural buffer and habitat along the restored stream corridor.

Successful implementation of the Danvers Dam Removal and Stream Restoration Project will make substantial progress toward eliminating the Benthos and Fish and Wildlife Habitat BUIs for the AOC. The proposed project also fulfills local and subwatershed goals by improving the quality of the ecosystem and restoring approximately 2 acres of habitat for fish and terrestrial wildlife. The reduction in sedimentation within the creek and the revegetation of 300 linear feet of naturalized stream channel will create improved habitat conditions for fish and wildlife using the Pebble Creek stream corridor. The removal of the dam and the enhancements to Pebble Creek will allow unencumbered fish passage for the entire Pebble Creek, approximately 6.5 miles, and create a natural buffer of native vegetation and wildflowers between private property and the stream corridor.





WAYNE ROAD DAM REMOVAL DESIGN

Working together, restoring the river

RPO Round X Grant:	\$57,500	Start Date: November 1, 2010
Required Match:	\$57,500	Completion Date: August 1, 2011
Total Project Cost:	\$115,000	

Removing the Wayne Road Dam is perhaps one of the premier dam removal projects in the Rouge River Watershed.

- The MDNR 1998 Fisheries Assessment identified the Wayne Road Dam as a major impediment to restoring fish and wildlife habitat in the Rouge River. Removing the dam would reconnect the Rouge River to the Detroit River and the Lake Erie ecosystem.
- Removal of the Wayne Road Dam was also a priority project for the Rouge RAP Advisory Council in order to implement the 2008 Delisting Targets for Fish and Wildlife Habitat and Population Beneficial Use Impairments for the Rouge River Area of Concern.
- Removal of the low head dam (Wayne Road Dam) would reconnect approximately 17 miles of river to the Great Lakes system for the first time in over a century.

The Wayne Road Dam is located in the City of Wayne and is in the Lower Branch of the Rouge River which flows through the cities of Westland, Wayne, Romulus, Garden City, Inkster, Dearborn Heights and Dearborn before joining the Main Branch of the Rouge River.

An Engineering and Feasibility Study prepared for Wayne County in early 2010 provides site investigation data and a recommended conceptual design/ construction sequence to be used as a basis for detailed design and implementation. The river hosts a variety of fish species in the vicinity of the dam, including trout in upstream areas and a variety of warm water species. (e.g., smallmouth bass, northern pike, walleye, sunfish) downstream of the dam.

Although removal of the Wayne Road dam was not emphasized in the Lower 2 Rouge River Subwatershed Management Plan (May 2001), it supports the following goals of the subwatershed management plan:

- Goal 3: Educate the public regarding their impact on the River and the River's potential as a community asset.
 - Encourage use of parklands adjacent to the river
- Goal 4: Enhance and preserve habitat for fish and wildlife, especially next to the river, compatible with land uses.

The draft Rouge River Watershed Management Plan (2008) was more direct. A discussion of impairments in the Lower 2 Subwatershed section of the plan stated that the size and diversity of the fish community in the Lower 2 Subwatershed is constrained by the dam at Wayne Road which prevents fish passage within the subwatershed and from Lake Erie.

The MDNR 1998 Fisheries Assessment suggested that removing or providing fish passage at this site would be extremely helpful in enhancing fish communities in the Lower Rouge River by reconnecting the Rouge to the Detroit River and Lake Erie ecosystem. A 2003 report by the U.S. Army Corps of Engineers suggested that the Wayne Road dam could probably be removed if necessary, or a fish passage could be "feasibly constructed."





ROUGE GREEN CORRIDOR URBAN HABITAT IMPLEMENTATION PLAN

OURS TO PROTECT

Working together, restoring the river

RPO Round X Grant:	\$7,350	Start Date: November 1, 2010
Required Match:	\$7,350	Completion Date: October 31, 2011
Match Provided:		
<i>Oakland County PEDS</i>	<i>\$5,682</i>	
<i>Six Rivers</i>	<i>\$613</i>	
<i>City of Birmingham</i>	<i>\$261</i>	
<i>Village of Beverly Hills</i>	<i>\$659</i>	
<i>City of Southfield</i>	<i>\$1,305</i>	
Total Match:	\$8,520	
Total Project Cost:	\$15,869	

The Rouge Green Corridor (RGC) project (www.oakgov.com/rgc) is a continuing collaboration now in its seventh year. RGC partners include: the cities of Birmingham and Southfield and the Village of Beverly Hills; Oakland County (Water Resources Commissioner, Parks and Planning and Planning and Economic Development), Southeastern Oakland County Water Authority, Friends of the Rouge and Six Rivers Regional Land Conservancy.

The purpose of this grant proposed project is to implement recommendations of the Rouge Green Corridor Urban Habitat Conservation & Stewardship Plan to develop urban habitat and riparian buffers. The project seeks to raise public awareness and stewardship of the critical urban wildlife habitat and recreation feature provided by the Rouge River as it flows through Birmingham, Beverly Hills and Southfield in southeast Oakland County.

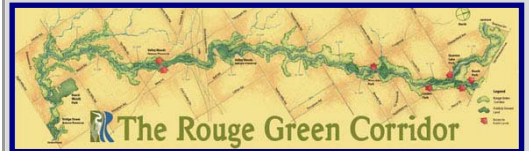
The projects to be completed under this grant are:

Riparian Buffer Demonstration Projects: Design and implement (3) riparian buffer demonstration projects on public land in Riverside Park (Beverly Hills), an appropriate location in Birmingham and Valley Woods Trail (Southfield) with the assistance of volunteer labor. The demonstration projects will be designed by Oakland County Planning and Economic Development, maintenance plan created by Oakland County Parks and the volunteer labor will be instructed by Six Rivers Regional Land Conservancy. Details will be featured on the Rouge Green Corridor website.

Rouge Green Corridor Urban Wetland Conservation & Restoration Plan: This plan will be developed by Oakland County Parks and will outline wetland conservation and restoration opportunities, and tools for implementation for the portion of the Rouge Green Corridor between Twelve Mile and Eight Mile roads, including detailed wetland and floodplain inventory and site-specific tools for management, conservation and restoration.

Design and installation of three interpretive signs: Signage will be installed at the riparian demonstration projects located in Riverside Park (Beverly Hills), an appropriate location in Birmingham and at Valley Woods Trail (Southfield) describing the Rouge River Watershed, the Alliance of Rouge Communities, the Rouge Green Corridor, and local habitat and water quality issues.

Public Education Workshop: A public education workshop will be presented targeting riparian homeowners on riparian buffer installation and maintenance and wetland stewardship. The workshop will educate homeowners on best practices for implementing riparian buffers, no mow zones and stewardship of wetlands and floodplain areas on private properties. One of the buffers designed during this workplan will be used as the location for the workshop.





ACTION REQUESTED:

I move to accept the GLRI and Round X grants and to approve the required match.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)



ACTION REQUESTED:

I move to nominate the 2011-2012 ARC Officers as follows:

Chair _____

Vice-Chair _____

Treasurer _____

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)



ACTION REQUESTED:

I move to adjourn the 9/9/10 Full ARC Meeting.

Motion made by:	_____	(_____)
Seconded by:	_____	(_____)