

Shenandoah RC&D Council

Purchasing and Finance Policy

Approved – September 13, 2004

Amended – March 14, 2005; March 12, 2007; July 14, 2008

A. Competitive Procurement: Normally the lowest cost quotation will be accepted. However, with written justification from the appropriate committee chair, a higher bid may be accepted.

B. Finance: If sufficient funds do not remain in an approved budget operating expense category to cover a purchase, this shall be brought to the Council and include a specific recommendation for resolution. The Council must approve the resolution, which may include amending the budget.

C: Purchasing:

- **Purchases less than \$600** – The Shenandoah RC&D Council will purchase goods and services using sound business practices and will endeavor to obtain the best product available for the lowest cost. The Council Chair must verbally authorize expenditures less than \$600 for Council operations.
- **Purchases greater than \$600** – The Council must approve purchases of \$600 or more.

D: Reimbursement Requests: Will be approved by a Council officer on a case by case basis, based on the annual budget, and submitted on a Council Reimbursement Request form with receipts. Receipts must be submitted by Council members within 60 days of purchase/event to qualify for reimbursement.

Definition of Overhead/Administrative Fees: Items that support the general operations of the Shenandoah RC&D Council including, but not limited to, postage, dues, travel, supplies, etc.

E: Policy on Overhead /Administrative Fees: The RC&D Council will not pay any overhead or administrative fees to grant recipients on funds received by the Council specifically for project work. The RC&D Council will, when possible and as necessary, apply for administrative fees for Council work and when collaborating with other organizations that require those or similar overhead fees. These fees will be applied for as part of the grant request. Designated amounts or percentages will be divided among grant applicants.

F. Grant Recipient Documentation: When redistributing grant funds to another party (or parties) that will carry out the grant work, the Shenandoah RC&D Council will require that a Memorandum of Understanding be signed with the appropriate signatory(s) doing the project work. Those responsible for project work must provide the Shenandoah RC&D Council with timely and appropriate documentation of the work accomplished in time for grant reports to be prepared. The person who signs the MOU must also initial the original granting contract to reinforce commitment to comply with the original funding intent.

G. Liquid Assets Recorded/Deposited: All liquid assets, cash, checks and wire transfers, must be recorded within the Council's general ledger within seven working days of receipt and deposited within the appropriate SunTrust checking account within 14 days of receipt. All liquid assets must be earmarked for specific purposes, i.e., administrative or project funds, and placed in the appropriate

account. All administrative funds must be clearly earmarked prior to receipt from the grantor or other sponsors and be placed in the Council's administrative account.

H. Transferring funds between two RC&D accounts: Under certain circumstances, the Council may transfer excess administrative funds to core purpose funds with clear, written documentation and approval by a majority of Council Members.

I. Proposed Council projects awaiting major funding from other sources: It is the Shenandoah RC&D Council's intent not to fund project proposals received by the Council for consideration that are awaiting major funding to cover all project expenses from another source. The Council will fully consider technical assistance for the project or funding if a grant or grants have been denied by a source(s) or if partial funding is available to cover project expenses.