



AGENDA

FULL COMMISSION MEETING

Tuesday, August 26, 2025, 9:30 a.m.

Van Buren Conference Center
490 Paw Paw Street
Lawrence, MI 49064

- 1. CALL TO ORDER** **Chair Kurt Doroh**
 - Pledge Allegiance
 - Roll Call
- 2. ACCEPTANCE AND/OR REVISION OF CONSENT AGENDA**
 - a. Meeting Agenda *
 - b. Minutes of Commission Meeting, June 17, 2025 *
 - c. Chairman's Report
 - d. Treasurer's Report*
- 3. EXECUTIVE DIRECTOR'S REPORT *Accept** **John Egelhaaf – Ex. Director**
- 4. AD HOC COMMITTEE FOR EX. DIRECTOR EVALUATION** **Chair Doroh**
 - Committee Assignment*
- 5. GRAHAM WOODHOUSE INTERGOVERNMENTAL EFFORT AWARD***
 - Nomination Forms***Director Egelhaaf**
- 6. FINANCIAL MANAGEMENT POLICIES AND PROCEDURES** **Director Egelhaaf**
 - Revision – Insertion w/in Part 2-Financial Condition “Operating Reserve Fund”*
- 7. DIGITAL INNOVATION & COLLABORATIVE EXCHANGE** **Jerry Happel**
 - Introduction to DICE*
- 8. PLANNER PRESENTATION** **Jerrid Burdue – Senior Development Planner**
 - Why the Comprehensive Economic Development Strategy Matters*
- 9. PUBLIC COMMENT**
- 10. PRIVILEGE OF THE FLOOR**
- 11. ADJOURNMENT**

**enclosures*

Next meeting will be held October 21, 2025 at **Van Buren Conference Center, Lawrence, MI**

SWMPC Mission: Our team uses its passion and expertise to connect people, assist communities, and advance cooperative solutions to regional challenges experienced by the communities that created us.

The Mission of the Southwest Michigan Planning Commission is to promote a sustainable high quality of life through facilitation of sound planning and decision making.



Minutes

Southwest Michigan Planning Commission
FULL COMMISSION MEETING
Tuesday, June 17, 2025, at 9:30 a.m.

Meeting held in person at Van Buren ISD Conference Center

MEMBERS PRESENT:

Doroh, Kurt, Chair, Van Buren County Commissioner
Curran, Jim, Vice Chair, Berrien County Commissioner
Sinclair, Kim, Treasurer, Van Buren County Representative
Preston, Linda, Secretary, Cass County Representative
Catherman, Rick, Van Buren County Representative
Cichon, Peg, Berrien County Representative
DeLong, Don, Cass County Representative
Dodd, James, Cass County Representative
Ellspermann, Tom, Berrien County Representative
Engle, Roger, Van Buren County Representative
Fette, Dan, Berrien County Representative
Freehling, Teri Sue, Berrien County Commissioner
Gundersen, Kristen, Alternate Secretary, Berrien County Representative
Klemesrud, Kathryn, Berrien County Representative
Leary, Tina, Van Buren County Commissioner
Northrop, Alan, Cass County Commissioner
Pantaleo, Paul, Berrien County Representative
Patterson-Gladney, Gail, Van Buren County Commissioner
Stauffer, Dick, Berrien County Representative
Tyler, Doug, Cass County Representative
Wuerfel, Julie, Berrien County Commissioner

MEMBERS ABSENT:

Durm-Hiatt, Marge, Berrien County Representative
Hanson, Sandra, Alternate Treasurer, Van Buren County Representative
Multhauf, Katie, Van Buren County Economic Development Ex-Officio
Torzynski, Robert, Pokagon Band Representative

OTHERS PRESENT:

Humphrey, John
Vettraino, Maria, SWMPC Office Manager
Antel, Jennifer, West Michigan Trails Program Manager

1. CALL TO ORDER

Chair Kurt Doroh called the meeting to order at 9:30 a.m. and led those present in the Pledge of Allegiance. Office Manager, Maria Vettraino, took roll call, and a quorum was present.

2. ACCEPTANCE AND/OR REVISION OF CONSENT AGENDA

Chair Doroh presented the Consent Agenda. Rick Catherman moved to **“ACCEPT THE CONSENT AGENDA.”** James Dodd seconded the motion, which carried unanimously.

3. EXECUTIVE DIRECTOR’S REPORT

Director Egelhaaf opened the floor for any questions or comments on the Executive Director’s Report. Dan Fette shared the resignation of Berrien County Representative Gary Wood from the SWMPC Board. He then introduced John Humphrey, former mayor of New Buffalo, who may replace Gary Wood’s seat.

Kimberly Sinclair moved to **“ACCEPT THE EXECUTIVE DIRECTOR’S REPORT.”** Paul Pantaleo seconded the motion, which carried unanimously.

4. WEST MICHIGAN REGIONAL MASTER TRAILS PLAN

Jennifer Antel, Program Manager at West Michigan Trails, presented the West Michigan Regional Master Trails Plan. Antel covered the regional needs, process, and priorities of the plan.

5. RESOLUTION 2025-3 WEST MICHIGAN REGIONAL MASTER TRAILS PLAN

Peg Cichon moved to **“APPROVE RESOLUTION 2025-3 WEST MICHIGAN REGIONAL MASTER TRAILS PLAN.”** Gail Patterson-Gladney seconded the motion, which carried unanimously by roll call vote.

6. NATS & TWINCATS UNIFIED WORK PROGRAM (UWP)

Transportation Planner, Brandon Kovnat, presented the NATS & TWINCATS Unified Work Program (UWP).

7. NATS & TWINCATS TRANSPORTATION IMPROVEMENT PROGRAM (TIP)

Transportation Planner, Brandon Kovnat, presented the NATS & TWINCATS Transportation Improvement Program (TIP).

8. RESOLUTION 2025-4 NATS/CASS OZONE STANDARD STATUS

Dick Stauffer moved to **“APPROVE RESOLUTION 2025-4.”** James Dodd seconded the motion, which carried by roll call vote. A single dissenting vote was recorded from Paul Pantaleo.

9. RESOLUTION 2025-5 NATS 2026-2029 TIP

Chair Doroh requested to approve the NATS and TWINCATS 2026-2029 TIP in one motion. The Board agreed.

10. RESOLUTION 2025-6 TWINCATS 2026-2029 TIP

Peg Cichon moved to **“APPROVE RESOLUTION 2025-5 NATS 2026-2029 TIP AND RESOLUTION 2025-6 TWINCATS 2026-2029 TIP.”** Gail Patterson-Gladney seconded the motion, which carried unanimously by roll call vote.

11. RESOLUTION 2025-7 TWINCATS 2026 UWP

Chair Doroh requested to approve the NATS and TWINCATS 2026 UWP in one motion. The Board agreed.

12. RESOLUTION 2025-8 NATS 2026 UWP

Kimberly Sinclair moved to **“APPROVE RESOLUTION 2025-7 TWINCATS 2026 UWP AND RESOLUTION 2025-8 NATS 2026 UWP.”** James Dodd seconded the motion, which carried unanimously by roll call vote.

13. RESOLUTION 2025-9 BERRIEN COUNTY OZONE STATUS

James Dodd moved to **“APPROVE RESOLUTION 2025-9.”** Doug Tyler seconded the motion, which carried by roll call vote. A single dissenting vote was recorded from Paul Pantaleo.

14. RESOLUTION 2025-10 SELF CERTIFICATION TWINCATS TIP

Doug Tyler moved to **“APPROVE RESOLUTION 2025-10.”** Gail Patterson-Gladney seconded the motion, which carried unanimously by roll call vote.

15. RESOLUTION 2025-11 SELF CERTIFICATION NATS TIP

Linda Preston moved to **“APPROVE RESOLUTION 2025-11.”** Kathryn Klemesrud seconded the motion, which carried unanimously by roll call vote.

16. PLANNER PRESENTATION

Expanding Access through Mobility Management

Senior Planner, Kim Gallagher, presented on the Mobility Management program. She covered how gaps in Michigan's transportation network impact disadvantaged groups and how human service coordination is being improved. She also highlighted the SWMPC's role in developing a statewide approach to regional mobility management. Gallagher then explained what mobility management means, its strategy, findings, and goals.

17. PUBLIC COMMENT

None.


18. PRIVILEGE OF THE FLOOR

None.

19. ADJOURNMENT

Kimberly Sinclair moved to adjourn the meeting. Gail Patterson-Gladney supported the motion. The Chair declared the meeting adjourned at 11:00 am.

Respectfully submitted by:



K. John Egelhaaf, AICP

Date: June 17, 2025

Southwest Michigan Planning Commission

Balance Sheet

As of July 31, 2025

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 Petty Cash	65.00
1020 Checking	156,095.36
1040 ICS	166,669.82
1060 CD	88,808.29
Total Bank Accounts	\$ 411,638.47
Accounts Receivable	
1100 Accounts Receivable	327,585.74
1110 A/R Grants	0.00
Total Accounts Receivable	\$ 327,585.74
Other Current Assets	
1200 Other Receivable	230,467.00
1240 Undeposited Funds	2,455.51
1300 Prepaid Expenses	11,331.10
1499 Security Deposit - 376 W. Main	-11,220.00
Met Life Stock	0.00
Repayment	
MISC DEDUCTION	0.00
Total Repayment	\$ 0.00
Total Other Current Assets	\$ 233,033.61
Total Current Assets	\$ 972,257.82
Fixed Assets	
1350 Furniture and Equipment	32,056.00
1360 Accumulated Depreciation	-32,056.00
1400 Right of Use Asset	589,023.84
1410 Right of Use Asset - Amortization	-53,992.60
Total Fixed Assets	\$ 535,031.24
Other Assets	
1250 Grants Receivable - Old	0.00
Total Other Assets	\$ 0.00
TOTAL ASSETS	\$ 1,507,289.06
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	-3,834.90
Total Accounts Payable	-\$ 3,834.90

Other Current Liabilities		
2010 Accounts Payable - Old		0.00
2250 Accrued Payroll		14,087.45
2400 Payroll Liabilities		4,488.19
2420 457b Payable		1,479.26
2430 Health Insurance		461.79
2438 HSA		-692.30
2440 Federal Withholding		0.00
2450 Medicare Payable		0.00
2460 FICA Payable		0.00
2480 State Withholding		714.42
2490 Michigan UIA Payable		195.77
2495 Benton Harbor withholding		172.55
457b Catch-Up		0.00
IN Income / Local Taxes		0.00
MISC		3.84
MISC DEDUCTION		31.46
Total 2400 Payroll Liabilities	\$	6,854.98
2500 RPI		0.00
Michigan Department of Treasury Payable		0.00
Total Other Current Liabilities	\$	20,942.43
Total Current Liabilities	\$	17,107.53
Long-Term Liabilities		
2260 Accrue Annual Leave		42,160.95
2290 SJ Watershed Escrow		1,207.99
2300 NATS-FHWA-Escrow		2,591.54
2310 NATS-FTA-Escrow		13,901.33
2320 TCATS-Escrow		19,397.05
2340 EDA Escrow		409.09
2550 Unearned Revenue		92,655.00
2600 Lease Liability		527,520.66
Total Long-Term Liabilities	\$	699,843.61
Total Liabilities	\$	716,951.14
Equity		
32000 Unrestricted Net Assets		621,148.99
Net Income		169,188.93
Total Equity	\$	790,337.92
TOTAL LIABILITIES AND EQUITY	\$	1,507,289.06

Southwest Michigan Planning Commission
Budget vs. Actuals
January - July, 2025

	Actual	Budget	Total over Budget	% of Budget
Income				
4000 Federal Grant	443,682.88	972,730.00	-529,047.12	45.61%
4005 Pass Thru	448,414.37	9,615,612.00	-9,167,197.63	4.66%
4010 State Grant	41,968.10	666,526.00	-624,557.90	6.30%
4020 County Contribution	59,112.00	59,112.00	0.00	100.00%
4030 Local Match	88,016.00	92,629.00	-4,613.00	95.02%
4040 Local Contract	162,641.54	177,003.73	-14,362.19	91.89%
4050 Other Fee Income	811.30	0.00	811.30	
4080 In-Kind		0.00	0.00	
4090 Donations		0.00	0.00	
4100 Interest Income	5,636.44	4,300.00	1,336.44	131.08%
Total Income	\$ 1,250,282.63	\$ 11,587,912.73	-\$ 10,337,630.10	10.79%
Gross Profit	\$ 1,250,282.63	\$ 11,587,912.73	-\$ 10,337,630.10	10.79%
Expenses				
6000 Direct Expenses				
6200 Salaries	246,885.29	562,548.00	-315,662.71	43.89%
6220 Payroll Taxes	18,883.00	43,031.49	-24,148.49	43.88%
6230 Pension Expenses	17,227.66	41,477.54	-24,249.88	41.53%
6240 Employee Insurance	62,084.21	158,832.22	-96,748.01	39.09%
6300 Mileage & Travel	3,980.64	12,846.00	-8,865.36	30.99%
6310 Meals	343.26	2,255.00	-1,911.74	15.22%
6315 Lodging	1,030.76	8,110.00	-7,079.24	12.71%
6320 Telephone		0.00	0.00	
6330 Printing		0.00	0.00	
6340 Postage		0.00	0.00	
6410 Dues & Subscriptions	2,442.67	5,380.00	-2,937.33	45.40%
6420 Supplies & Materials	2,613.52	13,005.00	-10,391.48	20.10%
6430 Computer Services	70.00	9,659.00	-9,589.00	0.72%
6440 Advertising		0.00	0.00	
6500 Conferences & Training	3,409.87	9,550.00	-6,140.13	35.71%
6520 Rent & Janitorial		0.00	0.00	
6525 Lease Payments - Principal		0.00	0.00	
6530 Local Cash in-kind		0.00	0.00	
6540 Contractural Svcs-OnSite		0.00	0.00	
6550 Contractural Svcs-OffSite	116,886.99	31,675.00	85,211.99	369.02%
6610 Equipment		10,208,873.00	-10,208,873.00	0.00%
6620 Equipment Rental		0.00	0.00	
6630 Equipment Maintenance		0.00	0.00	
6710 Legal Services		0.00	0.00	
6715 Audit Services		0.00	0.00	
6720 Accounting Services		550.00	-550.00	0.00%
6730 Insurance Corporate		3,200.00	-3,200.00	0.00%
6740 Depreciation		0.00	0.00	

6750 Amortization Exp		0.00		0.00	
6950 General Commission Expenses	639.30	0.00		639.30	
6960 Commissioner Mileage	2,949.81	650.00		2,299.81	453.82%
6970 Commissioner Per Diem	2,270.00	2,550.00		-280.00	89.02%
6980 Bank Fees	349.54	2,560.00		-2,210.46	13.65%
6985 Contingency		1,800.00		-1,800.00	0.00%
6990 Pass Thru	396,641.59	500.00		396,141.59	79328.32%
Total 6000 Direct Expenses	\$ 878,708.11	\$ 11,119,052.25	-\$	10,240,344.14	7.90%
7000 Indirect Expenses		468,195.18			
7200 Salaries-Indirect	77,345.29			77,345.29	
7220 Payroll Taxes-Indirect	6,743.69			6,743.69	
7230 Pension Expenses-Indirect	5,797.30			5,797.30	
7240 Employee Insurance-Indirect	21,797.20			21,797.20	
7315 Lodging-Indirect	640.58			640.58	
7320 Telephone-Indirect	1,335.39			1,335.39	
7340 Postage-Indirect	982.44			982.44	
7410 Dues & Subscriptions-Indirect	356.57			356.57	
7420 Supplies & Materials-Indirect	8,640.33			8,640.33	
7430 Computer Services-Indirect	19,419.86			19,419.86	
7520 Rent & Janitorial-Indirect	41,679.80			41,679.80	
7640 Gas-Indirect	1,448.29			1,448.29	
7650 Power-Indirect	2,927.22			2,927.22	
7660 Water-Indirect	578.08			578.08	
7715 Audit Services-Indirect	6,500.00			6,500.00	
7720 Accounting Services-Indirect	3,500.05			3,500.05	
7730 Insurance Corporate-Indirect	2,693.50			2,693.50	
Total 7000 Indirect Expenses	\$ 202,385.59	\$ 468,195.18	-\$	265,809.59	43.23%
9000 Payroll Expenses					
9020 Salaries & Wages					
9040 FICA Taxes					
9060 Medicare Taxes					
9080 Michigan UIA Taxes					
9200 Mileage, meals, and lodging					
9220 Supplies					
Total 9000 Payroll Expenses	\$ 0.00	\$ 0.00	\$	0.00	
Total Expenses	\$ 1,081,093.70	\$ 11,587,247.43	-\$	10,506,153.73	9.33%
Net Operating Income	\$ 169,188.93	\$ 665.30	\$	168,523.63	25430.47%
Net Income	\$ 169,188.93	\$ 665.30	\$	168,523.63	25430.47%

MEMORANDUM

TO: Southwest Michigan Planning Commission

FROM: K. John Egelhaaf

DATE: August 12, 2025

RE: Staff Report for the Southwest Michigan Planning Commission August 26, 2025

Office/Administrative Updates

- A. Conference/Worshop Attendance
 - a. Catalyst Communities: Food Waste Collection & Composting (June 24)
 - 1. Bekah Schrag Attended
 - b. Planning & Zoning for Solar Energy (July 9)
 - 1. Jerrid Burdue Attended
 - c. MI Infrastructure Office-New Grant Program Scoping (July 16)
 - 1. Jerrid Burdue Attended
 - 2. John Egelhaaf Attended
 - d. Michigan Transportation Planners Conference (July 22-24)
 - 1. Brandon Kovnat Attended
 - 2. Kim Gallagher Attended
 - e. Michigan Association of Regions Annual Meeting (Aug 14-15)
 - 1. John Egelhaaf Attended

Project Developments

- A. Road Asset Management Pavement Surface Evaluation & Rating (PASER)
 - a. SWMPC Has Facilitated the PASER Rating of 50% of all Federal Aid Eligible Roads and all primary roads in SW MI
 - i. SWMPC staff help rate each road along with 2 other certified road raters in the vehicle
 - ii. Road rating results are forwarded to the state's Transportation Asset Management Council
 - iii. Ratings are critical data to help inform on road conditions across the state
 - 1. Useful as highly current existing conditions
 - 2. Useful for longitudinal comparison across multiple years (How good was the last fix? How long did the last reconstruction last? What's the best fix at the right time?)
- B. Materials Management
 - a. All 3 Counties Have Signed Grant Agreements with MI Dept. of Environment, Great Lakes, and Energy
 - b. SWMPC Helping Each w/Submission of First Quarterly Reporting
 - c. SWMPC Facilitating the Materials Management Planning Committee Through the Development of a Regional Materials Management Plan

SWMPC Staff Report – August 26, 2025

- C. Termination of Michigan Inclusive Training, Technology & Equity Network Broadband Grant
 - a. \$857,909 – Three Year Grant Officially Terminated as of August 7th
- D. US 12 Heritage Trail Annual Garage Sale
 - a. Michigan's Longest Garage Sale – Facilitated by the SWMPC
 - i. Via the SWMPC's US 12 Heritage Trail website
https://www.us12heritagetrail.org/garage_sale.asp
 - b. The Main Event in Our US 12 Heritage Trail Management
 - c. Over 500 Registered Vendors This Year (Biggest Ever!)
- E. Master Plans in Process
 - a. City of Bangor
 - b. City of Gobles
 - c. Village of Michiana
- F. Van Buren County Recreation Plan
 - a. Initiating Planning Process w/Existing Conditions Mapping
- G. Ox Creek Restoration
 - a. State Historic Preservation Office Delays w/Hall Park Work & Creek Work Between Highland Ave and Griffin St.
- H. Michigan Infrastructure Council (MIC) Rich Hubs
 - a. Signed Memorandum of Understanding Between SWMPC and MI Dept of Treasury
 - b. \$300,000 To Begin Infrastructure Asset Management
 - c. Two-Year Grant (Beginning of a Multi-Year Journey)
- I. Regional Housing Partnership Asset Mapping
 - a. Identify Orgs, Tools, Resources that Support Housing Solutions
 - b. Broad Request for Completion of Housing Asset Mapping Survey (Survey Open Through November 21st)
 - c. Survey Link: <https://orp.jotform.com/scotta35/regionjassetmapping>

Potential Projects

- A. National Association of Regional Councils (NARC) & Keystone Policy Center
 - a. “Innovative Ways to Facilitate Civic Engagement in Shaping Equitable & Sustainable Energy-Related Land Use Decisions”
 - b. Nationally, One of Three Regional Planning Orgs Invited to Submit Grant Application
 - c. \$75,000 Three-Year Grant
 - d. Application Submitted August 13th

Graham Woodhouse Intergovernmental Effort Award

SWMPC Internal Process

August 26	Initial Distribution of Nomination Forms to SWMPC Board
August 26	Voting Rubric Template Completed
October 3	Project Submissions Due
October 9	Project Summaries Completed By SWMPC Staff
October 13	Invitation to SWMPC Board to Submit Votes (using voting rubric)
October 28	Voting Due (additional week beyond SWMPC board meeting for absentee voting)
November 3	Final Award Determination
November 7	Notify Award Winner(s)
November 25	Establish Exactly Who Gets Awards/Plaques
November 26	Awards Ordered
December 1	Meeting Invitations Sent to Awardees
December 16	SWMPC Meeting

GRAHAM WOODHOUSE INTERGOVERNMENTAL EFFORT AWARD
PROJECT NOMINATION FORM

2025

NAME AND LOCATION OF PROJECT:

UNITS OF GOVERNMENT AND/OR AGENCIES INVOLVED:

DATES OF OPERATION AND COMPLETION:

GEOGRAPHIC AREA BENEFITED:

CONTACT PERSON:

TITLE:

ADDRESS:

TELEPHONE NUMBERS:

DESCRIPTION OF PROGRAM/PROJECT:

GOALS AND OBJECTIVES OF PROGRAM:

DISTINCTIVE FEATURES:

TARGET GROUPS/BENEFICIARIES:

MAJOR OBSTACLES AND PROBLEMS OVERCOME:

GRAHAM WOODHOUSE INTERGOVERNMENTAL EFFORT AWARD
PROJECT NOMINATION FORM

HISTORY OF RELATIONSHIPS BETWEEN PARTIES INVOLVED:

HOW DID THE LOCAL GOVERNMENTAL UNITS WORK TOGETHER TO ACCOMPLISH
OBJECTIVES?

FUNDING SOURCES

AMOUNT

1.	\$
2.	\$
3.	\$
4.	\$
TOTAL:	\$

ESTIMATED COST SAVINGS:

NOMINATED BY:

TITLE:

ADDRESS:

PHONE:

SIGNATURE:

SUBMISSION DEADLINE: Friday, October 3, 2025

Please mail, fax, or email completed form and any other project information to:

Southwest Michigan Planning Commission
376 West Main Street, Suite 130
Benton Harbor, MI 49022
Email: vettrainom@swmpc.org
Phone: 269-925-1137 x 1520

GRAHAM WOODHOUSE INTERGOVERNMENTAL EFFORT AWARD

PROJECT EVALUATION FORM

2025

PROJECT NAME:	Points Possible	Points Assigned
DEGREE OF PROJECT COOPERATION 3 - Project involves routine cooperation that does not entail sensitive negotiation among governmental units. 10 - Project involves new cooperative arrangements requiring sensitive negotiation among a number of governmental units.	3 - 10	
PROJECT METHODOLOGY 3 - Project employs methodology used on similar projects. 10 - Project employs unique methodology and may be considered a pioneering effort.	3 - 10	
PROJECT SCOPE 3 - Project deals with essentially one functional area. 10 - Project deals with multi-functional areas.	3 - 10	
PROJECT FUNDING 3 - Project is essentially funded from one funding source. 10 - Project is funded from three or more funding sources.	3 - 10	
RELATIVE DEGREE OF EFFORT BY LOCAL UNITS 3 - Modest expenditure of time and modest overall commitment. 10 - Substantial commitment of time and effort over a sustained time period.	3 - 10	
PROJECT TRANSFERABILITY 3 - Project has limited transferability to other areas due to topic, problem uniqueness, timing, or other factors. 10 - Project has high transferability due to widespread nature of problem.	3 - 10	
PROJECT BENEFITS 3-10- Intangible (communication, citizen involvement, number of governmental units, inter-county cooperation).	3 - 10	
3-10- Tangible (implementation plans, allocation of resources, administrative manuals or policies, number of participating units, data or summaries, technical assistance, or proposals for further study, etc.)	3 - 10	
Total Score	80 possible	Sum:

SWMPC Operating Reserve Fund Proposed Policy

(To be inserted in Part 2-Financial Condition following “Bank and other Financial Accounts” as a separate heading entitled “Operating Reserve Fund.”)

The Operating Reserve Fund is defined as the fund set aside for special designated use. The reserve may be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, or research and development. Additionally, in the event of a legislative delay or suspension of state or federal reimbursement, the reserve may serve to bridge a gap between the submission of expense invoices and the payment of those expenses. Operating reserves are not intended to replace a permanent loss of funds.

The minimum amount to be designated as operating reserve will be established in an amount sufficient to maintain ongoing operations and programs for up to four months. The target minimum Operating Reserve Fund is equal to four months of average recurring operating costs.

The Operating Reserve Fund will be recorded in the accounting system and financial statements commingled with the general cash and investment accounts of the organization. The Operating Reserve Fund will be funded with surplus unrestricted operating funds.

The Executive Director will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Operating Reserve Policy. Authority for the use of operating reserves is delegated to the Executive Director in consultation with the Treasurer and/or Chair. For any given use of the Operating Reserve funds, the Executive Director will dictate to the Office Manager the conditions under which that portion of Operating Reserve funds shall be used. The Office Manager will then execute the directive. The use of operating reserves will be reported to the Board of Directors at their next scheduled meeting, accompanied by a description of the analysis and determination of the use of funds.

SOUTHWEST MICHIGAN PLANNING COMMISSION

Financial Management Policies and Procedures



Approved February 3, 2009
Updated April 19, 2011
Updated February 20, 2018
Updated March 2025

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Introduction

The Southwest Michigan Planning Commission (SWMPC) Financial Management Policies and Procedures Manual has been developed to define financial policy for conduct of business and to provide general procedures for their implementation. The information in the manual is in accordance with SWMPC Bylaws, a policy framework established by the SWMPC Board of Commissioners. Through the Bylaws, the Board delegated authority and responsibility for the administration of financial policies to the Executive Director. The Executive Director has the authority to modify, amend, and/or establish new fiscal operational procedures without advance notice; however, changes in policy are subject to Board approval. In the absence of the Executive Director and with the approval of the SWMPC Executive Committee, the Deputy Director shall assume the Executive Director's responsibilities detailed within this document.

Board Members and staff are encouraged to consult the Executive Director for additional information regarding the financial policies and procedures described in this manual.

Part 1 – Financial Planning and Budgeting

Policy

SWMPC fiscal year is the calendar year. SWMPC uses QuickBooks accounting software and follows generally accepted accounting principles (GAAP). With respect to fiscal planning and budgeting, the employees responsible for financial reporting shall not jeopardize the programmatic or fiscal integrity of the organization. Accordingly, she/he shall not cause or allow budgeting that:

- Deviates from board-stated ends, policies and priorities.
- Contains too little detail to enable a reasonably accurate projection of revenue and expenses.
- Fails to separate capital and operational items or disclose planning assumptions.
- Plans the expenditure of more funds in a fiscal year than conservatively projected to be received in that period.
- Reduces the current cash assets below a reserve amount representing a minimum three months expenses.

Procedures

Annual Budget and Work Plans

The Executive Director shall develop a preliminary budget and work plan annually.

A. Budget Development:

1. Project Authorization or Executed contract received from grantor, or project client.
2. Project Information Sheet prepared and passed to the Office Manager to create a Project file and assign a Program/Class Code.
3. Insert income details into the Projects and Funding Source Summary table
4. Preliminary Project Budget prepared by Executive Director or Project Planner
 - May be developed from a prospectus, proposal, or grant proposal
 - If the project is part of a continuing planning process (NATS, T-CATS, etc) the accounting history from prior years are examined in order to derive the most accurate numbers possible for the Preliminary Project Budget.
 - Preliminary Project Budgets are submitted for input from project planners prior to final draft.
5. Preliminary Project Budget final draft provided to Office Manager
6. Office Manager inserts Preliminary Project Budget into Master Accounting Budget
7. Executive Director inserts Preliminary Project Budget into SWMPC budget document package (Draft Budget or next budget revision submitted to the Commission).

B. The Executive Director presents the preliminary budget to the Executive Committee for review prior to the formal presentation to the Commission.

C. The Executive Director presents the preliminary budget with any suggested revisions to the Board for provisional approval at the last Commission meeting of the year.

- D. The Board reviews the proposed annual budget with the Executive Director during the last Commission meeting of the year. The Executive Director presents the fiscal year work plan to the Commission at the first meeting of the year.
- E. After the Commission approves the annual budget, the Executive Director then manages the annual budget effective January 1 of each fiscal year, requesting budget amendments at Commission meetings. The Office Manager prepares monthly reports that are presented to the Commission or Executive Committee.

Part 2 – Financial Condition/Financial Reporting and Documentation

Policy

With the respect to the actual, ongoing condition of the organization's financial health, the Executive Director may not cause or allow the development of fiscal jeopardy or loss of allocation integrity. The SWMPC shall maintain a minimum three-month fund balance. If the fund balance should dip below the three-month level, the Treasurer and Chair with the Executive Director shall review the bi weekly financial management and Office Manager until the three-month fund balance is restored. SWMPC will retain financial and supporting records for a minimum of 3 years after a federal award is closed.

Accordingly, the Executive Director may not:

- Allow actual allocations to deviate materially from board priorities and policies.
- Indebt the organization in an amount greater than can be repaid by unencumbered revenue within 90 days and, in no event, beyond the fiscal year.
- Funds shall not be intended for long-term investment although checking and contingent accounts may be interest bearing.
- SWMPC shall not expose the organization, its board or staff to claims of liability.
- SWMPC shall not receive, process, or disburse funds under controls insufficient to meet audit standards.

Procedures

Chart of Accounts and Other Financial Records

1. The Office Manager shall maintain the Chart of Accounts as new programs are added. Updates are distributed to the Executive Director and planners.
2. The Office Manager shall produce a general ledger, accounts receivable, accounts payable, cash receipt, disbursements, and revenue and expense statements through QuickBooks as requested by the Executive Director. These reports reflect actual income and expenses to the approved annual budget.
3. QuickBooks is used to track revenues and expenditures and provide financial results separately for each federal agreement, project, or program. The Office Manager uses QuickBooks to generate reports by project/grant to show obligations, unobligated balances, assets, outlays, income, interest, and comparison of outlays to budgeted amounts. The Office Manager maintains a file on each project/grant with source documentation to support the entries in QuickBooks.

Financial Reporting

1. For federally funded projects SWMPC prepares regular updates on the status of program implementation following the reporting requirements found in the award's terms and conditions. The project manager will review grant terms and conditions to determine frequency and format of technical reports and requirements for submitting associated a financial statement of expenditures. The project manager will prepare and submit

Interim/Final Financial Status Reports (SF-425) as required or at least annually for all federal funding sources.

Drawing Funds and Advanced Payments

1. SWMPC draws down federal funds approximately once a month unless the federal granting agency requires another way of accessing their funds. The draw-down process is performed by the Office Manager with approval by the Deputy Director and Executive Director. For federal grants and contracts, funds are drawn down on a reimbursement basis (i.e., federal funds are not drawn down until they have been spent).
2. The organization complies with federal provisions for minimizing the time elapsing between the drawdown of funds and disbursement by operating its federal grant awards on a reimbursement basis. Prior to conducting the drawdown, a report is generated to show a comparison of revenues to expenses to date for each federal grant. The Office Manager will conduct an analysis of budget to actual expenses and a summary of funds drawn to date prior to drawing down funds. The analysis spreadsheet is organized by individual grant index, granting agency and the grand total of all federal grant funds to be drawn down. Federal grant funds are received from each granting agency via wire transfer.
3. The Office Manager with approval of the Executive Director is authorized to request payments from the Federal government for grant awards from the federal website. The Office Manager with approval of the Deputy Director prepares reimbursement requests/invoices and supporting documentation in accordance with the associated grant and contract requirements, ensuring that all expenses submitted for reimbursement are reasonable, allowable, allocable, and accurate. The Executive Director is copied on all invoices and payment requests and verifies that the requests and payments requests are accurate. Supporting documents from the grantee and all partners/contractors are required for the draw of funds and for issuing payments.
4. Supporting documentation for expenses include staff timesheets, receipts, and mileage and expense reimbursement forms with associated approvals. After the drawdown request has been finalized, the completed analysis is used to allocate the funds when they arrive. Once the federal funds are received the Office Manager documents it in the accounting system as received income and ensures that the amount loaded into each federal grant equals the requested draw-down amount. If the reimbursable expense was not already paid out, the Office Manager will disperse the funds as according to federal provisions.

System for Award Management (SAM)

1. SWMPC will register and/or update organization information in the SAM portal once annually as required by federal grant agreements to maintain SAM compliance. (The SAM enables informed decisions about whether vendors and/or contractors will be engaged for work under the grant award. Registration in SAM enables non-federal

entities to bid on federal contracts or other procurement opportunities. It also allows non-federal entities to apply for grants, loans, and other financial assistance programs.)

2. Federal Funding Accountability & Transparency Act (FFATA) Subaward Reporting System (FSRS) SWMPC as a Prime Grant Recipient awarded a new federal grant greater than or equal to \$30,000 is subject to FFATA/FSRS subaward reporting requirements as outlined in the Office of Management and Budgets guidance. SWMPC as the Prime Grant Recipient is required to file a FFATA subaward report by the end of the month following the month in which the Prime Grant Recipient awards any subaward greater than or equal to \$30,000. Reporting is done under SAM.gov.

Fringe and Indirect Rate

1. Salary expenses for Commission employees are direct charges to the appropriate projects, with the exception of management and administrative time, which is charged to the indirect cost pool. Fringe benefits are accumulated in cost pools and distributed to projects in proportion to their direct chargeable salaries.
2. SWMPC prepares a Negotiated Indirect Cost Rate Agreement that is approved by our cognizant agency (Dept of Interior). See approved NICRA for details.

Bank and other Financial Accounts

1. Authority to withdraw or transfer funds for organizational purposes always requires two signatures as designated by the Signatory Resolution.
 - a. The Executive Director and Office Manager have authority to deposit funds.
2. Execution of Contracts, Grants, etc., require the signature of the Executive Director, or in the event of a two-signature requirement, the Executive Director and one of either the Chair or Vice Chair.
3. Bank and other corporate financial information (e.g. rules, and regulations, account numbers) are retained, maintained, and updated by the Office Manager.

Petty Cash

1. The Office Manager maintains Petty Cash for the purposes of miscellaneous expenses. Petty Cash is kept by the Office Manager in a locked drawer with a record of incoming and outgoing payments.
2. Incidental expenses incurred by staff may be submitted for reimbursement with a receipt and program number.
3. Petty Cash is maintained at \$65; funds are replenished as necessary and should not fall below \$15.

Bank Account Reconciliation

1. Each month, the Office Manager receives, date-stamps, and reconciles all bank account statements and prepares a printed report for each account.
2. All bank account statements and reconciliations are filed in the Office Managers office for review at the request of the Treasurer or Executive Director.

Part 3 – Revenue

Policy

Contracts for Services

1. The Executive Director shall cultivate and enter into contracts for new projects including technical assistance to area municipalities and the general public up to \$75,000. These contracts for services shall be subject to the two signatures requirement and contracts for services greater than \$75,000 shall require the approval of the Executive Board.
2. Contracts for services shall be billed and accounted for consistent with the following guidelines:
 - Fees for assistance shall be based on the nature of the project incorporating salaries, benefits, direct costs, travel, supplies, surveys, mapping or other materials.
 - An agreement identifying the proposed scope of services, terms and conditions, and fees shall be signed by the appropriate signatory of SWMPC and the entity(ies) bearing the cost.
 - SWMPC shall only respond to those requests for assistance from local governments that do not involve an open competitive bid process.
 - SWMPC retains the right to waive a portion or all costs for a service in cases where other local state or federal grant sources allow for such.

Other Revenue

1. SWMPC invoice terms shall be due and payable upon receipt.
2. All revenue is to be deposited to an established SWMPC account promptly. Checks and cash is not to be held in the office more than two business days.

Procedures

Contracts and Awards

1. Any agreement entered into will be reviewed and signed by both parties. Before the contract is made, SWMPC will verify the contractor's eligibility to receive federal funds and verify they are not vendors that are suspended and debarred via search of the SAM.gov website. The organization will follow all applicable rules for payment of any consultants as outlined by the appropriate federal agency. For EPA grants consultant rates shall not exceed SES Level 4. Refer to 2 CFR 1500.10 for full guidance and exception, as well as in each of the applicable grant's terms and conditions. All applicable agreements with contractors and consultants will be included in the federal award file and retained on records.
2. SWMPC will conduct regular meetings with any entity with whom they have entered into an agreement. Agreements will include a termination clause, and in the event the contractor fails to meet their obligations as outlined in the agreement, the organization reserves the right to terminate them.
3. The Executive Director receives the award letter, signed contract or Project Authorization form and copies are given to the Office Manager and appropriate Planner. The Office Manager files original.

4. Staff respond to grants, contracts and awards as appropriate. Recognition of donors is included in the Annual Report, newsletters and on the website.

County Contributions, Local Matches and Other Income

1. County contributions are established as a per capita rate at the August Commission meeting upon recommendation from the Executive Committee and Executive Director. The Executive Director contacts each County Administrator to assure inclusion in the county budgets. County Contributions serve as Local Match for Economic Development Administration funding (required by Federal legislation) and other grants. In January, the Office Manager prepares invoices sent with cover letters from the Executive Director for each county.
2. Metropolitan Planning Organization Local Match rates are established by federal legislation and are included in the Unified Work Programs approved at the August Commission meeting. In January, the Office Manager prepares invoices for each participating community.
3. Sales of reports, course fees, and document copying have fees assigned based on cost. Fees are collected as incurred and recorded in receipt log.

Accounts Receivable

1. The Office Manager generates invoices at the end of the quarter in which services are rendered, unless a specific exception is made in a program contract.
2. The SWMPC pursues aggressive collection of unpaid receivables, enlisting Board members and staff for personal contact with account holders and reminder invoices quarterly unless other arrangements are made.
3. The Office Manager discharges uncollectible accounts receivable in consultation with the audit firm upon final approval of the Board.
4. The Office Manager invoices employees for all due personal expenses quarterly.
5. Personal employee expenses due are paid by cash or check payable to SWMPC and deposited by the Office Manager.

Deposit of Funds

1. The Office Manager receives, records, copies, endorses "For Deposit Only" all incoming funds, and prepares the bank deposit. If not deposited immediately, checks and cash are in a locked cabinet until ready for deposit. All revenue received by SWMPC is deposited within two business days to an SWMPC account.
2. The deposit is made to the bank by the Office Manager. The bank stamps the verification on the bottom of the Deposit Summary and the check stubs are staples to it, it is then filed with the financial files in the Office Managers office.

Part 4 – Expenditures

Policy

Purchase Authority and Limits

The Executive Director shall make on her/his own authority purchases per the approved budget. Purchase amounts not budgeted shall be limited to \$3,000.00 compatible with requirements of financial conditions. Amounts greater require approval of the Executive Committee.

Procurement

“Goods and services” refers to any item used in the course of the SWMPC operations; or a non-tangible activity performed for SWMPC by an outside entity (business or government) on a one-time or ongoing basis in support of SWMPC work. Goods may be, but are not limited to, office equipment, technology (software, etc), office supplies, educational materials, and storage systems. Services may consist of, but are not limited to, auditing, computer support, insurance, janitorial, clerical work, and printing (including both the supply of paper and processing). Leases of all kinds and specifically for office space are included.

“Vendors” are any outside entity that offers goods or services for financial consideration.

1. All purchases of goods and services shall not exceed approved budget limitations.
2. All purchases of goods and services shall meet contractual requirements.
3. Consideration of priority in the selection of goods and services shall proceed as follows:
 - a. Quality; taking account of any equipment compatibility concerns.
 - b. Value; cost analysis incorporating delivery, set-up, warranties, future service, etc.
 - c. Significance shall be attached to product sources within southwest Michigan.
 - d. SWMPC may choose to utilize certain vendors who offer intrinsic measurable fiscal advantages. The establishment of such regular vendors for ongoing supply of goods or services should be reviewed at least annually. There must be no exclusivity requirements.
4. No employee or Board member may profit directly from any SWMPC financial arrangement for goods or services unless potential conflicts of interest are fully disclosed to the Executive Committee. Business, family, and social relationships of staff or Board members with vendors should not be automatically considered a conflict of interest, but must be disclosed when relevant financial matters are under discussion.
5. Final selection of a vendor for any capital purchase shall be based on price, rate quotes obtained from at least three qualified sources, if possible an online product, or vendor search should be included when determining the final selection.
6. In the event a product or service is available only from a single source, negotiations shall be conducted to obtain the most favorable conditions possible for SWMPC.
7. Leases shall be reviewed prior to renewal. At least two alternatives should be considered.
8. In the event a product or service is available only from a single source, negotiations shall be conducted to obtain the most favorable conditions possible for SWMPC.
9. Leases shall be reviewed prior to renewal. At least two alternatives should be considered. Where appropriate, SWMPC will conduct an analysis of lease and purchase alternatives to determine which would be the most economical and practical procurement.

10. Purchases made when procuring property or services through a federal award with federal funds follow the procurement standards under the Federal Uniform Grants Guidance. Procurement transactions maximize free and open competition. Written solicitations have a clear scope of work, requirements and features prospective bidders must meet, a preference to conserving natural resources and the environment, and positive efforts to use small, disadvantaged and minority owned firms when possible. The organization documents the reason for the type of procurement bin used, the basis for contractor selection, a justification for lack of competition or sole-source procurement, and the basis for award cost and price.
11. SWMPC will avoid purchasing unnecessary items and limit the purchase to necessary quantities.
SWMPC will ensure that goods and services are received, approved and acceptable before payments are made.
12. Purchase requirements are based on the current federally adopted simplified acquisition thresholds (SAT). Purchases exceeding \$100,000 are subject to pre-award review by the Federal Entity to ensure procurement procedures are adequate. Special consideration is given to environmentally friendly, and energy efficient products/services (2 CFR 200.322) Quotes and bids must include specifications and qualifying characteristics considered by the vendor/contractor, including delivery and time frame, the scope of work, references, and other relevant specifications. A quote is a written statement from a vendor regarding the price for a specific good or service.
13. SWMPC ensures that Disadvantaged Business Enterprises have an equal opportunity to receive and participate in and ensures nondiscrimination in the award and administration of contracts; to create a level playing field on which DBEs and small businesses can compete fairly for contracts; ensures that the DBE program is narrowly tailored in accordance with applicable law; ensures that only firms that fully meet eligibility standards are permitted to participate as DBEs; helps remove barriers to the participation of DBEs and small businesses in federally funded contracts; and assists the development of firms that can compete successfully in the marketplace outside the DBE program. Whenever possible, DBE and SBE contractors and vendors shall be given procurement preference when multiple bids have been received that are equal in value and services to be provided. When services or goods related to Capital Projects are to be procured, staff shall comply with all SBE and DBE requirements outlined in the funding agreements. These Good Faith Efforts are methods used by SWMPC to ensure Disadvantaged Business Enterprises (DBE) have the opportunity to compete for procurements funded by federal financial assistance dollars. SWMPC documents the methods used to adhere to the Good Faith Efforts as described in the 2 CFR 200.321 and will retain the documentation in the records of the organization. Documentation will include, but is not limited to, email logs, phone logs, electronic searches and communication, handouts, flyers, or similar records. In addition, if one or more of the Good Faith Efforts cannot be performed, the circumstances that have prohibited the full execution of each step will be documented and retained.

Purchase Threshold Requirements

Purchase Thresholds and categories are defined as bulleted below, as referenced from [2 CFR 200.320](#):

- Micro-Purchases (Purchases under \$10,000)
- Small Purchases (\$10,001 – \$250,000)
- Competitive Purchases/Sealed Bids (\$250,001+)
- Noncompetitive Proposals

For all purchases (single or cumulative) over \$10,000 from a single vendor within a fiscal year, written price or rate quotes will be obtained from an adequate number of qualified sources.

a) Micro-Purchases (Purchases under \$10,000)

Competitive quotations are not required if the prices are reasonable. Selection will be based on the quality and cost, with every effort made to identify 3 (three) price quotes. Price quotes will be documented in file. To the extent practicable, purchases will be distributed equitably among qualified suppliers.

b) Small Purchases (\$10,001 – \$250,000)

SWMPD will obtain price quotes for small purchases, with every effort made to obtain 3 (three) price quotes. Price quotes may be formal (i.e., a quote submitted to SWMPD on vendor letterhead) or informal (i.e., phone call or web search) from an adequate number of sources, but not less than three. All quotes, including phone calls, web searches, etc., will be documented and kept on file. Evaluation and selection of supplies/vendors shall be determined by performing a cost analysis by the review/purchaser.

c) Competitive Purchases/Sealed Bids (\$250,001+)

Sealed bids will be used when the selection of the successful bidder can be made principally on the basis of price. Invitation for bids will define the items or services needed to allow bidders to properly respond. Descriptions will not contain features that unduly restrict competition, such as requiring certain brands or manufacturers of items. Bids will be solicited from an adequate number of known suppliers providing sufficient response time. Price and cost analyses will be performed and documented in the file.

d) Noncompetitive Proposals

Procurement shall be conducted competitively to the maximum extent possible. Procurement by non-competitive proposals must have prior approval from any/all federal funding sources. Procurement by non-competitive proposals may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, or competitive proposals and one of the following applies:

- The item is available only from a sole source, based on a good faith review of available sources.
- An emergency exists that seriously threatens the public health, welfare, or safety, or

endangers property, or would otherwise cause severe injury, as may arise by reason of flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary to alleviate the emergency; or

- After solicitation of a number of sources, competition is determined inadequate.

Written justifications for using such procedures shall support all procurements based on noncompetitive proposals and shall be provided by the grant manager. The reasonableness of the price for all procurement based on noncompetitive proposals shall be determined by performing price and or cost analyses, as noted in “Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements”.

Davis Bacon Policy

SWMPC will follow the Davis Bacon Act that requires that all laborers and mechanics employed by contractors or subcontractors on construction projects over \$2,000 under such awards shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the locality as determined by the Secretary of Labor in accordance with 40 USC Subtitle II, Part A, Chapter 31, Subchapter IV (Wage Rate Requirements). The Secretary of Labor’s wage determinations are available at <https://sam.gov/content/wage-determinations>. These requirements are detailed in the terms and conditions of the awards and contracts. Those requirements flow down to all subcontracts made under these projects.

MBE/WBE Utilization Form

As applicable, SWMPC will submit the required MBE/WBE Utilization Form <https://www.epa.gov/grants/epa-form-5700-52a-united-states-environmental-protection-agency-minority-business> (at least annually) to applicable federal agencies for any assistance agreement when: funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under sub-awards or loans in the “Other” category) with a cumulative total that exceed the Simplified Acquisition Threshold (SAT) (currently, \$250,000), including amendments and/or modifications. Note: The threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1)

*See **Southwest Michigan Planning Commission Procurement Policy** adopted on October 20, 2020 for additional details.

Credit

1. By policy, SWMPC should not borrow money and no employee or Board member shall have authority to incur any debt without Full Board approval.
2. Vendor Accounts may be opened when advantageous to SWMPC. The Executive Director must approve use of such accounts. Documentation must be provided to indicate programs to be charged. Accounts shall be paid in full when due so no interest or late fee

shall accrue. Vendor accounts established as credit cards issued directly by the vendor shall be restricted to use with that issuing vendor.

3. Credit Card Policy

- a. The SWMPC may acquire an agency credit card that may be used for the purchase of goods or services for the official business of the SWMPC with prior approval by the Executive Director. The use of credit card shall be limited to purchase of items for travel, meals and accommodations while on SWMPC business or phone/electronic orders for required services and supplies unavailable by standard prepayment or invoicing, or if such purchases result in lower prices and/or improved timeliness of delivery
- b. The total amount of outstanding charges on the SWMPC credit card shall not be more than \$10,000 per month. Single purchases up to \$3,000 shall require the Executive Director's prior approval. The Executive Committee shall be consulted prior to larger purchases.
- c. Staff members shall agree to use the card for business purposes only by signing the Employee Manual receipt form. Any charges not approved shall be the responsibility of the employee. SWMPC shall prohibit the personal use of any SWMPC credit card.
- d. An agency card shall be the property of SWMPC and must be returned immediately to the Executive Director after each use. The credit card shall be issued to the Executive Director and shall be returned to the SWMPC Office Manager upon termination of the Director's employment or service with the SWMPC.
- f. The Executive Director shall be responsible for accounting for, monitoring, retrieving and generally overseeing compliance with the SWMPC's credit card policy.
- g. The Executive Director shall be responsible for the protection, custody and authorization of use of the credit card. If the credit card is lost, or stolen, the SWMPC Office Manager shall be notified. The entity issuing the lost or stolen credit card shall be immediately notified to cancel the card.
- h. After approved use of the SWMPC credit card, employees shall submit receipts and a purchase authorization and voucher when charge is incurred to the Office Manager, addressing all charges incurred by the closing date of credit card statement. If no credit card slip was obtained that described the transaction, the employee shall submit a signed voucher that shows the name of vendor or entity from which goods or services were purchased, the date and the amount of the transaction, the official business that required the transaction, and the project number indicating which program is to be charged. All credit card slips shall include this information as well. Vouchers shall also include a statement why a credit card slip was not obtained.

Procedures

Employee Compensation

1. Each employee prepares and submits a Timesheet to the Office Manager at the end of each two-week pay period. Timesheets include allocation of the employee's hours to appropriate programs.
2. The Office Manager reviews all timesheets to verify inclusion of approved vacation time/sick leave and forwards to the Executive Director for further review. The Executive

Director receives and approves the timesheet and returns to the Office Manager for completion of payroll preparation and filing.

3. Per the direction of the employee, the Office Manager is authorized to deduct from an employee's payroll check all benefit or other expenses per SWMPC's policies and the request for the deduction is kept in the employee's personnel file. (i.e., retirement deductions, etc.)
4. The Office Manager files and retains all payroll reports and maintains all payroll tax reports.
5. The Office Manager posts information for payroll in the general ledger.
6. SWMPC issues payroll checks every two weeks on Wednesday, unless the day falls on a holiday, then the payday is the last workday before the designated Wednesday.
7. Accrued annual leave is shown on SWMPC financial statements as a liability and in accordance with policies outlined in the SWMPC Employee Handbook and other policy memoranda. It is adjusted at yearend.

Travel and Expense Reimbursement

1. SWMPC reimburses employees for travel, conference/meeting and other expenses related to the performance of their responsibilities in accordance with policies outlined in the SWMPC Personnel Policies Manual and other policy memoranda. These expenses are mileage or transportation, parking fees, meal cost and other charges unless otherwise approved. The most economical means of travel is standard.
2. The Executive Director pre-approves all travel by the staff.
3. If a hotel stay is required, the Employee may make a reservation using the organization's credit card with the approval of the Executive Director.
4. All original receipts and a completed expense report form are due to the Office Manager by the end of the pay period the expenses were incurred. Receipts should be coded to identify the associated project. Expenses must be submitted in the quarter incurred for invoicing purposes. Prior to payment, the Office Manager should review these costs to determine if they are allowable, allocable and reasonable.
5. If a Board member incurs approved expenditures for the organization, the individual files a request for reimbursement form prior to the semi annual processing of Member Per Diem and Mileage.
6. Board members receive payment of a per diem as determined by the approved SWMPC annual budget per Commission and Executive Committee meeting under the following conditions:
 - Members attending meetings without any other compensation from an employer or employing institution are eligible to receive a per diem.
 - Members attending meetings who are required to use employee leave time to account for time spent at the meetings are eligible to receive a per diem.
 - Members who attend meetings during their normal working hours and are paid as part of their normal duties are NOT eligible to claim a per diem.
 - Full Board, Administration, and Executive committees meetings receive full per diem (\$30) and mileage. To be paid if eligible for per diem/mileage through the SWMPC.
 - Special committee assignments and ad hoc meetings (any board member) receive half per diem (\$15) and mileage. To be paid if eligible for per diem/mileage through the SWMPC.

7. Board members receive payment of mileage expense reimbursement in the amount determined by US Internal Revenue Service regulations per mile, for the distance normally traveled from home or work place to the commission meeting location, under the following conditions:
 - Members who use their own vehicle and receive no other expense reimbursement from an employer or employing institution are eligible to receive mileage reimbursement.
 - Members who use a company or employer-owned vehicle or are compensated for their mileage in any other way are NOT eligible to receive mileage reimbursement.
8. Members indicate their eligibility for per diem and mileage by submitting the "PER DIEM AND EXPENSE VERIFICATION FORM" which must be on file in order for funds to be disbursed.
9. Officers, the Chair and Treasurer receive additional compensation.
 - Chair: conducts meetings, confers with Executive Director about topics that shall be addressed at meetings, makes committee appointments, represents SWMPC and other State/Regional events, signs resolutions and occasionally other contracts and documents, serves on Executive Committee. Performs Executive Director Evaluation with the vice chair. \$200.00 officer compensation.
 - Vice Chair: conducts meetings in absence of Chair, conducts review of Executive Director in August and September for Administration Committee, and serves on Executive Committee. \$100.00 officer compensation.
 - Secretary: Signs the Signatory Resolution and some other documents, serves on Executive Committee, conducts meetings when both Chair and Vice Chair are unavailable. No extra officer compensation.
 - Treasurer: Presents financial reports after consultation with Office Manager (monthly, budget, audit), reviews back-up materials and signs checks (at SWMPC offices, bi-weekly), serves on Executive Committee. \$100.00 officer compensation.
 - Alternate Treasurer: performs all functions of the Treasurer as needed, serves on Executive Committee. \$100.00 officer compensation.

Accounts Payable

1. The Office Manager receives reviews and processes all accounts payable in accordance with written contractual agreements. Bills are date-stamped when received.
2. The Executive Director, or his/her designee in accordance with written terms approved by the Executive Director and agreeable to both SWMPC and the vendor settles bills for which payment amounts are disputed.

Check Writing

1. The Office Manager receives and processes all check requests and invoices. This request includes an invoice, applicable receipt, or other written/financial documentation (e.g. Request for Expense Reimbursement, Purchase Authorization, etc.). All invoices require review by the Executive Director prior to check processing.
2. The Office Manager prepares the check and forwards it to the Executive Director and Treasurer for approval and signature.
3. Checks are normally processed on a bi-weekly basis, according to the due date of specific payments.

4. The Executive Director authorizes approval of payment by signing the check request. All checks are required to have two signatures as designated by the Signatory Resolution. Documentation is available to the Treasurer before he signs the checks.
5. Checks required outside normal bi-weekly schedule still require two signatures. The Office Manager ensures the signatures are obtained in a timely manner by arranging for the Treasurer to visit the SWMPC offices or with a signature stamp. Authorization by fax for the use of signature stamp must be kept on file.
6. The Office Manager is responsible for disbursing all signed checks.
7. All processed payments and void checks are retained with appropriate backup paperwork and are maintained by the Office Manager.

Part 5 – Management of Physical Assets

Policy

- Property assets in excess of \$1,000 shall be subject to depreciation.
- Inventories for computation of assets and insurance purposes are to be maintained.
- The SWMPC library and presentation equipment shall be resources for the southwestern Michigan community. The use of SWMPC equipment and materials will be monitored.

Procedures

Capital Depreciation

SWMPC maintains a capital depreciation account for office equipment and furnishings valued above \$1,000. The depreciation is applied over their useful lives, normally considered three years for office equipment and five years for office furnishings. The depreciation of property assets acquired by sale, loan, or gift requires written documentation and approval of the Executive Director.

Inventories and Property Management

1. The Office Manager prepares an annual inventory of office equipment and furnishings and records such on the Inventory of Equipment done before annual audit. This includes a description of the equipment, serial number, model number, or other identification number, the source (federal award number) of the equipment if federally funded with percentage of federal participation in the cost, acquisition date, cost of equipment, location, use and condition of the equipment, disposition data (date of disposal and sale price).
2. The Executive Director approves the Inventory Report.
3. The Inventory Report is maintained and updated on an ongoing basis by the Office Manager.
4. The Office Manager prepares a separate inventory of office equipment and furnishings for insurance purposes with replacement values and no depreciation.
5. Employees taking SWMPC property offsite must post on Office Planner Board, which Office Manager monitors.

Library

1. Library materials are often original documents or planning resources that are not commonly available. Library materials that are original or available only in limited copies may not be removed or loaned. They may be copied using the SWMPC facilities at cost.
2. Published planning resources are lent, but must be signed out. Materials on loan from the SWMPC library are to be returned no later than three weeks from the date they were signed out. An individual who does not return materials on loan after the three-week period is fined for the cost of replacement of material. Additionally, the individual is not subsequently permitted to remove SWMPC library materials.

Part 6 – Audit and Reporting

Policy

A certified public accountant shall audit the financial records of the Commission within one year after the end of the longest period permissible by governmental audit guidelines.

Procedures

- A. The Office Manager coordinates activities of the audit with the auditor. She/he also schedules and participates in an audit exit interview with the audit firm, Executive Director, Chair and Treasurer.
- B. The Executive Director and a representative from the auditing firm submit the audit, which includes a management letter to the Board at the first board meeting after the completion of the audit. The Board approves the audit and considers taking any recommended actions.
- C. With the assistance of the Auditor, the Office Manager ensures the Auditor's preparation, completion, and submission of other federal and state financial reports as required by law.
- D. The Office Manager retains the audit, all background information, and other federal and State reports in the appropriate files. The final audit is kept as permanent records. Financial information is retained for no less than seven years.