AGENDA

Brooklyn Center Financial Commission
Tuesday, April 4, 2023 – 6:30 PM
Council Commission Room (Main Level of City Hall)

I.   Call to Order

II.   Approval of Agenda

III.   Introductions/Financial Commission Background

IV.   Election of Commission Chairperson

V.   Election of Commission Vice-Chairperson

VI.   Grant Policy

VII.   Purchasing Policy

VIII.   Next Meeting

IX.   Adjournment

Step 1: Create Grants Team and Define Roles

Step 1 in the grant development process involves creating your team and defining the roles.

The process of creating a grants team and defining roles fosters collaboration in grant development. Since the grant proposal is essentially a workplan for the project, it's important to incorporate the expertise of people working in multiple disciplines, including those from grant development, finance, and those responsible for implementing the project if funded.

First, you'll need to identify the grants team — the people with responsibilities for vetting and preparing grant applications and that have oversight of grant management. An individual can have more than one role (e.g., the grant writer can also be involved in implementing the project), and roles can be fulfilled by paid staff, contractors, and/or volunteers. The grants team could include roles such as the following:

- **Grant writer**: An individual who is primarily responsible for writing the grant application. The grant writer:

  - Gathers information and has knowledge of the entity seeking funding.

  - Researches grant-makers.

  - Compiles, writes, and edits grant applications.

  - Ensures that the city maintains relationships with grant funders.

  - Ensures stewardship with the funder, including managing the process of preparing progress reports.

- **Implementers**: One or more individuals who are responsible for implementing the grant funded project. This may be your city clerk, public works director, or city engineer.

- **Finance**: One or more individuals in the accounting or finance function who are responsible for providing financial attachments for the proposal and ensuring proper stewardship of the grant funds if awarded.

- **Authorizing agent**: The member (usually a staff member) of the city/organization who is authorized to 1) submit grant applications on behalf of the city/organization and 2) sign agreements/contracts with the funder on behalf of the city/organization.
  View the model resolution "Authorizing Grant Application," which includes appointing an authorizing agent (doc).

Once you have identified the members of the grants team, you'll need to define their roles and responsibilities. Grants team roles and responsibilities are unique to each grant applicant (city/organization). When defining roles and responsibilities of each individual on the grants team, consider factors such as their capacity (time and expertise), interest, skill, and connection with the project.

As you're creating your team, you may need to train existing staff members or hire new ones. Sources to find contract grant writing support and post positions include the Association of Fundraising Professionals Minnesota Chapter, Northstar Chapter of Grant Professionals Association, Minnesota Council of Nonprofits Career Center, and League of Minnesota Cities.

Several of these organization also provide training and professional development in grant development, including the Association of Fundraising Professionals Minnesota Chapter, Northstar Chapter of Grant Professionals Association, Minnesota Council of Nonprofits. Another resource for grant training and professional development is The Grantsmanship Center.

Your LMC Resource

Research & Information Service staff members are ready to help you apply their broad knowledge to the issues you're dealing with today.

Access online form to submit a question, or call us: (651) 281-1200 or (800) 925-1122

Step 2: Vet Grant Prospects

Step 2 in the grant development process includes implementing a process for vetting grant prospects

The vetting process brings the grants team together to determine whether to apply for funding opportunities as they arise. This includes taking the following actions:

- **Identify relevant decision-making criteria (internal).**
  A common practice is to put the decision-making criteria into a rubric that can be completed during the vetting process. The criteria could include factors such as:

  - Alignment with the organization's strategic plan.

  - Community need.

  - Capacity to prepare a high-quality request by the deadline.

  - Capacity to execute the grant.

  - Existing partnerships.

  - Short-term and long-term sustainability.

- **Research funders.**

  - Use these resources to learn about specific funders:

    - Foundation websites.

    - Government agency websites.

    - Grant Advisor.

    - Minnesota Council of Nonprofits — Grants Directory.

    - Minnesota Council of Nonprofits — Minnesota Foundation Deadlines.

    - Candid — Foundation Center.

    - Candid — Guidestar (990 Finder).

    - Grants.gov.

  - Get funder guidelines in the following ways:

    - Foundations — obtain from websites and/or program officers.

    - Corporations — obtain from websites and/or corporate contacts.

    - Government (non-federal) — obtain from agency websites.

- Government (federal) — <u>Grants.gov</u>.
  - Use a <u>prospect research worksheet</u> to compile the information.

- **Determine alignment of the funding opportunity with your criteria.**
  Convene key members of the grants team to review the grant guidelines and information gleaned from prospect research. Then discuss your city and community needs, and how these needs fit with the funding opportunity.

- **Seek internal approvals to proceed.**
  Before writing the grant proposal, inform the authorizing agent of your city and seek any needed internal approvals.

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Step 3: Write and Submit Grant Applications/Proposals

Step 3 in the grant development process involves writing the grant proposal/application and submitting it to the grantor.

There are several steps in preparing a successful proposal; these steps may not be linear and might occur in a different sequence. Depending on the complexity of the project and the funder requirements, additional steps might be needed, but the basic steps include:

- **Convene grants team** to:

  - Develop and/or confirm the scope of the request.

  - Clarify the grants team member roles and responsibilities as needed.

  - Create a timeline to develop and write the grant application/proposal.

  - Discuss and formulate the project work plan.

- **Gather information** as requested in the grant guidelines.

  - PRO TIP: Grant writer can lead the grant team through this process.

- **Conduct/coordinate additional research** as needed.

  - Helpful resources to find data/research that supports your request:

    - The Chronicle of Philanthropy.

    - US Census Bureau.

    - Wilder Research.

    - Minnesota Compass.

    - Association Of Fundraising Professionals (AFP).

  - **Assemble the program/project budget** (if required).

    - Coordinate with accounting/finance (or accounting/finance representative on your grants team).

    - If you need a template, refer to the budget section of the Minnesota Common Grant Application Form.

  - **Write the proposal.**

- *"The written grant proposal is the primary tool that most funders use for making grant decisions. In a nutshell, the grant proposal is your opportunity to communicate to the funder who you are, and why you are seeking a grant, what you plan to do with the money, and why you are a good fit with the funder priorities." —* <u>*Overview of the grant seeking process from the Minnesota Council on Foundations*</u>

  - PRO TIP 1: Develop boilerplate proposals for high-priority projects using the Minnesota Common Grant Application form as a template. Then, as funding opportunities become available, tailor the boilerplate language for these grant applications.

  - PRO TIP 2: Ensure that the grant writer either has grant writing experience or has support from an individual with grant writing experience.

- **Gather the attachments.**

  - Commonly requested grant attachments include:

    - Finances such as audited financial statements, organization budget, project budget, and a list of additional funders.

    - List of elected officials.

    - Key staff related to the project.

    - Resolution of support.

  - A list of the most commonly requested grant attachments for foundation grants is available on the Minnesota Common Grant Application Form.

- **Share the proposal/grant application with grants team** for review.

  - Allow at least one to two weeks for proofreading and internal review.

  - Consider two proofreaders — one who will have responsibility for implementing the project and another who is not directly connected with the project. The outside reader can ensure that the proposal is understandable to someone who isn't a city employee.

- **Submit the grant application/proposal.**

  - Follow grant submission instructions in the grant guidelines.

  - Retain a complete copy of the grant application/proposal submitted.

Once the grant application is submitted, then it's in the hands of the grantor to review and make decisions. This phase of the process may involve additional work for the applicant. The following happens during this period:

- **Grant review.**

  - Grant applications are reviewed by people such as review panels, program officers, trustees/board members, community members, and/or subject matter experts.

  - Grant review can include a <u>site visit</u>, which is a meeting initiated by the funder to discuss the grant request with the grant applicant city/organization. Sometimes the review includes a request for additional information.

- **Grant decision and follow-up.**

  - Grant applicants are typically notified in writing of the grant award or decline. Sometimes funders will personally call grant applicants that were selected for funding. The grant notification date is often included in the grant guidelines.

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Step 4: Manage the Grants

Step 4 of the grant development process explains what to do after a grant is awarded.

Grant management ensures that the grant is effectively administered as agreed to by the grantor and grantee and adheres to any grant agreements/contracts. It also ensures a coordinated approach to gather information for grant reporting and funder acknowledgement. The activities involved in grant management include:

- **Receive official notification of grant award.**

  - Typically, a written grant award letter is sent to the authorizing agent and/or persons named in the grant application. A check for the full amount of the grant or the first payment is often included with the award letter.

- **Accept the grant award/acknowledge the funder.**

  - Promptly, thank the funder for the award either by phone or email.

  - Accept the grant by returning any grant agreements/contracts with signatures as requested. Also, submit any additional documentation requested by the funder. For some foundations, depositing the check can constitute grant acceptance.

  - Accept the grant by having the city council approve in resolution. View the model resolution "Authorizing Grant Acceptance" (doc).

  - Prepare and send an acknowledgement letter to the funder, thanking them for the award and acknowledging grant receipt.

- **Announce grant award to internal stakeholders.**

  - Inform the grants team and city/organization leadership of the grant award.

- **Record the gift in a donor database.**

  - Grants tracking in a donor database (or spreadsheet) should include basic information such as funder name, funder address, funder contact info, date of the grant award, grant period, grant award amount, and grant purpose.

- **Plan steps to implement the grant and spend the funds.**

  - Convene the grants team to give them a refresher on the plan as described in the grant proposal. Often several months will have passed between the grant application submission and the grant award.

  - Communicate grant expectations and stakeholder roles.

- Confirm responsibilities and expectations for implementing the project.

- Determine if any adjustments are needed to the staffing plan or the project timeline. If significant adjustments are needed, contact the funder.

- Plan how the grant team will collaborate to complete any reports required by the funder. View the Minnesota Common Report Form to see commonly asked grant report questions.

- **Announce the grant award** to external stakeholders and/or the public (if relevant).

  - Check with the funder and review the grant agreement before announcing the grant award publicly. Funders often have stipulations on how and when they would like to be recognized. Some funders prefer to remain anonymous.

  - If the funder gives approval, consider announcing the grant award through communication channels as a way to recognize the funder, inform the community, and build momentum for the project.

- **Set up the grant in the accounting/finance system.**

  - Work with accounting/finance staff to set up the grant in the accounting system. This might include identifying cost center codes and completing other steps as defined by the finance policies and procedures.

- **Ensure grant monitoring and reporting.**

  - To ensure grant monitoring and reporting, the staff responsible for implementing the project will work with the grant writer or persons responsible for submitting reports to the funder. Ongoing communication with the funder is helpful to keep the funder informed of project successes and any needed changes to the project scope and budget.

- **Submit final acknowledgement and report.**

  - Within a month after the end of the grant period, it's a good practice to thank the funder and share a final grant report, whether or not it's required. This is also the time to confirm that the funder has received all required grant reports.

- **Facilitate debrief discussion** with internal stakeholders and/or funder.

  - Debrief grant development processes by considering questions such as:

    - What went well?

    - What didn't go as planned?

    - What could be improved?

City of Brooklyn Center

Minnesota

Purchasing Policy

Adopted: 5/1996
Updated: 7/2000, 8/2008,
4/25/2016, 12/2017, 8/2018, 4/2019, 10/2019

City of Brooklyn Center
Purchasing Policy

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1. PURPOSE

   Assure that all purchases are made in accordance with the laws of the State of Minnesota, the City Charter, City ordinance, and other policies of the City of Brooklyn Center. The policy will provide uniform purchasing procedures within the City's departments. Also to allow the City Manager adequate controls over purchasing functions which are well established and adhered to, and which also may be modified by the City Manager as needed for efficient operations within the organization.

2. POLICY

   Disbursements must be properly authorized, appropriately classified within the City's chart of accounts, and accurately recorded in the financial system.

3. PROCEDURES
   a. Authorization
   Authorized employees for approving purchases are identified in Appendix A of this policy.

Quick Reference – Authorization Thresholds	
< $1,000	May be approved by authorized purchaser
$1,000 - $9,999	Department Head approval of invoice
$10,000 - $24,999	Purchase order required with Department Head preapproval of purchases, 2 quotes required or purchased through a cooperative purchasing program, Department Head approval of invoice
$25,000 - $174,999	Purchase order required with Department Head preapproval of purchase, 2 quotes required or purchased through a cooperative purchasing program, Department Head & City Manager approval of invoice
> $175,000	Formal bidding process

Purchases less than $1,000
Authorization: Invoices of $1,000 or less may be approved by any of the authorized employees as identified in Appendix A of this policy.

Purchases between $1,000 and $9,999
Authorization: Invoices must be approved by the Department Head.

If the amount of the purchase is estimated to be $10,000 or less, quotations are not required. However, if the purchase is made upon quotation, it will be based on at least two quotations which will be kept on file for a period of at least one year after their receipt. Purchases from a cooperative purchasing program do not require quotations.

Purchases between $10,000 and $24,999
Authorization: Purchase orders are required for all purchases in excess of $10,000 prior to the placement of any order for goods, services, training, repairs, service calls, etc. It is acceptable to use an estimate of the cost of goods and services when filling out a purchase order. All purchases greater than $10,000 must be preapproved by the Department Head. Invoices in excess of $10,000 must be approved by the Department Head.

Purchases between $10,000 and $24,999 may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase when possible, unless it can be shown that the product or service is only available from one source, or purchased through a cooperative purchasing program. All quotations should be submitted to Finance with the purchase order, or when applicable retained by the department, and will be kept on file for a period of at least one year after receipt thereof.

Purchases between $25,000 and $174,999
Authorization: Purchase orders are required for all purchases in excess of $25,000 prior to the placement of any order for goods, services, training, repairs, service call, etc. It is acceptable to use an estimate of the cost of goods and services when filling out a purchase order. All purchases greater than $25,000 must be preapproved by the Department Head and City Manager. Invoices in excess of $25,000 must be approved by the Department Head and City Manager.

Purchases between $25,000 and $174,999 may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, unless it can be shown that the product or service is only available from one source, or purchased through a cooperative purchasing program. All quotations should be submitted to Finance with the purchase order, or when applicable retained by the department, and will be kept on file for a period of at least one year after receipt thereof.

Contracts or purchases over $175,000
Authorization: Formal bidding process is required. Invoices over $175,000 must be approved by the Department Head and City Manager prior to payment.

All purchases covered by the Uniform Municipal Contracting Law, over $175,000 require preparation of formal bids and specifications. Bids must be advertised in the City's legal newspaper at least 10 days in advance of the last day for the submission for the bids. Advertising for bids must be coordinated with the City Clerk.

The contract is awarded by Council resolution upon recommendation by City Manager. With limited exceptions, all contracts for the purchase of supplies, materials or equipment must be rewarded to the lowest responsible bidder.

b. Federal Grants
Under the Uniform Grant Guidance competitive quotations will be required for all federally funded purchases over $10,000. If competitive quotations do not occur, the purchaser must documents one of the following exceptions; the item is available only from a single source, an emergency will not allow a delay from competitive solicitation, or the federal awarding agency authorizes noncompetitive proposals in writing.

The City will follow the requirements for allowable costs/cost principles that are contained in the A-102, OMB A-133 (2 CFR section 200.302(b)(7).

The City will follow the requirements for cash management that are contained in the A-102, OMB Circular A-133 (2 CFR section 200.302(b)(6).

c. Invoices

Finance will forward original or electronic copy of original invoices received to the Department Head or authorized staff member for approval of final payment. Original invoice or electronic copy of original invoice with approval must be returned to the Finance Department. Departments will be responsible for the proper account coding and a short description of the invoice.

d. Accepting Delivery

Before accepting delivery, the department receiving the goods or services must determine that the purchase received reflects the order, that they are in a good, usable condition and that the correct quantity is present. If a receiving slip is included, it must be reviewed for these factors before it is signed.

e. Payment of Bills

Payment of all bills will be on a schedule and procedure established by the Finance Director. Currently invoices are required to be delivered to the Finance Department on Friday afternoon for processing with the payments made the following Thursday. Invoices must be processed and submitted to Finance in order to be paid within 35 days of the invoice date, in compliance with State Statutes, unless the invoice is in dispute. Departments should notify the Finance Department of any invoices in dispute and the dispute should be documented on the invoice or accompanying the invoice (this can be done through a notes field attached to an electronic copy of the invoice). Payments, prior to department approval, may be authorized by the Finance Director on a case by case basis, if it is determined to be advantageous to receive early payment discounts or to avoid late penalties.

f. Municipal Contracting Law

The City should follow Minnesota State Statute 471.345 Uniform Municipal Contracting Law when entering into any agreement for the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property. For construction projects that are competitively bid, responsible contractor laws must be followed which require contractors to meet certain minimum criteria to be eligible to be awarded a construction contract.

g. Routine Transactions

Routine transactions, as defined by the Finance Director, such as utility bills and insurance payments will be processed and approved by the finance department.

h. Splitting of Contracts

Authorization and bidding requirements cannot, and shall not, be avoided by splitting a contract into several contracts, each of which is below the minimum amount requiring bids. For example, the City cannot purchase $250,000 of lumber in several transactions, each involving an expenditure of less than $175,000. If there are questions about whether a contract may be split into several contracts, the City Manager must be consulted.

i. Cooperative Purchasing Programs

A municipality may contract for the purchase of supplies, materials, or equipment without regard to the competitive bidding requirements of this section if the purchase is through a municipal

association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations.

The City of Brooklyn Center encourages participation with the State of Minnesota, Hennepin County or other governmental agencies in cooperative purchasing where the result of the purchase is in the best interest of the City.

j.   Bonds
The City will follow state law for contractors bonds which are required for projects as stated in MN Statutes 574.26. The City Manager may require performance bonds for purchase of equipment, where there is an extended length of time between the order and completion and delivery of the equipment.

k.   Capital Purchases
Capital equipment and improvements should be included in the annual budget. Purchases of capital equipment and improvements that were not included in the budget or additional funds are needed that exceed $1,000 require approval by the City Manager prior to the purchase. It is recommended that this is completed through a signed purchase order.

l.   Emergency Purchases
In the event of an emergency, where there are extenuating conditions that need to be addressed immediately, the City Manager must be informed, and will make the determination on how to proceed.

m. Liquor Store
The City will routinely purchase merchandise for resale in our off-sale liquor operations. Inventory purchases must be approved by the Liquor Operations Manager. Inventory levels will be reviewed on a monthly basis, with inventory minimum and maximum goals defined by the Liquor Operations Manager in accordance with market best practices. A listing of approved vendors will be maintained by BC Liquor, the vendor list shall be approved by the Liquor Operations Manager and Finance Director.

n. Expense Reimbursement
Employee expense reimbursements, including mileage and meals, are to be reimbursed by submitting forms specific to those expenses to the Finance Department.

o. Budgetary Compliance
All departments, divisions and operations of the City of Brooklyn Center must follow purchasing procedures.   Purchases must be made in accordance with the adopted budget. Charges or expenditures which may be in excess of your division's appropriated budget must have prior approval by the City Manager. It is recommended that this is completed through a signed purchase order.

p. General Office Supplies
General office supplies will be coordinated by the Finance Department. Supplies should be ordered through the designated supply vendor, unless a lower priced vendor is available,

limitations will be made for each department.

q. Technology Expenses

Expenditures for Technology (computers, etc.), must be made in accordance with the City's Information Technology Policy. Expenditures for technology not made by the Information Technology Department must be pre-approved by Information Technology Department. It is recommended that this is completed through a signed purchase order. Purchases and rentals of technology equipment for clients of the Earle Brown Heritage Center do not require prior approval from the Information Technology Department.

r. Central Garage

Expenditures for capital equipment (purchases, repairs & maintenance, etc.), that are not made by the Central Garage Department must be pre-approved by Central Garage Department. It is recommended that this is completed through a signed purchase order.

s. Billing Address

When the vendor ships the product, the vendor must invoice the City. You can inform the vendor that the shipping address is separate from the billing address so products are shipped to the proper location. The billing address for invoices is the City of Brooklyn Center attention Finance Department. Invoices may also be directly emailed to the Finance Department using the email address ap@ci.brooklyn-center.mn.us. Unless invoices are attached to products for delivery, all invoices must be directed to the Finance Department, not an individual office or person.

t. Conflicts of Interest

Employees are required to provide notice to the Finance Director of any conflicts of interest prior to entering into transactions on behalf of the City. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediately family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the City must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.

u. Sales Tax Exemptions

Most City purchases are exempt from State sales tax. Vendors should be notified of this exemption when making a purchase and each vendor should be provided a Certificate of Exemption (ST3 Form).

v. Use of City Funds to Purchase Food, Beverages and Related Supplies

Circumstances exist when the use of City funds for these items in connection with the conducting of official business of the City is justified. It is recognized that clear guidelines need to be established defining the types of purchases that are allowed. Food and beverages purchased from City Funds (that do not fall under the policy for personnel expense reimbursement related to travel) must be authorized by a Department Head, purchases over $500 must be authorized by the City Manager or Deputy City Manager in the City Manager's absence. All purchases should be supported with an itemized receipt and sufficient description of the event.

The following situations will be considered for approval:

a. Coffee, refreshments, and modest snacks for meetings that are open to the public, for example, Neighborhood Meetings, Association of Responsible Management (ARM), etc.
b. When staff are required to arrive before or stay beyond their regular working time to respond to unusual or emergency events.
c. When training sessions continue through meal times and cannot be scheduled at an alternative time
d. City sponsored recognition or events
e. Support and promote grant programs, and which are paid for from grant funds
f. Any other expenditure for coffee, refreshments, or related supplies that the City Manager has issued prior approval

The following will not be considered for approval and would be considered unauthorized purchases:

a. Any alcoholic beverage of any kind
b. Coffee, food, or refreshments purchased in the course of normal daily employee business
c. Coffee, food, or refreshments purchased for any departmental or division meetings

Public Purpose Expenditures

For an expenditure of public funds to qualify as a lawful expenditure a public purpose must exist. Specific or implied authority for the expenditures must arise out of a statute or from the city's charter. This chart sets forth criteria to help determine the validity of a public expenditure, an expenditure that does not affirmatively meet all the following questions may not represent a proper public expenditure:

Test	Answer	Public expenditure NOT authorized	Public expenditure authorized
1. Does a statute or charter provision specifically or implicitly authorize the specific expenditure?	Yes		✓
	No	✓	
2. Does the expenditure benefit the community as a whole?	Yes		✓
	No	✓	
3. Is the expenditure directly related to the functions of government?	Yes		✓
	No	✓	
4. Does the expenditure have as its primary objective the benefit of a private interest?	Yes	✓	
	No		✓

4. Purchases of food, beverages, and related supplies that are not authorized by this policy must be reimbursed to the City by the employee who made the purchase.PURCHASE ORDERS

Purchase orders may be used for any purchase, but are required for all purchases in excess of $10,000. It is recommended that purchase orders are used for any purchase which requires documented pre-approval. When used the following procedures are recommended:

a. Information which must be completed on the purchase order is the date; company where goods will be purchased; program (five digit activity) number; account number (four digit); quantity; general description of purchase; and cost or estimated cost of purchase. All purchase orders must be completed and signed by authorized personnel in each department (please see Section 5 of this policy).

b. The white copy of the purchase order goes to the vendor when necessary. Purchase orders are forwarded to the Finance Department.

c. The Public Works Garage and EBHC divisions have the option of holding their purchase orders until invoices are received at their divisions. The Public Works Garage and EBHC will then attach purchase orders to the proper invoice, code and forward to Finance for bill payment.

APPENDIX A: AUTHORIZED EMPLOYEES

The following is a list of positions that are authorized by the City Manager to purchase goods or services for the City within the requirements of the Purchasing Policy.

Administration
*City Manager
*Assistant City Manager
Information Technology Manager
Human Resources Director
City Clerk
Human Resources Specialist
Communications Coordinator

Community Development
*Community Development Director
Deputy Director of Building & Community Standards
Housing Community Standards Supervisor
Administrative Assistant
Planning & Zoning Specialist
Business & Workforce Development Specialist

Community Activities, Recreation & Services (CARS)
*Community Activities, Recreation & Services Director
Program Supervisor(s)
Administrative Assistant
Golf Course Superintendent
Maintenance Supervisor
Earle Brown Heritage Center Director
Earle Brown Heritage Center Secretary/Billing Clerk
Earle Brown Heritage Center Operations Director
Earle Brown Heritage Center Sales Director
Earle Brown Heritage Center Maintenance

Fiscal & Support Services
*Fiscal and Support Services Director
Assistant Finance Director
Accountant
Account Technician II
Utility Billing Technician
Liquor Operation Manager
Liquor Store Manager(s)
Assistant Store Manager
Liquor Store Office Assistant

Fire
*Fire Chief
Deputy Fire Chief
Administrative Coordinator

Police
*Chief of Police
Commander(s)
Administrative Assistant
Support Services Manager

Public Works
*Director of Public Works
City Engineer
Assistant City Engineer
Project Engineer
Engineering Technician
Public Works Administrative Assistant
Deputy Director of Public Works
Supervisor of Streets and Parks
Supervisor of Public Utilities
Administrative Technician(s)

*Denotes Department Head

APPENDIX B: PETTY CASH PROCEDURES

The City has petty cash available for minor purchases made out of pocket by the employee. All departments, divisions, and operations of the City must follow the petty cash procedures. The maximum amount of petty cash one can be reimbursed is $30. The following are authorized to maintain a system of petty cash: City Clerk, EBHC Manager, Recreation Director, and Police Chief or Police Chief's designee. Original receipts are required to obtain petty cash reimbursement.

1. Petty Cash Procedures - Employee Reimbursement

For purchases over $30, employees must submit a voucher to the Finance Department for reimbursement. For purchases under $30, employees may be reimbursed using the petty cash procedures outlined below from the City Clerk or their department's custodian of petty cash:

a. An employee requesting petty cash reimbursement must submit the original receipt to the custodian of petty cash. **Petty cash will be reimbursed to a maximum of $30.00.**

b. The petty cash receipt (provided by the custodian) must be completed including the description of the item, amount, date, account number, received by signature and approved by signature. **The employee must provide the account number.**

c. The receipt of petty cash is stapled to the original receipt.

d. The employee is reimbursed the requested amount.

2. Petty Cash Procedures – Petty Cash Account

a. The custodian of the petty cash shall at all times have a record of the total cash entrusted to him/her.

b. The cash on hand and the receipts accepted from employees shall at all times equal the total.

c. Cash shall never be removed from the petty cash account for any reason other than to reimburse employees who have submitted complete and proper receipts.

d. The custodian will periodically balance the cash account and submit the receipts to the Finance Department for reimbursement. All receipts for expenses and petty cash must be reconciled for December 31st.

AUTHORIZED PETTY CASH ACCOUNTS AS OF
January 1, 2018

City Clerk	$200.00
Police Administration	$130.00
Community Center	$100.00
Earle Brown Heritage Center	$200.00

APPENDIX C: CREDIT CARD USE POLICY

Authorized Account Holders

The City will issue credit cards to the following positions:

> City Manager
> City Clerk
> City Manager's Designee
> Chief of Police
> Public Works Director
> Community Activities, Recreation & Services Director
> Earle Brown Heritage Center Director
> Recreation Program Supervisor
> Finance Director
> Assistant City Manager
> Community Development Director
> Fire Chief

Staff authorized by the City's Purchasing Policy to purchase on behalf of the City may make charges to a City issued credit card by contacting one of the authorized account holders for account information. Staff that are not authorized account holders as identified in this policy, shall not retain credit card information or make purchases using a City issued credit card without prior approval from an authorized account holder.

The Finance department will be responsible for establishing, updating, and closing all City issued credit card accounts. The credit limit on these accounts will be established individually, based on an appropriate level of need, not to exceed $5,000. The credit limit on these accounts will be in accordance with the City's Purchasing policy.

Upon termination of employment with the City, the City issued credit card will be returned to the Finance Department on or before the employee's last day of employment.

Use of City Issued Credit Cards

Purchases using a City issued credit card authorized by this policy include those purchases that cannot readily be made through the City's normal vendor payment process, as outlined in the City's Purchasing Policy. These items include, but are not limited to: airline and hotel accommodations for authorized conferences and training, training and conference registrations, purchases made over the internet for items that cannot be purchased by other means or for cost savings, and purchases or rentals of equipment that

require immediate payment (i.e., delivering and retrieving election equipment from voting places).

City issued credit cards are to be used for authorized City purchases only. No personal use of the City issued credit card is allowed. No single purchase shall be made on a City issued credit card that exceeds the credit limit available on that card.

Documentation for Purchases

The billing statement from the credit card issuer does not contain sufficient information to document a purchase made. Appropriate documentation is required for all purchases to verify compliance with this policy and the City's Purchasing Policy.

A copy of the invoice or receipt for payment must be included to verify the amount charged on the card. Receipts from vendors that only list the total charged are not considered sufficient documentation. The receipt must identify all products or services purchased, shipping charges, and sales tax. A printed confirmation of an internet purchase may be sufficient to comply with this requirement. If an invoice is not immediately available, the invoice must be forwarded to the Finance department when it becomes available and another form of documentation must accompany the original charge.

> *Note: Use tax will be added to any item that would be subject to sales tax if purchased in Minnesota. Card users should ensure that the proper tax rate is used when a vendor collects sales tax for Minnesota, 6.875%. For purchases that are exempt from sales tax, the City is required to provide the vendor with a completed Minnesota Certificate of Exemption (ST3 Form). The City is not required to pay local sales tax, such as the Hennepin County Stadium sales tax of 0.15% or the Minneapolis Stadium sales tax of 0.5%. (The zip code 55430 includes property in both Brooklyn Center and Minneapolis, so some vendors may incorrectly charge the Minneapolis sales tax.) However, the City is required to pay any special sales tax, such as a hospitality tax charged on hotel or dining within another City or County.*

The budget account to which the purchase should be charged must accompany all documentation included with each statement. Staff may contact the Finance Department with questions on the appropriate account codes.

Any meals charged to a City issued credit card should include an explanation of those in attendance and the purpose of meeting held.

In any instance where a product or service purchased with a City issued credit card is returned or canceled the transaction must be refunded to the credit card account.

Review and Payment of City Issued Credit Card Statements

All credit card statements will be reviewed by the Finance Department for compliance with this policy. Additional documentation may be requested from a card user to ensure compliance with this policy and the City's Purchasing Policy.

Payment of the outstanding balance of City issued credit cards will typically be made through the City's

normal vendor payment process, however, the Finance Department reserves the right to pay the credit card bill outside the normal vendor payment process if necessary to avoid finance charges. Upon receiving the monthly credit card statement, account holders should match credit card charges with supporting documentation to ensure all charges have been accounted for. The documentation shall be forwarded to the Finance department within 5 business days from when the current statement is received, to ensure prompt payment and to avoid finance charges.

The Finance Department will periodically review the use of the City issued credit cards to determine if accounts can be established with vendors where repetitive purchases are made. If an account has been established with a vendor, all purchases should be made through that process, unless extenuating circumstances exist.

<u>Unauthorized Purchases/Noncompliance with Policy</u>

Personal use of the City issued credit card is prohibited.

Each card holder will be responsible for ensuring that purchases made with their card comply with this policy and the City's Purchasing Policy. Purchases that do not comply with this policy, or that are not approved by the City Council, may become the personal responsibility of the card holder and/or purchaser.

<u>Not covered under this policy</u>

This policy does not restrict the use of personal credit cards for purchases/payments eligible for reimbursement from the City in accordance with the City's Purchasing Policy.

<u>Additional Retail Credit Card Accounts</u>

In addition to the City credit card accounts the City has credit cards with the following vendors:

     Home Depot
     Sam's Club

A list of cardholders is maintained by the Finance Department for these accounts. After a purchase is made the receipt/purchase order should be approved, coded and sent to the Finance Department to reconcile with the monthly bill.