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ACCOUNTING POLICIES AND PROCEDURES

**Adopted December 9, 2016
Amended January 18, 2017
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EMPLOYEE HANDBOOK

EMPLOYMENT EXPECTATIONS

OFFICE HOURS

The office of the Utah League of Cities and Towns will be open for business Monday through Friday from 8:00am to 5:00pm except on designated holidays. At his/her sole discretion, the League Director may allow employees to work set schedules between 7:00 a.m. and 6:00 p.m.

WORK SCHEDULE

Forty hours constitutes a normal, full-time work week. Eight hours is a normal working day. Employees will be entitled to a 15-minute break for every four hours worked. Employees working an eight-hour day shall be entitled to a lunch period.

The Executive Director shall have the authority to adjust schedules to meet the needs of the organization. Overtime and compensatory provisions for Support Staff shall remain in force when such adjustments are made.

WORK HOURS AND ATTENDANCE

All full-time employees are expected to work a 40-hour week, except as otherwise designated by the Executive Director and in accordance with applicable laws.

All other employees are expected to be in attendance as agreed to as conditions of employment as directed by the Executive Director.

An employee who is unable to report for duty shall notify the Executive Director or his/her designee within one-half hour of his/her reporting time on each day of absence from work. Failure to do so without good reason may result in disciplinary action.

It may be necessary to schedule personal medical and dental appointments during normal business hours. Such appointments should be scheduled when it will least impact the ULCT's business. The Executive Director or his/her designee should be notified at least one-day in advance of an appointment scheduled during working hours, unless the appointment is an emergency. When an emergency, the Executive Director or his/her designee should be notified as soon as practical. Failure to comply with notification will result in disciplinary action up to and including termination. Frequent absences or tardiness will not be tolerated and are subject to disciplinary action up to and including termination of employment.

EMPLOYEE CLASSIFICATION

League employees shall be classified as follows:

Executive: Employees who are hired by and report directly to the Board of Directors.

Full-time: Employees who work 40 hours a week, receive full benefits, and have successfully completed the 6-month probationary period.

Part-time with Leave Benefits: Employees who work more than 24 hours per week and who have been approved by the Executive Director to receive pro-rated leave benefits.

Part-time: Employees whose schedules are determined by the needs of the League and who receive no benefits with the exception of Social Security or receive benefits as directed by the League Board.

Probationary: New employees are required to complete a minimum 6-month probationary period. For those employees hired into benefit accruing positions, full benefits, including retirement and 401(k) benefits, leave benefits, and all other benefits provided accrue and can be used while the employee is on probationary status.

HIRING PHILOSOPHY

The Utah League of Cities and Towns is an "Equal Opportunity Employer." A policy of nondiscrimination will be followed in hiring and promotion practices. The ULCT complies with all state and federal employment laws applicable to employers of its size.

Evaluation of employment candidates will be made on the basis of skills experience, education, and potential for learning and job performance consistent with the needs of the position to be filled.

Whenever possible, promotion will occur within the ranks. The Executive Director will ensure that vacancies are filled with qualified individuals.

RECRUITMENT

No new full time positions may be created without authorization of the Board of Directors. Existing positions which become vacant may or may not be filled, according to the Executive Director's discretion.

Executive level positions will be recruited and filled by the League's Board of Directors. The League President shall be responsible to ensure proper recruitment and hiring procedures are followed.

All other positions will be recruited and filled at the discretion of the Executive Director.

NEPOTISM

Reference: Utah Code Section 52-3-1 (Nepotism Act)

Each employee should be competitively selected on the basis of qualifications. No ULCT employee may hire or recommend the hiring of an applicant who is a relative to the employee if the applicant will be directly supervised by the employee or if the employee has direct access to process, review, or affect the salary or other compensation of the applicant unless the applicant is an unpaid volunteer. The Executive Director will ensure that no new employee will be directly appointed or supervised by a relative. A relative is defined within the Nepotism Act

and includes “father, mother, husband, wife, son, daughter, sister, brother, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, sister-in-law, son-in-law, daughter-in-law, step-parent, or step-child.”

PROBATION

Each employee hired to a League position shall serve a probationary period of at least 6-months. Probation may be extended at the Executive Director's discretion. All benefits provided to League employees will accrue and can be used during the probationary period, except where the position is considered part-time and does not receive benefits.

During the probationary period, an employee may be terminated with or without cause by the Executive Director.

As a condition of employment, employees will be required to sign an automatic Paycheck Deposit Form as required by the ULCT's third party payroll processing vendor.

An employee will receive a performance evaluation, given by their immediate supervisor, at the end of the probationary period. Employees receiving a satisfactory evaluation may be offered regular full or part-time employment. Below average or unacceptable evaluations may be reason for extended probation or termination.

REDUCTION IN FORCE

The League retains the right to terminate employees because of changes in the workload, inadequate funds, a decision to contract for work previously done by employees, or for other circumstances deemed to be in the best interest of the organization's interest.

RESIGNATIONS

Full-time employees wishing to terminate employment are required to give a minimum of two weeks written notice to the Executive Director in order to leave in good standing. Exceptions may be granted at the Executive Director's discretion.

CODE OF ETHICAL BUSINESS CONDUCT

The ULCT has adopted a Code of Ethical Business Conduct that applies to all employees. All employees are expected to comply with its terms. The Executive Director may grant a limited exception to an individual section of the Code of Conduct where circumstances warrant.

The ULCT expects employees to conduct business according to the highest ethical standards of conduct. We expect employees to devote their best efforts to the interests of the ULCT.

Business dealings that appear to create a conflict between the interests of the ULCT and an employee are unacceptable. The ULCT recognizes the right of employees to engage in activities outside of their employment that are of a private nature and unrelated to ULCT business; however, the employee must disclose any possible conflicts so that the ULCT may assess and prevent potential conflicts of interest from arising. A potential or actual conflict of interest occurs whenever an employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of the ULCT's business dealings.

An employee who violates the Code of Ethical Business Conduct may be subject to discipline, up to and including termination. Where appropriate, the ULCT may refer an incident for criminal prosecution or civil action.

In December of each year, each ULCT employee will be asked to complete a written Conflict of Interest Disclosure Statement. A copy of the statements will be provided to the Executive Director. The Executive Director's statement will be provided to the Executive Committee of the Board of Directors. The Conflict of Interest Statements will be maintained in each employee's personnel file. At his/her discretion, the Executive Director will make the Board President aware of staff conflicts.

OUTSIDE EMPLOYMENT

League employment shall be the principal vocation for full-time employees. Outside employment must be approved by the Executive Director, subject to the following:

1. The outside employment in no way interferes with the employee's ability to meet the League's work schedule, including reasonable call back and standby assignments.
2. The outside employment is not directly connected with nor contingent upon a representation that the employee is in any way representing the Utah League of Cities and Towns, either directly or indirectly, unless the Executive Director has, in writing, specifically approved the employment.
3. The outside employment must not conflict with the interest of the League or reasonably give rise to criticism or suspicion of conflicting interests or duties.
4. For the Executive Director, outside employment must be approved, in writing, by the Executive Committee of the Board of Directors.

POLITICAL ACTIVITY

No League employee shall engage during working or office hours in actions which aid, favor, or are aimed at causing the defeat or election of any candidate or political office.

No employee shall use his/her office or position for the political enhancement of any individual or group.

Nothing contained herein shall be construed to interfere with the right of an employee to become a member of a political club or organization, to attend political meetings, to express an opinion on all political subjects and to enjoy freedom from interference in voting or to contribute freely to political causes.

GIFTS

The ULCT is a high-profile organization which enjoys the public's trust. Thus, to avoid the appearance of impropriety, ULCT employees must exercise care in accepting any gift, gratuity, favor, entertainment, reward, or any other item of monetary value that might influence or appear to influence the judgment or conduct of the employee in the performance of his or her job.

Employees may accept gifts valued at \$50 or less from persons or entities with which ULCT has an ongoing or potential business relationship, as long as the gift is customary in the industry, will not violate any laws, and will not influence or appear to influence the employee's judgment or conduct at his or her employer's business; however, if refusal of such a gift could cause offense or embarrassment or otherwise harm the interests of the ULCT, the employee may accept the gift on behalf of the ULCT. Any gift so accepted must be immediately transferred to the Executive Director who will determine how the gift can be best used for ULCT purposes.

COMMUNICATION SYSTEMS

Employees have access to a wide variety of electronic media and communication services that may include e-mail, telephones, fax machines, external electronic bulletin boards and the Internet, including instant messaging services. While employees are encouraged to use these services as a way to improve the effectiveness and efficiency of communication, each employee must keep in mind that electronic media and communication services provided by ULCT are ULCT property and their purpose is to support the ULCT's business.

Except for de minimis use, personal, non-business use of the ULCT's communication systems is prohibited during working hours. Employees may, however, use company communications systems, during non-work hours, to discuss the terms and conditions of employment with other employees. Employees cannot use company communication systems to transmit, retrieve or store any information, material or communication that is related to outside business interests, obscene, illegal, discriminatory, rude, intended to harass or defame others or otherwise offensive or inappropriate. Also, strictly prohibited are any transmissions with racial, sexual, religious or other

harassing content or that are contrary to the ULCT's policies or business.

The personal use of social networking websites, even if accessed using a personal electronic device (phone, tablet, laptop, etc.), may not interfere with working time. Social networking sites include but are not limited to, Twitter, Facebook, LinkedIn, Myspace, Snap Chat, YouTube and Flickr.

ULCT approval is required before accessing social networking sites using electronic resources of the ULCT to send "tweets" or other public messages.

Any social networking messages that might act as the "voice" or position of the ULCT must be approved by the Executive Director. Any identification of the author, including usernames, pictures/logos, or "profile" web pages, should not use logos, trademarks, or other intellectual property of the ULCT unless approved in advance by the Executive Director. If you are not providing an official social networking message from the ULCT, an employee who comments on any aspect of the company's business must include a disclaimer in your own "profile" or "bio" that the views are your own and not those of the ULCT. A social networking message should not disclose any confidential or proprietary information of the ULCT. If you are "friends" with customers, clients, or vendors on social networking sites, you should exercise additional discretion before posting personal information or photographs that could potentially be embarrassing to you or the ULCT. Written messages are, or can become, public: use common sense.

The ULCT reserves the right to review any employee's electronic files and messages to ensure electronic media and services are being used in compliance with federal and state laws, this policy, and other company policies. Accordingly, employees should not assume that their electronic communications are private, even when on their personal devices. None of the foregoing shall be construed to limit an employee's right to engage in any protected, concerted activity.

PUBLICITY

No employee is authorized to make any announcement of any kind to the public or the news media. Inquiries from newspapers, radio and television stations, or other public information sources are to be referred to the Executive Director of the ULCT. The Executive Director may designate an employee to respond to media requests in his/her absence.

PHONE CALLS, TEXT MESSAGES, PERSONAL MAIL and VISITORS

Except for de minimis use, personal use of business phones is not allowed. Friends and relatives should be discouraged from calling during working hours. Under no circumstances should you make a long-distance call on a business line unless the call is work-related.

When dealing with members, sponsors, and suppliers, good telephone etiquette is important. Be pleasant, helpful and courteous confining your conversations to the subject at hand. Telephone calls should be answered within two rings by saying "Good morning or good afternoon, The Utah League of Cities and Towns." An employee must identify him/herself when answering transferred calls. Calls should be returned within 24 hours.

While our voice mail system is designed to increase productivity, it is expected that you will treat

employees with respect when leaving messages. If you are at your desk, you are generally expected to answer your telephone. You are assigned a personal password for your voice mailbox; please do not give it out to anyone. The passwords may be changed in order to maintain security.

Transmissions using the ULCT's facsimile machine are to be made for business purposes only.

Do not use company stationery, stamps, postage meters or other company supplies for personal mail. Employees should have all of personal correspondence and packages sent to their personal address unless obtaining prior permission from the Executive Director.

Personal visits by visitors to your work area may also be restricted by ULCT.

CONFIDENTIAL INFORMATION

Information given by a ULCT sponsor, customer, or a client may be privileged or confidential information. Additionally, information provided to or received from a legislator or senator may be privileged or private. Such information is to be maintained with strict confidentiality. This may also be true for information such as Social Security Numbers, birthdates, financial account numbers and data. Employees must exercise good judgment when talking to individuals outside the scope of their duties, including co-workers and non-employees, so that ULCT confidential information is not compromised.

Employees who have access to sensitive records are only permitted to discuss this information within the course and scope of their duties and not with unauthorized individuals. Violation of this policy may result in discipline, up to and including termination. None of the foregoing shall be construed to limit an employee's right to engage in any protected, concerted activity.

CONFLICT OF INTEREST

Personal or romantic involvement with a member, sponsor, supplier, legislator or subordinate employee of the ULCT can impair an employee's ability to exercise good judgment on behalf of the ULCT and result in an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

The ULCT desires to avoid misunderstandings, actual or potential conflicts of interest, complaints of favoritism, possible claims of sexual harassment, interference with the productivity of co-workers, and the employee morale and dissension problems that can potentially result from romantic relationships involving employees, members, sponsors, legislators or suppliers.

The ULCT strongly discourages supervisors and managers from engaging in romantic or sexual relationships with subordinates and requires the supervisor or manager to disclose the existence of such a relationship to the Executive Director. The Executive Director shall disclose any such relationship to the Board President.

The ULCT has adopted this policy in recognition of its responsibility to provide guidelines on personal or romantic involvement with a member, sponsor, supplier, or subordinate employee of

the ULCT and to caution employees about the potential problems posed by such relationships.

The ULCT does not prohibit the types of relationships or situations described in this policy but it does require the following: an employee must disclose the relevant circumstances to the Executive Director for a determination as to whether a potential or actual conflict exists. If an actual or potential conflict is determined, the employer may take appropriate corrective action according to the circumstances. Failure to make required disclosures or comply with a recommendation to resolve a conflict with this policy can result in discipline, up to and including termination of employment.

WHISTLEBLOWER POLICY

General: The ULCT's Code of Ethical Conduct requires directors, officers, and employees to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of ULCT are expected to practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility: It is the responsibility of all employees to comply with the stated Ethics/Behavior Code and other ULCT financial policies and procedures and to report violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation: No director, officer, or employee who in good faith reports a violation of the Code or financial policies shall suffer harassment, retaliation, or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the ULCT prior to seeking resolution outside of the organization.

Reporting Violations: The ULCT has an open-door policy and suggests that employees share their questions, concerns, suggestions, or complaints with someone who can address them properly. In most cases, the ULCT Executive Director is in the best position to address an area of concern. A written description of the complaint or concern is desired. The Executive Director is required to report suspected violations of the Code of Conduct and financial policies to the Compliance Officer for investigation and resolution. However, if the allegations involve the Compliance Officer, the Executive Director will work directly with the Board President and Financial Consultant to investigate and resolve the complaint.

If the allegations involve the Executive Director or the if employee is not satisfied with the Executive Director's response, then the employee is encouraged to speak directly with the ULCT Compliance Officer.

If the allegations involve both the Executive Director and the Compliance Office, the employee is encouraged to speak directly with the ULCT Board President. The Board President shall be notified of all allegations submitted within 24 hours of receipt.

Compliance Officer: ULCT's Chief Operating Officer or Chief Financial Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the

Code of Conduct and financial policies. The Compliance Officer and/or Executive Director will advise Board President of the complaint.

Accounting and Auditing Matters: The Board President and Treasurer, supported by the Financial Oversight Consultant, shall address all reported concerns or complaints regarding ULCT accounting practices, internal controls, or auditing. The Compliance Officer shall immediately notify the Executive Director, Board President and Treasurer of any such complaint and work with the Executive Director, Board President and Treasurer until the matter is resolved. If the complaint involves the Executive Director, the Compliance Officer shall work directly with the Board President and Treasurer.

Acting in Good Faith: Anyone filing a complaint concerning a violation or suspected violation of the Code or policy must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code or financial policy. Any allegations that prove not to be substantiated and which prove to have been made maliciously or to be knowingly false will be viewed as a serious disciplinary offense subject to discipline up to and including termination.

Confidentiality: Violations or suspected violations may be submitted on a confidential basis by the whistleblower or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to investigate.

Handling of Reported Violations: The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

COMPENSATION

PAY DAY

Pay shall be issued on the 15th and the last working day of each month. If payday falls on a Saturday or Sunday, pay will be distributed on the Friday prior. If payday falls on a holiday, pay will be distributed on the last business day preceding the holiday. ULCT contracts with a third-party vendor for payroll and timekeeping services. Pay is made by direct deposit into the account of the employee's choosing.

TIME SHEETS

A full-time work week is 40 hours. Each full-time League employee is responsible to maintain a record of hours off for vacation, sick, or other approved absences. Hourly employees are responsible to maintain a record of hours worked.

Time sheets are to be turned in by close of business on the 11th and 26th of each month. In February, time sheets are to be turned in by close of business on the 11th and 23rd. If the 11th or 26th (or in February 23rd) fall on a legal holiday or weekend, the timesheets are due the last working day prior to the 11th or 26th (or in February 23rd). All time sheets must be approved and initialed by the Executive Director or his/her designee prior to the issuance of pay. If the Chief Operating Officer or Chief Financial Officer determines that time sheets are due on a day other than specified in this policy, he/she will notify the staff in writing one day before the due date.

Time for the last three days of each pay period will be an estimate. If an employee uses sick leave or vacation but did not know the leave would be used when submitting the time sheet, an amended time sheet will be prepared and signed by the employee and the Executive Director or his/her Designee. The used leave will then be reported on the employees next pay stub.

Falsification of time records is grounds for discipline up to and including termination of employment.

PAYROLL RECORDS

A payroll record, including accrued leave balances, will be maintained on each employee by the third party payroll processing company. Each employee will be provided access to an online portal to access his/her payroll records, including accrued leave balances.

GARNISHMENTS

It is the League policy that employees pay debts in a timely manner.

An employee's pay will be held by the League upon the receipt of a valid garnishment until a court order is issued indicating satisfaction of the indebtedness or until ordered to surrender the money to the court or its agent.

The League may not discharge any employee because earnings have been subject to garnishment.

SALARY SCHEDULE

The Board of Directors will adopt a salary schedule which designates ranges according to job classification and grade. This schedule may be updated periodically as market conditions dictate.

BEGINNING SALARY

New employees and those who have been promoted to a position of higher responsibility will typically begin employment at the lower end of the given salary range. The Executive Director may, however, start an employee at a higher salary in the range if it is determined the employee's qualifications and abilities for the position exceed the stated entry requirements. It shall also be League policy that promoted employees receive a salary increase.

ANNIVERSARY DATES

The date the employee begins full-time employment shall be the anniversary date of his/her employment.

EVALUATIONS

Performance evaluations shall be given on a regular basis using the anniversary date as the first point of reference. Future evaluations will be conducted in June of each year.

A standard form will be used to measure employee performance. Evaluations will be made by the Executive Director or, where appropriate, the employee's immediate supervisor. The Executive Director's evaluation will be completed by the Executive Committee of the Board of Directors each June.

The evaluation will be reviewed in depth with the employee. At this time, the League Executive Director or the employee's immediate supervisor and the employee will mutually set goals and objectives and review the strengths and weaknesses of the employee's performance as well as a work program for the coming year.

A copy of each employee evaluation shall be provided to the employee and a copy of each evaluation shall be placed in the employee's personnel file.

Employees receiving satisfactory rating on their performance evaluations will be eligible for an increase provided, however, that they have not reached the top level on their designated salary range, and provided funds are available in the League Budget for the increase.

Employees desiring to appeal an evaluation should do so in writing. Any action based on the evaluation shall be considered pending until the appeal is resolved. The Executive Director shall review all facts relating to the evaluation appeal and shall make a determination within ten days after the receipt of the appeal.

OVERTIME AND COMPENSATORY TIME

CLASSIFICATION

For the purpose of meeting FLSA provisions, all League positions shall be classified as either Executive, Administrative or Professional Support Staff.

- a. Executive positions shall include those positions which are hired by and report directly to the Board of Directors.
- b. Administrative positions shall include employees whose responsibilities relate directly to

management policies or general League operation; who customarily exercise discretion and independent judgment; who regularly assist an executive position in performing specialized or technical work, under minimal supervision, which requires special training, experience or knowledge; and who does not spend more than 20 percent of the time worked on assignments that are not directly and closely related to administrative duties.

c. Professional positions shall include employees whose primary duty is work requiring advance knowledge, training or experience in a given field customarily obtained by a prolonged course of specialized instruction and study; whose work is original and creative in character, the result of which depends primarily on the employee invention, imagination or talent; who consistently exercise discretion and judgment; who do work that is predominantly intellectual and varied; and who do not spend more than 20 percent of the time worked on assignments that are not directly and closely related to activities that are a part of the professional duties.

d. Support Staff shall include all other positions.

ELIGIBILITY

Support Staff employees will be paid overtime at a rate of one and one-half times their regular rate for each hour worked over forty hours in a work week. Compensation will be made in the next regular paycheck. An employee may elect compensatory time in lieu of paid overtime, but the election must be made in writing. The compensatory time can be accrued, but must be used by June 30 of each year.

Regular Rate for hourly employees will be the hourly rate. The regular rate for salaried employees will be determined by reducing the salary figure to the work week and then dividing it by the number of hours for which the salary is intended to compensate.

Executive, Administrative and Professional level employees are exempt from this provision and will receive no overtime compensation.

Each job description will include a classification of Executive, Administrative, Professional or Support Staff so that employees clearly understand the eligibility of their positions for overtime pay.

PAYMENT OF PROFESSIONAL DUES

The Executive Director may authorize payment of professional dues (e.g. Utah State Bar dues) for employees. The decision to pay professional dues will be on a case-by-case basis and will be determined based on the business purpose provided to the ULCT by membership.

BENEFITS

HOLIDAYS

The ULCT observes the following holidays:

New Year's Day, Martin Luther King Day*, Presidents Day*, Memorial Day, Independence Day (July 4), Pioneer Day (July 24), Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and the day after, Christmas Day.

Depending on the needs associated with the Legislature, employees may take the holidays marked with (*) off during the Christmas holiday season or after the legislative session.

When any of the above holidays falls on a Sunday, the following Monday shall be the holiday. If the holiday falls on a Saturday, the preceding Friday shall be considered the holiday.

In recognition of extra staff time required at the League's Annual and Mid-Year conferences, Road School, and other League-sponsored events during the year, the Executive Director may grant limited administrative leave and/or close the office. Management of administrative leave and/or office closures is at the Director's discretion and will be timed to eliminate conflicts with the needs of member cities and towns.

VACATION

Full-time Employees shall accrue annual leave as follows:

| | |
|----------------------|---|
| 0-5 Years of Service | 12 Days per year (4 hours per pay period) |
| 5-9 Years of Service | 15 days per year (5 hours per pay period) |
| 9+ Years of Service | 21 days per year (7 hours per pay period) |

For purposes of future vacation accrual only, rehired employees' prior years of ULCT service will be considered as the starting point for leave accrual.

Part-time employees working 24 or more but less than 40 hours per week, whose positions are expressly approved by the Executive Director for compensation with vacation, shall accrue sick leave on a prorated basis. Employees working less than 24 hours per week shall accrue no vacation.

Employees may accumulate up to 240 hours of vacation time which can be carried forward to a new fiscal year. Employees with more than 240 accrued hours must use their vacation to bring their balance to 240 or fewer hours prior to each June 30th or will lose excess hours. Employees are encouraged to take their vacation leave annually. However, in extenuating circumstances, an extension of the June 30th date may be approved in writing by the Executive Director. A copy of such extension will be maintained in the employee's annual file.

Accrued vacation leave will be credited to an employee's account each pay period. Vacation leave is to be scheduled at the mutual convenience of the League and the employee, and must be scheduled by the employee in writing with the approval of the Executive Director. Paid holidays and administrative office closures occurring during scheduled vacation leave will not be charged as vacation time.

Terminating employees are entitled to payment at their current rate of compensation for all unused vacation leave which has been accrued.

Employees may not take vacation leave in advance of its actual accrual.

SICK LEAVE

Sick leave should be valued as an insurance against protracted illness. Sick leave may be used for (i) employee illness or injury, (ii) illness or injury in the employee's immediate family, and (iii) medical and dental appointments. The term "illness" includes illness from a pregnancy. In this section the term "immediate family" means the employee's spouse, child or parent residing within the employee's household.

The League reserves the right to require acceptable confirmation of the nature and extent of any illness or injury that requires an employee to be absent from scheduled work.

Employees returning from sick leave or an absence caused by health problems may be required to provide a doctor's certification of their ability to perform their regular work satisfactorily without endangering themselves or their fellow employees.

Employees will be credited with 4 hours of sick leave for each full pay period of service with the League. Accrued sick leave will be credited to the employee's account each pay period.

Part-time employees working 24 or more but less than 40 hours per week, whose positions are expressly approved by the Executive Director for compensation with sick leave, shall accrue sick leave on a prorated basis. Employees working less than 24 hours per week shall accrue no sick leave.

Employees may accrue sick leave without limitation, however, sick leave accruals will not be paid out upon termination or retirement.

An employee shall notify the Executive Director prior to or at the beginning of scheduled work that he/she will be absent from work because of sick leave circumstances. In the event of an extended absence, the employee shall keep the Executive Director informed of his/her condition. If the absence from work exceeds three working days, the League may require the employee to present a statement from a medical provider justifying the absence from work and containing a clearance to return to work, or stating a physical inability to resume work.

Any absence or sick leave that extends beyond accrued sick leave will result in the employee being carried on vacation leave status until all accrued vacation balances have been used, and then the employee shall be on a leave-without-pay status. This provision does not give a right to an employee to be carried on any such status.

Employees may convert a maximum of 32 hours of sick leave each calendar year to cash at their current rate of pay. In order to participate in this conversion, employees must have a minimum of 240 hours of sick leave remaining after the conversion permitted in this section. In the alternative to cash, employees may have these funds deposited into their League 401(k) plan to which they belong, if permitted under applicable plan regulations. Employees desiring to convert sick leave to cash shall notify the Executive Director prior to June 1.

WELFARE BENEFIT PLAN

Full-time employees will be offered a Cafeteria Plan which will include medical and dental coverage, among other benefits, during employment with the League. Employees must let the Executive Director or his/her designee know which portions of plan they are interest in participating in within one week after regular employment begins. Employees will be able to make Cafeteria Plan elections in June and December of each year.

The Executive Director is to annually, with the ULCT budget, review and make recommendations on the Cafeteria Plan to the Board for its approval.

RETIREMENT

Full-time employees will receive retirement benefits at a rate consistent with the Utah State Retirement system. The League may also provide a matching 401K Plan for employees to participate in at their option. The League may at its option provide a contribution to the 401K Plan for the benefit of participatory employees.

WORKER'S COMPENSATION

League employees injured during performance of their duties are covered by the Worker's Compensation Insurance, as provided by State Law.

The League will pay the employee full salary until Worker's Compensation takes over.

FUNERAL LEAVE

When death occurs in the immediate family of an employee, the Executive Director may authorize a leave of a maximum of three working days with pay. Immediate family shall include parents, siblings, children, grandparents, spouse, in-laws, and step-children. At the Executive Director's discretion, additional time may be used and charged to accrued vacation or sick leave.

EMERGENCY LEAVE

The Executive Director has the authority to grant emergency leave. Time will be charged to accrued vacation time.

PROLONGED SICK LEAVE

Upon presentation of a physician's certificate, employees may use accumulated sick leave. The dates of beginning and ending leave will be determined by the employee, the employee's physicians, and the Executive Director and must take into consideration the physical capability of the employee to perform his/her job. If an employee's accumulated sick leave is not sufficient to provide a continuity of pay and benefits, accumulated vacation may be used.

Upon the presentation of written request, leave without pay up to thirty days may be granted beyond accumulated leave, depending on the circumstances. Leave beyond that length of time must be approved by the Board of Directors, with the Executive Director's recommendation.

No benefits shall accrue while in a non-pay status. Employees shall, however, have the option of

continuing medical coverage by paying their own premiums.

MATERNITY LEAVE

Requests for maternity leave will be treated the same as leaves for prolonged medical conditions.

PATERNITY LEAVE

At the Executive Director's discretion, an employee may be granted authorization to use accumulated sick leave for paternity leave.

SHORT TERM MILITARY LEAVE

Full-time, salaried employees who are members of the National Guard or any reserve branch of the U.S. Armed Forces, shall be permitted up to 15 calendar days at annual encampment and be compensated at his/her regular base rate of pay minus military compensation received. No salary may be claimed for non-working days spent in training. If additional time off is required, the employee may use vacation or leave without pay.

Employees activated for military duty under the Uniformed Services Employment and Re-Employment Rights Act may be absent from employment for the period required by the official orders and as prescribed in the Act.

Requests for military leave shall be made in writing at least 30 days in advance and shall be accompanied by a copy of the official orders confirming that the employee is required to engage in military service and did perform such service.

JURY DUTY

When an employee is summoned to serve on a jury or has been required by subpoena to appear as a witness, he/she will be paid his full salary, less pay for jury duty.

This allowance covers only time lost while actually engaged on jury duty and no provision is made or intended to cover payment for time lost outside of regular jury hours.

An employee who serves on jury duty or makes court appearances and that duty or service falls on the employee's personal time, will not receive pay for such appearance.

This policy shall not apply to court appearances or actions which personally benefit the employee.

INJURY LEAVES

If an employee receives an injury while in the performance of official League business and, thus, is physically unable to perform his/her regular duties, the League will pay, with benefits, the employee's normal salary for the first three days of leave without subtracting from any of the employee's other paid leaves. After three days, worker's compensation will pay the employee.

When injured, an employee must report the injury immediately; when practical, complete an injury report form with both the employee's and the supervisor's signature; obtain immediate necessary treatment, and obtain a signed doctors' release when returning to work.

LEAVES OF ABSENCE WITHOUT PAY

Leaves of absence without pay may be granted by the Executive Director upon written application from an employee. No vacation or sick leave benefits will accrue during such leaves.

Leaves will not be granted unless there is a positive expectancy that the employee will return to work at the expiration of the leave.

PERSONNEL FILE

RECORD KEEPING

The Executive Director shall maintain a personnel file on each employee. Information of a derogatory nature shall not be placed in the personnel file unless the employee has been provided with a copy of it and has had an opportunity to respond.

Employees shall have the right to comment on any item in their file and to have those comments retained as a part of the personnel file.

CONTENTS

Information maintained in each personnel file shall include:

1. All employment data including, but not limited to, employment application, hire notice, and any special conditions of employment which have been signed by the employee;
2. Physician's verification and return to work slips;
3. All accident reports, including any and all physician's reports, medical information or other documents pertaining to accidents;
4. All performance evaluations;
5. All salary change forms;
6. All certificates or degrees showing completion of training or other certificates employees may request to be included in their personnel records;
7. All items dealing with probationary status;
8. All disciplinary actions;
9. All commendations;
10. Personnel investigations, complaints, statements, and data related to the investigation of alleged violation of the law, rules, regulations, orders, or policies;

REVIEW AUTHORIZATION

Employees shall have the right to review their own personnel files as governed by law. Unless written permission is granted by the employee or requested by a court of law, no information shall be disclosed from the personnel file of a current or former employee except job title and dates of employment.

The Executive Director and/or his/her designee may review appropriate personnel records as necessary.

An employee may reply to, supplement, or challenge any information in the personnel file. The employee shall request, in writing, that such changes occur. When there is an immediate supervisor, the supervisor shall be given an opportunity to respond. A final, written decision shall be made by

the Executive Director.

A record of the employee's letter, the supervisor's response and the Executive Director's decision shall be included in the file.

RETENTION

Personnel files shall be retained during employment and for a period of six years following employment.

DISCIPLINE

GENERAL PRACTICE

All League employees are expected to conduct themselves in a manner that will bring credit to themselves and to the League. Each employee shall render honest and economical service in the performance of duties. Willful noncompliance with rules or policies shall be cause for disciplinary action.

All disciplinary actions short of termination are intended to be corrective rather than punitive and to obtain compliance with League objectives and policies.

It shall be the Executive Director's discretion as to which type of formal and/or informal disciplinary action is most appropriate. Disciplinary action shall be limited in severity to the severity of the infractions(s) in question and/or past infraction. All actions shall become a part of the employee's personnel file.

Nothing contained herein shall preclude dismissal or suspension with or without pay effective immediately without prior notice and a hearing where the continued presence of the employee would present a hazard or disruption to other employees to the League. When such dismissal or suspension is imposed, the employee shall be assured the right of a disciplinary appeal in accordance with the appeal procedure.

GROUND FOR DISCIPLINE

Grounds for discipline shall include violation of any personnel policy; incompetence, inefficiency, or negligence in the performance of duties; insubordination; and conduct on or off the job which discredits the League or affects the employee's ability to perform his/her duties effectively.

DISCIPLINARY MEASURES

Non-probationary employees shall be disciplined for cause only. An employee whose conduct violates one of the grounds for disciplinary action shall be subject to one or more of the following, depending on the severity of the offense, its effect on the League operations, and the employee's previous performance record.

- A. An oral or informal warning, documented but not placed in the employee's personnel file;
- B. A written warning or reprimand specifying the reason, noting previous oral warnings or discussions, and outlining the corrective action necessary to avoid further discipline. A copy is to be placed in the employee's personnel file and a copy is to be provided to the employee.
- C. Suspension or other time off without pay, or forfeiture of accrued leave. Written notice is to outline the reason, the effective date, the duration, and the corrective action necessary to avoid further discipline. This notice is to be provided to the employee. A copy is to be placed in the employee's personnel file.

D. Termination. Written notice is to be provided to the employee outlining the reason and the effective date. An employee may be terminated effective immediately only if the employee's continued presence in the office would be detrimental to the office functions and/or other employees. An employee may be terminated for a single offense without undergoing the progressive discipline if the severity of the circumstances justify the action.

In cases of discipline involving suspension, or termination, the Director shall provide the employee with a copy of the Appeal Procedure when he/she is informed of the disciplinary action.

If the employee is not in agreement with the proposed disciplinary action, the employee may move to the appeal process.

APPEAL PROCEDURE

Each regular, full-time non-probationary employee has the right to appeal any disciplinary measure. The employee also has the right to have a representative assist him/her throughout the process. Appeals shall follow these steps:

1. Request a meeting with the Executive Director

The employee can request a meeting with the Executive Director to appeal the decision. The employee shall be informed of this right to appeal and to have a representative but it shall be his/her responsibility to make the appeal. Any additional evidence the employee may wish to present shall be readied within three working days. Upon receipt of the request and the information, the Executive Director shall:

- a. Hold the meeting promptly;
- b. Consider any additional evidence submitted by the employee;
- c. Impose the disciplinary action or modify the disciplinary action as deemed appropriate; and
- d. Notify the employee in writing of the decision and of the employee's appeal right.

The failure of an employee to request a meeting with the Executive Director or the failure of any employee to appear for the meeting after requesting it constitute a forfeiture of any additional appeal rights.

2. The Appeals Board

If the employee wishes to pursue the appeal beyond step one, he/she may request a hearing before the Appeals Board.

The Appeals Board shall consist of the League Executive Board.

Within ten days of receiving a written request for a hearing, the Appeals Board shall be convened. The Board may meet in person or convene via telephone conference call. The Board shall review all pertinent information including written and oral testimony and the employee's personnel file.

The Board's responsibility is to examine the evidence submitted, determine the facts, and make recommendations regarding whether or not the discipline or termination was justified. This recommendation shall be made to the Director within five working days following the conclusion of the hearing.

The Board shall review the request and all other pertinent information and prepare a written notice of hearing which shall include: 1) the matter to be heard and 2) the date, time and place of the hearing. Notice shall be sent to all affected parties.

3. The Board of Directors

After exhausting all other appeal processes, the employee may request a hearing before the Board of Directors. The request will be considered within 30 days or at the next regular Board meeting.

The Board shall review the request and all other pertinent information and then decide if a hearing will be granted. If a hearing is granted, the Board shall have prepared a written notice of hearing which shall include: 1) the matter to be heard and 2) the date, time and place of the hearing. Notice shall be sent to all affected parties.

Within 15 working days of sending a written notice to all affected parties, the Board shall hear the specific request and consider all information presented including oral and written testimony. The Board shall have access to the employee's personnel record as well as all other pertinent information.

The Board's responsibility is to examine the evidence submitted, determine the facts, and make a decision regarding whether or not the discipline or termination was justified.

The decision of the Board shall be final.

SEXUAL HARASSMENT

DEFINITION

Sexual harassment is unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (2) submission to or rejection of such conduct by an individual is used as a basis for employment decisions; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or of creating an intimidating, hostile, or offensive working environment.

REPORTING PROCEDURE

Employees who are claimants, or who are otherwise aware, of sexual harassment by or against a League employee are encouraged to report such harassment as soon as possible to the Executive Director or a member of the Executive Board. Employees may bring good faith complaints without fear of reprisal, intimidation, coercion or retaliation. Confidentiality will be protected to the extent practical under the law and under the necessities of disciplinary action.

Anyone receiving a report of sexual harassment shall immediately inform the Executive Director who shall immediately begin an investigation. If the Director is accused of sexual harassment, the investigation shall be implemented by the Executive Board.

INVESTIGATION

Anyone conducting an investigation shall take care to protect the rights of both the person complaining and the person accused. If an investigation determines that sexual harassment has occurred, appropriate disciplinary action shall be taken.

DISCIPLINE

Any employee determined to be guilty of sexual harassment charges shall be subject to disciplinary action.

**CREDIT CARDS AND
REIMBURSEMENTS
FOR BUSINESS
EXPENSES, BUSINESS
MEAL EXPENSES,
TRAVEL EXPENSES,
CELLULAR PHONE
EXPENSES AND
EDUCATIONAL
EXPENSES**

CREDIT CARD

The ULCT operates on a business expense reimbursement program rather than a credit card expense account program. However, the ULCT may maintain one or more credit cards to support ULCT business.

Any staff member authorized to carry an organization credit card will be held personally responsible in the event that any charge is deemed personal or unauthorized. Unauthorized use of the credit card includes: personal expenditures of any kind; expenditures which have not been properly authorized; meals, entertainment, gifts, or other expenditures which are in violation of ULCT policy can be grounds for disciplinary action, up to and including termination. The Board President will be notified of any unauthorized use of a ULCT credit card within 48 hours of its discovery.

Each staff member authorized to carry an organization credit card will be responsible to maintain all receipts associated with charges. To ensure timely credit card payment, the receipts and documentation for all credit card charges, with business purpose noted and documented by the staff member who incurred the charge, will be given to the Chief Operating Officer or Chief Financial Officer in a format supplied by the administration within one week of the statement closing date. The Chief Operating Officer or Chief Financial Officer will verify all credit card charges with the monthly statements. A copy of all charges will be attached to the monthly credit card statement when submitted to the Executive Director and ULCT Treasurer for approval and signing.

All ULCT credit card usage will be secondarily reviewed by the ULCT Financial Oversight Consultant monthly. The Financial Oversight Consultant will raise concerns regarding credit card usage or policy compliance directly with the ULCT Executive Director and Chief Operating Officer or Chief Financial Officer.

If an employee has been issued a ULCT credit card, upon termination the credit card will be immediately cancelled.

BUSINESS EXPENSE AND BUSINESS MEAL EXPENSE REIMBURSEMENT

Reasonable and appropriate business expenses, including mileage reimbursement, incurred by a ULCT employees while representing ULCT shall be reimbursed. All employees seeking

reimbursement under these provisions must provide appropriate documentation before reimbursement will be made. Reimbursement requests should be made within 60 calendar days of incurring the business or business meal expense. Generally, lost or missing receipts will not be reimbursed. However, if an employee loses a receipt, he/she can request a “missing receipt letter” from the Executive Director to submit with any available documentation for the business expense. Receipts missing appropriate business purpose will be returned to the requestor, or declined for reimbursement. The League is under no obligation to reimburse for expenses not authorized in advance. Employees should maintain an appropriate credit resource for business purposes and travel.

As part of the monthly bank reconciliation process, the Financial Oversight Consultant may examine business and travel reimbursement expense documentation at any time. The consultant will raise any concerns with compliance with the reimbursement and/or documentation with the ULCT Executive Director and Chief Operating Officer or Chief Financial Officer.

General Business Expense Reimbursement

All employees seeking reimbursement for a general business expense must complete a business expense reimbursement form as provided by the Chief Operating Officer or Chief Financial Officer within 60 days of incurring the expense. To be eligible for reimbursement, receipts must accompany the business expense reimbursement form. Employees should seek approval from the Executive Director or his/her designee before incurring business expenses.

Reimbursements will be processed twice monthly.

The business expense reimbursement form and instructions may change from time to time as ULCT business practices dictate, but each form will generally require that the business purpose of the expense is articulated and the form must be signed by the Executive Director or his/her designee.

Business Meal Reimbursement

All employees seeking reimbursement for a business meal must complete a business meal expense reimbursement form as provided by the Chief Operating Officer or Chief Financial Officer within 60 days of incurring the business meal expense. To be eligible for reimbursement, two receipts are required -- the meal total (including gratuity) and the order detail receipt. Reimbursement will not be provided for the purchase of alcohol unless documentation of pre-approval by the Executive Director or his/her designee accompanies the business meal expense reimbursement form.

Reimbursements will be processed twice monthly.

Business meal expenses incurred while travelling should be submitted for reimbursement with the travel reimbursement request. A business meal expense reimbursement form is required.

The business meal expense reimbursement form and instructions may change from time to time as ULCT business practices dictate, but each form will generally require that the meal attendees (including ULCT staff) and business purpose of the meal expense is articulated and the form must be signed by the Executive Director or his/her designee.

Mileage Reimbursement

It is the ULCT policy to reimburse business mileage. All employees seeking reimbursement for business-related mileage must complete a mileage reimbursement form as provided by the Chief Operating Officer or Chief Financial Officer. Reimbursements for mileage will be made at the prevailing GSA privately-owned reimbursement per mile rate.

Reimbursement for business mileage should be made within 60 days of incurring the business mileage expense. Multiple reimbursements can be included on a single form, but none should be older than 60 days.

Reimbursements will be processed twice monthly.

Business mileage incurred while travelling should be submitted for reimbursement with the travel reimbursement request.

The business mileage reimbursement form and instructions may change from time to time as ULCT business practices dictate, but each form will generally require odometer readings, that the business mileage purpose is articulated and the form must be signed by the Executive Director or his/her designee.

TRAVEL EXPENSE REIMBURSEMENT

It is the policy of the Utah League of Cities and Towns to allow employees to travel to conferences, seminars, meetings and workshops when it is anticipated that the League will benefit from the training and information received at such events. Reasonable and appropriate travel expenses will be reimbursed. Generally, the ULCT will utilize GSA published per diem, airfare and hotel rates for each destination to determine reasonable and appropriate, while recognizing that published air and hotel rates are not always available. When GSA rates cannot be obtained, travel documentation should include a business purpose for exceeding those rates (i.e. convention hotel, travel times to accommodate additional room nights etc.) Other than airfare, which may be purchased on the ULCT credit card, most travel-related expenses are on a reimbursement basis.

To initiate travel, a travel request form, as provided by the Chief Operating Officer or Chief Financial Officer, must be submitted. All travel must be approved by the Executive Director.

All employees seeking reimbursement for travel-related expenses must complete a travel reimbursement request form as provided by the Chief Operating Officer or Chief Financial Officer upon return. To be eligible for reimbursement, receipts must be provided. In general, the ULCT will reimburse for airfare, hotel, ground transportation and per diem (meals and incidentals) based on published GSA rates for the destination.

Reimbursement requests should be made within 15 days of returning from the business trip. Reimbursements will be processed every two weeks.

It is the intent of the ULCT that while travelling, employees use per diem funds to pay for all

meals and incidentals. However, it is understood that from time to time a business meal expense while travelling will be incurred. Employees should seek prior approval from the Executive Director or his/her designee before incurring business meal expenses while travelling. If a business meal is approved while travelling, the daily per diem allowed will be adjusted for all ULCT staff/ULCT-funded travelers participating in the business meal. Finally, to seek reimbursement for a business meal expense while traveling, a separate business meal expense reimbursement form for each business meal must accompany the travel reimbursement form.

The travel expense reimbursement form and instructions may change from time to time as ULCT business practices dictate, but each form will generally require that the traveler provide air fare, hotel, ground transportation receipts (business mileage reimbursement request, if applicable), and a meeting agenda detailing meals provided as part of the registration fee. Data and internet charges will be reimbursed if used for business purposes. Per diem (meals and incidentals) will be calculated based on published GSA rates for the destination. Per diem will be prorated based on partial travel days and meals provided as part of conference/event registration.

Travelling by Automobile:

While traveling on business, employees are expected to follow posted speed limits, practice defensive driving, wear seat belts, and take a sufficient number of breaks so they remain alert. The ULCT expects its employees to be properly licensed and reserves the right to request that employees present a current license for inspection. The ULCT will not reimburse speeding or other traffic tickets or parking tickets. The ULCT will reimburse fees for parking.

Personal Auto:

Employees will be reimbursed actual mileage at the prevailing IRS approved rate. A business mileage reimbursement form should be included with the travel reimbursement form and reimbursement request.

Airfare: Unless otherwise specified, transportation to out of state events shall be by air service. If an employee chooses another form of transportation, the League will pay the lesser cost of the two forms. Employees using other forms of transportation shall use vacation if the time needed to reach the destination exceeds the time which would have been used if the employee had used air service. Per diem shall be calculated on the amount of time which would have been used if the employee had used air service.

Employees are encouraged to utilize the lowest cost travel arrangements possible. Airline reservations should be, whenever possible, made 30 days in advance. If a reduced airfare is offered for a stay over Saturday night, and the reduced rate more than compensates for additional lodging and per diem costs, the employee is encouraged to stay over the additional night.

Hotel: The government or corporate rate should be requested at all hotels. The League will set up direct billing when feasible. Otherwise, the employee should use his/her personal credit card and only seek reimbursement for the room, applicable taxes, and business-related data/telephone charges. Personal charges should not be included for reimbursement.

Per Diem: Employees will be reimbursed using the published GSA schedule of per diem rates by city. Per diem is to be used for meals and incidentals.

Ground Transportation: Includes airport shuttle, taxi cab, rental car costs and parking fees for

the employees' car if left at the airport. A reasonable amount of money will be reimbursed ground transportation. Receipts are required for reimbursement. The location of the conference will be taken into account when reimbursing ground transportation.

Data and Internet Charges: Employees will be reimbursed for data and internet charges incurred while travelling that are for business purposes. Employees will be asked to document the business purpose for the charges.

Other Expenses: Unexpected League related expenses should be submitted with receipts upon the employee's return. All unexpected expenses will be approved by the Executive Director before reimbursement can be made, unexpected expenses incurred by the Executive Director must be approved by the President of the Leaguer before reimbursement can be made.

CELLULAR PHONE EXPENSE REIMBURSEMENT

Cellular phones and other means of electronic communication are vital to conduct business. The ULCT will either reimburse employees for ULCT use of a personal device or will purchase a plan and the employee may reimburse the ULCT for personal use of the ULCT's device. In no circumstance, will the reimbursement exceed the actual cost of the plan.

If the ULCT issues cellular telephones and data packages for computers/tablets to certain employees for the efficient conduct of ULCT business, the ULCT will cover the basic package cost for such issued cell phones and devices. Expenses, which exceed the amount of the basic plan, will be reviewed on a case-by-case basis, to determine reimbursement due the ULCT from the employee for personal use or a change in the plan.

If the ULCT provides the employee a reimbursement for business use of his/her personal cellular phone and data package for computers/tablets, the employee will keep the device(s) connected to ULCT servers for business efficiency.

The ULCT is committed to promoting highway safety by encouraging the safe use of cellular devices by its employees while they are on ULCT business.

EDUCATION EXPENSE REIMBURSEMENT

In the interest of enhancing the abilities of its employees, the Utah League of Cities and Towns offers a Tuition Aid Reimbursement Program. The guidelines are stated below.

Full-time employees are encouraged to further their education and are eligible for reimbursement of expenses for 50% of tuition and books for classes taken at an accredited college, university or other educational institution when working toward a specific degree. Reimbursement will not be made for expenses covered by scholarships, grants or other reimbursement programs.

Any education or training an employee takes which is mandated by League will be funded entirely by the League.

In addition to benefiting the individual, the intent of this program is to benefit the League through the utilization of the employee's newly acquired skills. Therefore, employees receiving tuition reimbursement must be willing to maintain their employment with the League for one year after the date of reimbursement. Employees who voluntarily leave before this period shall be required to return any reimbursement received from this program for the 12 months prior. No

such provision will apply to employees who are involuntarily terminated.

TUITION REIMBURSEMENT CRITERIA

- Employee must be a full-time salaried employee with a minimum of one year service.
- Total annual reimbursement is not to exceed \$1000 per employee.
- Classes must be taken for credit and completed with a minimum of a B- grade.
- The program will be subject to budget appropriation.

- Classes are to be taken on the employee's own time. Exceptions for unique class circumstances may be granted, including but not limited to: flexible work schedules, earlier or later working hours.

PROCESS

The Employee's request must receive prior approval from both the Executive Director and the Executive Committee. If a request is denied, the employee has the right of appeal to the Board.

PURCHASING POLICY

Part I **DEFINITIONS**

Unless the context requires otherwise, the terms as used in this policy, or the rules and regulations adopted pursuant to this policy shall have the following meaning:

- (a) "Supplies", "Materials" and "Equipment"-any and all articles or things which shall be furnished to or used by the League.
- (b) "Contractual Services"-public works projects and other professional services such as auditing, or other consulting services.
- (c) "Bidding"-procedure used to solicit quotations on price and delivery from various prospective suppliers of supplies, equipment, and contractual services.
- (d) "Responsible Bid"-an offer, submitted by a responsible bidder to furnish supplies, equipment or contractual services in conformity with the specification, delivery terms and conditions and other requirements included in the invitation for bids.
- (e) "Responsible Bidder"-a bidder who submits a responsible bid; who has furnished, when requested, information and data to prove that his financial resources, production or service facilities, service reputation and experience are adequate to make satisfactory delivery of the supplies, equipment, or contractual services on which he bids, and who has not violated or attempted to violate an provisions of this policy.
- (f) "Estimates of Requirements"-forecasts of future requirements of supplies, equipment or contractual services submitted by the Executive Director.
- (g) "Requisitions"-standard forms used by the League providing detailed information as to quantity, description, estimated price, recommended supplier, and signature authorization for requested purchases.
- (h) "Purchase Orders"-official document used in committing League funds toward the purchase of supplies, equipment and contractual services.
- (i) "Adequate Appropriation Balance"-sufficient fund balance which must exist in the line item appropriation of the account number against which the purchase order is to be charged.
- (j) "League Property"-any item of real or personal property owned by the League.

Part II **ADMINISTRATION**

The League Executive Director or his/her designee shall act as the League purchasing agent. The Executive Director shall have the authority and it shall be his/her duty to perform except as limited by subsequent section of this policy; the following:

- (a) Administer and maintain the purchasing system and other rules and regulations established by this policy and its authority.
- (b) Recommend to the League such new or revised purchasing rules and regulations as desirable and in conformance with other statutory requirements, and to interpret the provisions of this policy.
- (c) Negotiate and recommend execution of contracts for the purchase of supplies, equipment and contractual services.
 - The ULCT Executive Director may sign contracts for budgeted items/services up to \$25,000 and for time-sensitive, event related items/services with written concurrence with the ULCT Board President;
 - The ULCT Board President may sign contracts for budgeted items/services between \$25,001 and \$50,000;
 - Contracts exceeding \$50,001 for budgeted items/services may be signed by the ULCT Board President after being approved by the ULCT Board
 - Contracts cannot be entered into for non-budgeted items/services.
- (d) Seek to obtain as full and open competition as possible on all purchases.
- (e) Keep informed of current developments in the field of purchasing.
- (f) Prescribe and maintain such forms as reasonably necessary to the operation of this policy.
- (g) Supervise the inspection of all supplies and equipment to assure conformance with specifications.
- (h) Maintain a Bidders' List, Vendors' Catalog file and other records needed for the efficient operation of the Purchasing System.
- (i) See that no purchase is made without an adequate appropriation balance.

Part III **COMPETITIVE BIDDING REQUIREMENTS**

Except as hereinafter provided, purchases of supplies, equipment, and letting of contracts shall follow one of the following procedures:

- (a) **Formal Contract Procedure** Except as otherwise provided herein, purchases of supplies, equipment or contractual services of an estimated value greater than \$10,000.00, shall be by written contract with the lowest responsible bidder pursuant to the procedure hereinafter prescribed.
 - (1) **Approval of Specifications** Prior to seeking bids for equipment or contractual services having a unit cost in excess of \$10,000.00, action of the League Board of

Directors shall be required to approve specifications and to authorize advertising for bids.

- (2) **Notice Inviting Bids** Notice inviting bids shall include a general description of the articles to be purchased, shall state where bid blanks and specifications may be secured, and the time and place for opening bids.
 - (i) **Published Notice** Notices inviting bids shall be published at least five days before the date of the opening of the bids. Notices shall be published at least once in the newspaper of general circulation.
 - (ii) **Bidders' List** Sealed bids shall be solicited from all responsible prospective suppliers whose names are on the Bidders' List or who have made written request that their names be added thereto.
- (3) **Bid Opening Procedure** Sealed bids shall be submitted as designated in the Notice with the statement "bid for (item)" bid number, time and date on the envelope. Bids shall be opened by the League in public at the time and place stated in the public notice. A tabulation of all bids received shall be opened for public inspection during regular business hours for a period of not less than thirty days after the bid opening.
- (4) **Rejection of Bids** The League shall reserve the right to accept or reject all bids or any portion thereof and waive any deficiencies in the bidding in the interest of the League.
- (5) **Award of Contracts** Except as otherwise provided herein, contracts shall be awarded by the League to the lowest responsive and responsible bidder, best value bidder, or in the appropriate instance, to the highest responsive and responsive bidder whose bid meets the requirements and criteria set forth in the request for bids.
- (6) **Tie Bids** If two or more bids received are for the same total amount of unit price, quality and service being equal and if the public interest will not permit the delay of the re-advertising for bids, the League shall accept the lowest bid made by and after negotiation with the Tie bidders at the time of the bid opening.
- (7) **Performance Bonds** Before entering a contract the League shall have authority to require a performance bond in such amount as it shall find reasonably necessary to protect the best interest of the League. The form and amount of said bond shall be described in the notice inviting bids.
- (8) **Open-Market Procedure**
 - (a) Purchases of supplies, equipment or contractual services of an estimated value in the amount of \$9,999.00 to \$3,000.00, may be made upon Board approval in the open market pursuant to the procedure hereinafter prescribed:
 - (i) **Minimum Number of-Bids** Open market purchases shall, whenever possible, be based on at least three (3) written bids, (price quotations).
 - (ii) **Solicitation of Bids** Bids (price quotations) may be solicited from prospective vendors by written or telephone requests.
 - (b) Purchases of supplies, equipment, or contractual service, of an estimated value in the

amount of \$.00 to \$2,999.00 may be made in the open market by the Purchasing Agent without bids being solicited.

- (9) **Professional Service Contract Procedure** Contracts for professional services shall be awarded at the discretion of the League Board of Directors to include, but not limited to, the following services: Attorney lobbying and convention services. Contracts shall be awarded at the discretion of the League Board of Directors based on the evaluation of professional qualifications, service ability, cost of service, and other criteria deemed applicable by the League Board of Directors.
- (10) **Purchase of Single Vehicles by Authorization** Notwithstanding the requirements herein above contained, the Purchasing Agent, after the approval of the League Board of Directors, may make a purchase or lease of a single motor vehicle without using either the formal contract procedure or the open market procedure. In lieu of such procedures, the League shall obtain from at least three competitors, telephone bids. Having obtained such bids, the Executive Director may accept the vehicle subject only to ratification by the League Board of Directors.

Part IV **EXEMPTIONS TO COMPETITIVE BIDDING REQUIREMENTS**

Contracts which by their nature are not adapted to award competitive bidding, such as contracts for items which may only be purchased from a single source, contracts for additions to and repairs and maintenance of equipment owned by the League which may be more efficiently added to, repaired or maintained by a certain person or firm, by reason of the training of the personnel, or an inventory of replacement parts maintained, shall not be subject to competitive bidding requirements of this policy.

ACCOUNTING POLICIES AND PROCEDURES

INTRODUCTION

The purpose of this section of the ULCT Guidebook is to describe all accounting policies and procedures currently in use at the ULCT and to ensure that the financial statements conform to generally accepted accounting principles; assets are safeguarded; guidelines of grantors and donors are complied with; and finances are managed with accuracy, efficiency, and transparency.

All ULCT staff with a role in the management of fiscal and accounting operations are expected to comply with the policies and procedures as outlined.

These policies will be reviewed annually and revised as needed by the staff and approved by the Executive Director and Board of Directors.

DIVISION OF RESPONSIBILITIES

The following is a list of personnel who have fiscal and accounting responsibilities:

Board of Directors

1. Review and approve the annual budget (Board Treasurer, with the support of the Executive Director, Chief Operating Officer, Chief Financial Officer and Financial Oversight Consultant review the staff recommended budget and make recommendations to the Board for approval)
2. Reviews annual and periodic financial statements and information, including monthly check registers (Board Treasurer, with the support of the Executive Director, Chief Operating Officer, Chief Financial Officer and Financial Oversight Consultant review the staff recommended budget and make recommendations to the Board for approval)
3. Reviews Executive Director's performance annually and establishes Director salary
4. Reviews and advises the Executive Director on internal controls and accounting policies and procedures (Board Treasurer, with the support of the Executive Director, Chief Operating Officer, Chief Financial Officer and Financial Oversight Consultant review the staff recommended policies and procedures and make recommendations to the Board for approval)
5. Receives annual independent financial audit

Board Treasurer (supported by the Executive Director, Chief Operating Officer, Chief Financial Officer and Financial Oversight Consultant)

1. Reviews and approves all financial reports including cash flow projections
2. Ensures that an appropriate budget is developed annually
3. Reviews and signs all issued checks and/or approves check signing procedures
4. Reviews and approves payroll
5. May open bank statements, reviews for any irregularities, and reviews completed monthly bank reconciliations. The bank statement needs to be initialed and dated by Treasurer if he/she

opens the statement.

6. Oversees the adherence to all internal controls
7. Alerts the Executive Committee and Director of any accounting deficiencies or concerns
8. Meets at least every other month with the Executive Director, Chief Operating Officer, Chief Financial Officer, and Financial Oversight Consultant to review ULCT financial reports, policies and procedures.

Executive Director

1. Hires and manages ULCT staff
2. Prepares annual budget
3. Reviews and signs all checks (reimbursement checks to the Executive Director must be approved by the Board Treasurer or President)
4. Reviews and approves payroll
5. Negotiates and signs all contracts on behalf of the ULCT
6. Meets monthly with the Chief Operating Officer, Chief Financial Officer and Financial Oversight Consultant to review ULCT finances and budget.
7. Meets no less than every two months with the ULCT Treasurer, Chief Operating Officer, Chief Financial Officer and Financial Oversight Consultant to review ULCT finances and budget.

Chief Operating Officer or Chief Financial Officer

1. Reviews and manages cash flow
2. Oversees development of annual budget
3. Reviews incoming and outgoing invoices
4. Pays invoices timely to avoid late payment penalties and fees
5. Monitors and manages all expenses to ensure most effective use of assets
6. Oversees expense allocations
7. Reviews, revises and maintains internal accounting controls and procedures
8. Reviews all financial reports
9. Monitors grant reporting and appropriate release of temporarily restricted funds
10. Monitors and makes recommendations for asset retirement and replacement
11. Overall responsibility for data entry into accounting system and integrity of accounting system data
12. Processes invoices and prepares checks for signature
13. Sends payroll for processing following the approval of the Executive Director and Board Treasurer
14. Maintains general ledger
15. Prepares monthly, quarterly and year-end financial reports. At least quarterly submits financial reports to the Board of Directors.
16. Manages Accounts Receivable
17. Records cash receipts in the accounting system
18. Audits the petty cash account monthly
19. Supports the ULCT Board Treasurer in his/her duties

Financial Oversight Consultant

1. Opens the bank statement and reconciles the monthly bank account(s). Initials and dates the statement to reflect the date opened.
2. Reviews monthly credit card statements and processed employee reimbursements
3. Reviews payroll records monthly for compliance with compensation policies
4. Supports the Board Treasurer in his/her duties
5. Meets quarterly with the ULCT Executive Director to discuss concerns/enhancements to financial controls
6. Through consultation with the Executive Director, Chief Operating Officer, Chief Financial Officer and the Board Treasurer, makes recommendations to the Board of Directors regarding financial controls

Operations Coordinator

1. Manages petty cash fund
2. Receives and opens all incoming mail, except bank statements
3. Mails vendor checks
4. Makes bank deposits
5. Processes credit card transactions in the ULCT office
6. Maintains a log of incoming deposits
7. Assists with processing invoices and preparing checks for signature
8. Assists with expense account allocation
9. Assists with managing accounts receivable

Third Party Payroll Processor

1. Processes all payroll, payroll tax and employee benefit liabilities
2. Maintains employee pay files

CHART OF ACCOUNTS AND GENERAL LEDGER

The ULCT has designated a Chart of Accounts specific to its operational needs and the needs of its financial statements. The Chart of Accounts is structured so that financial statements can be shown by natural classification (expense type) as well as by functional classification (program vs. sponsorships vs. administration). The CFO is responsible for maintaining the Chart of Accounts and revising as necessary. The Chart of Accounts is attached to this manual as an addendum.

The general ledger is automated and maintained using accounting software. All input and balancing is the responsibility of the Chief Operating Officer or Chief Financial Officer, with the assistance of the Financial Oversight Consultant.

The COO, CFO and Financial Oversight Consultant should review the general ledger on a periodic basis for any unusual transactions.

INCOME RECEIPTS

Income receipts generally arise from:

1. Sponsorships and Grants
2. Direct member contributions
3. Conference Registrations
4. Publication purchases

The principal steps in the income receipts process are:

The Operations Coordinator receives all incoming mail, opens, date stamps, and distributes the mail. All checks are reviewed to verify an invoice number has been recorded. Checks are then entered into the Anytime Deposits online system by the Operations Coordinator. A copy of each check deposited is made and filed by month.

Once deposited, the checks are stamped “VOID” and attached to the deposit log (deposit slip) created by Anytime Deposits. The Chief Operating Officer or Chief Financial Officer will review the deposit log and approve the log for entry into the accounting system.

The Chief Operating Officer or Chief Financial Officer creates deposits into the proper customer accounts in the accounting system. Once all deposits are entered, the Chief Operating Officer or Chief Financial Officer will print a log of deposits input and ensure that the deposit recorded is reconciled with the deposit slip.

The Operations Coordinator will maintain a record of all deposits for use by the Financial Oversight Consultant during the reconciliation of the monthly bank statements.

The Operations Coordinator will also process credit card transactions.

Generally, the ULCT does not accept cash payments. All dues, publication purchases, and other services/products require check or credit card purchase. However, from time to time (GRAMA fees, etc.) it may be necessary for the ULCT to accept a nominal cash purchase. Purchases over \$10.00 will require a check or credit card transaction. For cash payments below \$10.00, the ULCT’s petty cash fund will be used to track receipt of the cash payment. Receipts from a numbered cash receipt book will be issued for all cash payments received.

INTER ACCOUNT BANK TRANSFERS

The CFO monitors the balances in the bank accounts (checking account and PTIF savings account) to determine when there is a shortage or excess in the checking account. The CFO recommends to the Financial Oversight Consultant and Executive Director when a transfer should be made to maximize the potential for earning interest. The CFO is directed by the Executive Director, with the support of the Financial Oversight Consultant, in writing when to make a transfer and in what amount.

CHECK DISBURSEMENTS AND EXPENSE ALLOCATIONS

Check disbursements are generally made for:

1. Payments to vendors for goods and services
2. Taxes/license fees
3. Staff training and development
4. Memberships and subscriptions
5. Meeting expenses
6. Employee reimbursements
7. Marketing/promotional materials

Checks are processed twice monthly, typically on the 15th and last day of the month. Invoices submitted to the Chief Operating Officer or Chief Financial Officer by the 13th or 28th of the month will be processed and paid on the 15th and last day of the month. Checks can be prepared manually within one day, but this should be limited to emergency situations.

Requests for check disbursements are submitted to Accounting in three ways:

1. Original invoice
2. Purchase request (submitted on approved form)
3. Employee expense report or reimbursement request

All invoices must have the expense account code written on them by the Operations Coordinator prior to submission for processing. All business expense, business meal expense, and travel reimbursements requests should include the appropriate documentation and should be provided to the Chief Operating Officer or Chief Financial Officer or Operations Coordinator for processing within fifteen (15) calendar days of expenditure. Business mileage requests for reimbursement that are not related to travel can be combined and should be submitted for reimbursement within 30 calendar days of the trip.

Every employee reimbursement or purchase request must be documented on the approved form with travel authorization, receipts, nature of business, program allocation, and funding source (if applicable) before approving for reimbursement as follows:

Lodging - an itemized receipt from the hotel detailing all charges, the person(s) for whom the lodging was provided, and the specific business purpose.

Meals and Entertainment - a receipt must be provided showing the cost of food, beverage, and gratuities, including the names of every person for whom food or beverage was provided, and the specific business purpose. Expenses for alcohol will not be reimbursed without verification of authorization from the Executive Director or his/her designee.

Other Expenditures - a receipt from the vendor detailing all goods or services purchased (including the class of service for transportation) and the specific business purpose.

The Executive Director or his/her designee reviews all requests for payment and:

1. Verifies expenditure and amount
2. Approves for payment if in accordance with budget/policy
3. Provides or verifies appropriate account allocation information

The Chief Operating Officer or Chief Financial Officer processes all payments and:

1. Immediately enters them into the Accounts Payable module
2. Prints checks according to allocation and payment date indicated on the receipts
3. Submits checks, with attached backup documentation, to the Executive Director and Board Treasurer for approval and signature. All checks require two signatures; checks in excess of \$25,000 must be authorized by the Board of Directors

The Operations Coordinator:

1. Assists in entering invoices into Accounts Payable module
- 2.. Mails checks and appropriate backup documentation
- 3.. Files all backup documentation in the appropriate file

Expense Allocations

Most non-salary expenses that benefit more than one cost center (administration, conferences, fundraising, and program) are spread across centers using a shared cost method.

CREDIT CARD POLICY AND CHARGES

Any staff member authorized to carry an organization credit card will be held personally responsible in the event that any charge is deemed personal or unauthorized. Unauthorized use of the credit card includes: personal expenditures of any kind; expenditures which have not been properly authorized; meals, entertainment, gifts, or other expenditures which are in violation of ULCT policy can be grounds for disciplinary action, up to and including termination.

Each staff member authorized to carry an organization credit card will be responsible to maintain all receipts associated with charges. To ensure timely credit card payment, the receipts and documentation for all credit card charges, with business purpose noted, will be given to the Chief Operating Officer or Chief Financial Officer in a format supplied by the administration within one week of the statement closing date. The Chief Operating Officer or Chief Financial Officer will verify all credit card charges with the monthly statements. A copy of all charges will be attached to the monthly credit card statement when submitted to the Executive Director and ULCT Treasurer for approval and signing.

All ULCT credit card usage will be secondarily reviewed by the ULCT Financial Oversight

Consultant monthly. The Financial Oversight Consultant will raise concerns regarding credit card usage or policy compliance directly with the ULCT Executive Director, Chief Operating Officer, Chief Financial Officer, and Board Treasurer.

ACCRUALS

To ensure a timely close of the General Ledger, ULCT may book accrual entries. Some accruals will be made as recurring entries. Accruals to consider:

1. Monthly interest earned on money market accounts, certificates of deposits, etc.
2. Recurring expenses, including employee vacation accrual, prepaid corporate insurance, depreciation, etc.
3. Prepaid expenses for events

BANK ACCOUNT RECONCILIATIONS

1. All bank statements are given unopened to the Financial Oversight Consultant. The Financial Oversight Consultant reviews the statements for unusual balances and/or transactions.
2. The Financial Oversight Consultant reconciles the statements as follows: a comparison of dates and amounts of deposits as shown in the accounting system and on the statement, a comparison of inter-account transfers, an investigation of any rejected items, a comparison of cleared checks with the accounting record including amount, payee, and sequential check numbers.
3. The Financial Oversight Consultant will verify that voided checks, if returned, are appropriately defaced and filed.
4. The Financial Oversight Consultant will work with the Chief Operating Officer and Chief Financial Officer to investigate any checks that are outstanding over six months.
5. The Financial Oversight Consultant will attach the completed bank reconciliation to the applicable bank statement, along with all documentation and provide to the Chief Operating Officer and Chief Financial Officer for proper filing.
6. The reconciliation report will be reviewed, approved, dated, and initialed by the ULCT Chief Operating Officer or Chief Financial Officer, and Executive Director.

PETTY CASH FUND

Petty cash funds are maintained by the ULCT. The funds are to be used for miscellaneous or unexpected purchases and the same approval procedures apply as mentioned in the cash disbursement section.

1. The petty cash fund will not exceed \$150 and is kept in a locked file cabinet at all times.
2. The Operations Coordinator oversees the petty cash fund.
3. All disbursements made from petty cash are acknowledged in writing by the receiving party.
4. All money returned to the petty cash fund is counted and verified by the Operations Coordinator and another staff member. Receipts for items purchased with petty cash must be included with the return and should include appropriate account allocations as well as supervisor

approval.

5. The Chief Operating Officer or Chief Financial Officer, and the Operations Coordinator together will periodically, but no less often than monthly, count the cash in the petty cash fund.
6. No checks will be cashed by the petty cash fund.

PROPERTY AND EQUIPMENT

Property and equipment includes items such as:

1. Office furniture and equipment
2. Computer hardware
3. Computer software
4. Leasehold improvements

It is the organization's policy to capitalize all items which have a unit cost greater than two thousand dollars (\$2,000). Items purchased with a value or cost less than two thousand dollars (\$2,000) will be expensed in the period purchased.

The depreciation period for capitalized assets is as follows:

| | |
|------------------------|-----------------|
| Computer Hardware | 36 months |
| Office Equipment | 60 months |
| Office Furniture | 84 months |
| Vehicles | 60 months |
| Computer Software | 36 months |
| Leasehold improvements | Length of lease |

1. A Fixed Asset Log is maintained by the Operations Coordinator including date of purchase, asset description, purchase/donation information, cost/fair market value, donor/funding source, identification number, life of asset.
2. The Log will be reviewed periodically by the CFO.
3. Annually, a physical inspection and inventory will be taken of all fixed assets and reconciled to the general ledger balances. Asset tags will be used to easily identify assets.
4. The Operations Coordinator shall be informed in writing of any change in status or condition of any property or equipment.
5. Depreciation is recorded monthly. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Any impaired assets discovered during the inventory will be written down to their actual value.

PERSONNEL RECORDS

1. As of December 31, 2016, all active personnel files contain the following documents: an application and/or resume, date of employment, position and pay rate, authorization of payroll

deductions, W-4 withholding authorization, I-9 verification, termination data where applicable, a signed acknowledgement of receipt of ULCT Policies and Procedures/Employee Handbook, an emergency contact form, and other forms as deemed appropriate by the Chief Operating Officer or Chief Financial Officer.

2. All newly hired employees will fill out an I-9 form and submit the allowable forms of identification to the Chief Operating Officer or Chief Financial Officer.
3. The completed I-9 forms will be maintained by the ULCT.
4. All personnel files are to be kept in a secure, locked file cabinet and accessed only by the Executive Director, Chief Operating Officer, Chief Financial Officer or Operations Coordinator.

PAYROLL PROCESSING

1. Timesheets are to be prepared by all staff on the approved form and submitted semi-monthly by the 11th and 26th of the month. If the 11th and/or 26th of the month fall on a weekend or holiday, the timesheets are to be submitted the day prior to the weekend or holiday. Exceptions to the submittal date may occur and will be communicated accordingly.
2. Timesheets for hourly employees are to be kept on a daily basis and completed in ink – unless prepared electronically.
3. Any corrections to timesheets are to be made by making a single line through the error and writing in the correction. Correction fluid and/or tape are not allowable.
4. Timesheets are to be signed and dated by the employee prior to submission to the Chief Operating Officer or Chief Financial Officer.
5. Any changes to the standing information will be submitted to third-party payroll processor with record of changes maintained by them.
6. The Chief Operating Officer or Chief Financial Officer will submit payroll for processing in a timely manner and record vacation time, holiday hours, sick time, and any other information deemed necessary to properly reflect time worked.
7. Paychecks will be issued through direct deposit to employee's bank account from third party processor.
8. If the employee requests that his/her check be turned over to a third party, the request must be made in writing prior to distribution.
9. Paystubs will be available electronically and employees may access these with their own username and password combination on the payroll processing company's website.
10. The Chief Operating Officer or Chief Financial Officer will review payroll expenditures and allocations monthly.
11. All quarterly federal and state payroll reports will be prepared and filed by third party processor.
12. All W-2 statements are issued by the third-party vendor to employees prior to January 31st of the following year for the prior calendar year.
13. All 1099 forms will be issued by the third-party vendor to contractors prior to January 31st of the following year for the prior calendar year.
13. Monthly the Financial Oversight Consultant will review payroll records for compliance with ULCT policies.

END OF MONTH AND FISCAL YEAR-END CLOSE

1. The Financial Oversight Consultant will review and sign off on all month- and year-end journal entries. They will be printed and filed for audit trail purposes.
2. At the end of each month and fiscal year end, the Financial Oversight Consultant, COO and CFO will review all balance sheet accounts including verification of the following balances: cash accounts match the bank reconciliations, fixed assets accounts reflect all purchases, write-downs and retirements, accounts receivable and payable accounts match outstanding amounts due and owed.
3. The income and expense accounts review will include reconciliation to amounts received and expended and verification that payroll expenses match the payroll reports including federal and state payroll tax filings.
4. Once the final monthly and fiscal year-end financial statements are run, reviewed, and approved by the COO, CFO, Financial Oversight Consultant and Executive Director, no more entries or adjustments will be made into that month or year's ledgers. The exception will be journal entries recommended by the external auditor during the external audit process. Such journal entries will be entered into the accounting system as directed by external auditors.
6. All other appropriate government filings including those required by the State of Utah Transparency website and Utah State Auditor's Office will be completed and filed with the appropriate agency.

FINANCIAL REPORTS

The Chief Financial Officer will prepare financial reports that include a budget versus actual report that includes a statement of revenues and expenditures and a comparison with the budget and a balance sheet:

1. Monthly financial reports for review by the Executive Director, Board Treasurer and Financial Oversight Consultant
2. Not less than quarterly financial reports will be submitted to the Board of Directors. Annual reports will be submitted to the Board of Directors

Any member of the ULCT Board of Directors may request ULCT financial information from the Chief Operating Officer or Chief Financial Officer at anytime.

FINANCIAL POLICY STATEMENTS

1. All cash accounts (except petty cash) owned by ULCT will be held in financial institutions which are insured by the FDIC. No bank account will carry a balance over the FDIC insured amount.
2. All capital expenditures which exceed two thousand dollars (\$2,000) will be capitalized.
3. Employee or public personal checks will not be cashed through the petty cash fund.
4. No salary advances will be made under any circumstances.
5. No travel cash advances will be made except under special conditions and pre-approved by the Executive Director.
6. Reimbursements will be paid upon complete expense reporting and approval using the official ULCT Reimbursement forms. Reimbursements to the Executive Director will be authorized by the Board Treasurer.

7. Any donated item with a value exceeding \$50 will be recorded and a letter acknowledging the donation will be sent to the donor within two weeks of the receipt of the donation.
8. All volunteer time related to services provided by professionals that would have otherwise caused the ULCT to incur an expense shall be recorded as in-kind donations.
9. The Executive Director and Board President and Board Treasurer are designated signatories on the ULCT bank accounts. All check disbursements require two signatures – the Executive Director and the Board Treasurer.
10. The Chief Operating Officer and Chief Financial Officer have online access to all accounts and maintains a list of all user names and passwords in a password protected electronic document. All fund transfers made by the COO or CFO require written approval from the Executive Director in consultation with the Financial Oversight Consultant.
11. ULCT Staff will not share financial credentials on ULCT systems. Rather, unique user names will be established so that individual activities on systems can be monitored.
12. Either a check will be printed or a transaction report will be printed and maintained in vendor files for online transactions to provide an audit trail of transactions.
13. The Financial Oversight Consultant will monthly reconcile bank statements. All bank statements will be given unopened to the Financial Oversight Consultant for review.
14. Correction fluid and/or tape will never be used in preparing timesheets or any accounting documents.
15. Accounting and personnel records will be kept in locked file cabinets in the Chief Operating Officer or Chief Financial Officer's office and only parties with financial and/or HR responsibility will have access to the keys.