



Finance Policies

Effective Date: August 2001
Adopted by the Executive Committee
Amended July 2002
Amended December 2004
Amended August 4, 2005
Amended November 3, 2005
Amended January 19, 2006
Amended October 12, 2006
Amended November 7, 2007
Amended January 15, 2008
Amended September 17, 2009
Amended January 12, 2012
Amended January 17, 2013
Amended April 14, 2016
Amended September 12, 2019
Amended February 18, 2020
Amended February 4, 2021
Amended November 2021
Amended September 2022

Supersedes all previous policies

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1. Introduction

A. Policies

The Finance Policies are established by the Executive Committee. They provide the authorities for various Staff and Officers of the Board of Directors.

The Estuary Partnership is a National Estuary Program operating as an independent 501(c)(3) public non-profit corporation.

We began as a two-state quasi-governmental agency, housed within the State of Oregon Department of Environmental Quality. In 1998, we formed a 501(c)(3) corporation to facilitate fund-raising. In 2001, the two entities merged to function as an independent, voluntary, community-based entity.

The Estuary Partnership is organized as a nonprofit under Oregon law and adheres to those statutes and rules. The US Department of Treasury through the IRS makes the determination regarding status as a 501(c)(3) entity. The organization must meet specific requirements to retain this designation. A 501(c)(3) is a public charity organized for specific public benefit, the Estuary Partnership organized for scientific and education purposes.

Nonprofit corporations have multiple requirements to ensure financial accountability and structure. The Board of Directors adopts Financial Procedures, Employee Policies, Bylaws, and Board Policies to ensure we meet the letter and intent of the laws.

The Board of Directors is the decision-making, policy body for the Estuary Partnership. A Board of Directors operates under specific comprehensive requirements by the State and the IRS in its operations and its structure; it has responsibility for the fiscal health of the organization.

The Board of Directors may hire an Executive Director and authorized her/him to hire and manage other employees with a range of expertise as needed to carry out the day to day responsibilities of the organization. The Executive Director of a non-profit reports to and is accountable to the Board of Directors; the employees report to and are accountable to the Executive Director. The Board may delegate specific duties and authorities to its committees and or the Executive Director. Nonprofit organizations that receive more than a specific amount of federal funds, as set by the IRS, must undergo an independent financial audit and what is called an A-133 audit. In addition, EPA places several financial requirements on its grantees and NEPs.

B. Procedures

To implement the Finance Policies, the Executive Director develops and maintains various procedures. These provide guidance to managers in carrying out the Policies. They include operating, budget and funding, contracting, human resources, data sharing, and accounting procedures.

2. Authorities & Responsibilities

A. Executive Committee

The Board of Directors authorizes the Executive Committee, a subset of the Board of Directors, to adopt financial policies and provide financial and human resources oversight for the Estuary Partnership.

B. Bank Accounts & Financial Institutions

The Executive Committee shall approve and authorize the opening and closing of all bank accounts.

C. Signatory Authorities

The Executive Committee shall authorize at least three check signers, one of whom shall be the Executive Director, and shall register those with the appropriate financial institution(s). All other authorized signatories shall be members of the Executive Committee; one shall be the Board Chair. Authorized signatories may sign checks.

Check signing and other matters related to financial institutions cannot be delegated.

Check Signing Limits

All checks shall have at least one authorized signatory as follows: checks in the amount of \$14,000.00 or less require only one authorized signatory; checks in excess of \$14,000 shall be signed by two authorized signatories. No blank checks may be signed by any signatory or person.

No authorized signatories, as defined herein, shall sign a check in any amount if they have a conflict of interest in a matter related to the issuance of the check.

Monthly Bank Statements. A designated Executive Committee member who is an authorized signatory shall open monthly statements from financial institutions; no employee shall open such statements. After review and approval by the designated Executive Committee member, the Finance and Operations Manager shall reconcile the monthly statements.

D. Expenditure Limits

All purchases by all employees, regardless of amount or purchase authority, shall be for the express purposes of Estuary Partnership business for goods, services, or activities that are included in an approved biennial budget and project budget, shall be property of the Estuary Partnership, and shall be permanently maintained at the Estuary Partnership offices. Prior to purchase, the purchaser must identify the funding source and confirm that funds are available. Meeting these conditions, the Executive Committee authorizes the following expenditure limits:

- Managers, with the prior approval of the Executive Director, may approve purchases up to \$10,000.00.
- The Administrative Assistant, with prior approval of the Executive Director may make purchases up to \$2,500.00
- Other employees are authorized to make purchases of \$100.00 or less without prior approval of their supervisor.
- The Executive Director is authorized to make expenditures, incur expenses, and procure services and products up to any amount as outlined in above, with check signing limits as stated above.

Estuary Partnership Credit Card Limits

The Executive Director, Community Programs Director, and Administrative Assistant are authorized to hold Estuary Partnership credit cards.

Credit card limits are:

- The Community Programs Director: \$3,000
- The Administrative Assistant: \$7,000.00
- The Executive Director: \$5,000.00

Any employee making a credit card purchase, whether in-person, online, or via phone, shall obtain a receipt for the purchase, and shall forward that receipt to the Finance and Operations Manager, who is responsible for attaching the receipt to the relevant credit card statement.

Proof of Authorization

Purchases above the authorized expenditure limits must receive prior written approval, including method of procurement, use of the item, and funding source, from the employee's supervisor who has the appropriate purchase authority. The employee shall retain a copy of the authorization and provide it to the Finance and Operations Manager. The Finance and Operations Manager shall retain proof of authorization and attach it to appropriate invoice or payment document when processed. Purchases made above authorized levels without written prior approval are at risk and may not be reimbursed.

E. Budgeting and Finance Reporting

The Executive Director and Finance and Operations Manager shall be familiar with all terms and conditions of funding sources for procurement of goods and services.

Organization Budget

The Estuary Partnership fiscal year is July 1 - June 30. The Estuary Partnership works with a biennial (two-year) budget that follows the States of Oregon and Washington budget cycle, e.g., 2019-2021.

The Executive Director shall develop a draft biennial budget for the organization based on projected revenue and expenditures and present that to the Executive Committee no later than January prior to the start of the biennium for review and approval by the Executive Committee.

Authority to Move Budgeted Funds

Absent funder restrictions, pursuant to a budget duly adopted by the Executive Committee, the Executive Director is authorized to move funds from one-line item to another within the approved budget.

Tracking and Reporting

The Executive Director and the Finance and Operations Manager shall track the budget by funding source on a monthly basis.

The Finance and Operations Manager shall prepare a quarterly finance report for the Executive Director and the Executive Committee; the report shall include projected revenue and expenditures as presented in the approved biennial budget and actual revenue and expenditures to date. The Finance and Operations Manager shall track each funding source as a distinct class within the Quickbooks software and track expenditures for that funding source independent of others. All expenses, revenue, liabilities, and other entries in QuickBooks are tracked by accounts.

The Executive Director is authorized to and shall review all costs charged to all fund sources and ensure that the charges are reasonable, allocable, allowable and otherwise meet all provisions of the Estuary Partnership Finance Procedures, requirements of the funding source, and any other applicable federal and state regulations.

F. Acquisition of Funds, Goods and Services

The Chair and Executive Director are authorized to seek funds, enter into contracts or agreements and procure goods and services in compliance with the relevant sections of the Estuary Partnership Financial Policies & Procedures and that are included in an approved biennial budget. For projects not in the budget, the Executive Director shall obtain approval from the Executive Committee before seeking funds or entering into a contract or agreement. All projects shall be within the scope of the Comprehensive Conservation and Management Plan.

Receipt of Funds

The Executive Committee shall approve request for and receipt of all funds, goods, services, monetary and non-monetary. The Executive Director shall prepare quarterly reports for the Executive Committee that includes funds being sought, funds received, fund requests denied, contracts let, contracts received, and the sources of the funds and proposed uses. Review and acceptance of these quarterly reports by the Executive Committee shall constitute notice and approval.

Any award or donation that is given with contingencies or conditions attached by the donor that in the opinion of the Executive Director may pose a conflict for the corporation shall be reviewed and approved by the Executive Committee prior to acceptance.

G. Employees

The Executive Director is authorized to make all decisions about hiring personnel. The Executive Director may delegate authority to hire and negotiate the salary and a starting date.

The Executive Committee is authorized to recruit for and hire the Executive Director, in consultation with the Board of Directors. The Executive Committee supervises the Executive Director.

H. Insurance

The Executive Director is authorized to, and shall procure and maintain, general liability, Board of Director, crime, and any other insurance necessary and appropriate to protect the corporation against employee theft and liability.

I. Lease

The Executive Director is authorized to negotiate and enter into lease agreements and shall provide updates to the Executive Committee during negotiations.

J. Inventory of Equipment

Capital Equipment as defined by the OMB is "tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit." All capital assets are recorded at historical cost as of the date acquired. The acquisition cost includes installation charges and freight. All costs associated with making the asset serviceable are capitalized. Invoices substantiating the acquisition cost of each unit of property shall be retained for a minimum of three years.

Equipment with an economic useful life of 12 months or less are expensed for financial statement purposes, regardless of the acquisition or production cost. Equipment acquired with external support becomes the property of the organization unless restricted by the funding organization. The organization will obtain prior approval from the awarding agency prior to purchasing capital equipment.

To ensure the proper receipt and tracking of equipment, the organization tags all equipment at the time of acquisition and performs a physical inventory of equipment purchased with grant funds every two years. The organization verifies the existence and condition of the equipment and the accuracy of records related to equipment. The organization establishes maintenance procedures and records of the operational condition of equipment. The Executive Director is notified of condition, location, loss or damage to equipment who then notifies appropriate Federal agency. Records are submitted to the Executive Director for review and approval.

The organization maintains records tracking equipment including description, serial number, source of funding (including the Federal Award Identification Number, or FAIN), percentage of federal participation in the cost of the equipment, title holder, acquisition date and cost, location, use and condition status, and disposition data. This information is maintained by the Administrative Assistant.

The Executive Director shall maintain an inventory of all equipment, including telecommunication software, and shall ensure the inventory is updated annually prior to the annual financial audit. The inventory will include all equipment purchased with federal funds. An inventory of all physical equipment will be conducted annually. The following records of all equipment will be maintained:

- A description of the equipment
- A serial number or some other identifying number
- The source of the equipment including the funder and award number, including the percentage of federal funding, if any.
- If there is a lien holder, identify who is the title holder
- Date of acquisition
- The location, use, and condition of the equipment
- Disposition data including the date of disposal and any sale price realized upon disposition
- Identification if the equipment is federal property.

Disposition of an item purchased with grant funds, if it is determined to be obsolete, and the item's value exceeds \$5,000. If it meets these criteria, disposition rules are followed. This may include requesting disposition instructions from the awarding agency. Disposition practices require compensating the federal awarding agency for its proportion of the original cost applied to the fair market value. The Executive Director is notified prior to the disposal of an asset purchased with federal funds. Supplies less than \$5,000 are retained by grantee.

K. IRS Filings

The Executive Committee or Chair shall review and approve the Estuary Partnership IRS Form 990 prior to filing with the IRS.

L. Release of Audited Statements

The Executive Director may release the annual audited statements and related documents to appropriate parties after the audit has been reviewed and accepted by the Executive Committee; this may occur prior to the Executive Committee formally receiving the final report from the auditor.

M. Contingency | Emergency Planning

A business Contingency Plan is included to provide for the resumption of operations in the event of a disaster or emergency or incapacitation of the corporate offices. In a disaster, employees are expected to first secure their personal safety and that of their families.

Communication

The Executive Director shall maintain a current list of the home phone and addresses of all Estuary Partnership employees and make that available to all staff. The Executive Director shall maintain a current list of home phone and addresses for the Officers of the Corporation and shall provide this to the Officers and Managers.

The first priority is for the Executive Director to determine if all employees and their families are safe and that no further threat is eminent.

The Executive Director shall contact all employees and the Officers to notify them of current status of the office and provide guidance the employees with protocols for the interruption in work and how to proceed.

The Estuary Partnership Executive Director and Managers shall check in regularly with individual team members throughout the duration of the period or disruption. The Estuary Partnership managers shall meet with their teams at least weekly via conference call or video meeting options. The Executive Director shall hold Management Team meetings regularly throughout the period of disruption.

Remote Access and TeleWork Infrastructure

All employees of the Estuary Partnership shall have access to the electronic files, whether through VPN or the cloud, that they require to complete the essential duties of their position.

Employees are encouraged to notify the Executive Assistant, who serves as the IT Liaison, in the case of any network or IT-infrastructure related issues.

Estuary Partnership Equipment

The Executive Committee has authorized the Executive Director to make available Estuary Partnership computer equipment (computers, mouse, keyboards and data and GIS software for specific employees during a force majeure that closes or limits access the Estuary Partnership office. This includes hardware and software, laptops, monitors, and PCs. Specific employees include those whose regular work requires software and equipment for large processing, data management and manipulation, modeling and GIS work and employees who do not have equipment suitable to access the VPN.

Requests for such access to and use of equipment will be made on a case by case basis and authorized by the Executive Director.

Agreement. Employees shall be granted this use if they agree in writing to the following:

“The Executive Committee has authorized the Executive Director to allow employees to take home Estuary Partnership computer equipment for employees with heavy data use, modeling, or GIS work, or if they have no access to equipment a remote location. If you meet these conditions, we are ask you sign an agreement stipulating: that the equipment will be used only by Estuary Partnership employees; only for the purposes of Estuary Partnership business; you will return the equipment when requested by the Estuary Partnership and in the same working condition it was when removed from the office; and if the IT consultant determines the condition has been compromised beyond normal wear and tear of that specific equipment, you agree to reimburse the Estuary Partnership for the repair or replacement costs estimated by the IT consultant.”

When the email is returned from the employee so confirming, and the Executive Director approves it, a copy of the email is placed in the employee’s personnel file.

Work During the Emergency

The Executive Director will assess budgets, funders restrictions, available funds, projected duration of the emergency and work with the Executive Committee to determine procedures and levels of compensation to employees. The Executive Director will provide guidance on the types of work expected, hours to be worked, etc.

The Executive Director will make recommendations to the Executive Committee regarding funding employees, work level to be carried by the Estuary Partnership, and return to ‘normal’ work schedules.

Physical Office & Return to Work

Office. The Executive Director will assess the condition of the current offices and determine the level of resources needed to return to operational status. If costs exceed \$30,000, the Executive Director shall consult with the Executive Committee or Chair to determine course of action. If current offices are excessively or permanently damaged and rendered unsafe for occupancy, the Executive Director shall seek out appropriate office space. The Executive Director shall develop options and confer with the Executive Committee and the Board prior to making long term arrangements.

Replacement of Equipment. In the event of disruption of services, the Executive Director shall re-inventory equipment and determine working condition. The Executive Director is authorized to replace or authorize repair of equipment if costs can be managed in current budget. If not contained in an authorized budget, the Executive Director presents a recommendation to the Executive Committee.

Utilities and IT Network. The Executive Director shall work with utility and IT providers to ensure safe and appropriate return to services.

N. Mandatory Vacations

The Executive Director, Finance and Operations Manager, and any other employee with responsibilities for cash receipt and disbursement, payroll, accounts payable and receivable functions shall take vacation in excess of three consecutive days at least once a year. During that time, another knowledgeable employee will perform the functions of the employee on leave.

O. Delegation of Authority

In the absence of the Executive Director, payment approval for expenditure and receipt of funds shall be delegated to a Manager and check signing to another authorized signatory of the Executive Committee. Delegation to managers shall be specific to invoices to be paid, contracts to be executed, payroll, or personnel matters anticipated during the absence.

P. Office and Organization Security

The Executive Director is responsible for the security of the organization and protecting its assets against inadvertent or intentional alteration or harm. This includes organization files, materials and property. The Executive Director shall ensure all electronic files are backed up regularly and safely secured offsite; that access to specific organization files is restricted to personnel needing access to conduct their regular assigned duties, including but not limited to budget and finance, Board of Directors, human resources and personnel files.

The Executive Director shall ensure access to the office suite during regular hours of operation, defined in the Employee Handbook as within the hours of 7:30 a.m. and 5:30 p.m. Monday through Friday. The Executive Director will ensure the office suite is open and available during those hours.

Office Suite Key Access

Employees, including interns that may require office access, are issued keys upon employment. Building access cards are approved and issued by the building owners and employees secure those and stairwell keys through the Executive Assistant.

In the case of a lost key, employees should notify the Executive Assistant as soon as practical.

File Cabinet Access

The Executive Assistant maintains access to the file cabinets. Several file cabinets have limited access to due content, for example financial records, personnel records, and archive materials. Any employee requiring access to these files should contact the Executive Assistant.

3. Contributions & Awards

The Estuary Partnership regularly receives funds from a variety of sources to support its programs, including individual and corporate donations, fees for service, contracts, grants, and assistance agreements.

Nearly all funding is restricted by the funder to specific uses and can be used only to support the project for which the funds were requested.

All contributions regardless of amount shall be for the express purposes of Estuary Partnership business for goods, services, or activities that are included in an approved biennial and project budgets and shall be property of the Estuary Partnership.

A. Compliance

The Executive Director shall maintain a list of all awards made to the Estuary Partnership that includes type of reports to be filed, schedule and lead program manager and shall ensure all reports are filed and a copy contained in the award file.

The Finance and Operations Manager and Executive Director with the Program Manager shall track use of funds and status of projects monthly to ensure compliance with restrictions and guidelines placed on the funds by the funder and the policies herein.

Federal Compliance

By reference, the Estuary Partnership incorporates all provisions of OMB Circular A-122 for all federal awards.

In accordance with federal law and regulation, all funds received from a federal entity by the Estuary Partnership are maintained in a non-interest earning account.

B. Cash Contributions

National Estuary Program (NEP) Assistance Award

The Estuary Partnership is one of 28 estuaries of national significance, as designated by the US EPA. As such, the Estuary Partnership annually receives an assistance award from US EPA, through Region 10. Funds are appropriated by Congress as part of the federal budget and sent to EPA Region 10 for disbursement. Although the federal fiscal year is October 1 – September 30, funds are awarded to the Estuary Program starting July 1 (the July after the start of the federal fiscal year). Typically, NEP awards initially are for two years (based on a two-year workplan) but include only the first year of federal funding; federal funds for subsequent years are based on federal appropriations and are added to the award annually through an amendment process. During most cycles, the award is amended to include four years of federal funding; a one-year no-cost extension typically can be added, for a total of five years. During the fifth year, a new, separate award is started. For that one year, two awards are open concurrently. Especially when the new award is delayed, this allows the Estuary Partnership to use funds from the prior award to cover funding gaps during the fifth year, as we await the new award. US EPA provides specific guidance about workplan requirements, formatting, etc. and the assistance agreement (grant) has very specific conditions and requirements.

State Funds for the Estuary Partnership

The States of Oregon and Washington have provided funds since 1995, through contracts, for specific work within the biannual workplan focused typically on community programs, including riparian plantings. Oregon funds come through the Oregon Watershed Enhancement Board and the Washington funds come through the Department of Ecology. These state funds are awarded on a biennial basis.

Competitive Grants & Contracts

The Estuary Partnership receives funds restricted to specific technical and stewardship programs and projects. Funds are received from a variety of public and private sources.

Contracts

The Estuary Partnership receives funds awarded as contracts. These includes funds made by Bonneville Power Administration, among others.

Fee for Service

The Estuary Partnership offers some services for a fee, consistent with its mission and consistent with the provisions of laws governing 501(c)3 organizations. The Executive Director with the Finance and Operations Manager shall develop a schedule of rates that covers full cost to the Estuary Partnership. The Executive Director must approve all services for which fees may be collected.

Unrestricted Funds

The Estuary Partnership maintains an active development and fund-raising program to solicit and receive funds from private individuals and corporations.

C. Non-Cash Contributions

Requirements to Accept¹

The Executive Director shall approve all donations of non-monetary contributions prior to commitment to accept.

Donated items shall further the mission of the corporation and shall present no conflict for the corporation. If the Executive Director perceives a potential conflict, the Executive Director shall take the item to the Board for its approval. Services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be accepted if the service is an integral and necessary part of an approved project or program.

All contributions, including cash and third party in-kind used as cost share for federal awards, shall meet the criteria listed below:

- Verifiable for records, including basis for determining value
- Not included as contributions for any other federally assisted program
- Necessary and reasonable for property and efficient accomplishment of program objectives
- Allowable under applicable cost principles
- Not paid by the federal government under another award
- Provided for in an approved budget
- Conform to other provisions of Office of Management & Budget (OMB) Circular A-122
- Non-federal dollars

Valuation

Hours donated to Estuary Partnership activities shall be valued as follows unless otherwise stipulated below:

- Professional services: \$60.00 per hour
Example: Board members, scientists, technical experts, teachers and professors.
- Trained volunteers: \$22.00 per hour
Example: Volunteers -- at planting events, volunteer monitoring events, canoe paddlers -- who have received training at the event for the activity or service.
- Unskilled volunteer: \$15.00 per hour
Example: Office work such as filing or receptionist, and students participating in service-learning projects.

Exceptions to these rates are:

- A grantor or other funder specifies rates.

¹ The general procedures and guidelines listed above have been excerpted from OMB Circular No. A-122.

- A professional donor has a published rate for the skill or service donated, e.g., attorney, facilitator, accountant.
- An employer donates the services of an employee for services that are the same skill or service for which the employee is employed, and provides the employee's regular rate of pay, including fringe benefits and operating costs (that are reasonable, allowable, and allocable), but exclusive of indirect costs.

If rates are not provided by the donor, the Estuary Partnership will evaluate comparable items available through recognized vendors to determine a value. If the exact item can be found, its value will be used. If the exact item cannot be found, the Estuary Partnership will evaluate the specifications of three comparable items and take the value from the item most closely aligned in specifications to the one donated. Rates for services shall be consistent with those paid for similar work in the recipient organization or those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.

Goods and Services

The value of donated equipment shall not exceed the fair market value of equipment of the same age and condition at the time of donation. Donated supplies may include such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed for donated supplies included in the cost sharing or matching share shall be reasonable and shall not exceed the fair market value of the property at the time of donation.

Tracking Non-Cash Donations

The Executive Director shall prepare an annual summary report of donated hours and services at the end of each fiscal year, including hours donated by Board members and at organization events. All tracking shall be maintained electronically and follow the format prescribed in the electronic files in-kind tracking. Program Managers shall track donated hours and services for their program areas, committees, volunteers and work groups. Data for the summary sheet shall include date of event or activity, a list of registrants, attendees or participants, length of meeting, and the agenda or minutes. Back up data for the summary sheet shall be included as a hyperlink on the summary sheet for any line item valued at more than \$7,500.00.

D. Capitalization of Fixed Assets

The Estuary Partnership capitalizes assets with a useful life of greater than one year and whose value at purchase is \$5,000.00 or more. Property and equipment are stated at cost, less accumulated depreciation. Depreciation is calculated using straight-line and accelerated methods over estimated useful lives of three to seven years. When property and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are reduced, and any gain or loss is included in the Statement of Activities. This is done by the Finance and Operations Manager with a review by the auditor at the end of the fiscal year.

4. Procurement

A. Federal Compliance

Contracts let or purchases made with EPA funds and funds used to match EPA funds shall adhere to EPA regulations and rules. By reference this incorporates OMB Circulator A-1222 CFR 200.317, FFATA Reporting, and all EPA-Estuary Partnership grant agreement conditions.

B. Purchasing with Federal Award Funds

Purchases made when procuring property or services through a federal award with federal funds follow the procurement standards under the Federal Uniform Guidance.

General Procurement Procedures

All procurement transactions must be conducted in a manner to provide, to the maximum extent practical, open, and free competition. Buyers shall avoid purchasing unnecessary items. All contractor bids and quotations must be evaluated on the basis of product, quality, technical compliance with specifications, total cost and the contractor's acceptance of terms and conditions of the contract.

Purchases are evaluated to ensure they are reasonable, allocable, and allowable. Regardless of the cost of acquisition, the organization avoids purchasing unnecessary items. Where applicable, the organization evaluates lease vs. purchase options to determine which is more economical. Financial reports are issued as required.

Considerable authority has been entrusted to employees who make purchasing decisions. The convenience afforded by this decentralized environment is coupled with full responsibility for decisions and a complete understanding of the procurement and purchasing policies and procedures of the organization. All purchasing decisions should be made in the best interests of the organization. Your procurement policy should address the following.

- Have written standards of conduct that should establish policy for ethically conducting business, performing work on the project, define conflicts of interest, and prescribe penalties for violating them
- Written procedures that:
 - Avoid purchasing unnecessary items
 - Analyze lease vs. purchase alternatives where appropriate
 - Have solicitations for goods and services with a clear description of the procured item or service, the requirements all bidders must fulfill for evaluation, a description of technical requirements or features needed, preferences for environmentally friendly and energy efficient products and services
- Maximizes open and free competition with positive efforts to utilize small businesses, MBE and WBE (2 CFR 200.321)
- Buyers must review the federal award to ensure that the goods or services to be purchased or contracted are allowable
- Positive efforts should be made to utilize small businesses, veteran-owned businesses, women-owned businesses, or minority-owned businesses
- Describe types of procurement instruments to be used (fixed price, cost reimbursement, purchase orders)
- Keeps procurement records that tell the basis for selection, justification, and basis for vendor/contractor selection
- Establish dollar thresholds for different types of purchases and approval levels

- It should discuss monitoring of contractors or sub grantee work and billings, or this should be addressed in the accounting policy
- All correspondence with contractors must be included in the federal award file and maintains a system for contract administration
- Before the contract is made, the buyer must verify the contractor's eligibility to receive federal funds and verify they are not vendors that are suspended and debarred via search of the SAM.gov website
- Provisions for contract termination
- Conducts and documents a cost or price analysis for every procurement in excess of the Simplified Acquisition Threshold (30.45, 2 CFR 200.324)
- A cost and / or price analysis for every procurement, a history of the procurement, and explanation of how the cost was determined to be reasonable should be documented before the award is made

Cost and Price Analysis

For all procurements of a threshold, your organization has documentation verifying that the purchase price is fair and reasonable. Price analysis and cost analysis are the two techniques used to accomplish this purpose. The cost and price analysis must be documented.

- Price Analysis: Comparison of prices of multiple bids or information from other sources, such as established catalog or market prices, or prices for similar past purchases.
- Cost Analysis: Evaluation of the separate elements that make up a contractor's total cost proposal or price to determine if they are allowable, directly related to the requirement, and reasonable for the value received.

C. Disadvantaged Business Enterprises (DBE)

Positive, good faith efforts should be made to utilize and solicit small businesses, veteran-owned businesses, women-owned businesses, minority-owned businesses, or labor surplus areas when procuring construction, equipment, services, and supplies.

D. Recipient Match Please discuss if your organization is matching or cost sharing this program with other in kind or public costs. Include procedures that identify, value, document, report cost-sharing, matching and in-kind contributions for federally funded projects.

BE. Estuary Partnership Compliance

All procurement regardless of amount shall be for the express purposes of Estuary Partnership business for goods, services, or activities that are included in an approved biennial budget and project budget and shall be property of the Estuary Partnership. The Executive Director will review all purchases to avoid unnecessary purchases or purchases beyond the minimum necessary quantity; to consider lease opportunities; and perform or document the completion of a cost or price analysis for all procurements.

All projects for which funds are awarded shall be contained in biennial workplans and budgets and shall implement actions in the Six-Year Implementation Strategy and be consistent with the Comprehensive Conservation and Management Plan.

CF. Award Process

Services may be acquired in one of three ways:

Sole Source Awards

Contracts of \$25,000 or less may be sole source contracts at the discretion of the Executive Director provided that the contractor has demonstrated relevant experience and in accordance with the Board of Directors and Employee conflict of interest policies established in these policies, in the Board of Director policies, and in the Employee Handbook.

Informal Solicitation Process

Contracts in amounts greater than \$25,000 and less than \$40,000 may be let through either a formal or informal competitive bid process.

Formal Solicitation Process

Contracts for \$40,000 or more shall be let through the formal competitive bid process. The formal process shall include issuance of a request for proposals advertised in major newspapers.

DG. Exemptions

Agencies or entities that are uniquely positioned, as defined below, to assist in implementing Estuary Partnership actions may qualify for an exemption from sole source limitations. Note: Habitat projects funded by BPA, regardless of contracting method (sole source, formal or informal) must be reviewed, evaluated and ranked by the Estuary Partnership Science Work Group or Project Review Committee; all other habitat projects are subject to the provisions in this document.

Uniquely Positioned Definition

Entities or agencies whose statutory obligations, mandates, technical expertise, or on-going work is directly related to Estuary Partnership needs. Uniquely positioned entities are positioned to assist the Estuary Partnership in meeting its organizational and programmatic goals in a cost-effective manner. Based on the technical specifications of the monitoring program's work elements only the selected agencies and organizations have the specifications that meet the needs of the organization. Most of the monitoring goals of the Estuary Partnership are long-term and are more cost-effective with an on-going relationship with entities conducting the research and data collection and analyzing the data. Some restoration projects require several years to complete due to extensive time for acquisition, establishing restoration, and conservation and monitoring; they are most effectively implemented by specific entities.

Specifications include but are not limited to:

- Technical and scientific services provided by the entity are unique and essential to the program's estuarine requirements, thereby at times precluding consideration of other entities.
- Use of an alternate vendor would cause substantial additional costs and disruption in progress due to the economies of scale already garnered and the technical expertise of the vendor.
- An entity's ability to do the work within a required timeframe.
- An agency with a unique statutory, legal, or regulatory role that corresponds to the needs of a program work element.
- The organizational capacity with regards to administrative services and centralized support structures.

Uniquely Positioned Entities or Agencies

Key agencies or identified private entities that have been identified as uniquely positioned to fulfill the requirements of the monitoring program and the justification thereof include:

- **National Oceanic and Atmospheric Administration** – National Marine Fisheries Service. NOAA Fisheries is dedicated to protecting and preserving the nation's living marine resources through scientific research, fisheries management, enforcement and habitat conservation and has a statutory obligation in Section 4(f) of the ESA to develop recovery plans for all salmon and steelhead listed as threatened or endangered.

- **United States Geological Survey** - The USGS is a monitoring and research arm of the federal government. In this unique capacity, USGS acts as a multi-disciplinary science organization that focuses on biology, geography, geology, geospatial information, and water.
- **Pacific Northwest National Laboratory** - Marine Sciences Laboratory. Researchers in Pacific Northwest National Laboratory's (PNNL) Marine Sciences Division specialize in identifying and understanding key estuarine processes, particularly the responses of fisheries and wildlife to habitat restoration.
- **University of Washington** - Research faculty, staff and students at the School of Aquatic & Fishery Sciences at the University of Washington conduct basic and applied research on coastal wetland ecology and provide critical knowledge in macroinvertebrate identification.
- **Portland State University** - PSU maintains an extensive Columbia River program and has done extensive work with native and invasive species.
- **Oregon State University** - OSU has been directed by the Oregon State Legislature to develop web portals for information access.
- **Oregon Health & Science University** – OHSU is unique in their efforts to deploy and maintain in situ monitoring equipment in the lower Columbia River, supporting the west coast Integrated Ocean Observation Systems, and provide critical biochemistry, planktonic and food web components information.

EH. Amendments to Existing Contracts

Amendments to any existing contract may be let without limit, assuming the original contract was selected using the informal or formal bid process or the contractor has established a relationship of trust and reliability with the staff and Board and that the relationship advances the work product or a break in the relationship would impede the progress or timeliness of a product or project. The amendment process is defined in Part 3 Section 2.8.E.

FI. Goods

Goods valued less than \$5,000.00 may be purchased using best comparison analysis. Goods \$5,000.00 or more shall be purchased by documenting at least three estimates on comparable item. Any purchases for goods valued greater than \$5,000.00 and not a part of the annual work plan shall be approved by the Executive Committee.

GJ. Government Advance or “Drawdown”

The Finance and Operations Manager shall provide the Executive Director an e-mail summary of the amount proposed for drawdown and rationale for the drawdown amount. The Executive Director shall provide written authorization (e-mail is acceptable). The Finance and Operations Manager shall maintain and file in the appropriate contract or award file, both paper and electronic copies of the authorization, the ASAP Payment Transaction Confirmation, and bank documentation that the appropriate account has been credited.

5. Conflict of Interest

A. Procurement

The Estuary Partnership may procure goods or services from an organization to which a member of the Board of Directors, work group or committee member is associated only through a competitive process. Those Board members, work group or committee members whose organizations may be awarded such funds, shall declare the conflict of interest to the Executive Director or Executive Committee and shall recuse themselves from, and not be present for, any deliberations and decisions relevant to the award.

The Estuary Partnership may not procure goods, services or contracts in any amount from individuals or companies that are owned or controlled by an employee, a member of the Board of Directors, or their immediate family members.

Employees and members of the Board of Directors who are engaged in awards to and oversight of projects with Estuary Partnership contractors, subcontractors, or vendors shall exercise care in forming personal relationships with those parties to retain objectivity and remove any question of bias that could arise as a result of such personal relationships. Employees and members of the Board of Directors who have such personal relationships shall disclose the relationship to the Executive Director or the Chair of the Board prior to their involvement in a selection process.

B. 990 Procedure

Beginning in 2008, the Internal Revenue Service requires information from the Estuary Partnership Board of Directors regarding conflict of interest and relationships between board members and the organization. Board members shall complete a Form 990 for all tax years beginning in 2008. The Executive Director shall prepare and send necessary forms to the Board of Directors no later than April to ensure completion for inclusion in the annual corporate audit.

C. Definitions

Any Estuary Partnership employee, contractor, member of the Board of Directors or member work group or Committee who has a direct or indirect financial or non-financial interest has a potential conflict of interest.

Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- an ownership, investment or vested interest in any entity with which Estuary Partnership Board of Directors has a transaction, arrangement or action;
- a compensation arrangement with Estuary Partnership Board of Directors or with any entity or individual with which Estuary Partnership Board of Directors has a transaction, arrangement, or action; or
- a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Estuary Partnership Board of Directors either has or is negotiating a transaction, arrangement, or action.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

Non-Financial Interest

A person has an interest, directly or indirectly, of a non-financial nature if the person serves as a member of the Board of Directors, trustee, or in some other non-compensated role at an entity with which Estuary Partnership Board of Directors either has or is negotiating a transaction, arrangement or action. Although a non-financial interest is not specifically addressed by statute or bylaws as a conflict of interest, Estuary Partnership Board of Directors shall follow the same practices for both financial and non-financial interest.

Please note that the Board of Director Policies and the Employee Handbook Conflict of Interest policies contains the same language contained here. Be sure to cross update all documents. See Board of Director Policies for further Conflict of Interest Disclosure Policies. See Employee Handbook for Employee Conflict of Interest Disclosure Policies & Restoration Project Review Conflict of Interest Policies.

6. Records

A. Contract Records

The Finance and Operations Manager shall maintain financial and reporting tracking for all contracts and funds awarded by or received by the Estuary Partnership. In addition to the individual contract files, one file will be maintained chronologically that contains one original contract of every contract let by the Estuary Partnership during a biennium.

Active funder contracts are filed in the Contracts file cabinet as long as the contract remains open. When the contract is closed, the contract and pursuant subcontracts are moved to the closed contract files.

Active subcontracts are filed in the Contracts file cabinet with the funder contract from which they are funded. When a subcontract is closed it remains in the Contracts file cabinet until the funder contract it is associated with closes (at which point both the funder and subcontracts can be moved to the closed files).

Copies of invoices relating to funder contracts shall be filed with the funder contract in the Contract files and will move to the closed contracts file cabinet when the funder contract closes. Copies of any other invoices are maintained in the Finance and Operations Manager’s vendor files until the end of the current fiscal year, at which point they are moved to the archived files.

Required contents of files are defined in Part 2 Section 9.6.

B. Record Retention

Schedule

The Estuary Partnership shall retain all records according to the following schedule, unless otherwise stipulated by the Funder:

	Retention Period
Accounting Data	7 years
Bank Reconciliation Records and Cancelled Checks	7 years
Contracts (closed, no subsequent open contracts with vendor)	7 years
Contracts (active). These include but are not limited to EPA NEP funds, Oregon and Washington NEP funds, BPA. All contracts with such vendors are retained until retention period reached for last contract.	7 years after final termination of last contract
Correspondence (general)	3 years
Employee Personnel Records (after termination)	3 years
Insurance Policies (expired)	3 years
Invoices to Customers	7 years
Invoices from Vendors	7 years
Leases	7 years after termination with vendor
Payroll Records	7 years
Time and Attendance Records	7 years
Permanently Retained Records	
Articles of Incorporation, Amended Articles of Incorporation, By-Laws, Amended By-Laws	Permanently
Audit Records, including audited statement, UGG report, and Management Letters	Permanently

Correspondence (legal)	Permanently
Depreciation Schedules	Permanently
Financial Statement (end-of-year, other months optional)	Permanently
Internal Revenue Service correspondence, including 501(C)(3) Status Documentation.	Permanently
Meeting Minutes or Records of Executive Committee & Board of Directors meetings.	Permanently
Tax Returns	Permanently

Storage Paper and Electronic

The Estuary Partnership is reducing paper stored by efficient use of electronic storage. The common drive (L drive) shall retain all records for periods at least as long as outlined above. Electronic files should be retained as long as storage permits to maintain the history of the organization.

Active Paper and Electronic Files

- Articles of Incorporation and By-Laws: 'Executive' files.
- Audits, two most recent: Finance and Operations Manager files.
- Financial files for current biennium: active files.
- Meeting records: 'Executive' files.
- Lease: 'Vendor' files.
- Contracts: 'Contract' files.
- Contracts that have annual or biannual contracts and that have multiple awards with on-going vendors (EPA NEP, Oregon and Washington NEP funds): 'Contract' files.
- Internal Revenue Service Correspondence: 'Executive' files.
- Tax Returns, two most recent: Finance and Operations Manager files.

Retained Record

Paper files shall be retained according to the schedule for retention. Non-active files shall be stored in archived boxes that are labeled by content, fiscal year, and allowable shredding date (based on retention period for the box's contents). Files should be organized and retained in the large conference room cabinets at the close of each year.

Files that shall be retained permanently are:

- Financial files, except as noted above.
- Audit records, except for the most recent two audits.
- Meeting records, except for the most recent two years.
- Tax Returns, except for most recent two years.

C. Computer Back-Up

Computer files are backed up regularly by the IT Consultant. Computer back-up includes the financial database and contract database.

D. Corporate Legal Records and Tax Filings

One set of corporate records, including but not limited to Board minutes, by-laws, articles of incorporation, Board Policies, Financial Policies, IRS filings and determinations, insurance coverage, personnel & payroll information, shall be maintained off-site or in electronic (cloud) backup. One set of all tax information, including tax filings and audit reports, shall be maintained at the offices of Estuary Partnership auditors.

Appendix A: List of Accounting

Accnt. #	Account	Type
100	100 · Checking-Federal-0542440	Bank
101	101 · Money Market-6000322	Bank
102	102 · CDARS Transfer Account-60042877	Bank
103	103 · Petty Cash	Bank
104	104 · Checking-NonFederal	Bank
105	105 · BOTC CDARS CD's	Bank
106	106 · B of A CD	Bank
107	107 · B of A Checking	Bank
108	108 · Demand Deposit (REPO) 60056479	Bank
109	109 · Schwab 9236	Bank
120	120 · Grants Receivable	Accounts Receivable
121	121 · Accounts Receivable	Accounts Receivable
12100	12100 · Inventory Asset	Other Current Asset
130	130 · Undeposited Funds	Other Current Asset
140	140 · Prepaid Rent	Other Current Asset
141	141 · Prepaid Expense	Other Current Asset
150	150 · Furniture & Fixtures	Fixed Asset
151	151 · Equipment	Fixed Asset
152	152 · Leasehold Improvements	Fixed Asset
155	155 · Accum. Deprec	Fixed Asset
200	200 · Accounts Payable	Accounts Payable
205	205 · NOAA CRP 2 Payable	Other Current Liability
210	210 · Payroll Liabilities	Other Current Liability
210100	210100 · Federal Income Tax W/H EE (FIT)	Other Current Liability
210200	210200 · Oregon State Tax W/H EE (SIT)	Other Current Liability
210202	210202 · Oregon State Tax ER (SUI&WBF)	Other Current Liability
210300	210300 · SS&Med Tax W/H EE (FICA)	Other Current Liability
210302	210302 · SS&Med Tax ER Liability (FICA)	Other Current Liability
210400	210400 · Worker's Comp W/H EE	Other Current Liability
210500	210500 · Oregon Transit Tax EE (STT)	Other Current Liability
220401	220401 · Workers Compensation ER	Other Current Liability
2110	2110 · Direct Deposit Liabilities	Other Current Liability
220	220 · Accrued Payroll Liabilities	Other Current Liability
220100	220100 · Insurance	Other Current Liability
220110	220110 · Health Insurance Payable	Other Current Liability
220120	220120 · Dental Insurance	Other Current Liability
220130	220130 · Life Insurance Payable	Other Current Liability
220131	220131 · Voluntary Life Insur. payable	Other Current Liability
220140	220140 · Disability Ins Payable	Other Current Liability
220200	220200 · Flexible Spending Payable	Other Current Liability
220210	220210 · FSA Dependent Care Payable	Other Current Liability
220300	220300 · 7% Employer Retire Cont (401k)	Other Current Liability
220305	220305 · 3% Employer Retire Cont (401k)	Other Current Liability
220310	220310 · Employee Deferred Comp (401k)	Other Current Liability
220500	220500 · Misc Payable	Other Current Liability
230	230 · Accrued Vacation Payable	Other Current Liability
240	240 · Accrued Payroll and Payroll Tax	Other Current Liability
250	250 · Deferred Revenue	Other Current Liability
260	260 · Deferred Lease Incentive	Long Term Liability
300	300 · Retained Earnings	Equity
400	400 · US GRANTS	Income
400100	400100 · EPA	Income
400200	400200 · NOAA	Income
400300	400300 · BPA	Income
400400	400400 · USFW	Income
400500	400500 · USFS	Income
400600	400600 · NPS	Income
410	410 · STATE GRANTS	Income
410100	410100 · Washington	Income
410200	410200 · Oregon	Income
410300	410300 · OWEB Recovery	Income
420	420 · OTHER GRANTS	Income
420100	420100 · Restricted- Corp/Foundation	Income
420200	420200 · Clark County (Vancouver Lake)	Income
420300	420300 · Local Grants/Other Grants	Income
430	430 · CONTRIBUTIONS	Income
430100	430100 · Private-Individual	Income
430200	430200 · Unrestricted Corporate	Income
430300	430300 · Annual Dinner & Auction	Income
430400	430400 · Corporate Sponsorships	Income
440	440 · SALES	Income
440100	440100 · Product Sales	Income
440200	440200 · Registrations - Camp/Fieldtrips	Income

Accnt. #	Account	Type
440300	440300 · Sales-Consultation/Prof. Svcs	Income
440400	440400 · Registration-Conference/Event	Income
450	450 · INTEREST INCOME	Income
455	455 · Investment Earnings	Income
50000	50000 · Cost of Goods Sold	Cost of Goods Sold
500	500 · Project supplies and equipment	Expense
501	501 · GAAP Expense	Expense
502	502 · Write offs	Expense
510	510 · Bus Transportation (Students)	Expense
520	520 · Travel	Expense
530	530 · Office Supplies	Expense
540	540 · Other	Expense
540100	540100 · Postage	Expense
540150	540150 · Conference/Training/Work Fees	Expense
540200	540200 · Telephone	Expense
540250	540250 · Legal Notices & Advertising	Expense
540300	540300 · Copying	Expense
540350	540350 · Dues & Subscriptions	Expense
540400	540400 · Facilities	Expense
540450	540450 · Ground Transportation	Expense
540451	540451 · Car Rental	Expense
540452	540452 · Taxi/Bus	Expense
540453	540453 · Mileage	Expense
540454	540454 · Parking	Expense
540455	540455 · Fuel	Expense
540456	540456 · Car Maintenance	Expense
540457	540457 · Car Lease	Expense
540500	540500 · Moving Costs	Expense
540550	540550 · Repairs & Maintenance/Computer	Expense
540600	540600 · Professional Fees	Expense
540650	540650 · Insurance	Expense
540700	540700 · Depreciation Exp	Expense
540800	540800 · Furniture and fixtures expense	Expense
540900	540900 · Loss on Disposal of fixed asset	Expense
550	550 · Contract Expenditures	Expense
550100	550100 · Facilitator	Expense
550200	550200 · Computer Maintenance	Expense
550300	550300 · Accountant	Expense
550400	550400 · Legal	Expense
550500	550500 · Meeting Expenses	Expense
550600	550600 · Special Projects	Expense
550700	550700 · Graphics	Expense
550800	550800 · Printing	Expense
550900	550900 · Special Events	Expense
560	560 · Subcontractors (Grants/Awards)	Expense
5300917	5300917 · NFWF - Nature of Learning	Expense
570	570 · Payroll Expenses	Expense
570200	570200 · 401K Contrib Expense ER (3%&7%)	Expense
570300	570300 · Gross Wages	Expense
570400	570400 · Employee Benefit (BENALL)	Expense
570500	570500 · Soc Sec&Medicar PR Tax ER(FICA)	Expense
570600	570600 · Oregon Employer Taxes (SUI)	Expense
570700	570700 · Worker Ben Fund Expense (WBF)	Expense
570800	570800 · Payroll Service Fees	Expense
460	460 · Other Income	Other Income
460900	460900 · Disposal of Fixed Assets	Other Income
90200	90200 · Sales Orders	Non-Posting