

Tacony Community Development Corporation

POLICIES AND PROCEDURES MANUAL

Adopted by the Board of Trustees  
June 20, 2012

## **Table of Contents**

Introduction	3
Section 1 Accounting and Internal Controls	3
Section 2 Organizational Chart	7
Section 3 Personnel Policies	7
Section 4 Procurement Policies	14
Section 5 Records Management Policy	14
Section 6 Drug-Free Workplace Policy	18
Section 7 Employee Protection (Whistleblower) Policy	19
Appendix A. Conflict of Interest Policy	21
Appendix B. Annual Conflict of Interest Statement	24

## **Introduction**

The Board of Trustees of the Tacony Community Development Corporation (“CDC”), have developed and enacted the following policies and procedures by virtue of the by-laws of the organization.

These policies and general operating procedures were enacted and are being adopted for the effective operation of the CDC. The day-to-day functional implementation of these policies and procedures is the joint responsibility of the Corridor Manager of the CDC.

The purpose of these policies and procedures is to serve as a reference tool in making decisions involving the management and operation of the CDC; to establish guidelines to be followed by the Corridor Manager in determining employment practices; and to acquaint employees with their general employment rights, benefits and responsibilities. The manual will also provide employees with information on the CDC’s policies and procedures with respect to accounting and financial management, procurement, records retention and a drug-free work environment.

Organizational policies and procedures may be amended through the Board of Trustees on recommendation of the Corridor Manager and/or the Executive Committee. Organizational policies and procedures should be reviewed on a periodic basis by the board to determine if any changes are necessary.

## **Section 1 Accounting and Internal Controls**

### *What are Internal Controls?*

Internal controls are systems of policies and procedures that protect the assets of an organization, create reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations. These systems are not only related to accounting and reporting but also relate to the Organization’s communication processes, internally and externally, and include procedures for

- (1) Handling funds received and expended by the organization,
- (2) Preparing appropriate and timely financial reporting to board members and officers,
- (3) Conducting the annual audit of the organization’s financial statements,
- (4) Evaluating staff and programs,
- (5) Maintaining inventory records of real and Personal property and their whereabouts and
- (6) Implementing personnel and conflicts of interest Policies.

## **Board of Trustees Responsibilities**

TCDC shall comply with all laws and regulations. The TCDC Board of Trustees shall pay appropriate employee withholding taxes, file the annual Pennsylvania Charities Registration

forms, and review and file the annual IRS 990 Informational Tax Return form and make it available for public inspection as noted below.

*IRS 990 Form public inspection*

The Board of Trustees shall make the organization's annual IRS 990 form available for public inspection in the office immediately upon request. The annual IRS 990 form shall be posted on the organization's web site.

*IRS 1023 form public inspection*

The IRS 1023 form (application for tax exemption) shall be made available for public inspection in the office immediately upon request. The IRS 1023 form shall be posted on the organization's web site.

*Annual Budget*

The Board of Trustees shall review and approve the annual budget each year prior to the beginning of the annual Fiscal year, which begins on July 1. The Corridor Manager in collaboration with the Treasurer shall develop an annual budget for review and approval by the Board of Trustees in May of each year. Corridor Manager shall make every effort to involve all Committees in assigning budget amounts to relevant accounts. Corridor Manager shall prepare both a Summary and a Detailed Annual Budget. The Summary shall be presented for approval by the Board of Trustees in June.

*Annual Report of Trustees*

The Board of Trustees shall direct the President and Treasurer to present at the April annual meeting of the Board a report showing in appropriate detail the following:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year immediately preceding the date of the report.
- (b) The principal changes in assets and liabilities including trust funds, during the year immediately preceding the date of the report.
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation.
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation.
- (e) The annual report of the Board of Trustees shall be filed with the minutes of the annual meeting of the Board.

*Financial statements*

The independent accountant shall prepare a complete financial statement for review by the TCDC Board on a quarterly basis or more often if requested by the Board of Trustees. The Board shall meet at least quarterly to review and approve TCDC's financial statement including specific budget issues. The Treasurer shall supply the current checking account balance at each

meeting along with the list of the expenditures during the month. Copies of all payables and receivables documentation shall be submitted for TCDC Board of Trustees and auditor review if an auditor is engaged.

#### *Committee expenditures*

The Board of Trustees need not separately approve recommendations for expenditures from any Committee that are contained in the approved Annual Budget. Once a work plan for that activity is approved with all budget items assigned, then the Committee is able to spend the money without any additional approvals. Any Committee or Office expenditure outside of the approved Work Plan and/or approved Annual Budget shall require prior approval of the Board of Trustees. Committee expenditures above \$250 must comply with the competitive bid/buy local policy of the Board of Trustees (see this section below). Committee members should work closely with the Corridor Manager and supply adequate and complete invoices and receipts to assure that checks are prepared properly and in adequate time is available because two signatures are required on all checks under \$250.00.

#### *Banking, check signing and deposits*

The Board of Trustees shall determine which bank, trust company or other depository the corporation shall use. The Board shall also decide which accountant, auditor or other financial or insurance professional to engage on behalf of the corporation.

### **Day to day operations**

#### *Chart of accounts*

TCDC's day-to-day financial operations shall be compiled in the office on the cash basis. The Corridor Manager and the independent accountant shall generate a detailed Master Chart of Accounts for the tracking of all TCDC payables and receivables. A proper filing system shall be maintained for all financial records by the Corridor Manager. All excess cash shall be kept in an interest bearing account.

#### *Check signing*

All checks shall be kept in a locked box with keys available to the Corridor Manager and Treasurer or others, as the Board of Trustees shall determine from time to time. No transactions shall be "back-dated" after the close of a quarter, without full disclosure. Blank checks may never be signed in advance. Two designated board members of the corporation shall sign checks. Only one signature is required for checks under \$250.00. The deliberate splitting of vouchers or invoices, which have the sole purpose or effect of meeting the parameters of this authority, is prohibited. No check shall be written to cash or Bearer. No cash advances shall be made for any reason. All voided checks must be defaced and retained either on the check stub or with canceled checks. Pre-numbered check requests should be used and sequences accounted for monthly. No "bank checks" will be permitted.

#### *Deposits*

All bank accounts will be reconciled monthly by the Treasurer and compiled in separate files including all canceled checks and deposit records. The Corridor Manager shall maintain copies of deposit slips, checks and bank deposit receipts, and shall track all deposits using the corporation's Quick Books accounting software. The Corridor Manager will make deposits within one day of receipt of a check. Deposits tickets shall be completed in duplicate form. All checks are stamped with "Deposit only" stamp immediately upon receipt. A copy of the deposit slip from the Bank is compared and attached to the corresponding receipt copies and cash listing by the Treasurer. All checks received through the mail are restrictively endorsed immediately by the Corridor Manager and recorded in the Quick books account, listing the date received, payor, check #, and amount received. Two copies of all receipts are made; one for deposit file documentation and one for source file documentation (i.e., loan files or grant files).

#### *Debit card*

The Corridor Manager, with the written permission of the Board of Trustees, may open a debit card account (which debits the organizational checking account) for purchases within the approved budget. No credit cards in the name of the corporation are permitted. Any purchase by debit card over \$250.00 must have competitive bids as per Board policy listed below. The organization's debit card shall not be used for personal expenses at any time.

#### *Cash receipts*

For events where there may be cash to deposit, two board members or the Corridor Manager and a board member shall count the cash. The Board member shall make the deposit slip and deposit the cash. All cash receipts are recorded on pre-numbered duplicate receipts. The Corridor Manger shall code all cash receipts according to the chart of accounts.

#### *Grant funds, restricted accounts*

The Executive Committee or the Board of Trustees shall approve any grant proposal prior to submission. Any grant with matching fund requirement(s) shall be brought to the attention of staff, which in turn shall bring it to the attention of the Board of Trustees for approval. Grant files shall be kept of each grant which includes the proposal, letter agreement or grant agreement and any reporting forms. All correspondence related to the grant shall be kept in this file. Restricted funds shall be used for their intended purposes and accounted for separately through the financial statement prepared by the independent accountant. Grant reports and financial accounting as required by the granting agency shall be filed according to the condition of the grant.

#### *Restricted accounts*

Any donation, grant or gift earmarked for a specific activity shall be tracked and reported on in a separate Restricted Fund Account. Detailed follow-up, including evaluation, shall be sent to all donors per the grant agreement.

#### *Donor acknowledgement*

All donors shall be listed and tracked on an appropriate database. Every donor shall receive a thank you note from the Corridor Manager within seven days of receipt of donation. Every donor making a gift of more than \$250 shall be sent an acknowledgement letter as per IRS instructions in IRS Publication 1770. Donations shall be publicly acknowledged in TCDC materials as appropriate. Donor restrictions shall be obeyed including requests for anonymity.

*Monitoring of expenses*

All checks for goods or services shall be written based on a written invoice, which shall be sent to the Corridor Manager. All checks chard purchases shall have a receipt for the exact amount of the purchase to support card purchases.

*Separation of duties*

The Corridor Manager shall enter all deposits, checks or other disbursements via check card into the Organization’s Quick book software. The independent accountant shall review these against the bank statements opened by the Board Treasurer and produce a quarterly financial statement for review by the Board of Trustees. A Board member shall deposit any cash after counting it in the presence of another board member or the Corridor Manager. The independent accountant shall review the invoices periodically to assure that the appropriate sums have been recorded.

*Accounting software*

The Corridor Manager shall use appropriate passwords to prevent access to the corporation’s accounting software by others, and change the password at least quarterly. A back up of all electronic financial records shall be maintained in another location.

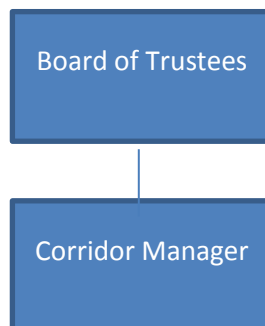
*Bonding*

The corporation shall pay for a bond for each person responsible for signing checks.

*Insurance*

The CDC shall purchase liability insurance as well as Officers and Directors insurance and shall keep them in full force and affect.

**Section 2 Organization Chart**



**Section 3 Personnel Policies**

All positions not filled by internal promotion of existing employees will be advertised, and all applicants will be considered for employment in compliance with all applicable federal, state and local laws.

#### *A. Hiring*

The Board of Directors has the responsibility of hiring the Executive Director upon recommendation of the Executive Committee, which will interview and screen applicants. The Executive Director, with consultation of the Executive Committee and appropriate staff, has the responsibility of hiring all other staff.

#### *B. Termination*

The Board of Directors has the responsibility for the termination of the Executive Director upon recommendation of the Executive Committee in accordance with these policies. The Executive Director, with consultation of the Executive Committee, has the responsibility to oversee the termination of all employees in accordance with these policies.

### **I. Equal Opportunity Employment Plan**

The Tacony Community Development Corporation (CDC) shall follow the spirit and intent of all federal, state and local employment law and is committed to equal employment opportunity. To that end, the Board of Trustees and staff of the CDC will not discriminate against any employee or applicant in a manner that violates the law. The CDC is committed to providing equal opportunity for all employees and applicants without regard to race, color, religion, national origin, sex, age, marital status, sexual orientation, disability, political affiliation, personal appearance, family responsibilities, matriculation or any other characteristic protected under federal, state or local law. Each person is evaluated on the basis of personal skill and merit. The CDC's policy regarding equal employment opportunity applies to all aspects of employment, including recruitment, hiring, job assignments, promotions, working conditions, scheduling, benefits, wage and salary administration, disciplinary action, termination, and social, educational and recreational programs. The CDC Board President of the Board of Trustees shall act as the responsible agent in the full implementation of the Equal Employment Opportunity policy.

The CDC will not tolerate any form of unlawful discrimination. All employees are expected to cooperate fully in implementing this policy. In particular, any employee who believes that any other employee of the CDC may have violated the Equal Employment Opportunity Policy should report the possible violation to the Board President.

If the CDC determines that a violation of this policy has occurred, it will take appropriate disciplinary action against the offending party, which can include counseling, warnings, suspensions, and termination. Employees who report, in good faith, violations of this policy and employees who cooperate with investigations into alleged violations of this policy will not



be subject to retaliation. Upon completion of the investigation, the CDC will inform the employee who made the complaint of the results of the investigation.

The CDC is also committed to complying fully with applicable disability discrimination laws, and ensuring that equal opportunity in employment exists at the CDC for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis. Reasonable accommodations will be available to all qualified disabled employees, upon request, so long as the potential accommodation does not create an undue hardship on the CDC. Employees who believe that they may require an accommodation should discuss these needs with the CDC Board President.

## **II. Employment Status**

### *A. Employment at Will*

Employees hereby understand and acknowledge that, unless otherwise defined by applicable law, any employment relationship with the CDC is of an “at-will” nature.

### *B. Full-time*

A full-time regular employee is one who works between 33 and 40 hours per week.

### *C. Part-time*

Part-time employees are staff members who work less than full-time in a regular job slot.

### *D. Consultants*

Consultants are contracted for a specific scope of work and/or time period and are not employees of the CDC.

## **III. Work Schedule and Pay Periods**

### *A. Work Schedule*

All full-time employees typically work a 40-hour, five-day week including meal breaks. The normal office hours of the organization are Monday through Friday from 8:30 a.m. to 4:30 p.m. As the organization only has one staff member who often attends meetings outside normal business hours these office hours may vary subject to comp time.

### *B. Pay Period*

Employees will be paid on a bi-monthly cycle. Wage changes will be made once per year after annual evaluations have been completed in conjunction with the preparation of the annual operating budget.

## **IV. Benefits**

Employment benefits are negotiated individually with each employee during their annual performance review and employment agreement. These include transportation allowance, insurance, personal sick leave, and vacation time.

#### *A. Bereavement*

Five working days of paid bereavement leave will be granted to employees who have a death in the immediate family. The immediate family is defined as grandparents, parents, children, spouses, domestic partners and siblings.

#### *B. Leave of Absence*

Employees may request an unpaid leave of absence that must be submitted in writing to the Corridor Manager. Granting of such leave is at the discretion of the Corridor Manager except in such cases where granting of leave is required by law, such as the Family Medical Leave Act.

#### *F. Disability Leave*

A disability leave of absence should be requested in writing and should be submitted to an employee's immediate supervisor as soon as practical and with a doctor's recommendation and medical documentation. The request should indicate the date on which the employee will stop work and a projected return date. The CDC will hold the job, or one at the same level of any employee on disability leave for a period of up to six months. After the employee's sick leave is exhausted, vacation and/or compensatory time may be used for continued absence. The employee will contact their immediate supervisor as soon as possible regarding their intentions to return to work or not, following an absence due to illness. Pregnancy will be considered a temporary medical disability for purposes of this document. A leave of absence for disability purposes will not constitute a break in tenure for purposes of calculating length of service; however, no additional sick leave or vacation time will be accumulated during the absence.

#### *G. Military Service*

Full-time, regular employees who are inducted in the Armed Forces are considered to be on leave of absence without pay and accrue only those benefits specified by law. Upon completion of military assignment, the employee is eligible for rehire in their former job or a job of similar status and pay providing the following conditions are met:

- (1) The employee must have been employed in a position other than temporary before their induction;
- (2) They must have left their job to enter military service;
- (3) They must have received certificate(s) of satisfactory completion of military service;
- (4) They must apply for re-employment within 90 calendar days of their discharge; and,
- (5) They must be able to perform the duties of their former job or a job of similar status.

Veterans will be re-employed with the same seniority, status, and pay they would have had if they had not entered military service.

#### *H. National Guard/Reserves*

Staff members who are members of the National Guard or the Reserve will be granted a leave of absence for any period or required service with their unit other than normal tour duty. All benefits will accrue during such periods and such duty will not be considered a break in service. The employee must be reinstated in their position providing they meet all of the conditions listed under Military Service (Section G) with the following exception:

(1) The employee must report to work at the beginning of the next regularly scheduled working period following their release from duty. Employees who must take time off to participate in the Reserve or National Guard must submit a written request for leave to the immediate supervisor indicating the period of absence and the expected return date.

## **V. Supervision and Evaluation**

Louis A. Iatarola, trustee, is the direct supervisor of the CDC's Corridor Manager, and in conjunction with the Board of Trustees, will conduct an annual performance evaluation of the Corridor Manager. The Corridor Manager is the direct supervisor of each individual employee hired with budgeted funds approved annually by the Board.

### *A. Annual Evaluation*

All employees will be evaluated by their direct supervisor, using established standards of performance for their position, on an annual basis. The employee's anniversary date will be revised to be the same as the budget year, for budget and funding purposes only.

### *B. Initial Evaluation*

The immediate supervisor or the Corridor Manager (see above) will perform an evaluation, three months after employment with the organization begins.

## **VI. Resignation, Suspension, Termination, Reduction**

### *A. Resignation*

Employees who wish to resign from their positions will give two weeks written notice to their immediate supervisor with the reasons stated therein. If two weeks' notice is not given before resignation, the employee may lose any accumulated vacation time or other benefits.

### *B. Suspension*

An employee may be suspended by the Board without pay for breach of client confidentiality, unsatisfactory job performance, cause or no cause. The Board must review the facts of the case at or before the next regularly scheduled board meeting to either confirm or reverse the suspension. The decision of the Board will be given in writing.

### *C. Termination*

Dismissal will be for unsatisfactory job performance, violation of the Personnel Policies and Procedures, illegal acts, or any other just cause as determined by the Board. Written notice of termination will be given with reasons for the action stated to the employee. Immediate

termination will occur for breach of client confidentiality, theft, and/or cause or no cause. A disciplinary conference will be held prior to termination for unsatisfactory performance. Unsatisfactory job performance includes, but is not limited to excessive absenteeism, tardiness, failure to cooperate with other employees, and unauthorized use of company property.

#### *D. Reduction*

If an employee must be terminated due to a reduction in workforce, he or she will be notified 30 calendar days prior to the event.

### **VII. Travel and Other Expenses**

Employees will be reimbursed for travel and expenses provided the trip is preapproved by the employee's immediate supervisor and authorized by the annual approved budget. Employees using personal automobiles for travel will be reimbursed at the current IRS approved rate. All requests for mileage reimbursement will be documented on a mileage reimbursement form.

### **VIII. Conflict of Interest**

1. No employee will participate in activities or other employment that cause a conflict of interest with the activities of the CDC. Activities or employment that create possible conflicts will be disclosed to the Board President in writing for review.
2. Any employee of the organization, who accepts gifts or gratuities from individuals, companies, clients, or suppliers in conjunction with their job, will be subject to disciplinary action up to and including dismissal.
3. No CDC employee is to become involved in real estate development, outside of his or her work at the CDC, in any neighborhood where the CDC operates a program.
4. No employee may serve as an official, director, or trustee of any for-profit or non-profit enterprise without obtaining prior approval of their immediate supervisor.
5. The CDC encourages service with constructive and legitimate non-profit organizations. Participation in civic affairs is encouraged as part of our commitment to community involvement. There are cases, however, in which organizations have business relationships with the organization in which the handling of confidential information might result in a conflict of interest. An employee's immediate supervisor must be advised when a potential conflict exists.
6. Each year, every trustee, officer, member of a committee with board-delegated powers, and employee shall annually sign a statement that affirms that such person has read and understands the conflict of interest policy, and will comply with it.

### **IX. Policy Prohibiting Unlawful Harassment, Including Sexual Harassment**

It is the policy of the CDC that it will not tolerate verbal or physical conduct by any employee which harasses, disrupts, or interferes with another's work performance or which creates an intimidating, offensive, or hostile environment.

As an equal opportunity employer, it is the CDC's policy that every applicant and employee shall enjoy a work environment free from all forms of unlawful harassment, including sexual harassment. Unwelcome verbal, physical or visual conduct involving any individual's race, color, religion, sex, sexual orientation, pregnancy, age, national origin, ancestry, citizenship, medical condition, physical disability, marital status, or military service, or any other basis protected by any federal, state or local law which impairs an employee's ability to perform their job is illegal and is strictly prohibited. Sexual harassment is an unlawful employment practice under Title VII of the Civil Rights Act of 1964 and various state laws. The regulations of the Equal Employment Opportunity Commission define "sexual harassment" as follows:

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitutes sexual harassment when:

- (1) submission to such conduct is made either explicitly or implicitly a term or a condition of an individual's employment;
- (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Some examples of sexual harassment include, but are not limited to, the following:

- Unwelcome requests for sexual favors or dates.
- Unwelcome physical touching.
- Jokes or gestures that have a sexual content or sexual connotation.
- Posters or cartoons that have a sexual content or sexual connotation.
- Sending or forwarding written or electronic correspondence of a sexually explicit nature.
- Creating an otherwise offensive working environment or unreasonably interfering with another's ability to perform his or her job.

The CDC does not condone sexual relationships between supervisors and their staff. A relationship of this type can easily be considered sexual harassment. If such a relationship develops, one of the individuals must transfer to another position in the organization. Both as a matter of law and common decency, each employee of the CDC is entitled to pursue his or her employment, free of harassment or discrimination on any of the prohibited bases enumerated above. Accordingly, unlawful harassment or discrimination against any employee of the CDC will not be tolerated. Violation of this policy may subject an employee to discipline, up to and including immediate termination.

Any employee who believes that he or she (or another employee) is the object of harassment or discrimination on any of the above-enumerated bases is strongly encouraged to follow the complaint procedure outlined below. Any employee may initiate the complaint procedure, without fear of reprisal, by immediately reporting such complaints to the:

- the employee's immediate supervisor.
- an officer of the CDC

The CDC takes all complaints of harassment or discrimination seriously. All complaints will be investigated immediately by an impartial designee to be determined by senior management of the CDC.

Any employee who believes that the actions or words of a supervisor or fellow employee or some other person(s) encountered in the workplace constitute unwelcome harassment has a responsibility to report such incident as soon as possible to the appropriate supervisor, manager or officer of the CDC. Employees are encouraged to utilize the foregoing complaint procedure. No employee will be retaliated against for having opposed unlawful harassment or discrimination, or for having filed a complaint or otherwise participating in an investigation concerning a complaint. Employees are also notified that there are governmental agencies that handle claims of unlawful discrimination and harassment. These agencies include the Equal Employment Opportunity Commission and parallel state agencies. Each employee will be required to sign an acknowledgment of the Policy Prohibiting Unlawful Harassment, Including Sexual Harassment contained at the back of this manual.

## **X. Personnel Files and Employment Information**

All staff members have a right of access to their personnel file, with the exception of access to reference checks that were obtained in confidence. The staff member may review the folder in the presence of their immediate supervisor. It is the responsibility of the staff member to provide information to their supervisor to keep personnel folders up-to-date (e.g., current resumes, change in marital status, name, address, telephone numbers, number of dependents, designated beneficiaries, education and training skills).

The employee's immediate supervisor is authorized to verify the following information for a prospective creditor of an employee: 1) dates of employment; 2) title; and, 3) salary. Neither the Corridor Manager nor any employee is authorized to provide a prospective employer of a present or former employee of the organization with any information other than dates of employment and title.

## **Section 4 Procurement Policies**

The following policies and procedures will be followed at all times when the CDC is using federal funds to purchase supplies, property, equipment and services from an external source:

### *I. General Contract Award Management Policy*

(1) No CDC officer, employee, and/or agent will participate in the selection, award, and/or administration of any contract for equipment, materials, and supplies or consulting or professional services if a real or apparent conflict of interest would be involved. Such a conflict will arise when:

- a. the employee, officer, or agent;
- b. any member of his/her immediate family;

- c. his/her partner; or
  - d. an organization which employs or is about to employ, any of the above has a financial or other interest in the firm or individual selected for award.
- (2) The CDC's officers, trustees, employees, and/or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.
- (3) The CDC will conduct a cost or price analysis and document such analysis in the procurement files in conjunction with every procurement action above \$250.
- (4) If a contract is competitively bid, the CDC will enter into a contract with the winning bidder that specifies the services to be completed and payment terms.
- (5) At a minimum, to adequately evaluate contractor, consultant, and supplier performance, the CDC will evaluate each respective provider of goods and services performance at the completion of each contract. This evaluation will be utilized when making award decisions for future contracts. Evaluations may be conducted on a more frequent basis if deemed necessary.

## *II. Acquisition Policy for Goods and Services/ Buy Local*

The following procurement procedure applies to all purchases of goods and services, including equipment, materials, supplies and professional and consulting services.

Employees will conduct all procurement transactions in a manner that maximizes free and open competition. Awards should be made to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to the recipient, price, quality and other factors considered. The CDC reserves the right to reject any and all bids or offers, if deemed to be in its best interest. The CDC may select from numerous methods of procurement, depending on the amount of the purchase and other considerations. Following are a few examples of possible procurement procedures that the CDC may choose to use:

- (1) Open Market Inquiry. The Corridor Manager, or other qualified individuals delegated by the Corridor Manager may inquire in the open market to ensure that the price and quality is the most advantageous to the CDC.
- (2) Request Competitive Oral Quotes. The Corridor Manager or his/her designee may request competitive quotes orally. A file shall be kept with an abstract of invitations made and offers received.
- (3) Request Written Quotes from at Least three Different Sources. For purchases and contracts involving a single project or activity, the Corridor Manager or his/her designee may request and receive written quotations from at least three independent sources. A file shall be kept with an abstract of invitations made, offers received, and the criteria for selection.
- (4) Request Written Competitive Responses through a Formal Request for Proposal Procedure. For large purchases and contracts, the Corridor Manager or his/her designee may solicit competitive responses through a formal written request for proposal procedure.

Bids will remain sealed until the opening time designated in the request for proposals. All requests for proposals shall contain the phrase "Equal Opportunity Employer".

For the largest purchases the CDC makes, after reviewing the bids received, the Corridor Manager or his/her designee shall make a recommendation to the CDC's Board of Trustees regarding which bid to accept. A majority of the board must accept the bid via formal vote before a contract is executed for the service. A file shall be kept with a copy of the request for proposal, a list of individuals/organizations solicited for bids, and a bid sheet that lists the bids received by individual/organization and their respective bid price. In all instances in which the lowest bid is not awarded the contract, justification documentation, such as a memo outlining the selection criteria, shall be placed in the file.

#### *Buy local*

The CDC will make a best effort to solicit bidders for products and services within the Tacony neighborhood. The CDC may select a local bidder even if the price is higher than other bidders. A justification documentation memo outlining the selection criteria shall be placed in the file.

#### *III. Property/Equipment Standards*

When purchasing property (both real property and equipment), the following procedures will be followed:

- (1) Title to all property purchased with federal funds will vest with the CDC.
- (2) Property records will be kept showing the general name of the property, identification number, original cost, and depreciated value. These records will be reviewed and necessary revisions made on an annual basis at the end of the CDC's fiscal year.
- (3) The CDC will provide the equivalent insurance coverage for real property and equipment regardless of how the property was acquired by the organization.
- (4) Equipment purchased, with a purchase price in excess of \$5,000, with federal funds is generally considered the property of the federal government and must be disposed of through a set procedure. When disposing of equipment with an acquisition cost in excess of \$5,000, the CDC will follow the respective funding program's disposal regulations.

#### *IV. Federal Debarment Standard*

A. When purchasing goods and services through the utilization of federal funding, the CDC will ensure that the contract awardee is not debarred or suspended from doing business with the federal government nor delinquent in a debt to the United States as defined in OMB Circular A 1-29. Before a contract is awarded, staff from the CDC will consult the Federal Government's General Services Administration ("GSA")'s "List of Parties Excluded from Federal Procurement or Non-procurement Programs."



## **Section 5: Records Management Policy**

To ensure that all programs operated by the CDC are properly managed and reported on, the CDC will establish and monitor a comprehensive records management policy.

A. To ensure that pertinent records are properly managed, the CDC will implement a file maintenance and disposition plan for each project/funding source when that project becomes inactive/closes-out. When a project is closed a file maintenance and disposition plan form will be filled out and filed for the project. The form includes, but is not limited to, the date the project began, the date the project ended, amount of contract, name and signature, a contact number for project's manager, a description of the files within the storage case and their filing arrangement, and disposition instructions. Once the "File Maintenance and Disposition Plan" form has been completed, it will be filed and the storage box sent to the CDC's off-site storage facility.

B. Financial records, supporting documents, statistical records, and all other records pertinent to an award of funding from an external source shall be retained for a period of three years from the date of the submission of the final expenditure report. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims, or audit findings have been resolved and final action taken.

C. Records for real property and equipment acquired with federal funds must be retained for three years after final disposition of said property.

**BUSINESS RECORD RETENTION SCHEDULE**

<b>ACCOUNTING AND FISCAL</b>	<b>TERM</b>	<b>CORPORATE</b>	<b>TERM</b>
Accounts Payable Records	3	Certificate of Incorporation	P
Accounts Receivable Records	3	Charter	P
Audit Reports	P	Annual Reports	P
Audit Reports Internal	3	Contracts (After Expiration)	3
Bank Statements and Reconciliation	3	Copyrights	P
Canceled Checks	3	Correspondence (General)	3
Check Registers	3	Correspondence (Legal)	P
Cash Receipts Book	3	Insurance Policies (After Expiration)	3
Expense Analysis & Distribution Schedules	3	Inventories	3
Financial Statements	P	Leases (after expiration)	3
Fixed Assets Records	P	Legal Briefs	P
General Ledgers	P	Licenses	P
Invoices	3	Merger Acquisition Records	P
Journals/Cash Books	3	Board Minutes	P
		Office Equipment Records (after disposition)	3
<b>PERSONNEL</b>		Patents	P
Employment History	P	Profit and Loss Statements	P
Individual Employee Records	P	Property Records	P
Payroll Register	P	Trademark Records	P
Time Cards and Sheets	3		
Unclaimed Wages(given to state after 3 yrs)	3	<b>TAXATION</b>	
Cancelled payroll checks	3	Annuity or Deferred Payment Plan	P
Retirement and Pension Plans	P	Payroll Tax Returns	3
Group Insurance Records	P	Withholding Tax Statements (W-2s)	3
Training Materials	3	Tax Bills and Statements	3
Employee Travel and Expense Reports	3	Federal Tax Returns & Work Papers	P
Interim Payroll Registers	3	State Tax Returns & Work Papers	P
		Sales and Misc. Tax Returns	3
		Depreciation Schedules	P

P = Permanently

**Section 6 Drug-Free Workplace Policy**

The CDC is a drug-free work place and following is the organization’s drug-free workplace policy:

*The CDC does and will continue to provide a drug-free work place by:*

A. Publicly posting a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the during normal working hours and on CDC properties.

B. The CDC will operate an ongoing drug-free awareness program which informs employees about:

- (1) The dangers of drug abuse in the work place;
  - (2) policy of maintaining a drug-free work place;
  - (3) Any available drug counseling, rehabilitation, and employee assistance programs;
- and,

(4) The penalties that may be imposed upon employees for drug abuse violations in the work place.

C. Providing each employee engaged in the performance of a grant be given a copy of the statement specified in paragraph A, above.

D. When an employee of the CDC works on a government-funded project or activity that has funding with a drug-free work place certification, the CDC will notify affected employees that they are required to:

- (1) Abide by the terms of the statement; and,
- (2) Notify the employer in writing of his/her conviction for a violation of a criminal drug statute occurring in the work place no later than five calendar days after such conviction.

E. The CDC will notify the respective agency/funder grant officer(s) within 10 calendar days after receiving notice about a conviction from an employee or otherwise receiving actual notice of such conviction.

F. Within 30 days of being informed by an employee that he/she had been arrested on drug charges and convicted, the CDC will:

- (1) Take appropriate personnel action against such employee, up to and including termination, consistent with the Rehabilitation Act of 1973, as amended; or,
- (2) Require the employee to participate and satisfactorily complete a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

G. The CDC will strive to make a good faith effort to continue to maintain a drug-free work place through implementation of paragraphs A through F, above.

## **Section 7: Employee Protection (Whistleblower) Policy**

If any employee reasonably believes that some policy, practice, or activity of the Tacony CDC is in violation of law, a written complaint must be filed by that employee with the Executive Director or the Board President.

It is the intent of the Tacony CDC to adhere to all laws and regulations that apply to the organization and the underlying purpose of this policy is to support the organization's goal of legal compliance. The support of all employees is necessary to achieving compliance with various laws and regulations. An employee is protected from retaliation only if the employee brings the alleged unlawful activity, policy, or practice to the attention of the Tacony CDC and provides the Tacony CDC with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to employees that comply with this requirement.

Tacony CDC will not retaliate against an employee who in good faith, has made a protest or raised a complaint against some practice of the Tacony CDC, or of another individual or entity with whom the Tacony CDC has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

Tacony CDC will not retaliate against employees who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of the Tacony CDC that the employee reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

My signature below indicates my receipt and understanding of this policy. I also verify that I have been provided with an opportunity to ask questions about the policy.

---

Employee Signature

---

Date

## **Appendix A Conflict of Interest Policy**

### **Article I**

#### **Purpose**

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **Article II**

#### **Definitions**

##### **1. Interested Person**

Any director, principal officer, or member of a committee with governing board-delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

##### **2. Financial Interest**

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

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
  - b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
  - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.
- Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### **Article III**

#### **Procedures**

##### **1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

##### **2. Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave

the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

### **3. Procedures for Addressing the Conflict of Interest**

- a.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b.** The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c.** After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable effort a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d.** If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

### **4. Violations of the Conflicts of Interest Policy**

- a.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member opportunity to explain the alleged failure to disclose.
- b.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **Article IV**

### **Records of Proceedings**

The minutes of the governing board and all committees with board-delegated powers shall contain:

- a.** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing boards or committee's decision as to whether a conflict of interest in fact existed.
- b.** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

## **Article V Compensation**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

## **Article VI Annual Statements**

Each director, principal officer and member of a committee with governing board-delegated powers shall annually sign a statement, which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **Article VII Periodic Reviews**

To ensure the Organization to operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

## **Article VIII Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

**Source: IRS1023 instructions schedule A**

**Appendix B Annual Conflict of Interest Statement**

**Tacony Community Development Corporation**

**Annual Conflict of Interest Statement**

Each year, every trustee, officer, member of a committee with board-delegated powers, and employee shall annually sign a statement that affirms that such person

- a. Has received a copy of the conflict-of-interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that the corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

\_\_\_\_\_

Name of Board member, Employee or Committee member Date

\_\_\_\_\_

Board President Date