



Meeting: **Reservoir Committee & Authority Board**  
**Agenda Item 1.5**

**July 19, 2024**

Subject: **Revisions to Accounts Payable Approval Policy**

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**Requested Action:**

Reservoir Committee and Authority Board authorize proposed revisions to the Accounts Payable and Approval Policy related to check signatures and policy review frequency.

**Detailed Description/Background:**

The Sites Project Authority's Accounts Payable Approval Policy was first approved in 2021 and last updated and adopted in February 2024. Previous to the adoption of the 2021 policy, the Board gave staff check signing directions in November 2015. Currently, board policy requires two signatures on all physical checks issued from any of the Authority's bank accounts where one signature be an authorized and specified Authority Board member and the other being the Authority's Board Treasurer. There have been occasions where a second signature on a physical check has been delayed due to the limited availability of authorized signers. The proposed change would accommodate greater flexibility in who can sign checks but stay within the bounds of the original approvals the Board established in November 2015.

The proposed changes in the Policy are to:


- Eliminate the constraint that the Treasurer must be one of the two signatures and authorize any of the following Board positions to be the two signers of physical checks: **Authority Board's Chairperson, Vice-Chairperson, Secretary and Treasurer.**
- The current Policy identifies a 3-year review process which Staff does not expect to be necessary and is proposing to replace with a frequency of review dependent on the need for changes.

The Budget and Finance Committee recommended approval of the revisions to the Accounts Payable Approval Policy to the Reservoir Committee and Authority Board at their July 12, 2024 meeting.

**Fiscal Impact/Funding Source:** None.

**Staff Contact:** Joe Trapasso

**Attachments:** Redline strikeout of modifications to the policy

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|--|----------------------|-----------|
|  | <b>DOCUMENT TYPE</b> | Policy    |
|  | <b>DOCUMENT NO.</b>  | F01       |
|  | <b>ADOPTED</b>       | 3/24/2021 |
|  | <b>LAST UPDATED</b>  | 2/16/2024 |

**SITES PROJECT AUTHORITY  
ACCOUNTS PAYABLE APPROVAL POLICY**

**1. Purpose:**

To ensure the timely and efficient payment of vendors and service providers as prescribed by the Authority.<sup>1</sup>

**2. Definitions:**

Payment of Claims: The monthly inventory of accounts payable to each consultant and vendor.

**3. Policy:**

Approval of the Payment of Claims and Warrants to be Drawn for the Payment of Claims will be documented by the approved minutes of the monthly Authority meetings.

**Rolling Invoice Processing:** When vendor invoices are determined by the Executive Director as being ready for payment following the administrative procedures<sup>2</sup> for approving invoices, the Executive Director and Treasurer have the following authority:

- a. A list of claims will be generated twice a month by the Program Operations Manager and sent via email to the Executive Director and Treasurer for approval to process payment. Both will respond within two business days.
- b. Upon approval, the Authority accountant makes payments using 1 of the 3 payment processes:
  - Printed checks
  - Electronic payments through an Automated Clearing House (ACH)
  - Wired payments

**Advanced Payment Approval:** When an urgent need occurs requiring the timely payment of an invoice prior to the next regularly scheduled payment process, the Executive Director is Authorized to approve the following payments:

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<sup>1</sup> Authority refers to Governing Boards.

<sup>2</sup> Where the Executive Director or Board Treasurer is unavailable, their designated backup may provide approval.

- a. Reoccurring expenses such as, but not limited to, rents and utilities: The delegated authority not to exceed amount of \$100,000 for each occurrence.
- b. Non-routine payments: The delegated authority not to exceed amount of \$500,000 for each occurrence.
- c. The aggregated amount authorized by this policy in a single month for the above categories 3a through 3b is limited to \$550,000 unless otherwise approved in advance by the Authority Board Chair.

**4. Process:**

For each of the categories described in Section 3, the expense must have been included in the current approved Budget and Work Plan. If not, approval must be received from the Authority Board.

Checks require two signatures: ~~one by an authorized Authority Board member in addition to the Authority's Board Treasurer.~~ Any of the following Authority Board positions are authorized signatories.

Board Chair

Vice Chair

Secretary

Treasurer

Electronic payments will be requested by the Authority accountant and submitted for bank processing on the next business day.

Each wire payment requires the Authority accountant and Board Treasurer to submit and approve the transaction.

**5. Policy Term:**

This Policy will be reviewed ~~at least every three years and confirmed by way of a resolution adopted at the appropriate Authority Board meeting.~~ as needed and any required changes will be approved by the

**6. Reporting:**

All payments of claims (both paid and unpaid) will be reported on a monthly basis to the Budget and Finance Committee as an information item and approved by the Reservoir Committee and Authority Board.