



**NASHUA REGIONAL PLANNING COMMISSION**

**OPERATING POLICIES**

**ADOPTED MARCH 18, 2020**

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NASHUA REGIONAL PLANNING COMMISSION  
OPERATING POLICIES

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## INTRODUCTION

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### A. Organization

The Nashua Regional Planning Commission was established by the New Hampshire legislature through RSA 36:46. The Commission is composed of thirteen communities, (Amherst, Brookline, Hollis, Hudson, Litchfield, Lyndeborough, Mason, Merrimack, Milford, Mont Vernon, Nashua, Pelham and Wilton) all located in Hillsborough County, New Hampshire. Operating as a political subdivision of the State of New Hampshire, the Commission serves in an advisory role to local governments to promote coordinated planning, orderly growth, efficient land use, and the protection of the natural environment. The Commission facilitates the betterment of the region through review of issues of regional concern and coordination of local planning efforts. Commissioners are appointed from member communities according to the provisions of RSA 36:46(III) making up the Commission that governs the NRPC. Representatives are nominated by the planning board of each municipality and are appointed by the municipal officers of each municipality. Each municipality appoints alternate Commissioners as they see necessary. The bylaws of the Commission specify that a nine-member Executive Committee shall be elected from among the Commissioners and alternates and shall include three officers serving terms of no more than 2 years each: The Chair, Vice-Chair and Treasurer. The Commission also appoints the Executive Director based on recommendation of the Executive Committee.

NRPC's mission is to provide leadership, facilitation, and coordination for member communities in implementing the regional vision.

NRPC serves as a resource to support and enhance local planning, provides a forum for communities to share information, and coordinate land use, environmental and transportation planning at the regional level, and provides a clear voice for the region at the State and Federal levels.

NRPC provides its member communities with comprehensive planning services addressing environmental, land use, transportation, and regional planning issues as well as offering mapping and data services that utilize the latest technologies.

### B. Internal Control Structure

#### *Commitment to Sound Financial Management*

Nashua Regional Planning Commission is committed to responsible financial management. The organization will work together to ensure that all financial matters are addressed with care and integrity.

The guidelines contained in this policy are designed to:



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- Create reliable financial reporting and ensure the maintenance of accurate records of Nashua Regional Planning Commission's financial activities
- Provide a framework of operating standards and expectations
- Ensure compliance with federal, state, and local reporting requirements

**Accounting System**

Nashua Regional Planning Commission uses QuickBooks accounting software.

Nashua Regional Planning Commission will maintain records and provide reports in such form and containing information as required by its funding sources. Accounts and documents will be maintained in a manner that permits expeditious determination of the status of funds and the levels of services, including the disposition of all monies received from funding sources and the nature and amount of all charges claimed against such funds.

**Internal Controls**

The Executive Director has the responsibility of administering and ensuring compliance with policies.

Effective control and accountability shall be maintained for all assets of the organization. NRPC shall safeguard all assets and ensure that they are used for authorized purposes.

To provide an accurate and auditable record of all financial transactions, organizational books, records, and accounts must be maintained in conformity with generally accepted accounting principles. Staff shall be responsible for safeguarding organization assets under their control and for maintaining an auditable record of financial transactions.

Further, the organization specifically requires that:

- No funds or accounts may be established or maintained for purposes that are not fully and accurately described on the books and records of the organization.
- Receipts and disbursements must be fully and accurately described on the books and records of the organization.

If any staff member has reason to believe that the organization's books and records are not in accord with the foregoing requirements, he/she shall immediately report the matter to the Executive Director or Executive Committee.



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## C. Governance

### Financial Team & Line of Authority

#### **Commission**

The NRPC Commission shall:

- Adopt annual budget;
- Adopt annual work plan; and
- May authorize the Executive Director to enter into contractual agreements

#### **Executive Committee**

The Executive Committee shall have the sole authority to approve such matters as:

- Recommend adoption of the annual operating budget to the NRPC Commission
- Recommend adoption of the work plan to the NRPC Commission
- Approval of monthly financial statements
- Review and approve procedures to be used in the purchase of supplies and equipment as well as the award of contracts and the expenditures of all Commission funds.
- Treasurer reviews payment transactions and sign checks.

#### **Executive Director**

The Director shall be responsible for the following fiscal activities:

- Approve and monitor the budget and present to the Executive Committee and Commission for approval
- Review and present monthly financial statements to the Executive Committee for approval
- Review internal controls and financial policies as needed
- Oversee the annual audit of the organization's financial statements by a certified public accounting firm
- Oversee general and daily financial management
- Make spending decisions within the parameters of the approved operating budget

### Confidentiality and Records Security

The financial system is restricted with limited access. Only the Executive Director and assigned operations staff shall have access to financial systems of NRPC. The accounting system has sufficient built-in general controls and application controls to preclude unauthorized access to data.

## D. Fiscal Year

The fiscal year of Nashua Regional Planning Commission is July 1 to June 30.



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**E. Accrual Accounting**

NRPC maintains its records on an accrual accounting basis.

**F. Maintenance and Amendments to Manual**

Changes or amendments to these policies may be approved by the Executive Committee at any time. Every two years, the contents of this policy shall be reviewed by staff and any updates and changes recommended to the Executive Committee for approval.

**I. REVENUE, CASH RECEIPTS & ACCOUNTS RECEIVABLE**

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**A. Revenue Goals and Reports**

The responsibility for attaining the budgeted revenue goals of Nashua Regional Planning Commission on a yearly basis is shared by the Executive Director and the Executive Committee.

**B. Banking**

All organization bank accounts shall be federally insured. Accounts are held with Bar Harbor Bank & Trust and TD Bank and are enrolled in the collateral program and as such are federally insured.

**C. Receipt of Cash**

Cash receipts will be processed on a daily basis by the Business Manager. Cash receipts received when the Business Manager is out of the office will be left in a designed and secure spot in the Business Manager's office and processed upon the return of the Business Manager.

Accurate records regarding all checks and accompanying documentation, including photocopies where appropriate, shall be maintained at all times.

Checks and other cash receipts shall be retained in a secured area with access limited to designated staff until deposited.

Funds shall be deposited on a timely basis and no less frequently than once each week.



## D. Reconciliations

Bank statements shall be reconciled monthly and reviewed by the Executive Director.

## II. PURCHASING

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### A. Signature Authority

The Executive Director has authority to execute the following documents related to purchases on behalf of NRPC:

- Contracts for general and professional services
- Capital Purchases up to \$75,000
- Leases and rental transactions up to \$75,000
- Proposals and Grant Applications

### B. Normal Expenditures

Expenditures that are ordinary and conform to the approved annual budget shall be initiated in writing and approved by the Executive Director.

### C. Procurement Procedures

The NRPC procurement policy will be followed.

### D. Lease of Office Space

When the office lease is due for renewal, the Executive Director will review space requirements and seek proposals for renewal and/or alternative locations in conformance with the NRPC procurement policies. The Executive Director shall approve and execute all leases.

### E. Independent Contractors, Control Of

The use of consultants will be closely monitored so as not to vary from the rules of the Internal Revenue Service. Monitoring will be in conformance with NRPC's sub-recipient monitoring.

### III. CASH DISBURSEMENTS

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#### A. Signature Authority

All checks issued by NRPC shall be signed by one of the following authorized officials:

- Executive Director
- Assistant Director
- Chair
- Treasurer

Checks payable to the Executive Director shall be signed by an individual holding one of the other authorized positions.

Two authorized signatures are required on all checks over \$1,000.

The deliberate splitting of invoices which has the sole purpose or effect of meeting the parameters of this authority is prohibited.

#### B. Line of Credit

In order to ensure timely payment of liabilities despite varying revenue streams, NRPC maintains a line of credit with TD Bank.

The Executive Director has the authority to renew existing lines of credit.

The Executive Director may approve draws against the line of credit as needed for operations. Disbursements from the line will be reflected as a liability in monthly financial reports.

#### C. Cash Disbursements

Vendor invoices are processed as follows:

- Invoices are reviewed and posted to QuickBooks by the Business Manager.
- Invoices are reviewed and approved by the Executive Director.

Invoices are paid by the Business Manager.

All disbursements shall be:

- Made by check or electronic funds transfer (EFT) and accompanied by substantiating documentation that justifies the purpose of the disbursement.
- Coded to a GL expense, class, and approved by the Executive Director.

Storage and other check procedures:



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- Blank checks are stored in the Business Manager’s office in a locked file cabinet.
- All checks are pre-numbered.
- No checks may be written to “cash” or “bearer.”
- The practice of pre-signing blank checks is not permitted.

Expense report forms and checks payable to the Executive Director must be approved by the Treasurer or Chair, or if needed the Assistant Director.

The Executive Director, designated as an authorized check signer, may not have any responsibilities related to the recording of financial transactions, maintenance, or reconciliation of financial records of the organization.

#### **D. Credit Cards**

NRPC has a credit card with Bank of America. Written credit card policy below shall be followed regarding the use, documentation, and approvals of any expense paid for using the NRPC credit card.

Reconciliations for all credit cards shall be performed monthly.

##### **Purpose**

These procedures are intended to accomplish the following:

1. To ensure procurement with credit cards is accomplished in accordance with the policies and procedures established by NRPC.
2. To enhance productivity, significantly reduce paperwork, improve controls, and reduce the overall cost associated with small purchases.
3. To ensure appropriate internal controls are established within NRPC so credit cards are used only for authorized purposes.
4. To ensure NRPC bears no legal liability from inappropriate use of credit cards.

##### **Scope**

The Executive Director will make all decisions regarding the issuing of individual cards and the establishment of any and all additional controls for their use.

##### **Applicability**

This procedure applies to all NRPC staff.



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Use of Credit Card

CREDIT CARDS ARE TO BE USED FOR NRPC PURCHASES ONLY. Cash advances are permitted only in cases of emergency after consultation and approval by the Executive Director.

Credit cards will not be used for personal purchases of any kind. Use of a credit card for personal purchases or expenses with the intention of reimbursing the NRPC is prohibited.

Unless previously approved the total amount of a single purchase may not exceed the limit of \$1,000. Payments for purchases are not to be split in order to stay within the single purchase limit.

When using a credit card, the designated card user should:

1. Ensure that the goods or services to be purchased are budgeted and allowable.
2. Determine if the intended purchase is within the Cardholder's Credit Card limits.

Documentation and payment procedures

It is important that designated card users adhere to the following procedures. Failure to keep adequate receipts or abuse of these provisions will result in cancellation of credit card privileges.

1. Documentation – Any time a purchase is made using a credit card, the designated card user is to obtain a customer copy of the charge slip, which will be approved by the Executive Director and submitted to the Business Manager as documentation of the purchase.
2. Missing Documentation – If the designated card user does not have a receipt or other original purchase documentation, a statement that includes a description of the item, date of purchase, merchant's name, and an explanation for the missing support documents must be approved by the Executive Director and submitted to the Business Manger as documentation of the purchase.
3. Payment Procedures – Purchases made by employees and listed on the credit card statement must be verified and approved by Executive Director, account (task) numbers assigned for each transaction, and submitted to the Business Manager for payment.
4. Any missing receipt or purchasing record will need to follow instructions in #2 above (Missing Documentation). It is the card user's responsibility to submit documentation in a timely manner.

Approval

The NRPC Treasurer will review each transaction on the statement. At a minimum, the items, vendor and account number will be reviewed to determine if the purchase was made for official use and in accordance with policies and procedures.



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If for any reason the NRPC Treasurer questions the purchases, it must be resolved with the Executive Director or Business Manager. Resolution for improper use of the Credit Card will be the responsibility of the Executive Director and Treasurer. Disciplinary action will result for misuse of the credit card. Abuse of the credit card program could result in termination.

**Lost or Stolen Credit Cards**

It is the responsibility of the Executive Director or designated card user to immediately notify the Business Manager of a lost or stolen credit card.

Failure to promptly notify the issuing bank of the theft or loss of the credit card could make NRPC responsible for any fraudulent use of the card and result in loss of privileges for the designated card user.

**Termination or Transfer**

Upon termination of employment of any reason, a designated cardholder must relinquish his/her credit card at the time of separation from NRPC. The Business Manager will notify the credit card Issuer and the cardholder's card will be immediately deactivated. Anyone who fraudulently uses the credit card after separation from NRPC will be subject to legal action.

**Audits**

Random audits may be conducted by the Business Manager for all credit card activity and receipt retention as well as statement review.

**E. Adjusting Journal Entries**

Journal entries shall be recorded and reviewed monthly. All monthly journal entries are included in the Audit binder and approved monthly by the Executive Director at the close of each month.

**IV. PAYROLL**

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**A. Payroll**

- Personnel files shall be maintained in a locked cabinet in the Business Managers office.
- Changes in staff payroll data shall be approved only by the Executive Director and supporting documentation shall be maintained in the employee's personnel file.



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- Changes in the Executive Director's compensation shall be approved by the Executive Committee, and a letter documenting the change shall be signed by the Chair and maintained in the Executive Director's personnel file.
- Timesheets are approved by the employee's supervisor weekly.
- Payroll is processed Bi-Weekly in QuickBooks.
- No loans or advances on payroll will be made.
- All employment tax deposits shall be made and returns prepared and submitted in a timely manner.
- Form 941 - Employer's Quarterly Federal Tax Returns shall be reconciled to the general ledger quarterly.

## **V. BUDGETING AND FINANCIAL REPORTING**

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### **A. Budgeting**

An annual operating budget will be established by the Executive Director and approved by the Executive Committee. The Executive Committee shall approve the annual budget no later than the June meeting before the start of the fiscal year.

The actual operating results will be compared to the budget on a monthly basis. Significant variances will be explained by the Executive Director to the Executive Committee.

Significant changes may be accounted for as part of a mid-year budget and may be adopted by the Commission at their December meeting.

### **B. Chart of Accounts**

A Chart of Accounts is used to code assets, liabilities, revenues, and expenses to the proper accounts in the general ledger.

### **C. Classes**

Separate "classes" are used in QuickBooks to separately identify each contract. A class list is maintained to track all projects.

### **D. Financial Statements & Reporting**

NRPC's fiscal period and method of accounting are indicated in the Introduction section of this Manual.



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The financial reports shall include information about all of Nashua Regional Planning Commissions funds and cash position.

Financial reports shall be prepared on a monthly basis and reviewed and approved by Executive Director prior to distribution. Copies shall be provided to the Executive committee.

Monthly internal financial reports shall include:

- Balance Sheet
- Profit & Loss budget vs actual

**E. Audit**

Nashua Regional Planning Commission will have an audit conducted annually by an independent certified public accountant.

Every three years, proposals for auditing services shall be secured, although a change in auditors is not required.

The Executive Director shall review the completed audit report and present along with the audit firm the financial statements to the Executive Committee for approval.

NRPC is required to have its audit conducted in accordance with U.S. generally accepted auditing standards, the standards for financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States, the Single Audit Act and Amendments currently in effect, and the provisions of Uniform Grant Guidance, "Audits of States, Local Governments, and Non-Profit Organizations."

The scope of the audit shall also meet any additional requirements associated with sources of funds received during that fiscal year.

Copies of the accepted audit report(s) will be provided to the Executive Committee and will also be made available to the public upon request.

Nashua Regional Planning Commission will assure the timely and appropriate resolution of audit findings and recommendations.

**F. Document Retention & Disposal**

NRPC will retain documents as follows:

Type of Document	Minimum Requirement
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently



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<b>Type of Document</b>	<b>Minimum Requirement</b>
Bank reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases)	Permanently
Contracts, mortgages, notes, and leases (expired)	7 years
Contracts (still in effect)	Contract period
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	2 years
Employment applications	3 years
Expense analyses/expense distribution schedules	7 years
Year-end financial statements	Permanently
Insurance records, current accident reports, claims, policies, and so on (active and expired)	Permanently
Internal audit reports	3 years
Inventory records for products, materials, and supplies	3 years
Invoices (to customers, from vendors)	7 years
Minute books, bylaws, and charter	Permanently
Patents and related papers	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 years

In the event that any funding sources (i.e. contract agreements) impose specific requirements that are more stringent than those prescribed by law, the more stringent requirements shall be followed.

## **VI. FEDERAL CASH MANAGEMENT**

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The Nashua Regional Planning Commission (NRPC) maintains the following procedures for cash management:



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All federal contracts the NRPC enters into (directly or indirectly) must include the following and be retained in a Contract Binder in the Business Managers office:

1. Requirements for sub-awards if allowed;
2. Requirements for cost analysis, match requirements, record keeping, and billing procedures;
3. Specifics for suspension or extension options of contract; and
4. Any and all appropriate federal requirements and regulations that pertain to the award.

All grants and projects setup within the QuickBooks accounting software include:

- CFDA title and number.
- Federal award identification number and year.
- Name of Federal Agency.
- Name of pass-through entity, if any.

All federal requirements pertaining to the specific contract and award shall be followed.

Reimbursement requests for costs previously incurred shall follow stated guidelines and rules within the contract or award. The NRPC shall monitor each contract's costs and expenditures closely to ensure that they do not go over budget and that the cash is available for spending. All efforts shall be taken to avoid spending monies that are unavailable or incurring costs not expected to be reimbursed.

Responsibility for determining how required match amounts or limits for matching, levels of effort, or earmarking will be secured, are those of the Executive and/or Assistant Director and accomplished in the preparation and collaboration of contract proposal and preparation with said federal agency or agencies.

Methods of valuing matching requirements and in-kind contributions of property and/or services, calculations of effort, etc. are maintained by the Business Manager and overseen by the Executive Director or Assistant Director in the management of the contract over the duration of the contract. These methods are to be based on federal requirements specific to that award as stated in the awarded contract or based on accepted federal policies for that program. Day to day accounting of match, level of effort, or earmarking is monitored and documented by the Business Manager during the course of the awarded contract.

Subcontracts between NRPC and another entity will be established consistent with federal requirements governing the award. Payments will be a monthly basis and invoices must be received by NRPC by the 8th of each month to be included in the upcoming billing cycle, unless otherwise specified in the contract with the grantee. Unless explicitly forbidden by the granting agency NRPC is not obliged to make a payment disbursement under a sub-agreement for grant funds which are not first made available by the federal granting agency.



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NRPC uses the following federal requirements in establishing its procedures for administering all awards for federally funded program agreements:

- [OMB Uniform Guidance, Subpart E \(Cost Principles\)](#)

Additionally, the allow-ability of costs is further determined by any additional federal requirements pertaining to the specific contract and award.

Subsequent to the identification of any instances of non-compliance, NRPC shall take prompt action to remedy the situation. All such actions shall be documented in writing.

## **VII. EQUIPMENT PURCHASE AND DISPOSITION**

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The Business Manager shall maintain all records for acquisitions and disposition of property acquired with federal awards by retaining purchase receipts and confirmation of purchase and attaching them to expense vouchers for review and approval. Such documentation is to be maintained for equipment with a useful life greater than one-year and acquisition cost equal to or greater than \$5,000. Backup documentation will be retained in an inventory folder in the locked file cabinet.

GIS Manager will maintain, and record equipment purchases on a spreadsheet showing date of purchase, model, status and location of equipment, and price and contract award information.

Property tags are placed on each item that corresponds with the spreadsheet.

Physical inventories of equipment are performed once every two years.

Upon receipt, all inadequate or broken equipment received shall be returned to the vendor with a request for full refund or replacement. If refund is given, the federal award shall be credited for the refund amount that was originally requested of the contract.

Support contracts and warranty paperwork items will be filed with the Business Manager and the GIS Manager as applicable.

There are risks from vendor inadequacy, quality of goods, or services and delivery, warranty assurances, user support, etc. The NRPC shall scrutinize each situation and purchase choice and attempt to make intelligent and responsible choices. Some monetary risks may be avoided by using know previously reliable vendors.



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Disposition instructions from the federal awarding agency will be requested if required by the terms and conditions of the award.

Equipment items with an FMV of \$5,000 or less will be retained, sold or otherwise disposed of with no further obligation of the Federal awarding agency.

**Reference Quick Links for More Information:**

- [2 CFR §200.303](#) Internal Controls
- [2 CFR §200.327](#) Financial reporting
- [2 CFR §200.328](#) Monitoring and reporting program performance
- [2 CFR §200.305](#) Payment
- [Subpart E—Cost Principles](#) of 2 CFR §200

## **VIII. PROCEDURES FOR DETERMINING ALLOWABLE COSTS**

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All costs incurred are reviewed monthly to determine that the cost is an allowable cost under the federal award. (200.403)

All costs must:

- Be necessary and reasonable;
- Be consistent with policies and procedures that apply to both federal and nonfederal funding;
- Be consistent;
- Be adequately documented; and
- Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.

<b><i>Selected Cost Item</i></b>	<b><i>Uniform Guidance General Reference</i></b>	<b><i>Allowable/Unallowable</i></b>
Advertising and public relations costs	§200.421	Allowable with restrictions
Advisory councils	§200.422	Allowable with restrictions
Alcoholic beverages	§200.423	Unallowable
Audit services	§200.425	Allowable with restrictions
Compensation – fringe benefits	§200.431	Allowable with restrictions
Conferences	§200.432	Allowable with restrictions
Depreciation	§200.436	Allowable with qualifications
Employee health and welfare costs	§200.437	Allowable with restrictions
Entertainment costs	§200.438	Unallowable with exceptions



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<b><i>Selected Cost Item</i></b>	<b><i>Uniform Guidance General Reference</i></b>	<b><i>Allowable/Unallowable</i></b>
Equipment and other capital expenditures	§200.439	Based on specific requirements
Fines, penalties, damages, and other settlements	§200.441	Unallowable with exception
Gains and losses on disposition of depreciable assets	§200.443	Allowable with restrictions
Goods or services for personal use	§200.445	Unallowable (goods/services); allowable (housing) with restrictions
Insurance and indemnification	§200.447	Allowable with restrictions
Interest	§200.449	Allowable with restrictions
Lobbying	§200.450	Unallowable
Losses on other awards or contracts	§200.451	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)
Maintenance and repair costs	§200.452	Allowable with restrictions
Materials and supplies costs, including computing devices	§200.453	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	§200.454	Allowable with restrictions; unallowable for lobbying organizations.
Organization costs	§200.455	Unallowable except Federal prior approval
Plant and security costs	§200.457	Allowable; capital expenditures are subject to §200.439
Professional service costs	§200.459	Allowable with restrictions
Proposal costs	§200.460	Allowable with restrictions
Publication and printing costs	§200.461	Allowable with restrictions
Recruiting costs	§200.463	Allowable with restrictions
Rental costs of real property and equipment	§200.465	Allowable with restrictions
Selling and marketing costs	§200.467	Unallowable with exceptions
Training and education costs	§200.472	Allowable for employee development
Transportation costs	§200.473	Allowable with restrictions
Travel costs	§200.474	Allowable with restrictions

## IX. TRAVEL

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Employees who must use their personal automobiles in the conduct of job-related activities will be reimbursed for such costs as mileage, tolls, and parking fees. Normal commute miles are not reimbursable. Mileage is computed between the starting point and the destination, minus the employee's normal commute if applicable, or as may be required by any contract, grant or granting agency.

Round trips NRPC > Destination > NRPC are fully reimbursable.

Costs for travel, meals and/or lodging expenses incurred by an employee on NRPC business out of the region must have prior approval of the Executive Director.

Reimbursement will be limited to the cost of travel by a direct route or on an uninterrupted basis. Employees will be responsible for any additional costs. NRPC will not pay for excess costs resulting from circuitous routes, delays, or luxury accommodations or services unnecessary or unjustified in the performance of official business.

### A. Examples

Examples for trips other than the standard NRPC > Destination > NRPC:

HOME > DESTINATION > HOME:

- Employee lives in Concord and travels to Pelham for a workshop. Round trip travel from Home to Pelham is 78.8 miles. The employee's normal commute from Home to NRPC is 69.4 miles. This normal commute would be deducted from the trip and the employee would be reimbursed for 9.4 miles. Note in the "Description" column of the expense sheet "less normal commute of XX miles"

NRPC > DESTINATION > HOME

- Employee lives in Milford and attends an evening Planning Board meeting in Litchfield departing directly from NRPC. After the meeting the employee drives directly home, not returning to the office. The mileage from NRPC to Litchfield, 9.7 miles which are fully reimbursable. Mileage from Litchfield to Home is 22 miles from which the employee's normal commute of 11.5 miles from Home to NRPC should be deducted and the employee would be reimbursed for 10.5 miles for the 2<sup>nd</sup> leg of the trip. Note in the "Description" column of the expense sheet "less normal commute of XX miles"

### B. Submitting Travel and Expense Sheets

Expense sheets, on a form and in a manner prescribed by the Executive Director, are to be kept by each employee and must be submitted before reimbursement is made for any eligible



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expense. Original receipts for all expenses other than mileage must be submitted with the expense sheets.

Travel reimbursement forms SHALL be submitted no less frequently than monthly and are due on the 5th of every month for the previous month. For example, all November mileage must be submitted by December 5th. The travel form should ONLY include expenses for the 1-month period. Travel items from 2 different months should not be combined on a single expense sheet.

### **C. Overnight Travel**

Employees must estimate costs ahead of time to identify the least-cost solution to travel, particularly for multi-day events. Hotel stays are limited to situations where the combined costs justify an overnight stay and are at the discretion of the Executive Director. Employees must exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business.

### **D. Airlines**

All air-travel is to be via coach-class. If a carrier denies a confirmed reserved seat on a plane or an employee is compensated for voluntarily vacating their reserved seat, the employee must remit any payment you receive for liquidated damages to NRPC.

## **X. SUB-RECIPIENT MONITORING AND MANAGEMENT**

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NRPC must determine whether the recipient of each sub-agreement it makes is a “contractor” or “sub-recipient” for the disbursement of Federal funds. In making such a determination, NRPC will utilize the following definitions: [§200.23 Contractor](#) and [§200.93 Subrecipient](#) along with the guidance found in §200.330. Generally, “sub-recipients” are instrumental in implementing the applicable work program whereas a “contractor” provides goods and services for NRPC’s own use. Contractors will be subject to NRPC’s Procurement Policies. Subrecipients are subject to the NRPC Subrecipient Monitoring and Management Policies.

NRPC in its administration of Federal funds will monitor any sub-recipients in accordance with [2 CFR §200.330 to §200.332 Subrecipient Monitoring and Management](#).

NRPC is considered a "pass-through entity" in relation to its sub-recipients, and as such requires that its consultants and sub-recipients comply with applicable terms and conditions (flow-down provisions). All sub-recipients of Federal or State funds received through NRPC are subject to the same Federal and State statutes, regulations, and award terms and conditions as NRPC.



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## **A. Subaward Contents and Communication**

In the execution of every sub-award, NRPC will communicate the following information to the sub-recipient and include the same information in the sub-award agreement.

1. Every sub-award will be clearly identified and include the following Federal award identification:
  - Subrecipient name
  - Subrecipient's unique ID number (DUNS)
  - Federal Award ID Number (FAIN)
  - Federal award date
  - Period of performance start and end date
  - Amount of federal funds obligated
  - Amount of federal funds obligated to the sub-recipient
  - Total amount of Federal award
  - Total approved cost-sharing or match required where applicable
  - Project description responsive to FFATA
  - Name of Federal awarding agency, pass-through entity and contact information
  - CFDA number and name
  - Identification of the award is R&D
  - Indirect cost rate for the Federal award
2. Requirements imposed by NRPC including statutes, regulations, and the terms and conditions of the Federal award.
3. Any additional requirements NRPC deems necessary for financial or performance reporting of sub-recipients as necessary.
4. An approved indirect cost rate negotiated between sub-recipient and the Federal government or between the pass-through entity and sub-recipient.
5. Requirements that NRPC and its auditors have access to the sub-recipient records and financial statements.
6. Terms and conditions for closeout of the sub-award.

## **B. Subrecipient Monitoring Procedures**

All NRPC project managers are responsible for sub-recipient monitoring under the supervision of the Executive Director. NRPC will monitor the activities of the sub-recipient to ensure the sub-award is used for authorized purposes. The frequency of monitoring review will be specified in the sub-award and conducted concurrently with all invoice submission.

Subrecipient monitoring procedures include:



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1. At the time of proposal, assess the potential of the sub-recipient for programmatic, financial, and administrative suitability.
2. Evaluate each sub-recipient's risk of noncompliance prior to executing a sub-award. In doing so, NRPC will assess the sub-recipient's:
  - Prior experience with the same or similar sub-awards.
  - Results of previous audits and single audit (if applicable).
  - New personnel or new or substantially changed systems.
  - The extent and results of Federal awarding agency monitoring.
3. Confirm the statement of work and review any non-standard terms and conditions of the sub-award during the negotiation process.
4. Monitor financial and programmatic progress and ability of the sub-recipient to meet objectives of the sub-award. To facilitate this review, sub-recipients are required to submit sufficient invoice detail and a progress report. NRPC project managers will encourage sub-recipients to submit regular invoices.
5. Invoices and progress reports will be date stamped upon receipt if received in hard copy. A record of the date of receipt will be maintained for those invoices sent electronically.
6. In conducting regular oversight and monitoring, NRPC project managers' will:
  - Verify invoices include progress reports.
  - Review progress reports to ensure project is progressing appropriately and on schedule.
  - Compare invoice to agreement budget to ensure eligibility of costs and that costs do not exceed budget.
  - Review invoice to ensure supporting documentation is included and invoices costs are within the scope of work for the projects being invoiced.
  - Obtain report, certification and supporting documentation of local (non-federal)/in-kind match work from the sub-recipient.
  - Review sub-recipient match tasks for eligibility.
  - Initial the progress report and invoice confirming review and approval prior to payment.
  - Raise any concerns to the Executive Director.
7. The Executive Director, upon recommendation from the Project Manager, will approve invoice payment and will initial invoices be confirming review and approval prior to payment.
8. Payments will be withheld from sub-recipients for the following reasons:
  - Insufficient detail to support the costs billed;
  - Unallowable costs;
  - Ineligible costs; and/or
  - Incomplete work or work not completed in accordance with required specifications.
9. Verify every sub-recipient is audited in accordance with 2 CFR §200 Subpart F – Audit Requirements

Subrecipient project files will contain, at a minimum, the following:

- Project proposal
- Project scope
- Progress reports
- Interim and final products
- Copies of other applicable project documents as required, such as copies of contracts or MOUs

### **C. Audit Requirements**

All sub-recipients are required to annually submit their audit and Single Audit report to NRPC for review to ensure the sub-recipient has complied with good accounting practices and federal regulations. If a deficiency is identified, NRPC will:

- Issue a management decision on audit findings pertaining to the Federal award
- Consider whether the results of audits or reviews indicate conditions that necessitate adjustments to pass-through entity’s own records

### **D. Methodology for Resolving Findings**

NRPC will work with sub-recipients to resolve any findings and deficiencies. To do so, NRPC may follow up on deficiencies identified through on-site reviews, provision of basic technical assistance, and other means of assistance as appropriate.

NRPC will only consider taking enforcement action against non-compliant sub-recipients in accordance with 2 CFR 200.338 when noncompliance cannot be remedied. Enforcement may include taking any of the following actions as appropriate:

- Temporarily withhold cash payments pending correction of the deficiency
- Disallow all or part of the cost of the activity or action not in compliance.
- Wholly or partly suspend or terminate the sub-award.
- Initiate suspension or debarment proceedings.
- Withhold further Federal awards for the project or program.
- Take other remedies that may be legally available.

## **XI. PROCUREMENT POLICIES**

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The following Procurement Policies shall apply to all Contracts for and Purchases of goods and services.



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All procurements made with Federal funds will be consistent with [2 CFR §200.317 through §200.326 Procurement Standards](#). These policies are to ensure that goods and services are procured at the best available price consistent with high quality, that sound business and ethical practices are adhered to in all NRPC business transactions and that all transactions are completed in a manner that provides for open and free competition.

The Executive Director has primary responsibility and oversight for purchasing activities of NRPC and has the authority to delegate purchasing responsibilities as appropriate. The Executive Director will periodically review and evaluate these procedures to ensure the best internal controls possible.

All purchases shall comply with appropriate and relevant federal, state and local laws as well as with NRPC's policies. In the event that federal, state or local laws, regulations, grants or requirements are more restrictive than this policy, such laws, regulations, grants or requirements shall be followed.

### **A. Procurement Standards**

To ensure open and free competition:

- Unreasonable requirements shall not be placed on firms and/or individuals in order for them to qualify to do business.
- No geographical preferences shall be used in the evaluation of bids or proposals unless State/Federal statutes expressly mandate or encourage a geographic preference.
- Contract specifications or statements of work may not unduly restrict competition and must identify the requirements that proposing firms or individuals must fulfill and the factors to be used in evaluating bids or proposals.
- Splitting purchases or contracts to avoid competition is prohibited.

Purchase Types and Proposal Evaluation Requirements shall follow the federal purchase type thresholds as found in 2 CFR §200 unless otherwise stated by the funder and/or contract in which case the more stringent shall prevail. NRPC's thresholds and requirements shall be as follows:

- Micro Purchase (under \$10,000): competition is not required; however, a good faith effort should be made to compare prices with comparable suppliers.
- Small Purchase (\$10,0001-\$150,000): competition is required to establish a competitive price. Preferably, price or rate quotes from at least three qualified sources must be documented. If three price or rate quotes are not possible, document attempts. For recurring expenses, price or rate quotes may be obtained and documented every two to three years. This can be through a formal RFP process or requesting quotes from potential vendors. When a competitive proposal method is not feasible for a small purchase, a sole source purchase may be made. This would require either the item or service is only

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available from a single source, an emergency situation that does not allow additional time for a competitive process, the granting agency authorizes noncompetitive negotiations, or competition is deemed inadequate after solicitation of a number of sources.

- Competitive Proposals (all purchases over \$150,000): Competitive proposals are required through a sealed bid process. All qualified sources must submit formal written bids, proposals or qualifications. RFPs or RFQs may be used. If only one proposal is received, the procurement may qualify as a single source and would require review by the Executive Director. documentation must include:
  - Formal written bids, proposals, or qualifications from all qualified sources.
  - The method of procurement.
  - The evaluation and selection process.
  - The basis for the contract price.
  - Final labor, overhead rates.

Requirements for Requests for Proposals/Qualifications shall be as follows unless otherwise stipulated by the funder and/or contract in which case the more stringent shall prevail:

- Request for Proposals (RFP) is used when the specific requirements and/or technical specifications of a project are unclear and criteria in addition to pricing are needed. The proposal is a solution which typically includes a scope of project and/or service, approach, technical capabilities, financial information, and references.
- Request for Qualifications (RFQ) is used to evaluate the qualifications of firms and/or consultants to determine which are most qualified to provide the service needed. RFQs are evaluated on technical factors and qualifications including education, experience, management, and other applicable criteria. RFQs may be used in conjunction with RFPs.
- The following requirements apply to RFPs and RFQs:
  - All RFP/Qs must be reviewed and approved by the Executive Director before being issued;
  - The RFP/Q must be publicized and identify the evaluation factors and their relative importance, and state that all complete and timely submittals will be considered;
  - All RFP responses must contain cost or price estimates;
  - The primary selection criterion will be the ability of the firm/consultant to understand the issues and accomplish the tasks described in the RFP/Q;
  - For RFPs, the proposal most advantageous to the program will be selected, even when the preferred proposal is not the lowest priced; and
  - For RFQs, competitors' qualifications will be evaluated, and the most qualified competitor will be selected, subject to negotiation of fair and reasonable compensation.

## B. Procurement Process

1. Determine the applicable purchase type and requirements based upon the anticipated total cost. Costs shall not be divided in an attempt to create a lower total cost to avoid a procurement method or competition requirements. If one item being purchased requires another item to be complete or make a whole, the total cost of the two items together should be considered to determine the procurement method, unless the two items cannot be acquired from a single supplier. Total quantity, taxes, freight, and installation costs, as well as the total costs expected for all phases of a multi-phase project, are to be included when estimating the anticipated total costs.
2. Complete and document all requirements for the applicable purchase type.
3. Have materials reviewed and approved by the Executive Director. No payments may be made prior to receipt of goods or services unless approval is obtained from the Executive Director.
4. After steps 1-3 are complete, purchase or execute the contract for the goods and/or services.
5. Promptly submit all purchase requests and other commitment documentation to the Finance Manager.

## C. Contracts

Contracts funded directly under State/Federal grants shall adhere to State/Federal statutory and regulatory requirements. The Executive Director shall sign all contracts and contract amendments. Documentation in the contract file must include:

- The method of purchase or procurement.
- The evaluation and selection process.
- The basis for the contract price.
- Final labor, overhead rates.

Regarding contract texts, all contracts shall include:

- Termination clause for cause or convenience if over \$10,000
- Remedies for breach of contract if over \$50,000
- Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) certification for contracts exceeding \$100,000

Legal counsel review may be required for contracts not using the NRPC boilerplate contract template.

All Contracts over \$10,000 require an RFP or RFQ. The RFP/Q must be publicized and identify the evaluation factors and their relative importance. All RFP/Qs must contain cost or price estimates. Proposals or qualifications must be solicited from at least three qualified sources. For



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RFQs specifically, competitors' qualifications will be evaluated, and the most qualified competitor will be selected, subject to negotiation of fair and reasonable compensation.

A contract will not be executed with parties listed on the government-wide exclusions in the System for Award Management (SAM). Additionally, contractors will be required to submit annual audits to NRPC to ensure the contractor has complied with good accounting practices and federal regulations.

**D. Protest Procedure**

Unsuccessful proposers will be afforded the opportunity of a debriefing conference if they so request. The request for a debriefing conference must be made within three days of receipt of the notification indicating that their proposal was not selected. Discussions will be informal and limited to a critique of the requesting consultant's proposal. NRPC representatives will explain the scoring of a consultant's proposal. Debriefings may be conducted in person or by telephone and may be limited to a specific period of time.

Records of the RFP/Q solicitation, evaluation, scoring, and selection process shall be kept on file for the life of the project.

**E. Contract Oversight**

NRPC project managers will be responsible for day to day contract administration and will report any aberrations to the Executive Director.

NRPC will ensure that contractors meet their responsibilities by making certain that contractors:

- Know and understand applicable federal requirements.
- Have adequate project delivery systems.
- Have sufficient accounting controls to manage Federal funds properly.

NRPC will provide adequate monitoring of the contracts' administrative actions to assure compliance with Federal and/or agreement requirements.

In the event that a contractor is unable to satisfactorily complete the work, and after unsuccessful attempts to remedy the situation, a contract may be terminated. NRPC will reimburse the contractor for all costs incurred, but not those in excess of the contract, in the performance of the project up to and including the effective date of termination.



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**F. Conflicts of Interest**

No employee, commissioner or agent of NRPC shall participate in the selection, award or administration of a contract or authorization of a purchase if a conflict of interest, real or perceived, would be involved.

Such a conflict could arise when the employee, commissioner or agent of NRPC has a financial or other interest in the firm selected for award, has directly or indirectly given his/her opinion on the matter, has formed an opinion on the matter, or has prejudged the matter to any degree. In some instances, this may also extend to any immediate family member of the employee, commissioner or agent, or his/her partner, or an organization which employs or is about to employ any of the above.