



#10

Purchase Order

Fiscal Year 2018

Page 1 of 1

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
 Purchase Order # **00180547-001**

B I L L T O

ADMIN
 HAYWOOD COUNTY ADMINISTRATION
 215 N MAIN STREET -THIRD FLOOR
 COURTHOUSE
 WAYNESVILLE, NC 28786

V E N D O R

0
 MAB-RGA WAYNESVILLE LP
 525 N TRYON ST
 STE 1600
 CHARLOTTE, NC 28202

S H I P T O

ADMIN
 HAYWOOD COUNTY ADMINISTRATION
 215 N MAIN STREET -THIRD FLOOR
 COURTHOUSE
 WAYNESVILLE, NC 28786

Vendor Phone Number		Vendor Fax Number		Requisition Number		Delivery Reference	
334-462-8851		919-882-8023				J CRK SOIL RECLAM PRJ-HAULIN	
Date Ordered	Vendor Number	Date Required	Freight Method/Terms		Department/Location		
01/08/2018	35153				ECONOMIC DEVELOPMENT		
Item#	Description/Part No.			Qty	UOM	Unit Price	Extended Price
1	JONATHAN CREEK SOIL RECLAMATION PROJECT-HAULING			1.0	EA	\$25,000.00000	\$25,000.00
	ADMIN J CRK SOIL RECLAM P HAYWOOD COUNTY ADMINISTRATION 215 N MAIN STREET -THIRD FLOOR COURTHOUSE WAYNESVILLE, NC 28786 Phone: 828-452-6625 FAX: 828-452-6715						
	48	-4920-519205-18JCK				\$25,000.00	
	48	-4920-519205-18JCK				25,000.00	

Purchase Order Total
\$25,000.00



HAYWOOD COUNTY

PURCHASE REQUISITION

DATE REQUESTED: 1/8/2018 DATE WANTED:

Table with columns: QUANTITY, DESCRIPTION, ITEM #, ACCOUNT, UNIT PRICE, EXTENSION. Includes entry for Jonathan Creek Soil Reclamation Project Hauling with a total of \$25,000.00.

SUGGESTED BIDDERS: MAB-RGA WAYNESVILLE, LP. 525 N. Tryon Street, Ste. 1600 Charlotte, NC 28202. SHIP TO: Haywood County Administration 215 N. Main Street Waynesville, NC 28786. FOR PURCHASING USE ONLY: VENDOR #, P.O. # 180547, ATTACHMENTS.

I HEREBY CERTIFY THAT THE ARTICLES NAMED IN THIS WITHDRAWAL ARE NECESSARY FOR THE OPERATIONS OF THIS DEPARTMENT.

Handwritten notes: *see attached pages signed & approved by BOCC chair, Kirk Kirkpatrick

DEPARTMENT HEAD OR DESIGNEE signature and date 1/8/18

PURCHASING MANAGER signature and date 1/8/18

**THIS INSTRUMENT PREPARED BY AND
AFTER RECORDING RETURN TO:**

Jeffery J. Stahl
Stahl Cowen Crowley Addis, LLC
55 W Monroe Street, Suite 1200
Chicago, Illinois 60603
HAYWOOD COUNTY TAX CERTIFICATION

DATE 11/20/17 BY KH.

There are no delinquent taxes due that are a lien
against parcel number(s) 8607-27-9452

Mike Matthews, Haywood County Tax Collector

Date: 11-20-17 By: [Signature]



2017010764

HAYWOOD CO, NC FEE \$26.00
PRESENTED & RECORDED

11-20-2017 08:50:10 AM

SHERRI C. ROGERS
REGISTER OF DEEDS
BY: STACY C. MOORE
ASSISTANT

BK: RB 941

PG: 83-94

TEMPORARY EASEMENT AND FILL AGREEMENT

THIS TEMPORARY EASEMENT AND FILL AGREEMENT (the "Agreement") is made this 17th day of November, 2017 (the "Effective Date"), by and between the Haywood County, North Carolina a body politic and corporate (the "Grantor"), and MAB-RGA WAYNESVILLE, LP, a Delaware limited partnership ("MAB").

RECITALS

WHEREAS, the Grantor, is the owner of that certain real property (the "Grantor Property") situated at the southwest corner of Potts Drive and Jonathan Creek Road, in Haywood County, North Carolina, as more particularly described on Exhibit A attached hereto and made a part hereof;

WHEREAS, MAB is the owner of that certain real property (the "MAB Property"), situated in the Town of Waynesville, Haywood County, North Carolina, as more particularly described on Exhibit B attached hereto and made a part hereof;

WHEREAS, the Grantor Property and the MAB Property are sometimes hereinafter referred to collectively as the "Parcels" or singularly as a "Parcel" and Grantor and MAB are sometimes referred to herein collectively as the "Parties" and individually as a "Party" and Grantor and MAB, and all subsequent owners of all or any portion of the Parcels are sometimes referred to herein collectively as the "Owners" and individually as the "MAB Owner" or the "Grantor Owner";

WHEREAS, MAB desires to establish an exclusive, temporary easement on, across and through the Grantor Property for purposes of (a) relocating soil and other similar fill materials consistent with the geotechnical report prepared by MAB's consultant, PM Environmental, Inc., free of construction debris (the "Fill") from the MAB Property to the Grantor Property into stockpile(s), and (b) the right to (i) clear such portions of the Grantor Property required for relocation of the Fill; (ii) enter the Grantor Property, and (pursuant to the Permits, as hereafter defined) utilizes a haul road onto and across the Grantor Property, for

purposes of relocating the Fill; (iii) allow MAB and its contractors, employees, agents and equipment to access and remain upon the Grantor Property in connection with relocating the Fill; and (iv) act in compliance with the Permits (hereinafter defined below) such that any erosion control measures erected or constructed on the Grantor Property by Grantor are not disturbed and remain intact as same may be required in connection with relocation of the Fill (collectively the "Easement"); and to enter into certain covenants and agreements with Grantor in connection with said Easement, all as more fully set forth in this Agreement; and

WHEREAS, Grantor, having the requisite authority to encumber and bind the Grantor Property, desires to grant the Easement to MAB and to enter into certain covenants and agreements with MAB in connection with said Easement, all as more fully set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00) in hand paid, for the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

AGREEMENTS

1. **Recitals.** The Recitals set forth above are incorporated herein by reference as if full set forth hereinafter.

2. **Grant of Easement.** Grantor, on behalf of itself and its successors and assigns, hereby grants to MAB, for the benefit of MAB, the Easement, on, across and through the Grantor Property, which Easement shall expire on the Completion Date, as defined in Section 6 below.

3. **Permits/Licenses.** Grantor shall obtain any and all permits, licenses or other governmental approvals required in connection with relocation of the Fill (as published in the geotechnical report by MAB's consultant, PM Environmental, Inc.) from the MAB Property to the Grantor Property (collectively the "Permits"). Grantor is applying with NCDEQ and NCDOT for permits and will promptly notify MAB when approved. On or before December 5, 2017, Grantor shall have placed on the Grantor Property, erosion control measures and silt fencing in an area designated by Grantor, which shall, at a minimum, be directly accessible from the haul road and no less than one (1) contiguous acre in size ("Pre-Permit Fill Area"). Prior to the issuance of the Permits, MAB shall be permitted to deposit Fill within the Pre-Permit Fill Area, and agrees not to deposit Fill in any other area of the Grantor Property unless and until the issuance of the Permits. Grantor shall be responsible for the installation of all erosion control measures, including stone entrance, haul road, silt fence, sediment basin and similar as same may be required by such Permits. Should any of the Permits require MAB's approval or consent, MAB agrees it will not unreasonably withhold, condition, or delay such consent or approval. Further, Grantor will make applications for Permits to be issued at the Grantor Property, whether in the name of MAB, in the name of Grantor, or any combination thereof. MAB will cooperate with the reasonable requests of Grantor in connection with the obtaining of any Permits required hereunder.

4. **Payment of Costs; Minimum Deposit.** MAB agrees that the Fill deposited at the Grantor Property shall be provided at no cost to the Grantor; provided however, the Grantor agrees it shall reimburse MAB for the reasonable costs and expenses incurred in relocating of the Fill onto the Grantor Property as follows: Grantor will reimburse MAB one dollar (\$1.00) for every one (1) cubic yard of Fill deposited at the Grantor Property (the "Reimbursement"), and MAB agrees to deposit no less than twenty-five thousand (25,000) cubic yards (the "Minimum Deposit") of Fill at the Grantor Property. MAB will notify Grantor when it has, or is in the process of, depositing the final amounts of the Minimum Deposit, prior to MAB depositing any further Fill at the Grantor Property. MAB shall thereafter deposit no further amounts of Fill at the Grantor Property without the prior approval of Grantor, which approval will not be unreasonably withheld, conditioned or delayed. After the Completion Date, as hereafter defined, MAB will present a written invoice to Grantor attesting to completion of the work and the amount for which MAB is billing Grantor for reimbursement. The Reimbursement shall be paid to MAB by Grantor within thirty (30) days of MAB's presentment of an invoice. Grantor, at its sole cost and expense, shall obtain two (2) topographical surveys of the Grantor Property, which surveys shall be performed by a Professional Licensed Surveyor in the State of North Carolina, the first upon the Effective Date, and the second within thirty (30) days after of the Completion Date, which surveys may be used to determine the total amount of Fill deposited at the Grantor Property.

5. **Placement of the Fill.** Upon delivery of the Fill from the MAB Property to the Grantor Property, MAB shall be permitted to deposit the Fill as directed by the Grantor and pursuant to the Permits, provided that no deposits may be made within those portions of the Grantor Property located within the FEMA designated Floodway, as depicted on Exhibit C attached hereto and delineated on the Grantor Property (the "Restricted Zone"). Other than as required under the Permits, MAB shall only be required to keep the Restricted Zone free from Fill, and may otherwise stockpile the Fill across the Grantor Property, in quantities, locations and manner as reasonably determined by the Grantor. Once Fill has been deposited at the Grantor Property, MAB shall have no further obligations or responsibilities with respect to such Fill, including but not limited to the obligation to compact, spread or otherwise further handle the Fill at the Grantor Property. Other than the representation that the Fill shall be free of construction debris, MAB makes no representation or warranty, express or implied, as to the consistency, quality or suitability of the Fill deposited at the Grantor Property. Grantor has previously examined the geotechnical report published by MAB's consultant, PM Environmental, Inc., for the MAB Property and has independently determined and satisfied itself that it is willing to accept the Fill from the MAB Property described therein.

6. **Duration of Easement.** The Easement shall remain effective until the earlier of (i) the date on which MAB has completed relocation of Fill from the MAB Property to the Grantor Property; (ii) two (2) years from the date of this Agreement; or upon MAB's early termination of this Agreement pursuant to Section 19 below (the "Completion Date"). Notwithstanding the expiration of the Easement on the Completion Date, all other terms and

conditions contained in this Agreement, including but not limited to the Grantor's obligation to pay the Reimbursement to MAB, shall remain in full force and effect thereafter.

7. **Covenant not to Interfere.** Grantor, on behalf of itself and its successors and assigns, covenants and agrees not to suffer or permit the erection of any manmade or natural barrier or suffer or permit any other interference which adversely affects the MAB Owner's use or enjoyment of the Easement without the prior written consent of MAB Owner.

8. **Binding Nature of Grant.** Except for the Reimbursement, the foregoing rights, covenants, duties and obligations shall not be personal to the Parties hereto but shall be covenants running with the land, inuring to the benefit of and binding up the then current Owners and lawful occupants of the respective Parcels. MAB shall have sole rights to the receipt of the Reimbursement. All rights hereunder may be enforced at law or in equity.

9. **Recording.** This Agreement may be recorded by either Party hereto, with the Party requesting such recording to bear the cost and expense relating to the same.

10. **Costs of Enforcement.** If legal action is initiated by either Party against the other for the purpose of enforcing or interpreting this Agreement, the prevailing Party shall be entitled to recover from the losing Party its reasonable expenses, including attorneys' fees and costs.

11. **Amendments.** The provisions of this Agreement may be modified or amended only by written instrument signed by all Parties.

12. **Headings.** The headings contained in this Agreement are for convenience only and shall in no way expand or limit the scope of meaning of the various sections and paragraphs hereof.

13. **Waiver.** A Party's waiver of any covenant or condition contained in this Agreement shall not be construed as a waiver of a subsequent breach hereof. The consent or approval by a Party to or of any act by the other Party requiring such consent or approval shall not be deemed to render unnecessary the consenting Party's consent or approval to or of any subsequent act. No breach of a covenant or condition of this Agreement shall be deemed to have been waived unless such waiver is in writing and signed by the waiving Party.

14. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

15. **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute on and the same instrument.

16. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, without reference to its choice of law provisions.

17. **Relationship of the Parties.** Nothing in this Easement shall be deemed or construed to create the relationship of principal and agent, or of limited or general partners, or of joint ventures or of any other association between the Parties.

18. **Entire Agreement.** This Agreement supersedes all prior agreements and understandings between the Parties relating to the subject matter hereof.

19. **Early Termination.** Notwithstanding anything to the contrary in this Agreement, in the event that the Grantor has failed to obtain all Permits required for MAB to deposit the Fill at the Grantor Property on or before December 15, 2017, MAB have the option to terminate this Agreement at any time thereafter, and upon such election by MAB, this Agreement shall be considered as null and void, and of no further force or effect on either party. If MAB terminates this Agreement pursuant to this Section 19, MAB shall not be required to deposit the Minimum Deposit at the Grantor Property, and the Grantor shall only be required to pay to MAB the Reimbursement for the amounts of Fill delivered at the Grantor Property, through the date of such early termination by MAB.

[Counterpart Signatures Continue on Following Pages]

IN WITNESS WHEREOF, the Grantor has executed, or caused this Easement Agreement to be executed, on the day and date first written above.

HAYWOOD COUNTY, NORTH CAROLINA.

By: J. Kirkpatrick III
Name: JAMES W. KIRKPATRICK III
Its: COUNTY CHAIRMAN

ACKNOWLEDGMENT

STATE OF NORTH CAROLINA)
) ss.
COUNTY OF Haywood)

I, the undersigned Notary Public in and for said County and State, hereby certify that James Kirkpatrick, III, as Chairman of the Board of Commissioners for Haywood County, North Carolina, is signed to the foregoing instrument, and who is known to me, acknowledged before this day that, being informed of the contents of the instrument, he, as such individual and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand this 17 day of November, 2017.

[AFFIX SEAL BELOW]



E. Elizabeth C. Way
Notary Public

My Commission Expires: February 13, 2019

IN WITNESS WHEREOF, MAB has executed, or caused this Easement Agreement to be executed, on the day and date first written above.

MAB-RGA WAYNESVILLE, LP a Delaware limited partnership

By: Cary Uetz

Name: Cary Uetz

Its: Authorized Agent

ACKNOWLEDGMENT

STATE OF NORTH CAROLINA)
) ss.
COUNTY OF MECKLENBURG)

I, the undersigned Notary Public in and for said County and State, hereby certify that CARY UETZ, as AUTHORIZED AGENT of MAB-RGA WAYNESVILLE, LP, a Delaware limited partnership, is signed to the foregoing instrument, and who is known to me, acknowledged before this day that, being informed of the contents of the instrument, he, as such individual and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand this 16th day of NOVEMBER, 20 17.

[AFFIX SEAL BELOW]



Patricia Goldfarb
Notary Public

My Commission Expires: 3/29/2022

EXHIBIT A

LEGAL DESCRIPTION OF GRANTOR PROPERTY

8607-27-9452

BEGINNING at an iron stake set (being a metal fence post) at the Western right-of-way of Jonathan Creek Road (U.S. Hwy. 276) which iron stake lies North 17-12-52 East 98.39 feet from NCGS Monument "TRIT" (NCGS Monument "MULE" lies North 28-55-44 East 2,988.07 feet from "TRIT") and runs North 67-31-37 West 839.22 feet (passing through a new iron stake [metal fence post] at 793.82 feet) to a point in the center of Jonathan Creek; thence with Jonathan Creek, as it meanders, seven calls: (1) North 22-10-24 East 99.48 feet, (2) North 39-58-40 East 213.22 feet, (3) North 36-12-48 East 447.36 feet, (4) North 71-28-35 East 204.98 feet, (5) North 52-50-46 East 276.30 feet, (6) North 43-16-11 East 217.77 feet, and (7) North 45-41-53 East 287.26 feet to a point on the Northern edge of a steel and timber bridge spanning the creek, being the Westmost corner of the Thomas Bryan Medford lot described in Deed Book 327 at Page 50; thence with the Southerly margin of that Lot and his adjoining Lot described in Deed Book 419 at 1163, and a tract belonging to John Michael Medford (461/82) South 43-56-43 East 354.68 feet (running generally along Pitts Drive) to an iron pin set in the Westerly margin of the right-of-way of Jonathan Creek Road where Potts Drive intersects with said Road; thence with said right-of-way seven calls: (1) South 29-03-53 West 10.12 feet to the South edge of Potts Drive; (2) continuing South 29-03-53 West 41.23 feet, crossing a 40-foot Drainage Easement belonging to the N.C.D.O.T. as described in Deed Book 238, Page 596, said easement running parallel with Potts Drive, (3) continuing South 29-03-53 West 105.07 feet to a concrete R/W Monument; (4) South 29-04-39 West 701.26 feet to another concrete R/W Monument, (5) South 29-06-56 West 145.77 feet, (6) South 28-30-20 West 153.38 feet, and (7) a curve to the left (Radius 2,661.48 feet a linear distance of 286.88 feet (Chord South 24-17-56 West 286.74 feet) to the BEGINNING, containing 22.091 acres, per survey and plat of L. Kevin Ensley, PLS, dated March 23, 2007, entitled "Survey for William Lucius Jones" and identified as Job B-005-07.

SUBJECT TO the aforesaid USDOT Drainage Easement and the easement for Potts Drive as the same exists, and the rights of various persons, if any, to take water from Jonathan Creek.

This property is located within a Flood Zone.

Reference: Will Book 4 Page 431; Deed Book 75 Page 184 Tract 1; Deed Book 122, Page 637

EXHIBIT B

LEGAL DESCRIPTION OF MAB PROPERTY

PARCEL 1 (PIN 8616-12-9629):

BEGINNING AT A P.K. NAIL IN THE WESTERN MARGIN OF A 25-FOOT RIGHT OF WAY AT THE NORTHEAST CORNER OF MUSE'S PROPERTY (DEED BOOK 363, PAGE 702, HAYWOOD COUNTY REGISTRY), SAID NAIL BEING THE BEGINNING POINT OF THE PROPERTY DESCRIBED IN DEED DATED DECEMBER 30, 1988, FROM JOHN M. CHERBA AND WIFE, GEORGIA P. CHERBA, TO KENNETH K. STAHL AND WIFE, JEAN J. STAHL (DEED BOOK 396, PAGE 89), AND RUNS THENCE ALONG AND WITH MUSE'S LINE S 86-42-29 W 163.38 FEET TO A NEW IRON PIPE IN MUSE'S LINE (BOOK 291, PAGE 595); THENCE ALONG AND WITH MUSE'S (LAST-MENTIONED) LINE N 06-53-22 W (CROSSING A 3-FOOT BRANCH) 224.78 FEET TO AN EXISTING IRON PIPE IN THE SOUTHERN MARGIN OF THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY; THENCE ALONG AND WITH SAID RIGHT OF WAY EIGHT (8) CALLS AS FOLLOWS: N 31-34-14 E (WITH A FENCE LINE) 70.19 FEET TO A RIGHT OF WAY MONUMENT; N 27-15-09 20.00 FEET TO A RIGHT OF WAY MONUMENT; N 65-52-42 E (WITH A FENCE LINE) 194.39 FEET; N 64-29-37 E 8.63 FEET TO A RIGHT OF WAY MONUMENT; S 29-48-38 E 222.51 FEET; S 34-45-23 E 36.54 FEET TO A RIGHT OF WAY MONUMENT; N 55-14-37 E 30.49 FEET TO A RIGHT OF WAY MONUMENT; S 32-10-28 E 50.10 FEET TO AN EXISTING IRON PIPE; THENCE S 68-20-55 W 51.42 FEET TO A POINT IN THE CENTER OF A 20-FOOT RIGHT OF WAY; THENCE ALONG AND WITH THE CENTER OF SAID RIGHT OF WAY AND WITH A DRIVEWAY THREE (3) CALLS AS FOLLOWS: N 83-46-33 W 85.36 FEET; N 74-41-33 W 80.00 FEET; N 55-41-33 W 40.00 FEET TO A POINT IN THE WESTERN MARGIN OF THE FIRST-MENTIONED 25-FOOT RIGHT OF WAY; THENCE ALONG AND WITH THE WESTERN MARGIN OF SAID 25-FOOT RIGHT OF WAY S 05-05-33 E (PASSING AN EXISTING IRON PIPE AT 12.94 FEET) 134.52 FEET TO THE BEGINNING, CONTAINING 1.854 ACRES, AS PER THE PLAT OF SURVEY BY MOORE'S LAND SURVEYING (ROBERT H. MOORE, R.L.S.) DATED APRIL 18, 1989, ENTITLED "S & S ASSOCIATES - MOUNTAINEER COURTYARD INN" (DRAWING NO. 01-A-08-89-80).

TOGETHER WITH ANY APPURTENANT RIGHTS AND EASEMENTS (i) IN THAT DEED OF RIGHT OF WAY RECORDED IN BOOK 301, PAGE 159, HAYWOOD COUNTY REGISTRY, AND (ii) IN THAT 20 FOOT RIGHT OF WAY SET FORTH IN DEED RECORDED IN BOOK 402, PAGE 447, HAYWOOD COUNTY REGISTRY.

PARCEL 2 (PIN 8616-12-9531):

BEGINNING ON AN IRON SPIKE LOCATED IN THE WESTERN BOUNDARY OF THE 25-FOOT RIGHT OF WAY, THE SOUTHEAST CORNER OF THE LOT CONVEYED TO LONG (DEED BOOK 337, PAGE 484) AND RUNNING THENCE WITH THE WESTERN BOUNDARY OF THE 25-FOOT ROAD RIGHT OF WAY S 09-39-00 E (PASSING

THROUGH AN IRON SPIKE AT 75.98 FEET) 87.98 FEET TO AN IRON PIN; THENCE S 79-00-00 W, 151 FEET TO AN IRON PIN; THENCE N 11-33-55 W, 40.68 FEET TO AN IRON PIN; THENCE N 79-00-00 W, 9.45 FEET; THENCE N 11-33-55 W, 51.12 FEET TO AN IRON PIN AT THE SOUTHWESTERN CORNER OF LONG LOT (DEED BOOK 337, PAGE 484); THENCE WITH THE LONG LINE N 80-21-00 E, 163.24 FEET TO THE BEGINNING, AS SHOWN ON THE PLAT AND SURVEY OF JAMES T. HERRON, R.L.S., ENTITLED "MUSE COMMERCIAL PARK", DATED JUNE 29, 1979, REVISED MAY 24, 1984, DRAWING NO. 834-30-B.

TOGETHER WITH AN APPURTENANT EASEMENT IN THE DEED RECORDED IN BOOK 246, PAGE 554, HAYWOOD COUNTY REGISTRY.

PARCEL 3 (PIN 8616-12-7433):

BEGINNING AT A 2-INCH IRON PIPE FILLED WITH CONCRETE (FOUND), THE SOUTHWESTERN CORNER OF THE HUMBLE OIL AND REFINING COMPANY TRACT (SEE DEED BOOK 246, PAGE 554) IN THE NORTHERN MARGIN OF FRAZIER STREET IN THE TOWN OF WAYNESVILLE, AND RUNNING THENCE WITH THE MARGIN OF FRAZIER STREET, SOUTH 76-16-00 W 400.43 FEET TO AN IRON PIPE (FOUND), THE BUD ROBERTS TRACT (DEED BOOK 175, PAGE 237); THENCE LEAVING THE MARGIN OF THE STREET AND RUNNING WITH THE ROBERTS TRACT, N 13-57-40 W 340.99 FEET (PASSING THROUGH AN IRON STAKE (FOUND) AT 173.69 FEET) TO AN IRON PIPE (FOUND) IN THE SOUTHERLY RIGHT OF WAY LINE OF THE U.S. 276 APPALACHIAN HIGHWAY INTERCHANGE; THENCE WITH THE RIGHT OF WAY LINE OF THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION ON A CURVE TO THE RIGHT WITH A 1332.39 FEET RADIUS, AN ARC THE LENGTH OF 340.70 FEET TO A 2-INCH IRON PIPE FILLED WITH CONCRETE (FOUND) THE NORTHWEST CORNER OF TRACT 2 OF THE HUMBLE OIL AND REFINING COMPANY (SEE DEED BOOK 246, PAGE 554); THENCE WITH THE LINE OF SAID TRACT, THREE (3) CALLS AS FOLLOWS: S 38-3-00 E 28.18 FEET TO AN IRON STAKE, S 45-18-00 E 12.19 FEET TO AN IRON STAKE, AND ON A CURVE TO THE LEFT, THE RADIUS OF WHICH IS 1292.39 FEET, AN ARC LENGTH OF 20.50 FEET, THE CHORD OF WHICH HAS THE FOLLOWING CALL: N 57-20-00 E 20.50 FEET TO A 2-INCH IRON PIPE FILLED WITH CONCRETE (FOUND) IN THE SOUTHWESTERN MARGIN OF THE 10 FOOT WIDE EASEMENT AND RIGHT OF WAY STRIP CONVEYED TO HUMBLE OIL AND REFINING COMPANY (SEE DEED BOOK 246, PAGE 554); THENCE WITH THE SOUTHWESTERN EDGE OF SAID RIGHT OF WAY, THREE (3) CALLS AS FOLLOWS: S 45-18-00 E 46.08 FEET TO A STAKE, S 55-2-00 E 61.42 FEET TO A STAKE AND S 60-15-00 E 28.67 FEET TO A STAKE (LOCATED S 9-39-00 E 12.94 FEET, TO AN IRON STAKE (FOUND) IN THE CENTER OF THE OLD DELLWOOD ROAD); THENCE WITH THE WESTERN EDGE OF THE 25-FOOT RIGHT OF WAY WHICH WAS RESERVED BY TERRE ENTERPRISES, INC., OVER AND ACROSS THE WESTERLY MARGIN OF THE HUMBLE OIL TRACT, S 9-39-00 E 358.58 FEET TO THE BEGINNING, CONTAINING 4.05 ACRES, MORE OR LESS, OF WHICH 2.99 ACRES IS OUTSIDE THE CITY LIMITS OF THE TOWN OF WAYNESVILLE AND 1.06 ACRES ARE INSIDE THE CITY LIMITS OF THE TOWN OF WAYNESVILLE, ACCORDING TO THE PLAT AND SURVEY ENTITLED

"TERRE ENTERPRISES, INC." BY JAMES T. HERRON, R.L.S., DATED JANUARY 12, 1973. TOGETHER WITH THAT STRIP OF LAND BORDERED ON THE NORTHWEST BY THE 809.90 SQUARE FOOT TRACT (TRACT 2) OF HUMBLE OIL AND REFINING COMPANY, ON THE SOUTHWEST BY THE PROPERTY DESCRIBED ABOVE, ON THE EAST BY HUMBLE OIL AND REFINING COMPANY (TRACT 1) AND ON THE NORTHEAST BY JOSEPH W. SUTTON (DEED BOOK 277, PAGE 265) CONTAINING 1701.40 SQUARE FEET, AND BEING THE IDENTICAL TRACT OF LAND OVER WHICH THE HUMBLE OIL AND REFINING COMPANY WAS GRANTED AN EASEMENT AND RIGHT OF WAY IN PERPETUITY FOR AN OPEN ROAD, AS SET FORTH IN DEED BOOK 246, PAGE 554, THIS TRACT OF LAND BEING EXPRESSLY SUBJECT TO SAID RIGHT OF WAY AND EASEMENT IN FAVOR OF HUMBLE OIL AND REFINING COMPANY.

PARCEL 4 (PIN 8616-12-4331):

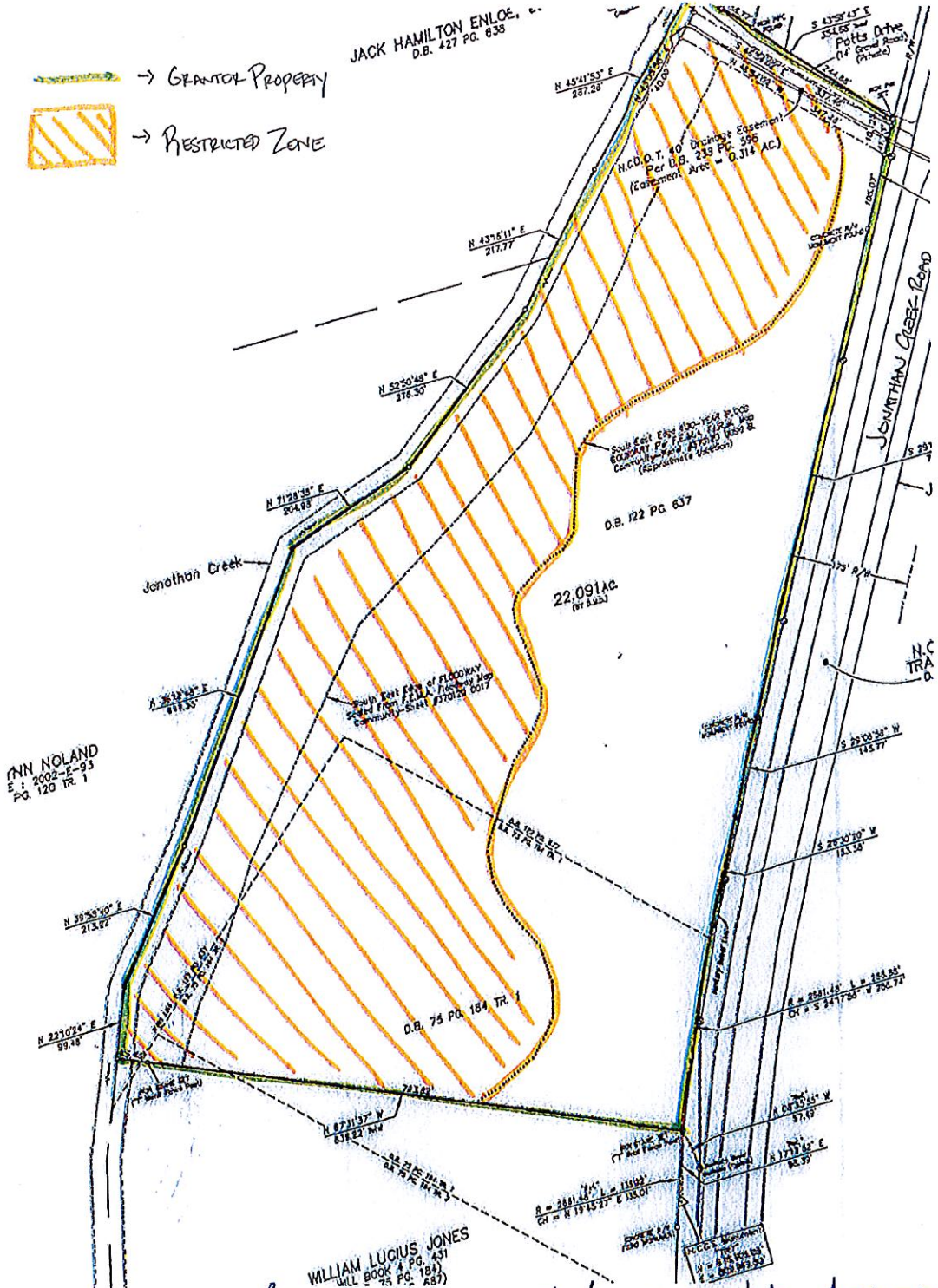
BEGINNING AT A STAKE IN THE NORTHWESTERLY MARGIN OF FRAZIER STREET AT THE SOUTHWEST CORNER OF THE FRANK ROGERS PROPERTY, AND RUNS THENCE N 10-30-00 W 345 FEET WITH A FENCE LINE AND WITH FRANK ROGERS PROPERTY TO A STAKE, COLLIER HOWELL AND FRANK ROGERS CORNER; THENCE WITH D. MOODY LINE AND WITH A FENCE S 4-00-00 W 369 FEET TO A STAKE IN THE NORTHERLY MARGIN OF FRAZIER STREET; THENCE WITH SAID MARGIN OF SAID STREET N 78-00-00 E 254 FEET TO THE BEGINNING, CONTAINING 1.72 ACRES MORE OR LESS.

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EXHIBIT C

**DEPICTION OF GRANTOR PROPERTY
AND LOCATION OF RESTRICTED ZONE**



This map may not be a certified survey and has not been reviewed by a local government agency for compliance with any applicable land development regulations and has not been reviewed for compliance with recording requirements for plats.

BOARD OF COMMISSIONERS

J. W. "KIRK" KIRKPATRICK, III, CHAIRMAN
BILL L. UPTON, VICE CHAIRMAN
L. KEVIN ENSLEY
MICHAEL T. SORRELLS
BRANDON C. ROGERS



INTERIM COUNTY MANAGER,
JOEL MASHBURN

COUNTY ATTORNEY
LEON M. KILLIAN, III

HAYWOOD COUNTY, NORTH CAROLINA
COUNTY PROJECT
CAPITAL PROJECT ORDINANCE
INCEPTION FISCAL YEAR 2017-2018

BE IT ORDAINED by the Haywood County Board of Commissioners that, pursuant to North Carolina General Statutes, Chapter 159, Section 13.2, the following Capital Project Ordinance is hereby adopted:

Section 1. The project authorized is the construction of a shovel ready site for Economic Development, or for County property use to be developed for County purposes, including site preparation and engineering fees.

Section 2. The officers of this unit are directed to proceed with the design and renovation of the project within the terms of this ordinance.

Section 3. The following amounts are estimated for the project:

C/O – grading/compaction	\$ 167,803
Engineering/surveying	19,600
Hauling	25,000
Soil compaction testing	14,799
Miscellaneous-permitting, seeding, site prep	17,725
Contingency	<u>12,247</u>
Total Expenditures	<u>\$ 257,174</u>

Section 4. The following revenues are anticipated to be available to complete the project.

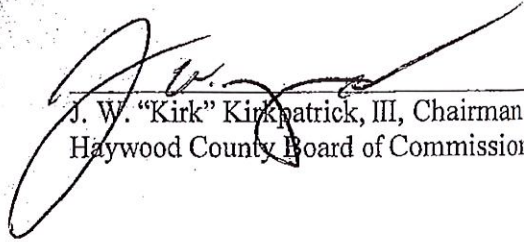
Installment loan proceeds	\$ 200,000
Transfer from General Fund	<u>57,174</u>
	<u>\$ 257,174</u>

Section 5. The Budget Officer and the Finance Director are to report on the financial status of this project on a regular basis and keep the Board informed of any unusual occurrences.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due.

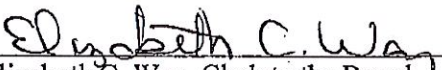
Section 7. Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

ADOPTED this the 18th day of December, 2017.



J. W. "Kirk" Kirkpatrick, III, Chairman
Haywood County Board of Commissioners

ATTEST:


Elizabeth C. Way, Clerk to the Board
Haywood County Board of Commissioners

HAYWOOD COUNTY
CAPITAL PROJECT BUDGET AMENDMENT
FISCAL YEAR 2017-2018

PER: 258
JNL: 258

BE IT ORDAINED by the Board of Commissioners of Haywood County that the following amendment be made to the capital project ordinance for the fiscal year ending June 30, 2018.

Re-enter $\frac{6}{286}$
Reversal $\frac{6}{279}$

Section 1. To amend the Capital Project Fund - County Building Renovations - the expenditures are to be charged as follows:

Line Item	Account Number	Current Budget	Increase (Decrease)	Amended Budget
County Projects:				
Jonathan Creek site development:				
Engineering/surveying	484920-519918-18JCK	-	19,600	19,600
Hauling	484920-519205-18JCK	-	25,000	25,000
Soil compaction testing	484920-519920-18JCK	-	14,799	14,799
Miscellaneous-permitting, seeding, site prep	484920-549900-18JCK	-	17,725	17,725
C/O - grading/compaction	484920-555700-18JCK	-	167,803	167,803
Project contingency	484920-599100-18JCK	-	12,247	12,247

which will result in a net increase of \$ 257,174 in the expenditures of the Capital Project Fund.

To provide the additional revenue for the above, the following revenues will be increased as the money has been received:

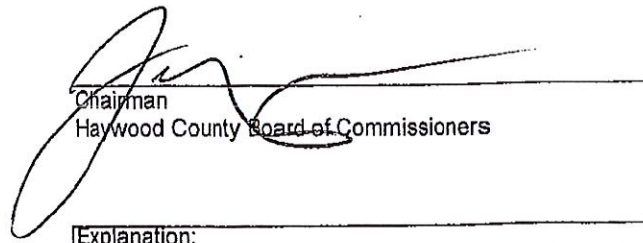
Revenue	Acct. No.	Current Budget	Increase (Decrease)	Amended Budget
Other financing sources:				
Installment loan proceeds	480110-491910-18JCK	-	200,000	200,000
Transfer from General Fund	480110-498111-18JCK	-	57,174	57,174
			<u>257,174</u>	

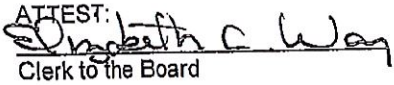
The effect on the General Fund is as follows:

Expenditures:	Acct. No.	Current Budget	Increase (Decrease)	Amended Budget
Economic Development -	114920-569900-EcD2		(57,174)	(57,174)
Other Financing (sources)/uses				
Transfer to CP Fund	119840-498048	-	57,174	57,174

Section 2. Copies of this amendment shall be delivered to the Budget Officer and the Finance Officer for their direction.

Adopted this the 18th of December, 2017.


Chairman
Haywood County Board of Commissioners

ATTEST:

Clerk to the Board

119840-
598048

Explanation:
To appropriate the amounts necessary to grade and prepare the Jonathan Creek property to be used for economic development purposes.



Purchase Order

Fiscal Year 2018

Page 1 of 1

Revisions 001

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKAGES AND SHIPPING PAPERS.

Purchase Order # **00180547-001**

Expiration Date 06/30/2018

Delivery must be made within doors of specified destination.

BILL TO

ADMIN
HAYWOOD COUNTY ADMINISTRATION
215 N MAIN STREET -THIRD FLOOR
COURTHOUSE
WAYNESVILLE, NC 28786

VENDOR

0
MAB-RGA WAYNESVILLE LP
525 N TRYON ST
STE 1600
CHARLOTTE, NC 28202

SHIP TO

ADMIN
HAYWOOD COUNTY ADMINISTRATION
215 N MAIN STREET -THIRD FLOOR
COURTHOUSE
WAYNESVILLE, NC 28786

Vendor Phone Number 334-462-8851		Vendor Fax Number 919-882-8023		Requisition Number		Delivery Reference J CRK SOIL RECLAM PRJ-HAULIN	
Date Ordered 01/08/2018	Vendor Number 35153	Date Required	Freight Method/Terms		Department/Location ECONOMIC DEVELOPMENT		
Item#	Description/Part No.	Qty	UOM	Unit Price	Extended Price		
1	JONATHAN CREEK SOIL RECLAMATION PROJECT-HAULING ADMIN J CRK SOIL RECLAM P HAYWOOD COUNTY ADMINISTRATION 215 N MAIN STREET -THIRD FLOOR COURTHOUSE WAYNESVILLE, NC 28786 Phone: 828-452-6625 FAX: 828-452-6715 48 -4920-519205-18JCK	1.0	EA	\$25,000.00000	\$25,000.00		
Purchase Order Total					\$25,000.00		

This agreement has been preaudited in the manner required by the local government budget and fiscal control act.

Terms and Conditions are attached. APPROVED FOR ISSUE.

Finance Officer Signature

VENDOR COPY

Purchasing Agent Signature

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made and entered into this the 13 day of December, 2017 by Avcon USA, LLC, a North Carolina limited liability company.

Avcon USA, LLC submitted bid for the Jonathan Creek Soil Reclamation Project on December 11, 2017, which had a total bid price of \$263,982.75. After review of bid, representatives from Haywood County, McGill Associates, and Steve Miller, representing Avcon USA, LLC, met on December 12, 2017 to discuss the project, bid prices, and contract documents. Prior to executing the contract, the following changes were agreed upon.

1. The Clearing and Grubbing area and method was discussed and the below was agreed upon. The Clearing and Grubbing area was reduced such that a stockpile area is now shown on the attached drawings. The total Cleared area was reduced from 9.29 acres to 8.28 acres. Clearing and Grubbing will include stripping and removal of vegetative materials and stalks, which on average is 2" of depth. The materials will be stockpiled on site, and they will not be re-spread by the Contractor once proposed contours are reached. Based on these changes, the specification 311000 Site Clearing is no longer applicable and will be removed prior to executing the Contract. In addition, the below text will replace Measurement and Payment line item 1a Clearing and Grubbing.

"ITEM 1A – CLEARING AND GRUBBING

Work included in this line item of payment shall include all clearing and grubbing within the limits of disturbance shown on the Drawings and stockpiling material onsite within the area indicated. The cleared and grubbed material will include vegetative material and stalks onsite, which on average is 2 inches in depth.

The quantity of clearing and grubbing will be paid for at the contract lump sum price in accordance with the Contract Documents. The lump sum price will be the full compensation for all labor, equipment, and materials necessary for clearing and grubbing (approximately 2 inches in depth of vegetative material and stalks). No compensation will be given for clearing and grubbing outside of the limits shown on the drawings without prior approval from Engineer. Included in this item is the stockpile of the clear and grubbed material within the area indicated on the drawings."

The unit price for Item #1A Clearing and Grubbing was agreed to be reduced from the bid price of \$16,800/LS to \$ 8,400.⁰⁰ /LS. This will result in a total net deduction of \$ 8,400.⁰⁰ for Item #1A.

2. The unit price for Item #3 Permanent Diversion Ditch was agreed to be reduced from the bid price of \$31.50/LF to \$ 7.50 /LF. This will result in a total net deduction of \$ 25,200.⁰⁰ for Item #3.

3. The unit price for Item #4 Slope/Ditch Matting was agreed to be reduced from the bid price of \$7.50/SY to \$ 4.00 /SY. This will result in a total net deduction of \$ 4200.00 for Item #4. This unit price change reflects an approval to use 6" stakes rather than 10" stakes as originally shown in the Bid Drawings. An updated detail is attached to this memorandum.
4. The quantity for Item #6 Earthwork was agreed to be reduced from 35,000 CY to 25,000 CY with the unit price remaining at \$3.15/CY. This results in a total net deduction of \$31,500.00 for Item #6.
5. Item #11 Seeding was agreed to be removed from the contract. As a result, Specification 329200 is not applicable to the project and will be removed from Contract Document. This results in a total net deduction of \$26,880.00 for Item #11.

Based on above changes to the project, prior to Contract Execution, the net deduction for all above items is \$ 96,180.00 which results in a new Total Bid Price of \$ 167,802.75.

This Memorandum of Understanding shall become a part of Contract Documents, which revises the bid submitted on December 11, 2017.

IN WITNESS WHEREOF, to indicate agreement to the above, the undersigned has executed this Memorandum of Understanding as of this the 13th day of December, 2017.

AVCON USA, LLC
a North Carolina limited liability company

By: **Avcon USA, LLC**
a North Carolina limited liability company

By: 

Enclosures:

Revised Drawing and Detail, Sheet R-1 and R-2 dated December 13, 2017

HAYWOOD COUNTY NORTH CAROLINA

Office/Department Fiscal Procedures

FISCAL YEAR
2017-2018

Last Update: June 2017

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Overview of Office/Departmental Fiscal Procedures

The following procedures have been established to facilitate uniformity and efficiency for all finance related functions within your office/department. These procedures cover purchasing, accounts payable, line item transfers, cash handling and other general information.

Purchasing Procedures - According to the Department of State Treasurer Policies Manual – Purchasing Policy, Section 35: “The purchasing process is designed to provide a proper system of internal control over purchasing, to insure that proper authorizations are obtained **before** items are purchased, and to ensure that statutory requirements for purchasing are followed.”

Any item or a combination of items from a single vendor costing \$1,000 or more **requires a signed *Purchase Order* before** the item(s) can be **ordered**.

If any item or combination of items of \$1,000 or more is purchased without proper approval (signed *Purchase Order*), an *Explanation for Unauthorized Purchase* form must be completed **before** the invoice can be paid. This form must be approved and signed by the county manager. Any item not approved may become the responsibility of the person incurring the expense. **Copies of all *Explanation for Unauthorized Purchase* forms are kept in the finance department and will be forwarded to the county manager at his request for the purpose of annual reviews.**

Office and Janitorial Supplies – All standard office and janitorial supplies must be approved and purchased through the finance department. See Office/Janitorial Supply procedures. You may use the standard *Purchase Requisition* form to order office or janitorial supplies.

→ Is effort to be documented

Capital Outlay – Obtain written quotes whenever possible; making sure that any additional charges are included in the quote (shipping, installation, etc.). Ideally, at least three written or documented telephone quotes should be obtained.

North Carolina state statutes **require formal bidding** procedures for certain items. Please see the finance department for these requirements. Formal bidding procedures apply to purchases of apparatus, supplies, materials and equipment of **\$90,000** or more, or construction costs of **\$500,000** or more.

Contracts – In order to maintain accurate records of current obligations by the county, **a copy of all contracts should be forwarded to the finance department once these have been finalized.** This includes lease agreements, contracts for services and maintenance agreements, as well as cell phone agreements.

What is a contract?

PO?
Quote?
Proposal?

Is a PO a Contract?

Please be reminded that office/department heads are **not** authorized to sign contracts, including leases, rental agreements, and buyers order for vehicles on behalf of the county. All contracts must be signed by the county manager after they have been reviewed by the finance director and the county attorney. Any deviation from this policy may void the contract and could cause the person that signed the contract to be held personally responsible for payment, as well as any additional charges incurred. Contracts should cover the fiscal year period from July 1 to June 30 to coincide with the county budgets. Contracts over \$50,000 must be preapproved by the Board of Commissioners. Pre-audit certification must be included on any contract and it must be signed by the finance director or deputy finance director. E-verify affidavits are required for formal contracts of purchases of apparatus, supplies, material, and equipment estimated to cost \$90,000 and above and contracts for construction or repair work estimated to cost \$500,000 and above. Notice of Iran Divestment Act Certification is also stated on the county POs and contracts requiring a contracting company to certify it is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.59.

*See Sent
5, EEF
Bud. Dir*

Purchase Requisition for Contracts - Once the contract has been approved and all proper authorizations are obtained, the office/department head should generate a *Purchase Requisition* and forward, along with the supporting paperwork, to the purchasing manager for processing. The contract amount will be fully encumbered at the beginning of the contract and funds will be paid as outlined in the contract payment agreement.

Needs some explanation

Accounts Payable Procedures – Accounts payable procedures are established in order to streamline the process of paying vendors, as well as to monitor expenditures. *Check Request* forms should be used for non-invoiced items.

Travel and Per Diem Procedures – Travel and per diem procedures are established in order to properly reimburse employees for business related travel expenses and meals while on meeting and training related trips (overnight trips outside of Haywood County).

Payroll Procedures – Payroll procedures are established to ensure the prompt and accurate compensation of all employees' time worked and/or benefits due.

Driver Disclosure Procedures – A Driver's Disclosure Form is required to be completed and submitted to the finance department for any employee who is driving a county vehicle or personal vehicle on county business. The form is from the North Carolina Department of Transportation, Division of Motor Vehicles, Traffic Records Section, and is necessary in order to access the records as required by the county vehicle fleet policy.

Line Item Transfer Procedures – Line item transfers (*Request for Transfer Between Objects of Expenditure*) are used to keep departmental budgets in line.

Cash Handling Procedures – Cash handling procedures are established to maintain control over all cash and checks taken in by county departments and offices.

Petty Cash Procedures – Petty cash procedures are established to ensure measures are in place to properly record expenses and to prevent misuse of county funds.

Office/Departmental Fiscal Procedure Forms – All office/departmental fiscal procedure forms are now available in Microsoft Excel format and can be found via the intranet.

A *Purchase Requisition* may be e-mailed or faxed directly to the purchasing manager for processing. For departments who generate purchase requisitions within MUNIS, please inform by e-mail or fax and attach the required quotes and backup. Only e-mails coming from authorized signers will be accepted. Please forward copies of all supporting paperwork (e.g., quotes and authorized signers signature, etc.) for all purchase requisitions to the purchasing manager. You can forward the paperwork either by scanning and attaching to the e-mail, faxing at the time of the request, or hand delivering the paperwork. The supporting paperwork will be attached to the *Purchase Order* and centrally filed in the finance department. The purchasing manager will hold the *Purchase Requisition* form or the MUNIS generated *Purchase Requisition*, until all appropriate paperwork is received.

Explanation for Unauthorized Purchase forms may be completed on the computer, printed out and signed prior to taking them to the purchasing manager. Faxes and e-mails will not be accepted for this form, as it requires a handwritten signature by the office/department head.

Check Requests and *Statement of Travel Expenses* (travel reimbursements) may be completed on the computer, printed out and signed prior to bringing them to the accounts payable manager for processing. Faxes and e-mails will not be accepted for these forms, as they require a handwritten signature and supervisor approval.

Accounts Payable Re-code Requests and *Accounts Receivable Re-code Requests* may be completed on the computer, printed out and signed prior to bringing them to finance for processing. The purpose of these forms is to request a reclassification for any amount that was originally coded to the wrong account.

Payroll Adjustment Authorization Form must be used for any deviation from the normal Kronos and MUNIS payroll process.

Day Travel Meals Expense form must be used for employees to be reimbursed for day meals when transporting a client (DSS) or transporting an inmate (Detention). The form is submitted through payroll.

Uniform/Clothing Benefit form is required for clothing allowances paid to or for employees.

Driver Disclosure Forms must be completed for all employees who do any driving for

county business, whether driving county vehicle or personal vehicle.

Request for Transfer Between Objects of Expenditure (line item transfer forms) may be completed on the computer and e-mailed to the appropriate finance department person or sent by inter office mail, however FAX copies are **not** accepted.

Cash Reconciliation Reports should be completed and compared to the daily deposit slip. The purpose of this form is to assist with preparing your daily deposit slips and to account for all receipts. The forms are to be filed in your department along with the bank validated pink copy of the deposit slip.

Daily Collection Reports may be completed on the computer, printed out and attached with the bank validated yellow copy of the deposit slips, which should then be delivered to the accounts receivable manager for posting.

Petty Cash Reimbursement forms should be completed each time petty cash needs to be replenished. The amount requested should be whatever amount is needed to bring the balance back up to the department's assigned petty cash balance.

Purchase Requisition Procedures

Once a need has been determined, the office/department head fills out a *Purchase Requisition* and submits it to the finance department.

The purchase of a product or service that will cost \$1,000 or more including shipping requires a *Purchase Order*. There are no exceptions to this, not even for contracts, advertising costs, training, subscriptions, or membership dues. **Do not include sales tax in the requisition amount. However, always include freight and shipping in the requisition amount.**

The *Purchase Requisition* form is prepared by the office/department making the request, and should include the following information:

- Date requested
- Quantity needed
- Complete description of the item requested **or** attach complete specifications with a notation "per attached specifications" typed on the requisition
- Department account number
- Unit price or estimated price
- Total extended price for each item
- Name and address of the vendor, if known
- Name of department and "Ship To" address
- Authorized departmental signature
- Date signed

If any of the above information is not supplied or if the description is too vague, the requisition will be returned for more complete information. If a quote was obtained that matches the requisition, please attach it when submitting your request.

Please make a notation on the requisition if you want the purchasing manager to place the order once the purchase order is completed, otherwise it will be the responsibility of the department to contact the vendor and place the order.

Separate requisitions shall be used for different types of purchases. For example, each of the following items shall be requisitioned separately:

- Office Supplies
- Janitorial Supplies
- Print jobs
- Furniture
- Services

- Automobiles
- Contracts and lease agreements
- Training
- Advertisements

- Computers (As a reminder, please contact IT before computer or technology related items are requested to obtain an ITPR form.)

The product description or specifications shall provide enough detail so that the finance department will fully understand what is to be purchased. The use of brand names is discouraged. The following guidelines shall be followed when writing specifications:

- Be specific, without mentioning a manufacturer or brand name if possible. If one brand name product is preferred over another, please state in detail your reasons why, and enclose any necessary literature to justify your reasons.
- Do not write specifications based upon only one manufacturer's product. Specifications shall include information about the quality of products needed when applicable. The finance department will strive to obtain a product that meets or exceeds the quality specified. If a variance in product quality is found between vendors, the purchasing manager shall be consulted before a final product selection is made.

Do not wait until your supply is completely depleted to re-order. Be advised that some items may require additional time for delivery from the vendor.

Office and Janitorial Supply Procedures - All office and janitorial supplies needed by departments shall be ordered through the finance department. The office and janitorial supplies can be submitted on the standard *Purchase Requisition* form prepared by the department making the request, and should include the following information:

- Date requested
- Quantity needed
- Description
- Department account number
- Name of department
- Authorized departmental signature
- Date signed

The finance department has fully implemented a desktop delivery system for office and janitorial supplies. This process is efficient and ensures that items received are exactly what were requested. **Office supply requests** are accepted **weekly** by **Tues. at 5 p.m.** unless otherwise notified. Anything received after the Tues., 5 p.m. deadline will be held until the next weekly order.

Janitorial Supply orders will be delivered **monthly** by the first Friday of each month. **Requests for janitorial supplies** will need to be received by the purchasing manager by 5 p.m. on the third Tuesday of the prior month unless otherwise notified. Orders will be placed by the purchasing manager on the third Wednesday of the prior month for the

next month delivery.

Under no circumstances should office and janitorial supplies be purchased without first checking with the purchasing manager.

Purchase Order Procedures

The purchase of a product or service that will cost \$1,000 or more, including shipping, requires a *Purchase Order*.

Once a need has been determined, the office/department head fills out a *Purchase Requisition* and submits it to the purchasing manager along with the quotes and appropriate signatures and/or other necessary paperwork for review. The purchasing manager will then process the *Purchase Order*. Once the *Purchase Order* is processed and approved by the finance director, 4 copies will be distributed as follows:

- Office/Department
(2 copies: 1 signed copy with terms for Vendor, 1 for filing)
- Accounts Payable
- Purchasing (filed along with 2nd signed Vendor copy)

These orders will be shipped directly to the departments' physical address. All departments receiving packages shall do the following:

- Remove and retain the packing slip to match and attach with the invoice.
- Inspect all packages for defects or shortages before packaging is discarded. It is always wise to keep packaging for the warranty period of the product.
- Contact the finance department if any problem arises with delivery or if the material or service does not conform to the *Purchase Order* or the *Purchase Requisition*. If the order originated from the finance department, the purchasing manager shall take corrective action. However, if the department placed the order, then the department shall be responsible for corrective action.

If merchandise needs to be returned, notify the finance department, contact the vendor and obtain authorization for the return within 30 days of order. Please store any items to be returned in a safe place. If applicable, call the finance department to liquidate the *Purchase Order* for any items cancelled. Failure to notify the finance department will result in the *Purchase Order* remaining charged to your departmental budget, reducing the actual funds available.

Office/department heads or their designees are responsible for monitoring the status of *Purchase Orders* charged to their department. A report of outstanding *Purchase Orders* will be generated by the purchasing manager and will go out to the departments for

review at least once a year. Please inform purchasing or accounts payable if the status needs to be changed.

Unauthorized Purchase Procedures

Failure to obtain a *Purchase Order* for a purchase that equals or exceeds \$1,000 may result in an employee being held responsible for that purchase. Any invoice that equals or exceeds \$1,000 not accompanied by a *Purchase Order* and submitted for payment shall be returned to the office/department head. In order for the invoice to be paid by the county, the office/department head must submit the invoice and an *Explanation for Unauthorized Purchase* form for approval. The form requires three signatures: (1) office/department head, (2) purchasing manager and the (3) county manager. If the purchase is approved, the invoice and attached explanation will be submitted to accounts payable for payment.

- Unauthorized Purchases should occur only in an emergency situation. Poor planning does not constitute an emergency situation.
- In an emergency situation, determine what action would expeditiously correct the problem. If the emergency occurs during business hours, the purchasing manager shall be contacted for immediate assistance.
- Check to determine if a maintenance agreement covers the broken machinery or equipment before calling for repairs. Most county equipment contracts include maintenance. Call the contract vendor first, since contacting outside vendors may result in unnecessary charges.
- If an emergency occurs during non-business hours, the office/department head shall take necessary action to correct the problem. If outside assistance is required, the office/department head shall contact any legitimate vendor that can render the necessary emergency supplies or services. As soon as possible, the office/department head shall notify the county manager, in writing, with a full explanation of the emergency and the action taken.
- A copy of the *Explanation for Unauthorized Purchase* form and all invoices for the services performed or the supplies purchased shall be submitted to the purchasing manager for processing. Once the due diligence is performed on verifying funds are in the budget and the proper explanation and backup is included, the purchasing manager will obtain the county manager's signature of approval.
- By proper planning and preventive maintenance, most emergencies can be avoided. There are usually additional charges for rush orders and especially for work performed during overtime hours.
- Anyone who "accidentally" creates an emergency situation must follow all unauthorized purchase procedures, and may ultimately be held responsible for the purchase.

Purchases should never exceed the amount stated on the *Purchase Order*. If the invoice does exceed the *Purchase Order* amount, an *Explanation for Unauthorized Purchase* will be required explaining why. For those departments that are issued

“blanket purchase orders” for large quantities of items in multiple orders, be sure a new *Purchase Order* is obtained before the current *Purchase Order* is depleted. We will not increase a *Purchase Order* once it has been issued and an order placed using that P.O. number.

As a reminder, if a “blanket purchase order” has been obtained, all invoices from that vendor must be applied to that *Purchase Order*, no matter the dollar amount of the invoice.

Capital Assets

When purchasing capital outlay, written quotes should be obtained whenever possible; making sure that any additional charges are included in the quote (shipping, installation, etc.). Ideally, at least three written or documented telephone quotes should be obtained.

The capitalization threshold for capital assets is \$1,000 for the annual budget and \$5,000 for financial reporting. The established procedures for purchase requisitions and purchases orders will be followed for making capital purchases.

North Carolina state statutes **require formal bidding** procedures for certain items. Please see the finance department for these requirements. Formal bidding procedures apply to purchases of apparatus, supplies, materials and equipment of **\$90,000** or more, or construction costs of **\$500,000** or more.

Annually, a list of assets will be given to each department head so the list can be verified that all assets are still being used by the department. The department head should inform the purchasing manager of any equipment, etc. no longer of use or in possession of the department. It is then determined if the equipment, etc. has been relocated to another department, disposed, or ready for surplus and sale or transfer to another department in county government. The Board of Commissioners have adopted procedures for the disposal or exchange of surplus personal property valued at less than \$30,000 for any one item or group of items, authorizing the purchasing manager to dispose by electronic means, typically through GovDeals, an electronic auction for government property (www.govdeals.com). Surplus items disposed in this manner are reported quarterly to the Board of Commissioners.

Vehicle Purchases- the office/department head will need to obtain a purchase order from the Purchasing Manager, and the PO must be copied to the County insurance administrator in the finance office. All documents must show Haywood County as the owner/purchaser.

The following must be submitted to the Finance Office in order to obtain a title to the vehicle:

1. Buyers Order-signed by county manager
2. Certificate of Origin- notarized by the dealership.

3. Odometer Certificate
4. Invoice
5. Inspection Form
6. If you purchase a truck – need weight declaration

When the paperwork is completed and the title and license plate are obtained, the office/department head will be notified by email.

Surplus Property - Any surplus personal property valued over \$30,000, donations to others, public auctions or real property sales must be approved in advance by the Board of Commissioners and according to North Carolina General Statutes. Any sale of real property is handled by the county attorney, county manager and finance director. In all cases, the purchasing manager must be notified of any county property that may be available for surplus.

Transfers to other county departments/offices- The purchasing manager determines if personal property item(s) can be used by other county departments. If so, then the purchasing manager will arrange for item(s) to be viewed by interested departments. A work order is then submitted to Maintenance for assistance to move to desired department. The county manager must be notified of any transfers between departments.

Unusable/Unsellable items - If an item is not usable by county departments or if it is deemed unsellable, a work order is submitted to Maintenance to dispose through appropriate means at the county landfill.

Usable /Sellable – Preparation for Surplus – If the item is deemed not usable by county departments, but sellable, the department head will submit the appropriate completed GovDeals Inspection Form, whether Office Equipment, Vehicles, or Equipment that describes item(s), identifies condition and details, including VIN #, serial #, mileage, color, whether operable, etc. This information is used on GovDeals website with description. The General Accountant is notified to obtain title(s) for purchasing manager and to remove from insurance (if applicable) once item is sold.

Invoice Processing Procedures

When invoices are received, office/department heads should review them for accuracy. Packing slips, bills of lading, statements, etc. are not considered invoices. It is the office/department head's responsibility to submit invoices in a timely manner to avoid late charges on accounts.

The invoice needs to have the following information printed on the invoice in the designated area or highlighted when applicable:

- Amount to be paid (if partial payment, please specify amount)
- Account Number – department code and line item number
Vendor number
- Signature of office/department head or designee to authorize payment
- Date approved
- *Purchase Order* number, if applicable
- Invoice number highlighted or circled
- "Remit To" address highlighted or circled
- Attach supporting paperwork to the invoice (e.g., packing slips, service tickets, *Purchase Order* copies, etc.)

If a *Purchase Order* is required, mark "**incomplete**" or "**complete**", whichever is applicable, so the *Purchase Order* can be properly liquidated or modified.

When invoices exceed *Purchase Order* amounts, an *Explanation for Unauthorized Purchase* needs to be attached to the invoice and given to the county manager for payment approval.

The deadline for invoices to be submitted to accounts payable is Wednesday at noon each week unless otherwise notified. This also applies to the remote sites that are entering their own invoices.

If checks are to be held in the finance department for pickup, please indicate on the invoice in red ink or highlighting, or they will be mailed. If copies of the invoices need to be mailed with the check, you must attach copies prior to submission. Checks are generally ready **Friday mornings at 8 a.m.**

Emergency Offline Checks – Emergencies can, and do, occur. We have established the following procedure to accommodate **emergency** needs:

- Requests for emergency checks will be approved by the finance director. The off line run will be at 3 p.m. with the check available at 4:30 p.m.
- Requests received after 3 p.m. will be held until the next day's run.

Check Request Procedures

The *Check Request* form is designed to be initiated by the requesting department and used when a vendor invoice is not applicable.

Haywood County receives refunds of sales tax on purchases paid by the county directly to the vendor. Please keep in mind that purchases made by an employee who then requests reimbursement are not eligible for this refund, therefore these types of purchases/reimbursements are strongly discouraged.

Follow the directions below in completing the form. Attach **appropriate supporting documentation** and forward directly to the finance department. Any check request submitted without proper documentation will be returned. An example of proper documentation would be a copy of a completed application for a training program, hotel confirmation with dates included, or receipts for reimbursement.

Directions:

Vendor Number – (The number assigned to a vendor in MUNIS.) This is **required** for all invoices submitted for payment. See partial vendor list, *Frequently Used Vendors*, included in the following pages. Space is provided so that you may add vendors that you use on a regular basis. Please call accounts payable if you need a vendor number that is not on the list.

Date Requested – (The date paperwork is submitted to accounts payable.)

Vendor name and address – Enter the correct and complete vendor name and address. Provide the federal identification number or social security number if a new vendor.

Purchase Order Number – Enter the *Purchase Order* number for all purchases of a product or service \$1,000 or more. If the check request is generated for a contract agreement, enter the *Purchase Order* number obtained at the beginning of the contract.

Description – Enter a narrative description of the services for which payment is requested.

Account Number – Please code with the correct department and **line item number**.

Amount – (Pre-tax amount). Freight/shipping should be included in this line. If tax is not charged, this should be the total for the request.

State Tax (4.75%) – Enter if applicable.

Local Tax (2.25%) – Enter if applicable.

Total – The total should agree with the supporting documentation.

The form **must** be signed by the office/department head or authorized designee.

Check requests should be used for all non-invoiced items, including the following:

- Insurance premiums
- Legal services and fees
- Memberships and dues
- Postage permits
- Refunds
- Rentals
- Registrations
- Reimbursements

Travel Advance and Reimbursement Procedures

Travel reimbursements and per diem requests should be submitted on the *Statement of Travel Expenses* form. Travel advances for hotel accommodations should be submitted on a *Check Request* form. Any allowable Day Travel Meals should be submitted through payroll on a *Day Travel Meal Expenses* form. The employee is responsible for completing the form accurately and with sufficient information, including attaching the appropriate paperwork so that a third party reviewing the form can be confident the reimbursement is accurate and justified. An agenda or other supporting documentation for the workshop, conference or seminar must be provided with each request. The finance department has the responsibility to monitor all requests for travel advances and reimbursements. Any discrepancy must be reconciled with the appropriate office/department head or designee. Travel reimbursements should be approved by the authorized signer within the department and all office/departments heads must have their travel approved by the county manager.

Transportation Expense - A county vehicle will be provided for travel when a vehicle is available. An employee's personal vehicle may be used when a county vehicle is not available. The employee will be reimbursed for mileage at the federal standard mileage rate which is currently .535 cents per mile. A record of mileage driven must be maintained on the *Statement of Travel Expenses* with sufficient information so that payment can be made and a third party reviewing the form can be confident the reimbursement is accurate and justified. As a last resort, employees may rent a vehicle to use for travel. Haywood County has an account with a local leasing company and will write a check directly to that company.

When necessary, air travel will be reimbursed. Written pre-approval from the county manager is required for all air travel. The employee is responsible for finding the lowest reasonable fares and must fly coach.

Accommodations - Accommodations for overnight stays should be paid directly to the hotel. The employee is responsible for finding adequate and reasonable, non-luxury accommodations. A confirmation with rates and confirmation number should be submitted on a *Check Request* form along with an agenda or other supporting documentation for the workshop, conference or seminar. Please submit the paid receipt to the finance department upon your return.

Meals and Incidentals - Meals will be advanced or reimbursed based on standard federal per diem rates that the county allocates on a per meal basis. The current allocation is broken down as follows:

\$ 11.00	breakfast
12.00	lunches
<u>23.00</u>	dinners
<u>\$46.00</u>	total allowance per day

Meals provided by the conference must be excluded from the per diem request. The county manager may, in unusual circumstances, approve meals to be reimbursed at a rate higher than current standard per diem rates. Tips and snacks are considered incidental expenses and are included in the per diem amounts.

Day Travel - Transportation will be reimbursed as discussed above. Meals for travel that does not require an overnight stay will not be reimbursed unless transporting a client (DSS) or transporting an inmate (Detention). These Day Travel Meals reimbursements are considered by the IRS as a taxable fringe benefit and will be paid through payroll in the next bi-weekly payroll cycle after the form is submitted. *Day Travel Meal Expense* reimbursement forms must be received in the finance office the Friday before the next payroll cycle.

Registration Fees - The county will reimburse for conference, convention, or training registration fees but prefers to pay the fees in advance directly to the vendor. A paid receipt must be provided for reimbursement. An agenda or other supporting documentation must be included as backup whether requesting an advance or requesting reimbursement.

Other Travel Expenses - Reimbursements can be provided for other travel expenses with a paid receipt. Examples of other travel expenses include the following:

- Parking fees
- Taxi fares
- Toll fares

Non-reimbursable expenses - Examples of non-reimbursable expenses include, but are not limited to:

- Alcoholic Beverages
- In Room Movies

Other Travel - Traveling with a non-county employee or family member is permitted. The county will not reimburse for expenses incurred by the secondary party. The county will reimburse for meals and accommodations for the employee only, the employee is responsible for any additional costs associated with the secondary party.

Payroll Procedures

The Fair Labor Standards Act (FLSA) requires that employers keep detailed records of time worked and wages paid for all employees. Haywood County utilizes Kronos Tele-time to record clocking in and out for work.

All employees must clock in and out by using the county telephone at their assigned work site. Field workers may be asked to provide the mobile number they will be dialing from for clocking in and out. Audit procedures should be utilized to ensure employees are at their work site when clocking in and out.

Employee are required to view their time and approve each day separately before the end of a pay period. If punches are missing, employees can use Kronos to communicate with their supervisors the reason for the missing punch and what is needed to ensure they are paid for the hours worked. Some departments use e-mails or Excel timecards to communicate adjustments needed. All adjustments should be approved by the employee in Kronos before the timecards can be approved by the office/department head or designee and payroll processed. If employees have limited access to a computer or if the employee is on leave the day the payroll is to be submitted, the office/department head or designee can approve their time in Kronos; however, the employee must sign and date a paper copy of their timesheet. This paper copy must be filed in the department for proof the employee has approved all hours worked and paid.

Examples of changes would include:

- Correcting missed punches
- Entering sick, vacation or other time used

It is the responsibility of the appropriate office/department head or designee to review and approve his/her department's timecards. The office/department head or designee must approve all employees' timecards by 10:00 a.m. on the Monday after that pay period ended on Sunday. After timecard approval, no changes may be made to any employee's time unless it is discovered that a correction needs to be made. At that point, the payroll manager must be notified.

Payroll Adjustment Authorization Form should be used for any deviation from the normal Kronos and MUNIS payroll process.

All employees shall be paid on a bi-weekly basis every other Friday. If Friday falls on a holiday, then employees will be paid on the last working day before the holiday.

Checks are ready for pickup by 8:00 am Friday morning. Direct Deposits are generally posted by the bank in employees' accounts at 12:01 a.m. Friday. However, some credit unions deposit money later on Friday morning.

Each office/department head or designee should review monthly budget reports for accuracy, and let the finance office and/or the payroll manager know if anything unusual is posted to the department line-items. It is the office/department head's responsibility to be sure that the salaries and benefits line items do not go over budget.

A *Personnel Action Form (PAF)* is required from the office/department head to add new employees or make any changes to the pay or profile for current employees. The Human Resource (HR) department is responsible for adding new employees into the timekeeping (Kronos) and payroll (MUNIS) software, adjusting employee's job/salary profile for merit increases or other changes and removing terminated employees from the system, using the information submitted on the PAF. The forms are then filed in the employee's personnel folder to substantiate the changes to the employee's job/salary profile.

A *Uniform/Clothing Benefit* form is required for clothing allowances paid to or for employees. It must be submitted to the finance office to be paid through payroll. Office or department heads are responsible for completing the form if they purchase clothing from a vendor directly. The form must be completed in a way so that the payroll manager can easily determine the amount to include in the employee's paycheck for calculating the taxes before the cost is withheld to pay the invoice. Each employee will notice a slight decrease in their net pay in the pay period the clothing purchase is run through payroll.

Driver Disclosure Procedures

It is the responsibility of the office/department head to notify the county insurance administrator, in the finance office of any new hires or any deletions of county drivers within their department. If you have a new employee who will be driving a county vehicle, the employee must fill out a *Driver's Disclosure Form* and attach a driver's license copy. If the employee will be driving their personal vehicle for county business, the declaration page from their personal insurance policy must also be included with the *Driver's Disclosure Form*. The Human Resources Department will collect driver's disclosure forms for the Detention and Sheriff's Departments at orientation. It is the responsibility of those authorized in the Detention and Sheriff's Department to monitor their driver's list for any changes.

Please return all required paperwork to the finance office. DO NOT e-mail or fax the forms. Employees should not be driving until the appropriate paperwork is received in the finance office.

It is the office/department head responsibility to be sure that all employees within their office/department who drive any vehicle on county business are aware of the Haywood county vehicle fleet policy.

Line Item Transfer Procedures

Line item transfers are used to move funds within a department in order to keep the account(s) within budget. It is up to the office/department head or designee to maintain his/her budget. If at any time you see that one of your accounts is nearly depleted and you plan to incur further expenditures in that account, a *Request for Transfer Between Objects of Expenditure* (line item transfer) must be completed before any invoices can be paid or a *Purchase Order* requested. **At no time will we issue a *Purchase Order* if there are insufficient funds in the budget line to cover the purchase.** If you do have an account that is overdrawn, please take care of it quickly so that your budget is in compliance.

A *Request for Transfer Between Objects of Expenditure* sample form is included in the following pages. The accounts can be customized for your department.

The *Request for Transfer Between Objects of Expenditure* may be e-mailed directly to the finance office at vcagle@haywoodnc.net or sent by interoffice mail, however FAX copies are **not** accepted.

If you e-mail your *Request for Transfer Between Objects of Expenditure* do NOT submit a hard copy as duplications of requests can slow the process.

Cash Handling Procedures

Daily Deposits - North Carolina General Statute 159-32 requires funds to be deposited once \$250 or more is collected; but in any event a deposit should be made on the last day of the month, regardless of the amount. The deposit slip is in triplicate. All three copies are to be validated by the bank; the bank keeps the original; the pink copy stays with the department's records; the yellow copy is attached to the *Daily Collections Report* (described below) and given to the finance department. All deposits are to be made by the close of the banking day to ensure same-day credit. You should have your deposit to the finance department by 2:30 p.m. if you would like the finance department to carry your deposit to the bank as they go each day. Should you receive \$250 or more in cash after you take your deposit to the bank or the finance department, you must prepare another deposit and take it to the bank that day. Postponing the deposit will cause the county to lose interest on the funds as well as creating potential safety concerns.

Daily Collection Report - Each department should prepare a *Daily Collection Report* (see sample report) and a copy of the report should be attached behind the yellow copy of the bank validated deposit slip. The *Daily Collection Report* must show the amount of each deposit that is to be recorded into which revenue account. The accounts receivable manager can assist departments in creating or updating their *Daily Collection Report*. The *Daily Collection Report* and the bank validated deposit slip should be turned in to the finance department to ensure all receipts are posted as soon as possible. The accounts receivable manager is posting cash receipts daily and verifying cash activity weekly. A monthly reconciliation of cash receipts is performed by the internal auditor to verify all deposits have been posted in the correct period and reconciled to the bank. The *Daily Collection Report* is to be completed daily with totals verified to the *Cash Reconciliation Report* to ensure all receipts have been posted.

Daily Mail Collections - Reasonable internal controls should be established for the handling of funds received by mail. In order to adequately control receipts by mail, two people should be present to open any mail that contains checks – one person should open the mail and remove the checks and the second person should record these receipts in a daily mail collection log. The log should show the payee, the check number, and the amount of the check. The checks should be restrictively endorsed at the time the mail is opened. A stamp can be used for this endorsement, and the finance department can order a stamp for your department if one is needed. Once the log and the checks are totaled and reconciled, the checks should be forwarded to the person responsible for preparing the deposit.

Cash Collections - Any payments received by the cashiers should be controlled

at the point of collection. When a customer is paying in cash, the cash should be counted at the time of acceptance, calculated and counted again when giving change back to the customer. Should you have to change cashiers during the day, the cash drawer should be counted and reconciled each time and written records should be maintained with the cashier's signature.

Each cashier should be responsible for his/her own cash drawer. Under no circumstances should more than one cashier work out of a drawer. Cashiers should reconcile their collections and change funds at the end of the day and the reconciliation should be verified by the office/department head or designee. A signed reconciliation form should be maintained and kept on file. A sample *Cash Reconciliation Report* has been provided which can be modified to meet your department's needs.

Under no circumstances should monies be held for deposit. Arrangements must be made to enable DAILY deposits within the department. The finance department may assist in the deposits on a rare occasion when all other options have been exhausted.

Returned Checks – Payments made by check to Haywood County that are not honored by the bank will incur the maximum fee allowed by North Carolina General Statute 25-3-506:

§ 25-3-506. Collection of processing fee for returned checks.

A person who accepts a check in payment for goods or services or his assignee may charge and collect a processing fee, not to exceed twenty-five dollars (\$25.00), for a check on which payment has been refused by the payor bank because of insufficient funds or because the drawer did not have an account at that bank.

If a collection agency collects or seeks to collect on behalf of its principal a processing fee as specified in this section in addition to the sum payable of a check, the amount of such processing fee must be separately stated on the collection notice. The collection agency shall not collect or seek to collect from the drawer any sum other than the actual amount of the returned check and the specified processing fee.

The accounts receivable manager will give a copy of the returned check to the appropriate department. After confirmation from the department of the appropriate account, the payment will be reversed. The department will then be responsible to collect the returned check reimbursement along with the returned check fee. Returned check reimbursement payments must be in the form of cash, cashier's check, certified check, credit card, or money order.

A sign must be posted at any county collection point stating the dollar amount of the returned check fee before a fee can be collected.

This excludes Tax Collections which follows Statute 105-357 Payment of Taxes.

Petty Cash Procedures

Petty cash funds are generally immaterial but they are an easy target for misuse. Therefore, it is very important to following good internal controls to prevent misuse.

- Petty cash funds should be maintained at the minimum effective amount. One person should be responsible for the fund and should maintain sole control over it. However, back-up access to the fund should be available in the event of an emergency.
- Petty cash should only be used to reimburse employees for small purchases. Small purchases are considered to be anything \$50.00 and under. A check request is required for anything over \$50.00. Employees who require reimbursement from petty cash should present the cashier with the original receipt. The original receipt should have written on it the expense account being used for the purchase and the signature of the employee receiving the reimbursement. The cashier will prepare a proof of receipt showing the date, amount, expense account, and the name of the employee receiving the reimbursement. The petty cash cashier and the person receiving the reimbursement must both sign the proof of receipt. This receipt should be stapled to the original receipt and kept in the petty cash box until a *Petty Cash Check Request* is prepared. Petty cash should never be used to advance an employee funds for personal use.
- Petty cash funds should be replenished no less frequently than monthly, but more frequently if necessary. All proof of receipts and original receipts must accompany the *Petty Cash Check Request* (see sample form) to replenish the petty cash.
- All petty cash funds are subject to a surprise cash audit.
- Cash and checks should never be left unattended and should be kept in a secured, locked area inaccessible to customers.