

WEST CALCASIEU AIRPORT MANAGING BOARD POLICIES

BUDGET POLICY

Preparing the Budget:

1. The airport manager and CPA are responsible for preparing an annual operations budget.
2. The official responsible for budget preparation should work closely with the CPA and any budget committee to provide realistic budget targets.
3. The official responsible for budget preparation must complete the budget and submit it to the board for approval preferably — no later than 15 days prior to beginning of fiscal year.

Adopting the Budget:

1. The board will adopt the Operating Budget by adoption or resolution passed in an open meeting before end of prior fiscal year.
2. The official responsible for budget preparation is also responsible for retaining certified copies of the adopted budget, budget adoption instrument, budget amendments, supporting schedules, and correspondence relating to the budget.

Monitoring the Budget:

1. The CPA and airport manager must notify the board when revenues and expenditures, are estimated to exceed the 5% thresholds established by the Local Government Budget Act.
2. If the General Fund had a negative unrestricted beginning fund balance, the board should evaluate management's adherence to the formal plan to eliminate the negative unrestricted fund balance.
3. Budget to actual comparisons will be prepared monthly for board review.

Amending the Budget:

1. Once the board has been notified of a 5% variance (see Monitoring the Budget above) or a change in operations upon which the original budget was developed, the board must amend the budget. The amendment must be adopted at a public meeting after publication of the agenda.

PURCHASING AND DISBURSEMENTS POLICY

Good controls over purchasing and disbursements require appropriate checks and balances; therefore, more than one individual should be involved in the purchasing and disbursement functions. Any personal use or misappropriation of assets of the airport will result in termination of employment and possible legal action.

Purchasing

- Management is to centralize the purchasing function and also implement controls to ensure that purchases are (1) reasonable and necessary; (2) budgeted; (3) documented; (4) received and safeguarded; and (5) used solely for the public purposes/functions of the airport.
- Documentation is to include the following:
 - Expenditures over the state requirements - the purchase is in compliance with the *Louisiana Public Bid Law* [Louisiana Revised Statute (R.S.) 38:2211 et. seq.].
 - Invoice — documentation/evidence from the vendor of the services or materials provided to the airport.
 - Approval — verification by the manager that documentation is present to support the payment and the amount owed is correct. The invoice must be attached and presented for payment by the external CPA.
- Management must always provide an open and competitive atmosphere and ensure that written bids/quotes are solicited for purchases (including recurring purchases) that exceed the applicable dollar thresholds provided in the *Louisiana Public Bid Law*. Small purchases less than \$10,000. may be approved by airport manager with verification of reasonable pricing.
 - Bid documentation (e.g., solicitation letters, advertisements, bids/quotes, tabulation sheets, minutes, etc.) demonstrating such compliance is to be maintained and filed in an organized manner.
- For purchases to be made under an existing state contract, the board must formally acknowledge that the airport is bypassing the requirements of the Public Bid Law and is adopting the requirements of the Louisiana Procurement Code (R.S. 39:1551 — 1755) to make such purchases. Management must monitor and ensure that such purchases are made in compliance with those requirements.
- For "piggyback" purchases (i.e., airport makes a purchase using another agency's contract), management must obtain documentation from the other agency that clearly demonstrates the contract was previously bid and is a viable contract. The price paid by the airport must be the same as the contract's bid price.
- For purchases/contracts made under the *request for proposals (RFP)* method, management must establish appropriate scoring criteria and maintain documentation of its evaluations.
- Purchases/procurements related to homeland security must be made from the federal General Services Administration (GSA) supply schedules. Management is required to ensure strict compliance with all applicable GSA requirements.

Disbursements

- All disbursements are to be made by check or electronic funds transfer. Cash payments should not be used.
- The supply of blank/unused checks is to be maintained under lock and access restricted to only authorized personnel.
- Two authorized signatures are required on all checks of the airport.
- Disbursements can only be made from an original invoice.
- All documentation (e.g. invoice) supporting a disbursement should be attached together and be maintained in vendor files

<http://www.la.la.gov/localgovernment/bestpractices/>

RECEIPTS/COLLECTIONS

Receiving, Recording and Depositing Collections:

1. The airport manager shall be responsible for receiving all collections for airport services in addition to recording any other payments to the airport. Collections shall be recorded daily in the entity accounting program.
2. Deposits shall be made to the entity operating account on a periodic basis by the airport manager.
3. The airport manager will generate reports or backups to transfer to the CPA for the entity's financial reporting.

Collection Reconciliation and Verification:

1. The CPA and the airport manager will reconcile deposits and customer receivables on a monthly basis.
2. Delinquent accounts will be contacted by the airport manager/CPA and turned over to the airport attorney if further collection action is needed.

CONTRACTING FOR SERVICES POLICY

Although the Louisiana Public Bid Law does not required services to be bid, a competitive atmosphere ensures that fees paid for services are cost-effective. The manager should review annually and discuss any recommended changes in contracts with the board. Before any contract can be executed, the contract must be (1) reviewed by legal counsel and recommended for approval; and (2) presented to the board for approval and documented in the minutes.

Management is to implement and monitor controls over contracts to ensure the services are necessary and that contracting out the service is the most cost-effective manner for accomplishing its objectives.

Also, management must ensure that:

- Management review is to be provided when contracting for services
 - Contracts with related parties (family and business interests) are strictly prohibited
 - Payments are made in accordance with the terms and conditions of the contract
 - Any additions or modifications of existing contracts are presented to the board for approval
- Contracts and related documentation are maintained in an organized manner and in a central location

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CARD POLICY

How Cards are to be Controlled:

1. The board should formally approve each new card account before it is opened by management. Such accounts should be opened and cards issued in the entity's name using the entity's tax identification number. The board should restrict the number of cards to only those that are necessary to conduct business.
2. Management should maintain a master listing of cards, to include: • Card issuer name and telephone number • Account name on card • Card account number • Card expiration date (if applicable) • Credit limit • Person responsible for securing the card • Person(s) allowed to use the card • Status of the card (active or inactive) • Cancellation date/documentation (if applicable) Management should update its master listing for any changes throughout the year, including any changes in authorized card holders and card holder employment terminations. At the end of each year, management should perform an inventory of its cards and investigate any differences noted between the inventory and its master listing of cards.
3. Any personal or unauthorized use of a credit card may result in termination of employment.
4. Non-fuel cards should be maintained in a locked location under the control of the custodian or carried by the employee authorized to use the card.
5. Employees should be required to immediately notify appropriate management if a credit card is lost or stolen. Management is responsible for notifying the chief executive and immediately canceling the card. If a card is stolen, the chief executive is to notify law enforcement. The chief executive is also responsible for notifying the district attorney and the Legislative Auditor of any misappropriation of funds or assets of the entity, as required by law.

Allowable Business Uses:

1. The following purchases are not allowed:
 - Any personal purchase (including purchases that are subsequently reimbursed),
 - cash advances,
 - alcohol or tobacco,
 - prescriptions and drugs, and
 - donations
2. Cards should not be used for significant routine or recurring purchases or for purchases that are subject to the requirements of the Louisiana Public Bid Law. Purchases must also not be split into multiple transactions to avoid Bid Law thresholds.

3. Personal uses of cards may constitute a violation of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of public funds.

Documentation Requirements:

1. For non-fuel cards, employees are responsible for obtaining itemized receipts and for documenting the business/public purpose of the purchase on the receipt. Receipts for meals and entertainment charges should contain the names of all persons participating and the business discussed.
2. If an employee loses a receipt, he or she should attempt to obtain a duplicate receipt from the vendor or otherwise demonstrate that the nature and amount of the purchase is proper.

TRAVEL AND EXPENSE REIMBURSEMENT POLICY

In general, travel should be conducted in the most economical means to accomplish the business of the airport. Travel should be reasonable and done only when necessary and when such travel benefits the entity. Employees/officials who do not comply with this policy may be subject to delay or withholding of reimbursement and/or disciplinary action.

1. Authorization

All travel expenditures should be in accordance with the approved budget. The board shall be apprised of overnight travel.

2. Claims for Expense Reimbursement

- All claims for reimbursement of business travel expenses must be submitted on a monthly expense report with all original detailed/itemized receipts attached. Note: Reimbursement for meals and lodging costs are subject to the limitations in the *Business Meals and Lodging Allowance* for the state of Louisiana.
- Any person who submits a claim and who willfully makes a claim which he/she does not believe to be true and correct that is fraudulent or is false shall be guilty of official misconduct. Whoever receives an allowance or reimbursement by means of a false claim is subject to severe disciplinary action as well as being liable within the provisions of state law.

3. Business Meals and Lodging Allowances

- Business Meal Allowance (includes the tax and tip) — Business meals incurred will be reimbursed in accordance with the meal allowances authorized in the State of Louisiana's Travel Guide (in effect at the date of travel) for that location. The business purpose for the meals must be documented on the *Travel Expense Form*.
- Lodging Allowance — Lodging incurred on business travel will be reimbursed in accordance with the lodging rate authorized in the State of Louisiana's Travel Guide (in effect at the date of travel) for that location, plus tax and any mandatory surcharge. Detailed receipts are required for reimbursement.

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ETHICS

Prohibitions:

1. The entity should include those prohibitions and requirements under the Louisiana Code of Government Ethics (Ethics Code) in its "code of conduct" policies for all officials and employees. The entity's policies should include a requirement for one-hour of officially sanctioned ethics training each year, and should not conflict with any provisions of the Ethics Code.
2. In addition to the statutory requirements, the Louisiana Legislative Auditor (LLA) also recommends visiting the Louisiana Ethics Administration Program website, which includes additional information on issued opinions, forms, required disclosures, campaign finance, lobbying, and training.

Actions to be Taken:

1. The entity's airport manager has a responsibility to report possible Ethics Code violations to the Louisiana Board of Ethics, pursuant to R.S. 42: 1 161 (A). The airport manager is also required to cooperate in connection with any investigation or hearing which is conducted by the Ethics Board.

System to Monitor:

1. The airport manager shall constantly screen all employees under his/her supervision to ascertain that such employees are needed to perform the work of the agency and shall promptly take the necessary steps to reduce the number of the employees of the agency to a sufficient or satisfactory number required.
2. Complaints received from the public and from within the entity should be taken seriously and investigated by an appropriate level of management. The investigative procedures should be fair and thorough, and any corrective action taken should be in accordance with policy.

Annual Attestation:

1. As a best practice, LLA recommends that each official and employee should agree to comply with the entity's ethics policies.

ETHICS CONSENT

SIGNATURE	DATE

DEBT SERVICE

Debt Issuance Approval:

1. The entity must receive State Bond Commission (SBC) approval when seeking to issue bonded debt.

The entity submits an application to the SBC requesting the authority to incur debt or levy related taxes. SBC staff review the application for compliance with applicable laws and feasibility, including the ability to repay the debt. If the application is in order, SBC staff place the entity's application on the agenda for consideration by the SBC at a regular or special meeting, at which the SBC can approve, reject, or defer action on the application. 2. If approved by the SBC, the entity's governing body should formally approve any external financings (e.g., bonds, notes, leases) or refinancing arrangements, including the selection and use of legal, accounting, and any other professional service providers that are needed.

Debt Reserve Requirements:

1. The entity must meet all debt reserve requirements, including establishing sinking fund accounts, reserve accounts, and/or contingency accounts, if required by the debt instrument. If the entity does not meet its debt reserve requirements, the chief executive must notify the SBC, in writing. A failure to meet debt reserve requirements would likely require a disclosure under Continuing Disclosure Requirements below, based on the terms of the debt instrument.

Debt Service Requirements:

1. The entity must meet all debt service requirements, including principal, interest, premiums, or other payments. If the entity does not meet its debt service requirements, the chief executive must notify the SBC, in writing. The chief executive must also notify the Legislative Auditor, in writing, either on or before 120 days before the due date of such payment, or as soon as the officers of the governing authority know, or have good reason to know, that such failure is reasonably likely to occur, whichever occurs last. A failure to meet debt service requirements would likely require a disclosure under Continuing Disclosure Requirements below, based on the terms of the debt instrument.

Continuing Disclosure Requirements:

1. For non-municipal securities, such as private placement bond issues (i.e., those sold in a private sale to one or a few investors, such as a bank) and other types of debt instruments, the entity must comply with all continuing disclosure requirements included in the specific debt instrument (e.g., requirement for annual audit report to be submitted to the bank).

PAYROLL

Hiring Processes:

1. The airport manager should perform a "needs" assessment when determining whether to hire a new employee. The assessment should include a consideration of whether existing employees' job duties can be modified to cover the vacant position, as well as the cost/benefit of hiring a contractor to perform the function.
2. The airport manager should work with the board to establish minimum qualifications, job responsibilities, and formal pay scales/salary ranges before posting the position (i.e. create a job description). An applicant should have a clear understanding of the job duties and responsibilities from the job description. Pay scales/salary ranges should match the quality of the desired applicant and may require the airport manager to conduct a salary study.
3. The airport manager should establish a protocol for receiving resumes or applications, interviewing applicants, performing background checks, and verifying credentials (e.g. diploma, transcript).
4. The airport manager's focus should be on a candidate's qualifications, and the interviewer is not permitted to ask the candidate about religion, marital status, child care arrangements, or sexual orientation. Also, the airport manager can not disqualify a candidate based on race or gender.

Personnel Files:

1. Personnel files should include the following, as applicable: • Employment application form that includes background information (e.g., name, address, date of birth, emergency contact) and work experience of the employee; • Job description, signed by employee; • Authorized salary/pay rate and increases/decreases; • Promotion documentation • Direct deposit forms; • Income tax withholding forms (e.g., IRS Form W-4 and Louisiana Department of Revenue Form L-4); • Performance appraisals; • Annual certification forms; and • Disciplinary action documentation, if any.

Time and Attendance:

2. Each employee should complete time cards, including daily hours worked, and leave (e.g., annual and sick) taken.

Overtime and Leave:

1. Leave should not be advanced or given to employees before it is earned, as this may violate the Louisiana Constitution Article 7, Section 14, which prohibits the donation, loan, or pledge of public funds.
2. The entity should maintain written records to support the amount of leave earned and used by each employee. Computer software should be utilized to track and account for leave balances, including leave earned and taken, to eliminate the risk of clerical errors.
3. The airport manager, or equivalent, should review and approve in writing the leave hours that are recorded in each employee's leave records at the beginning of each year. If errors are found, the necessary corrections should be made to leave balances and the changes communicated to the affected employee(s).

Payroll Processing:

1. Each pay period, the airport manager should generate a report showing all employee's hours from time sheets for submission to CPA for payroll processing. The report should include any approved leave(i.e. vacation/sick).
2. The CPA should schedule recurring payments and reports, such as payroll taxes, insurance, etc., to minimize the risk of missing a deadline for payment or filing.
3. The airport manager and CPA should review and resolve unclaimed payroll checks and, if appropriate, submit unclaimed property to the state treasurer annually.
4. Blank checks should be stored in a secured location and should never be signed in advance.

Performance Appraisals:

1. The entity should conduct annual performance evaluations annually for its employees. These evaluations provide the airport manager with an opportunity to address compensation, training, and/or disciplinary issues.
2. Management will post and abide by required Labor Laws.

DATA RECOVERY POLICY

The purpose of this policy is:

1. To safeguard the information assets of West Calcasieu Airport Managing Board
2. To prevent the loss of data in the case of an accidental deletion or corruption of data, system failure or disaster.
3. To permit timely restoration of information processes and the media employed in the process.
4. To manage and secure backup and restoration processes and the media employed in the process.
5. This policy applies to all West Calcasieu Airport Managing Board digital data stored included in possession of Airport including any offsite data storage.

Policy

1. The accounting server which is stored off site is backed up daily to the cloud via iDrive. Daily onsite sales data will be backed up daily on an external hard drive and transmitted to the accounting server at least monthly.
2. iDrive will store all backups in the cloud on an iDrive online account.
3. On a periodic basis the accounting server will be backed up to an external backup drive.
4. There will be periodic verification that backups can be restored if needed.
5. Antivirus software will be maintained on the accounting server as well as for onsite devices.
6. In the event of a critical event and we would need to utilize a recovery operation our staff would oversee the recovery or engaging an IT firm if necessary. The contracted accounting firm would be used to recover the data from the accounting server.

HARASSMENT POLICY

It is the policy of West Calcasieu Airport Managing Board that all employees or contract personnel are responsible for ensuring that the workplace is free from harassment.

- A. Harassment.** The Airport strictly prohibits harassment of an employee or contract personnel based on race, color, religion, gender, national origin, ethnicity, age, genetic information, or disability.
- B. Sexual Harassment.** Sexual harassment is strictly prohibited under the Equal Employment Opportunity Commission, Section 703 of Title VII of the Civil Rights Act of 1964 as amended; Louisiana Employment Discrimination Law; R.S. 23:301-303 and 332; and La R.S. 42:341-345. It is defined by the Equal Employment Opportunity Commission as:
Unwelcome sexual advances, requests for sexual favors, and other verbal, physical or inappropriate conduct of a sexual nature if: (1) submission to such conduct is an explicit or implicit term or condition of an individual's employment; (2) submission to or rejection of such conduct is a basis for employment decisions affecting such individual; or (3) the conduct has the purpose or effect of unreasonably interfering with an employee or contract personnel's work performance or creating an intimidating, hostile, or offensive work environment.

All WCA employees will take an annual one-hour course in preventing sexual harassment and the certificate will be kept in WCA office. WCA's Harassment Policy shall be posted on the premises and on the agency website.
- C. Procedures.** If an employee or contract personnel believes that they have been harassed or sexually harassed or have witnessed an act of harassment, they should immediately report the incident to a supervisor or alternatively the President of the Airport Board.
- D. Enforcement Investigation, and Resolution of Complaints.** A complaint of harassment or sexual harassment shall be immediately investigated with a report to the full board and appropriate action taken.
- E. Retaliation.** Employee or contract personnel shall report harassment or sexual harassment without fear of retaliation. There shall be no retaliation against any employee or contract personnel who, acting in good faith, files a complaint, cooperates with an investigation of a complaint, or seeks guidance on compliance concerns or questions.
- F. Annual Reporting.** The agency will file an annual sexual harassment report in accordance with the requirements of R.S. 42:344 on or before February 1 after the end of fiscal year.

BANK RECONCILIATIONS

The purpose of this policy is:

1. To comply with LA Revised Statute 10:4-406(d)(2) in connection with bank accounts.
2. To safeguard the bank accounts of West Calcasieu Airport Managing Board.

Procedures

1. Bank reconciliations shall be prepared within 60 days of receipt of the bank statement.
2. The preparer should consider if 1) all receipts and disbursements are recorded by the entity; (2) checks are clearing in reasonable time; (3) reconciling items are appropriate and are being recorded; (4) the reconciled cash balance agrees to the general ledger balance. Any differences between the bank balances and accounting records should be immediately researched and resolved. Any adjustments required should be reviewed by supervising personnel.
3. The preparer should also research reconciling items that are outstanding for more than six months to determine if the checks need to be voided and reissued or whether the funds need to be submitted to the State Treasurer in compliance with unclaimed property laws.
4. Once the reconciliation is prepared, the preparer should sign/initial and date (or electronically log completion).
5. The completed bank reconciliation, bank statement, and supporting documentation should be reviewed within 30 days of reconciliation by a supervisor/official who is knowledgeable about the entity's operations but does not handle cash, post ledgers, or prepare checks.
6. Once the reconciliation is reviewed, the reviewer should sign/initial and date (or electronically log completion).

BOARD POLICY ON PUBLIC COMMENTS AT BOARD MEETINGS

The purpose of this policy is:

1. To comply with LA Revised Statute 42:11-28 in connection with public board meetings.
2. To insure the policy respects First Amendment rights.

Procedures

1. Public comments shall be allowed under the agenda item when a request has been made to speak on that agenda item in accordance with #3 below.
2. The time limit shall be limited to 3 minutes per speaker with an overall limit of 15 minutes for public comment time.
3. A sign up sheet will be available at the meeting for registration 5 minutes prior to meeting start. Comments shall be limited to items on the Board's agenda. To request that a specific item be placed on the agenda, the request shall be made at least one week prior to the board meeting.