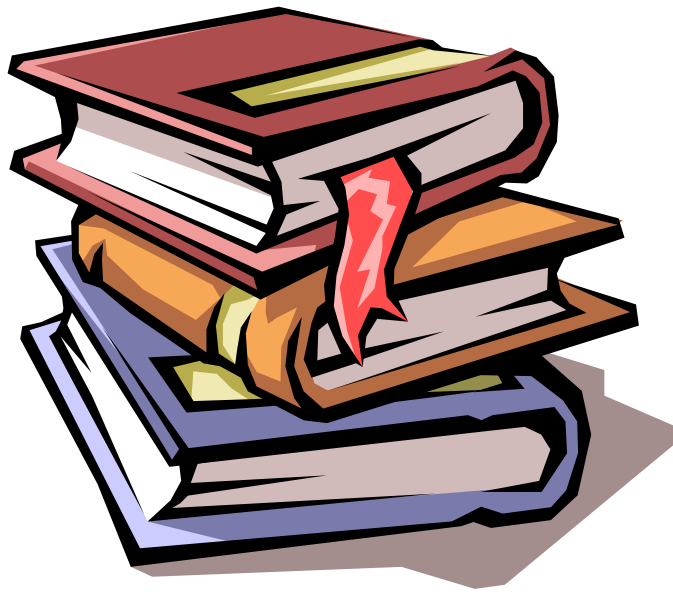


# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**



# Miami-Dade Expressway Authority

## Finance Procedures Manual

### Table of Contents

	<u>Page</u>
Section 1: Operational Structure of the Authority.....	1
Section 2: Purpose and Use of Manual.....	2
Section 3: Effective Systems of Internal Control.....	5
Section 4: General Ledger and Journal Entries.....	8
Section 5: Cash.....	9
A – Cash Receipts – Cash Tolls.....	9
B – Cash Receipts – Electronic Tolls.....	10
C – Cash Disbursements.....	10
D – Bank Reconciliations (Main Operating Account).....	11
E – Petty Cash.....	11
Section 6: Investments.....	12
A – Investing Idle Funds.....	12
B – Accounting and Monitoring of Investments.....	13
Section 7: Prepaid Expenses.....	14
Section 8: Capital Assets .....	15
A – Additions to Capital Assets.....	15
B – Depreciation of Capital Assets.....	16
C – Disposal of Capital Assets.....	16
Section 9: Purchasing Cycle.....	18
A – Placement of Orders.....	18
B – Credit Card Procedures.....	19
C – Receipts of Goods & Services and Invoices.....	19
D – Encumbrances.....	20
Section 10: Debt.....	21
A – Recording and Accounting for Debt.....	21
B – Debt Payments.....	22
C – Preparing Reconciliations.....	22
D – Debt Covenants.....	22

# Miami-Dade Expressway Authority Finance Procedures Manual

## Table of Contents

	<u>Page</u>
Section 11: Payroll Cycle	23
A – Adding a New Employee.....	23
B – Changes in Payroll Data.....	23
C – Vacation and Sick Time.....	23
D – Timesheets and Payroll Funds Transfer.....	24
E – Distribution of Payroll.....	24
F – Recording Year-End Payroll Liabilities.....	25
G – Payroll Account Reconciliations.....	25
Section 12: Month-End and Year-End Closings.....	26
Section 13: Budgeting.....	27
A – Preliminary and Final Budgets.....	27
B – Amendments to the Budget.....	28
C – Operating Budget Monitoring.....	28
D – Work Program Budget Development.....	28
E – Work Program Budget Monitoring.....	28
F – Other Capital Expenditures.....	29
Section 14: Exhibits.....	30

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 1: Operational Structure of the Authority**

The Miami-Dade County Expressway Authority (the “Authority”) is an agency of the State of Florida, a body politic and a corporate and a public instrumentality, created on December 13, 1994, pursuant to Chapter 348, Part I, Florida Statutes, as amended, for the purposes of having the powers, among others, to:

- (1) acquire, hold, construct, improve, maintain, operate, own and lease an expressway system located in Miami-Dade County, Florida (the “County”); and
- (2) fix, alter, change, establish and collect tolls, rates, fees, rentals, and other charges for the services and facilities of such system.

The governing body of the Authority consists of thirteen (13) members. All board members of the Authority are voting members. The members consist of the following:

- Seven members are appointed by the governing body of the County. At the County’s discretion, up to two of the members appointed by the governing body of the County may be elected officials residing in the County;
- Five members are appointed by the Governor of the State of Florida; and
- One member is the District Secretary of the State of Florida Department of Transportation – District VI. This member is an ex-officio voting member of the Authority.

Except for the District Secretary of the State of Florida Department of Transportation – District VI, all members must be residents of the County. Members of the Authority are entitled to be reimbursed, by the Authority, their travel and other necessary expenses incurred in connection with the business of the Authority as provided by law, but may not draw salaries or other compensation from the Authority.

The State of Florida’s expressway system located in the boundaries of the County (the “expressway system”) was previously operated by the State of Florida Department of Transportation (“FDOT”) through December 9, 1996. Pursuant to the Transfer Agreement entered into between the Authority and the FDOT effective as of December 10, 1996, the Authority assumed the rights and the responsibilities for operating the expressway system, and obtained certain identifiable fixed assets (excluding the expressway system’s infrastructure) and cash reserves from the FDOT. In exchange, the Authority made a payment to the FDOT that was consummated through the Authority’s issuance of \$80 million in aggregate principal amount of its Toll System Revenue Bonds, Series 1996 (Taxable). In addition, the Authority assumed a liability from the State of Florida in the amount of \$11,843,000.

The Transfer Agreement gives the Authority the right, in perpetuity, to the toll revenue generated by the expressway system and grants the Authority the right to operate and maintain such expressway system.

# Miami-Dade Expressway Authority Finance Procedures Manual

## Section 2: Purpose and Use of Manual

This finance procedures manual (the “manual”) has been created to document the policies and procedures developed for each key financial process / class of transaction specific to the Authority. The manual has been divided into a number of sections representing the key financial processes / classes of transaction, with specific policies and procedures developed for each. Each section includes a description of the process, the policy related to that particular process, and the procedures to perform the functions of the process.

Employees should use the manual to ensure their understanding and compliance with the Authority’s finance policies and procedures. It is also intended for use in training new employees, as well as temporary employees, covering functions in the absence of the responsible employee. As such, it should be complete and straightforward, so as to enable the performing of the function, by another similarly skilled individual, with minimum direction and training.

### Revisions to the Manual:

The manual should be reviewed, at a minimum, on an annual basis for any revisions that may be required. Any revisions made to the manual should be communicated in a timely manner to employees responsible for performing the applicable functions. As the manual is revised, the subsection number, the revision number, and the effective date of the revision, and approval should be documented in the table below.

Section	Sub Section	Revision #	Effective Date	Approved By
1 – Operational Structure of the Authority		1	10/1/08	Marie Schafer, CPA
2 – Purpose and Use of Manual		1	10/1/08	Marie Schafer, CPA
3 – Effective Systems of Internal Control		1	10/1/08	Marie Schafer, CPA
4 – General Ledger and Journal Entries		1	10/1/08	Marie Schafer, CPA

## Miami-Dade Expressway Authority Finance Procedures Manual

Section	Sub Section	Revision #	Effective Date	Approved By
5 – Cash	C	1	1/1/06	Marie Schafer, CPA
		2	10/1/08	Marie Schafer, CPA
6 – Investments		1	10/1/08	Marie Schafer, CPA
7 – Prepaid Expenses		1	10/1/08	Marie Schafer, CPA
8 – Capital Assets	Policy	1	7/1/05	Marie Schafer, CPA
	Disposal	2	2/21/07	Marie Schafer, CPA
		3	10/1/08	Marie Schafer, CPA
9 – Purchasing Cycle	Add B	1	1/1/06	Marie Schafer, CPA
		2	10/1/08	Marie Schafer, CPA
10 – Debt		1	10/1/08	Marie Schafer, CPA
11 – Payroll Cycle		1	10/1/08	Marie Schafer, CPA

## Miami-Dade Expressway Authority Finance Procedures Manual

<u>Section</u>	<u>Sub Section</u>	<u>Revision #</u>	<u>Effective Date</u>	<u>Approved By</u>
12 – Month-End and Year-End Closings		1	10/1/08	Marie Schafer, CPA
13 – Budgeting		1	10/1/08	Marie Schafer, CPA
14 – Exhibits		1	10/1/08	Marie Schafer, CPA

# Miami-Dade Expressway Authority

## Finance Procedures Manual

### Section 3: Effective Systems of Internal Control

#### Description:

Internal controls, which are an integral part of any organization, are put into place largely to allow management to monitor operations, identify business risks and generate pertinent information, both financial and nonfinancial, to drive needed action.

The nature of controls put into place in any organization depends on a number of factors, including its size and complexity, the industry in which it operates, the regulatory and competitive environments and the organizational structure and management philosophy. Although having an effective system of internal control does not guarantee accuracy or absolute assurance of misstatements, they can reduce the risk of significant misstatements.

#### Policy:

The Authority should maintain an effective system of internal control in order to monitor compliance with policies and procedures established by management.

Internal controls can be divided into two areas: accounting controls and administrative controls. Administrative controls deal with the operations of the business, whereas the accounting controls deal with accounting for such operations. This manual focuses on internal accounting controls (although there may be some overlap between the two). Accounting controls should be designed to achieve the five basic objectives:

- **Validation** – Validation is the examination of documentation, by someone with an understanding of the accounting system, for evidence that a recorded transaction actually took place and that it occurred in accordance with the prescribed procedures. As systems grow more sophisticated, validation is a built-in component whereby the transactions test themselves against predetermined exceptions. For example, only goods received are recorded on a receiving report and only goods shipped appear on a shipping report or bill of lading. The vendor's invoice can then be compared to the receiving report and the sales invoice can be compared to the shipping report. Another example confirms that all relevant details of a transaction are properly recorded: the nature, quality, and condition of goods received are checked by counting, weighing, and inspecting and recorded at time of receipt.
- **Accuracy** – The accuracy of amounts and account classification is achieved by establishing control tasks to check calculations, extensions, additions, and account classifications. The control objective is to be certain that each transaction is recorded at the correct amount, in the appropriate account, in the right time period. For example, one might “double-check” another individual's work on sales invoices by repeating the calculations, extensions, and additions and reviewing the account distributions.

Control tasks, which ensure that transactions are recorded and reported in the proper accounting period, are essential to accurate financial reporting. For example, when goods are received they should be checked and recorded at the time of receipt. The receiving records should then be matched with the related vendors' invoices as a further check on the timely recording of transactions.

- **Completeness** – Completeness of control tasks ensures that all transactions are initially recorded on a control document and accepted for processing once and once only. Completeness controls are needed to ensure proper summarization of information and proper preparation of financial reports. To ensure

## **Miami-Dade Expressway Authority Finance Procedures Manual**

proper summarization of recorded transactions as well as a final check of completeness, subsidiary ledgers and journals with control accounts need to be maintained. This is because individual transactions are the source of the ultimate product – financial reports.

Completeness can be achieved by using two techniques. One is to sequentially number all transactions via documents as soon as the transactions occur and then apply the control task of accounting for all the numbered documents completed in the processing. The use of “control totals” also provides information by which control is exercised. This is done by totaling the critical numbers before and after processing. When the two totals agree, one assumes that the processing is complete.

- **Maintenance** – The objective of the maintenance controls is to monitor accounting records after the entry of transactions to ensure that they continue to reflect accurately the operations of the business. The control system should provide systematic responses to errors when they occur, to changed conditions, and to new types of transactions. The maintenance function should be accomplished principally by the operation of the system itself. Control maintenance policies require procedures, decisions, documentation, and subsequent review by a responsible authorized individual. Disciplinary control tasks, such as supervision and segregation of duties, should ensure that the internal control system is operating as planned.
  
- **Physical Security** – It is important in all organizations that the assets are adequately protected. Physical security of assets required that access to assets be limited to authorized personnel. One means to limit access to assets and related accounting records is through the use of physical controls. Protection devices restrict unauthorized personnel from obtaining direct access to assets or indirect access through accounting records which could be used to misappropriate assets. Locked storage facilities restrict access to inventories, and fireproof vaults prevent access to petty cash. Transaction recording equipment limits access to assets by limiting the number of employees involved in recording and posting transactions, thereby minimizing the possibility of fraudulent misrepresentation. Electronic cash registers record cash sales both on cash register tapes and at an off-site electronic storage facility, creating two records of a single transaction.

### **Procedures:**

The procedures provided below are *general* in nature to maintain an effective internal control system in any organization. Procedures *specific* to each key financial process / class of transaction of the Authority are provided in the sections throughout this manual, as listed in the table of contents.

#### **A. Determination of Validity**

Review all transactions and determine the validity of such (i.e., appropriate approvals have been obtained and/or comparisons have been made to the underlying documentation).

#### **B. Control of Documents**

Enter all transactions on a control document.

- (1) If a document is internally generated it should be prenumbered and physical control should be maintained over unissued documents.
- (2) If the document is prepared externally it should be numbered immediately upon receipt, in sequential order.

## **Miami-Dade Expressway Authority Finance Procedures Manual**

### **C. Check for Accuracy**

Check the mathematical accuracy of all supporting documents. The individual performing the check should initial or sign the document. The extent of checking can be either:

- (1) 100% recalculation; or
- (2) a check of amounts above (or below) a specified amount.

### **D. Record in Appropriate Journals**

As transactions are completed (and/or matched with other supporting documentation), enter into the appropriate journals or registers with a notation or cross-reference indicating the completeness of the transactions.

### **E. Check for Completeness**

Review the numerical control of items that have not been matched with supporting documentation (if required) or are not complete.

### **F. Investigation of Unprocessed Transactions**

Periodically investigate unprocessed transactions, performed by a person other than the record keeper and corrective action taken.

### **G. Segregation of Duties**

Establish a separate control account to account for the completed items, which should be performed by an individual independent of the custodian of the journals or registers.

### **H. Performance of Monthly Reconciliations**

Perform monthly reconciliations between subsidiary records and control accounts to ensure that postings are correct and adjustments have been properly processed.

### **I. Timely Investigation of Differences**

Investigate all differences on a timely basis.

### **J. Safeguarding of All Accounting Records**

Safeguard all assets and the accounting records to prevent theft.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 4: General Ledger and Journal Entries**

#### **Description:**

Management requires accurate and timely financial reports in order to properly monitor the performance of the Authority and make informed operational and financial decisions. The general ledger accounts are the source of all of the financial reports used by management. It is therefore critical that the accounting records are properly controlled so that they continue to reflect accurately the operations of the Authority.

The Authority's accounting system, MUNIS, is set up in five modules: purchasing; human resources; general ledger; accounts receivable; and payroll. All transactions currently are directly recorded into the general ledger based on the module selected.

The Authority's journal entries are recorded, recognized and identified using an organization code, an object code and project number (if applicable). An organization code consists of eight digits: the first two digits represent the type of Fund; the next three digits identify the Department/Expressway; the next two digits identify the Division/sub-Expressway; and the last digit is used to show revenue/expense categories, if applicable. An object code consists of five digits: the first digit identifies the account category (i.e. asset, liability, equity, revenue or expense); and the last four digits are used for sub-categories. The project number consists of five digits that are representative of a project in the Authority's Work Program.

#### **Policy:**

The general ledger should be adequately maintained through the proper preparation, review and approvals of all journal entries and reconciliations and the timely input of all entries into the system.

#### **Procedures:**

1. Journal entries, recurring and non-recurring, are prepared by the Staff Accountant, , and then entered into MUNIS. Attached to each journal entry is supporting documents to verify the accuracy of the entry. Examples of recurring entries of the Authority include, but are not limited to:
  - Accrued interest
  - Interest expense / income
  - Prepaid expenses
  - Amortization of bond premium / discount / cost of issuance
  
2. Once the journal entries are entered into MUNIS, the Staff Accountant prints a general proof of summary report to be reviewed by the Controller. Once reviewed and approved, as evidenced by the Controller's signature, the entries are posted in MUNIS by the Controller.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 5: Cash**

#### **Description:**

Cash is inherently considered an area of high risk. Therefore, the establishment of internal controls over cash is necessary to mitigate the risk of mishandling of funds and to safeguard against loss. The cash cycle consists mainly of revenue collections, cash disbursements and the preparation of bank reconciliations.

The Authority's revenue collection process consists of the following:

- Cash tolls – The Authority utilizes a third party entity, Washington Group International (WGI), to collect cash tolls at each of its toll plazas (please refer to WGI's standard operating procedures for detailed procedures on cash handling). In short, on a daily basis at each of the toll plazas, cash is counted, deposit slips are prepared, and amounts reported in the MDX Toll System (MTS). The cash at each toll plaza is picked up by Looms-Fargo and delivered to Bank of America for deposit (see procedures section below for detailed procedures on the Authority's accounting and reporting of cash tolls as revenue).
- Electronic tolls – The Office of Toll Operations (OTO), a division of the Florida Department of Transportation, is responsible for the collection of electronic tolls through the State's SunPass transponders (please refer to OTO's standard operating procedures for detailed procedures on the electronic tolls collections process). In short, on a daily basis, OTO submits to the Authority a list of valid SunPass accounts. The Authority then electronically submits to OTO a list of SunPass transactions that were recorded for that particular day. OTO verifies such transactions and makes any adjustments as necessary. On a weekly basis, OTO processes all valid accounts and remits amounts directly to the Authority's trustee account, Bank of New York, with a notification sent to the Senior Toll Revenue Auditor for the date and amount of the deposit (see procedures section below for detailed procedures on the Authority's accounting and reporting of electronic tolls as revenue).

#### **Policy:**

Cash should be properly safeguarded against physical loss or misuse through the appropriate reviews and approvals throughout all facets of the cash cycle, including revenue collections, cash disbursements and the preparation of bank reconciliations.

#### **Procedures:**

##### **A. Cash Receipts – Cash Tolls**

1. For each deposit made by WGI, Bank of America provides a copy of the deposit slips and a Current Deposits Report to the Authority's Toll Revenue Auditor, who compares each deposit slip to MTS. If a discrepancy exists, Bank of America sends a hand-corrected Cash Drop Report to the Toll Revenue Auditor. The Toll Revenue Auditor will attach the Cash Drop Report to the Current Deposits Report and submit it to the Senior Revenue Auditor.
2. On a weekly basis, the Bank of America automatically transfers all amounts deposited to the Bank of New York trustee account.

## **Miami-Dade Expressway Authority**

### **Finance Procedures Manual**

3. On a monthly basis, the Senior Toll Revenue Auditor submits the Daily Trend Report and Toll Enforcement Center (TEC) Revenue Report to the Staff Accountant, who reconciles the reports to the monthly bank statements for each toll plaza by month.
4. On a monthly basis, the Staff Accountant receives the Bank of America statement and prepares a reconciliation to the general ledger, as evidenced by the Staff Accountant's signature.
5. The Staff Accountant prepares a journal entry recording revenue and cash deposits received as per the bank/daily trend report.
6. The reconciliation and journal entry are forwarded to the Controller for review, approval, and posting, as evidenced by the Controller's signature.

#### **B. Cash Receipts – Electronic Tolls**

1. On a monthly basis, the Staff Accountant receives the Bank of New York trustee statement.
2. A journal entry is prepared by the Staff Accountant, based on the electronic toll amount reflected in the Daily Trend report provided by the Senior Toll Revenue Auditor, to record electronic revenue and set up a receivable from OTO. The entry also records the deposits made by OTO detailed in the trustee statement, to offset accounts receivable.
3. The journal entry is forwarded to the Controller for review and approval and posting, as evidenced by the Controller's signature,

#### **C. Cash Disbursements**

1. On a weekly basis, the Staff Accountant inputs all approved operating expense invoices in MUNIS and generates an Invoice Proof report for review and approval by the Financial Controls & Budget Manager or Controller, as evidenced by the Financial Controls & Budget Manager's or Controller's signature (see Section 9 for invoice processing procedures).
2. The Staff Accountant then posts the invoices in MUNIS and generates a Warrant, listing the invoices that are going to be paid out in the check run. The Staff Accountant then requests the required number of blank checks (locked in safe) from the Controller and checks are then generated through the system. The Staff Accountant then matches the checks to the invoices and forwards along with the Warrant and Invoice Entry Proof for review of vendor, general ledger account and dollar amount, and approval by the Financial Controls & Budget Manager and/or Controller, as evidenced by the Financial Controls & Budget Manager's and/or Controller's signatures. The Warrant is then forwarded, along with the approved invoices, to the Chief Financial Officer for check signature.
3. The Warrant and Invoice Entry Proof are then forwarded to a Staff Accountant to perform Positive Pay. Positive Pay is an online bank system that notifies the bank of the checks issued along with relevant information.
4. The checks are then mailed out by the Office Services Assistant

## **Miami-Dade Expressway Authority Finance Procedures Manual**

### **D. Bank Reconciliations (Main Operating Account)**

1. On a monthly basis, a Staff Accountant reconciles the general ledger main operating account with the monthly bank statements from Bank of America, preparing any applicable journal entries.
2. The reconciliations and journal entries are prepared by a Staff Accountant and forwarded to the Controller for review and approval, as evidenced by the Controller's signature.

### **E. Petty Cash**

1. The petty cash fund is maintained in a locked safe controlled by the Controller, but with access authorized also to the Chief Financial Officer.
2. All requests for petty cash funds are submitted using a cash request slip, detailing the amount and purpose, and signed by the individual requesting the funds. The Controller reviews the request, signs the request slip, and provides the petty cash to the individual.
3. Once the individual makes the purchase, the receipts are submitted to the Controller, with any remaining cash, if any.
4. The Controller records all petty cash transactions in the petty cash journal.
5. A petty cash reconciliation is prepared and signed by a Staff Accountant and the Controller on an as needed basis, generally at the time petty cash needs to be replenished. The reconciliation is forwarded to the CFO for review and approval, as evidenced by the CFO's signature, and authorization to replenish petty cash is given.
6. A check is made out to petty cash and cashed at the bank to replenish the petty cash fund.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 6: Investments**

#### **Description:**

All of the Authority's funds are currently being invested in accordance with the Authority's investment policy. The establishment of internal controls over investments is necessary to safeguard against physical loss or misuse.

#### **Policy:**

Funds not presently needed for operations or capital projects should be properly invested and safeguarded against physical loss or misuse, which might arise from fraud, employee error and/or misrepresentation, by third parties, or imprudent actions by employees. Such investments should be made in order to maximize earnings and minimize risk to the Authority. To assist in meeting these objectives, the Authority hired an Investment Advisor to advise the Authority in the investment of its funds and other responsibilities, including but not limited to, broker compliance, security selection, competitive bidding, investment reporting and security documentation. In addition, the Chief Financial Officer has been designated as the Investment Officer, responsible for conducting investment transactions and initiating the movement of funds.

See the Authority's investment policy for more detailed policies on authorized investments, authorized financial institutions and dealers, and investment monitoring at Exhibit A.

#### **Procedures:**

##### **A. Investing Idle Funds**

1. On a periodic basis, the Investment Officer receives recommendations from the Investment Advisor.
2. The recommendations are reviewed by the Investment Officer to determine compliance with the Authority's investment policy.
3. Upon accepting an investment recommendation, the Investment Advisor submits the following forms to the Authority for approval of the purchase of the investments:
  - Trade Consent Form – This form describes the proposed investment, the proposed amount, and the rationale for purchasing the investment. This form is required to be signed by two of three authorized individuals, which include the CFO / Investment Officer, the Executive Director, and/or the Treasurer.
  - Trade Ticket(s) – This form is required to be signed by only one of the individuals listed above (usually the Investment Officer).
4. The above forms are submitted to the Investment Advisor to purchase the investments and to the Trustee giving them authorization to accept delivery of the investments on behalf of the Authority, as authorized by the Investment Officer.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **B. Accounting and Monitoring of Investments**

1. On a monthly basis, the Staff Accountant reconciles the general ledger investment account with the monthly investment portfolio summary from the Investment Advisor and the monthly Trustee statements, preparing applicable journal entries for any purchases of investments, sales of investments, interest earned, and realized or unrealized gains / losses.
2. The calculation of any realized or unrealized gains / losses are forwarded to the Controller for review and approval.
3. The reconciliations and journal entries are signed by the Staff Accountant and forwarded to the Controller for review and approval, as evidenced by the Controller's signature.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 7: Prepaid Expenses**

#### **Description:**

Prepaid expenses arise when cash is disbursed and a portion of the associated benefit of the disbursement is for a future period. This process describes the activities for monitoring and accounting for prepaid expenses.

#### **Policy:**

1. Prepaid expenses should be properly monitored and accounted for.
2. The minimum level of prepaid expenses is set at \$2,000.

#### **Procedures:**

1. The Staff Accountant reviews incoming invoices to ensure that all prepayments are identified and prepares an amortization schedule. Examples of prepaid expenses of the Authority include, but are not limited to:
  - Insurance
  - FDOT Operating and Maintenance Agreement fees
  - IT related software licenses
2. The Staff Accountant maintains the schedule which amortizes each prepaid expense over the appropriate period and rates, as determined by the Controller.
3. On a monthly basis, the Staff Accountant prepares journal entries to adjust the prepaid expenses based on the amortization schedule (see Section 4 for the journal entries process).
4. On a monthly basis, the Staff Accountant performs a reconciliation between the asset register and the prepaid expense general ledger balances, which is then forwarded to the Controller for review and approval, as evidenced by the Controller's signature. Any discrepancies are immediately investigated and resolved.

# Miami-Dade Expressway Authority

## Finance Procedures Manual

### Section 8: Capital Assets

#### Description:

A significant amount of the Authority's assets are capital assets that are acquired through transfer agreements, construction, or direct purchases, including: land; bridges; buildings, toll facilities and leasehold improvements; furniture and fixtures; equipment and improvements; asphalt; other roadway assets; and vehicles. Capital assets that are acquired through construction or acquisition are planned in accordance with the Authority's 5-year Work Program, which is prepared by the Consulting Engineer and the Authority's Engineering Department.

The establishment of internal controls over the capital assets process is necessary to ensure that additions, deletions and depreciation are properly recorded, and that all capital assets are safeguarded against physical loss or misuse.

#### Policy:

Capital assets should be properly recorded and safeguarded against physical loss or misuse through the appropriate monitoring, reviews and approvals. The Authority's capitalization threshold is \$2,000. Estimated useful lives are as follows:

<u>Capital Assets</u>	<u>Estimated Life (in years)</u>
Bridges (includes bridge structure and bridge painting)	15-50
Buildings, toll facilities and leasehold improvements	7-30
Furniture and fixtures	7
Equipment and improvements	3-15
Asphalt (includes striping)	7-15
Other roadway assets (includes drainage structures, signs, guardrail, lighting and barrier walls)	7-50
Vehicles	5

#### Procedures:

##### A. Additions to Capital Assets

1. The Consulting Engineer is responsible for certifying that each payment requisition has been properly incurred, is a proper charge against the requested debt issuance, and that the payment has not been the basis of a previous payment request (please refer to the GEC's standard operating procedures for detailed procedures on invoice payments). After review and recommendation of approval of payment by the Consulting Engineer, the Authority's Project Manager reviews and approves the invoice, as evidenced by the Project Manager's signature. After the payment request is approved by the Authority's Project Manager, the Financial Controls & Budget Manager reviews and approves that the payment request has been properly processed and is a proper charge against the Fund to be drawn against. This approval will be evidenced by initialing the payment request. The Financial Controls &

## **Miami-Dade Expressway Authority**

### **Finance Procedures Manual**

Budget Manager forwards the payment request to the Chief Financial Officer for final payment approval.

2. Interest costs incurred on debt-related construction projects and indirect costs are prorated to each project based on the expenses incurred annually on the respective project, which is calculated by the Financial Controls & Budget Manager on an annual basis.
3. As projects are completed, the Consulting Engineer provides the Financial Controls & Budget Manager with the date placed in service and a breakdown of a project's costs into the approved capital asset categories. The Financial Controls & Budget Manager reviews the information for accuracy. Once reviewed by the Financial Controls & Budget Manager, the Consulting Engineer and the Director Engineering will provide a signed letter certifying the project's costs as required under Section 4.05 of the Trust Indenture. An entry is prepared by the Staff Accountant, reviewed and approved by the Financial Controls & Budget Manager, and approved for posting by the Controller, as evidenced by the appropriate signatures.
4. Other capital assets (e.g. furniture and fixtures, equipment, vehicles, etc.) are identified by the Controller during the cash disbursement process. Copies of the paid invoices are forwarded to a Staff Accountant to determine that the capital asset was coded to the appropriate account, determine the useful life and to add to the Fixed Assets Schedule.

#### **B. Depreciation of Capital Assets**

1. As capital assets are acquired, each capital asset is included on a spreadsheet maintained by a Staff Accountant, and is depreciated based on the estimated useful life assigned.
2. On an annual basis, staff prepares a journal entry to record depreciation expense. The journal entry is forwarded to the Controller for review, approval and posting by the Controller, as evidenced by the appropriate signature.

#### **C. Disposal of Capital Assets**

Any roadway/facility related capital asset originally added via a Work Program project (TIP/CIP/R&R) that is to be disposed of, will be determined and recommended by the Consulting Engineer. A Fiscal Year End Certification letter will need to be completed and signed by the General Engineering Consultant which will include information pertaining to the capital asset's description, original project number and estimated disposal value. The form will be forwarded to the Director of Engineering for evaluation and signature and submitted to Finance. Finance will submit a report of write-offs from each Fiscal Year to the Board on an annual basis. This will coincide with the annual audit report to the Board.

Disposal procedures will include working with the Miami-Dade County General Services Administration Office (GSAO) to assist MDX with the disposal of capital assets. MDX will also seek to donate the equipment to another governmental unit in the county or to a non-for-profit agency. MDX will post the assets on the Authority's website for a period of 60 days before contacting the GSAO for disposal. Local government agencies and local non-for-profits will be required to complete the appropriate form requesting the item be donated to their agency.

## **Miami-Dade Expressway Authority Finance Procedures Manual**

The approval authority of roadway/facility related capital asset disposals originally added via a Work Program project will be as follows:

1. Disposals up to and including a book value of \$200,000 to be approved by the Chief Financial Officer.
2. Disposals of a book value of \$200,001 to \$500,000 to be approved by the Treasurer.
3. Disposals of a book value over \$500,000 to \$2,500,000 to be approved by the Budget & Finance Committee.
4. Disposals of a book value over \$2,500,000 to be approved by the Board.

Other capital assets (e.g. furniture and fixtures, equipment, vehicles, etc.) that are to be disposed of, will be determined by the Controller in coordination with the appropriate department. Asset Disposal form will be completed by the appropriate department and submitted to the Controller.

The approval authority of other capital asset disposals will be as follows:

1. Disposals up to and including a book value \$75,000 to be approved by the Chief Financial Officer.
2. Disposals of a book value of \$75,001 to \$250,000 to be approved by the Treasurer.
3. Disposals of a book value over \$250,000 to be approved by the Budget & Finance Committee.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 9: Purchasing Cycle**

#### **Description:**

The purchasing cycle is the process for controlling the acquisition of goods and services through requesting, ordering, competitively pricing, evaluating alternatives, encumbering funds, and receiving and paying for items needed. This cycle is controlled mainly through the Procurement department of the Authority, providing for a centralized system for the acquisition of goods, services and construction, and ensures that all goods and services are of appropriate quality and are acquired in a timely and cost effective manner at the least expense to the Authority.

The Authority's major procurements relate to construction-related services, engineering services, architectural services, and other professional services. These services are normally initiated by the Authority's specific departments, and must follow the appropriate procedures outlined in the Authority's procurement policy for competitive bidding. Generally, all procurements related to these services over \$100,000 must be approved by the appropriate Committees and the Board of Directors. Procurements related to these services under \$100,000 require only the approval of the Executive Director. Small routine purchases that have purchase orders generated through the system, and are less than \$100,000, must be approved by the Chief Financial Officer and the Manager of Procurement & Contract Administration. These small routine purchases are initiated by departments, and must also follow the appropriate procedures outlined in the Authority's procurement policy for competitive bidding.

#### **Policy:**

Purchases should be made in accordance with the Authority's procurement policy. See the Authority's procurement policy for detailed policies on purchases of commodities, supplies, construction-related services and professional services at Exhibit B. In addition, the invoices for goods and services received should be properly recorded and adequately controlled through the appropriate reviews and approvals.

#### **Procedures:**

##### **A. Placement of Orders**

1. For non-contract procurements (see the Authority's procurement policy for procedures on contract procurements at Exhibit B), the department requesting the goods or services must obtain any required quotes, depending on dollar amount of the purchase, and selects the vendor with the lowest quote.
2. Once the vendor is selected, an employee in the department requesting the goods or services enters the information for the request into MUNIS, and is then forwarded to the Department Head for on-line approval (i.e. automated approval on the MUNIS system).
3. The requisition is then forwarded on-line to the Purchasing & Contracts Coordinator in the Procurement division, who prepares a purchase order for the requested goods or services, which requires the signed approval of the Chief Financial Officer and Manager of Procurement & Contract Administration
4. The approved purchase order is then faxed or mailed to the vendor by the Purchasing & Contracts Coordinator.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **B. Credit Card Procedures**

1. The Credit Card Approval Form will be filled out by the holder of the credit card on a monthly basis and must include all charges for the prior month.
2. The form will be reviewed and approved by the requisite Immediate Supervisor and Department Director.
3. All original receipts must be attached to the Credit Card Approval Form.
  - a. The information to be provided per transaction include:
    - i. Vendor
    - ii. Purchase Amount
    - iii. Date of Purchase
    - iv. Description of service or product
    - v. General Ledger Account
4. The approved Credit Card Approval Form will be submitted to the staff accountant by the fifth (5<sup>th</sup>) day of each month.

### **C. Receipt of Goods & Services and Invoices**

1. When goods are received by the requesting department, an employee from the department compares the purchase requisition information to the packing slip / vendor invoice and to the purchase order. Any differences are immediately resolved with the vendor.
2. Invoices received by departments for goods or services are stamped with a vendor approval stamp, and is forwarded to the manager for approval, as evidenced by the manager's signature
3. Invoices received by the Office Services Assistant are immediately stamped with a date and signature for approval stamp. The Office Services Assistant also writes the vendor number on the invoice, which is obtained from the vendor list (vendor list is updated on a monthly basis), and is forwarded to the appropriate manager for approval.
4. The manager is responsible for determining which general ledger expense account to charge within their respective department for each invoice they are approving.
5. The invoice and corresponding purchase order is then forwarded to the Accounting department, where the Staff Accountant enters the invoice into MUNIS, immediately creating a liability offset with the applicable expense account. Copies of invoices and purchase orders are placed in a file for each vendor (see Section 5 for payment of invoices procedures).

## **Miami-Dade Expressway Authority Finance Procedures Manual**

### **D. Encumbrances**

1. All purchase orders created in MUNIS are automatically encumbered by the system.
2. Purchase orders are liquidated at the time the invoice is entered into MUNIS and is automatically unencumbered by the system.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 10: Debt**

#### **Description:**

The Authority periodically enters into debt obligations to finance construction, capital improvements or acquisitions of other assets and/or to refinance existing debt. The establishment of internal controls over debt is necessary to ensure that the Authority's financing needs and its payment obligations are met at the lowest possible cost over the medium to long run, consistent with a prudent degree of risk.

In anticipating the Authority's financial resource requirements, on a monthly basis a construction drawdown schedule is prepared by the Authority's Consulting Engineer. This schedule utilizes the actual cash balances from the previous month's bank statements and also projects future Work Program needs. The schedule is reviewed by both the Financial Controls & Budget Manager and the Chief Financial Officer, offering input as needed, and then forwarded to the Financial Advisor. The Financial Advisor periodically prepares a cash flow schedule, which includes projected revenues, operating expenses and other funding requirements, in addition to the Work Program funding requirements. If it is determined that funding is required for construction and/or capital improvements, the Financial Advisor prepares a finance plan, recommending the timing, type and amount of Work Program funding required typically through debt issuances and/or utilization of the commercial paper program, which is reviewed by the Chief Financial Officer and submitted to the Budget and Finance Committee for approval.

In addition to debt issuances, the Authority also obtains financing for transportation-related projects from the Florida Department of Transportation, through State Infrastructure Bank loans and Toll Facilities Revolving Trust Fund loans. These loans are applied for by the Authority and can only be obtained for projects that qualify under the specific loan requirements. Upon approval of either type of loan, endorsement by the Budget and Finance Committee and final approval from the Board must be obtained .

#### **Policy:**

Debt should be properly issued, administered, and monitored through the appropriate reviews and approvals in order to ensure that the Authority's financing needs and its payment obligations are met, while obtaining the best long-term financial advantage to the Authority at minimal risk.

See the Authority's debt management statement for more detailed policies on the issuance and management of the Authority's debt at Exhibit D.

#### **Procedures:**

##### **A. Recording and Accounting for Debt**

1. Proceeds from the issuance of debt are electronically transferred by the Closing Agent to the Authority's Trustee.
2. Closing documents and debt agreements are provided by the Closing Agent to the Chief Financial Officer, which are used to prepare a journal entry to record the debt, including any premiums, discounts and costs of issuance.

## **Miami-Dade Expressway Authority**

### **Finance Procedures Manual**

3. The Chief Financial Officer forwards the information to a Staff Accountant who prepares a journal entry, along with the supporting documents, and forwards to the Controller for approval and posting.
4. On an annual basis, the Staff Accountant prepares an entry to be entered into MUNIS to record the current and long-term portions of all debt, which is determined using a schedule of outstanding debt maintained by the Staff Accountant.
5. Amortization schedules for bond premiums, discounts, and costs of issuance, which are amortized over the life of the debt, are prepared and maintained on a monthly basis by Staff.
6. The Controller reviews the schedules and posts a monthly journal entry to record the appropriate amortization expense as prepared by the Staff Accountant.
7. On a monthly basis, staff prepares a journal entry to accrue interest expense on all debt, based on the respective interest payment schedules, and is forwarded to the Controller for review and approval, as evidenced by the Controller's signature.

#### **B. Debt Payments**

1. The Trustee is responsible for making debt payments, including principal and interest, through the Sinking Fund for the bond debt, and through the General Fund for the State Infrastructure Bank loans and Toll facilities Revolving Trust Loans.
2. The Trustee transfers monthly, 1/12 of the required annual interest and principal payments for the bonds from the Authority's Revenue account to the Sinking Fund to maintain sufficient funds for payment.

#### **C. Preparing Reconciliations**

1. On a monthly basis, staff prepares a reconciliation between the Trustee's monthly statements and the general ledger, reviewing and ensuring the accuracy of funds transferred and principal and interest payments. The Staff Accountant prepares all applicable journal entries.
2. Staff compares the principal and interest payments made by the Trustee to the respective debt and interest payment schedules to determine accuracy of amounts.
3. The reconciliations and journal entries are signed by staff and forwarded to the Controller for review and approval, as evidenced by the Controller's signature.

#### **D. Debt Covenants**

1. Compliance with debt covenants are monitored by the Trustee on a periodic basis and discussed with the Chief Financial Officer on an annual basis.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 11: Payroll / Human Resources Cycle**

#### **Description:**

The establishment of internal controls over payroll is necessary to prevent incorrect, inaccurate, improper, and/or fraudulent payments. The payroll cycle includes a broad range of activities. Activities include approving employee salaries and wage rates, approving and monitoring leave, benefits administration, tax monitoring and direct deposit processing.

#### **Policy:**

The human resources (“HR”) department should maintain continuous communication with the Finance department, as well as maintain the appropriate reviews and approvals throughout the entire payroll / human resources cycle, in order to ensure the accuracy of payroll payments made.

See the Authority’s Personnel Policy Manual for more detailed policies on pay, benefits, and leave.

#### **Procedures:**

##### **A. Adding a New Employee**

1. HR Manager or designee creates a master file for new employees in MUNIS.

##### **B. Changes in Payroll Data**

1. All changes to employee payroll data (e.g., salary increases, promotions, terminations, leave of absences, etc.) are reported on a Personnel Change Document (see Exhibit F), signed by the employee and the employee’s supervisor (or by the Executive Director if there is a change in salary or termination of employment).
2. Personnel Change Documents are immediately submitted to HR for input into MUNIS. The only employee authorized to make changes to employee data is the HR Manager or designee.
3. The copy of any changes made is forwarded to the Finance department for review of accuracy of input during the payroll approval process.

##### **C. Vacation and Sick Time**

1. HR tracks each employee’s vacation and sick time earned and taken in MUNIS.
2. All vacation and sick time used are reported by the employee on their timesheet for the respective pay period, and entered into MUNIS by HR (see section following regarding timesheets).
3. At year-end, an accrued liability for vacation and sick is automatically calculated by MUNIS, in accordance with the Authority’s policy (see Authority’s Personnel Policy Manual for policy on accruing vacation and sick time).

## **Miami-Dade Expressway Authority Finance Procedures Manual**

4. The accrued liability calculation is forwarded to the Finance department for review of accuracy.
5. The Staff Accountant prepares an entry and forwards to the Controller for review, approval and posting, as evidenced by the Controller's signature.

### **D. Timesheets and Payroll Funds Transfer**

1. HR obtains employee timesheets (see Exhibit G) for the pay period from all employees. Timesheets must identify the employee name, the pay period, the hours worked, any leave taken, total hours, the employee's signature and the signature of the employee's supervisor.
2. HR inputs hours from the timesheets into MUNIS, which will automatically calculate salary, withholdings, taxes, etc., based on the current employee payroll data.
3. HR forwards copies of the timesheets to the Staff Accountant in the Finance department.
4. The Staff Accountant generates a payroll sheet from MUNIS for the two-week pay period and prepares a payroll file to be forwarded to the Controller.
5. The entire payroll file that is forwarded to the Controller for review and sign-off includes the following:
  - Payroll detail report;
  - Direct Deposit file / summary;
  - Earnings-Deductions Proof Summaries;
  - Time & Attendance Proof List;
  - Bank transfer printout; and
  - Vendor Proof Summary.
6. The Controller compares the timesheets to the data entered into MUNIS and approves the payroll by signing off on the payroll sheet.
7. The Staff Accountant calls the bank to transfer funds from the Authority's checking account to the payroll account.

### **E. Distribution of Payroll**

1. The Controller then electronically transfers the direct deposit file and vendor file (if applicable) to the bank for release of the funds from the payroll bank account to each employee's bank account listed on the direct deposit file, or vendor listed on the vendor file.
2. The Controller calls the bank to verify the files submitted and obtains a confirmation number for each amount transferred. The confirmation number(s) are recorded and filed with the appropriate payroll backup.

## **Miami-Dade Expressway Authority Finance Procedures Manual**

### **F. Recording Year-End Payroll Liabilities**

1. HR calculates the year-end payroll liability, if any, based on the dates for the pay period.
2. The Finance department reviews the payroll liability for accuracy.
3. The Staff Accountant prepares an entry and forwards to the Controller for review, approval and posting, as evidenced by the Controller's signature.

### **G. Payroll Account Reconciliations**

1. On a monthly basis, the Staff Accountant receives the payroll account bank statement and prepares a reconciliation to the general ledger and journal entry, as evidenced by the Staff Accountant's signature.
2. The reconciliation and journal entry are forwarded to the Controller for review and approval, as evidenced by the Controller's signature.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 12: Month-End and Year-End Closings**

#### **Description:**

As described in Section 4: General Ledger and Journal Entries, management requires accurate and timely financial reports in order to properly monitor the performance of the Authority and make informed operational and financial decisions. The month-end and year-end closing processes are essential in providing such information to management.

#### **Policy:**

Month-end and year-end closings should be performed on a timely basis in order to expedite the timely preparation of required monthly financial reports to be submitted to management for internal use, and to expedite the annual audit process.

#### **Procedures:**

1. The Controller distributes a memorandum to all departments, indicating the Authority's cut-off and closing procedures and dates (for year-end closing only).
2. The Controller distributes a memorandum to the Purchasing department to liquidate any open purchase orders.
3. The following reports are generated on a monthly basis to facilitate the month-end and year-end closing:
  - Check register
  - Outstanding check register
  - Account trial balances
  - GL table validation report
  - Budget variance report
4. All applicable monthly / year-end journal entries, including any accruals for revenue and expenses, are prepared (see Section 4 for journal entries procedures) and entered into MUNIS.
5. Each month the Staff Accountant prepares a budget variance report and is forwarded to the CFO for review and approval.
6. The Variance Report is submitted to the Budget and Finance Committee and Board of Directors explaining significant variances between budget and actual amounts.
7. The Controller then performs the closing out of all income and expense general ledger accounts for the fiscal year-end.

# **Miami-Dade Expressway Authority**

## **Finance Procedures Manual**

### **Section 13: Budgeting**

#### **Description:**

Budgeting is the process of taking past and current information and using that information to make informed assumptions about future objectives and goals. It is a dynamic and ongoing process to prepare a financial road map for the coming fiscal year.

The Authority's budgeting process is an integrated effort of its in-house managing staff and emphasizes collaboration on cost-containment opportunities and objectives, and whether budgeted expectations are realistic. Budgets are prepared for Operations, Maintenance and Administrative expenses and Capital (Non-Work Program) expenditures. In addition, the amounts required to be deposited in funds and accounts in order to satisfy financial covenants made to creditors to which the Authority may be bound and to be deposited to the credit of the Renewal and Replacement Fund is determined. On an annual basis a Five Year Work Program is developed which contains the Authority's anticipated planning, design, construction and Renewal & Replacement projects. The Five Year Work Program is developed by the Consulting Engineer and the Engineering Department.

#### **Policy:**

The Authority should adopt an annual budget that is realistic and attainable in order to properly carry out its financial responsibilities. In addition, the Authority should continuously monitor its compliance with the annual budget and take appropriate actions to remedy any discrepancies.

#### **Procedures:**

##### **A. Preliminary and Final Annual Budgets**

1. On or before April 30<sup>th</sup> of each fiscal year, the Finance Department prepares and delivers to each Board member a preliminary budget for the ensuing fiscal year. The preliminary budget is filed with the Authority's Trustee and mailed to the Consulting Engineer.
2. On or before May 31<sup>st</sup> of each fiscal year, the Budget & Finance Committee shall meet to consider the preliminary budget and recommend revisions thereto.
3. On or before June 15<sup>th</sup>, the Finance Department and Executive Director shall cause a revised budget to be delivered to each Board member.
4. On or before June 30<sup>th</sup> of each fiscal year, the Authority holds a workshop for the Board members to consider the revised budget, and to adopt the final budget. The final adopted budget is filed with the Authority's Trustee and mailed to the Consulting Engineer.
5. Upon adopting the final budget, Financial Controls & Budget Manager finalizes the previously entered budget in the financial management system and is then reviewed by the Chief Financial Officer and Department Directors for accuracy of input.

## **Miami-Dade Expressway Authority Finance Procedures Manual**

### **B. Amendments to the Budget**

1. Budgets are reviewed by the Finance Department at mid-year and year-end to determine if a budget amendment is required.
2. If a category (e.g. Operations) is projected to exceed budget, and the Executive Director's contingency allotment cannot cover the shortage, a budget amendment will be prepared and delivered to the Budget and Finance Committee for endorsement to the Board for final approval.
3. For budget transfers within categories, a written request/signature is required by the head of the responsible department/division or Chief Financial Officer. This request is to be forwarded to the Financial Controls & Budget Manager for review, approval and processing.
4. Contingency reserves will be available for use, in the Executive Director's judgment, for unanticipated operating expenses during the fiscal year, including the transfer of budgeted funds between categories. The Executive Director and the Chief Financial Officer may approve in writing a budget allocation between categories that would cause an increase of up to ten percent (10%) in a category's budget.

### **C. Operating Budget Monitoring**

1. Each month the Finance Staff prepares a budget variance report and is forwarded to the Controller for review and then forwarded to the Chief Financial Officer for final approval. This report is submitted to the Budget and Finance Committee and the Board of Directors explaining variances between budget and actual expenditures. Each department/division is responsible for monitoring compliance with their respective departmental budget.

### **D. Work Program Budget Development**

1. On or before January 15<sup>th</sup> of each fiscal year, the Engineering Department, in conjunction with the Consulting Engineer, prepares and delivers a preliminary budget of the Authority's Five Year Work Program will be delivered to the Governing Board. The budget will include an upper limiting amount to be expended per project.
2. On or before January 31<sup>st</sup> of each fiscal year, the Operations Committee shall meet to discuss the preliminary Work Program and recommend revisions thereto.
3. On or before February 28<sup>th</sup> of each fiscal year, a revised Work Program will be delivered to each Governing Board member. The Operations Committee shall meet to consider the revised Work Program, and to endorse the final Work Program. The Governing Board shall meet to approve the final Work Program.

### **E. Work Program Budget Monitoring**

1. On a monthly basis the Financial Controls & Budget Manager will prepare a memorandum to the Chief Financial Officer noting the financial summary of funded work program projects.

## **Miami-Dade Expressway Authority Finance Procedures Manual**

The memorandum and associated Financial Summary of Currently Funded Work Program Projects Report will detail the following information:

- a. Total Project Cost and Expenditures to Date for the Transportation Improvement Program
  - b. Total Project Cost and Expenditures to Date for the Capital Improvement Program
  - c. Detailed listing of all assets available for funding Work Program projects including Construction Fund, SIB Funds, TFRTF Funds, Joint Participation Agreement receivables, grants, etc.
  - d. Total Project Cost and Expenditures to Date for the Renewal & Replacement Program
  - e. Detailed listing of all assets available for projects funded via operating activities
  - f. Summary of Total Project Cost and Expenditures to Date for all Work Programs by project phase/account
2. On a monthly basis the Financial Controls & Budget Manager will prepare the Work Program Budget Report The report shall contain the following reports:
- a. Financial Summary of Currently Funded Work Program Projects Report
  - b. Account Trial Balances for retainage by project
  - c. Fiscal Year Work Program (TIP-CIP) Budget Report
  - d. Work Program (TIP-CIP) Total Project Cost Budget Report
  - e. Fiscal Year Renewal & Replacement Budget Report
  - f. Work Program (TIP-CIP) Renewal & Replacement Total Project Cost Budget Report
3. A copy of the reports will be forwarded to all internal parties as required.
4. The Financial Controls & Budget Manager will return any invoice to the appropriate MDX Project Manager to correct any over-budget issue MDX will not process invoices against an account that does not have sufficient budget to cover the payment. It is the Consulting Engineer and the MDX Project Manager's responsibility to ensure that budget is available to pay Work Program obligations.
5. If a budget transfer is requested, a written request/signature is required by the MDX Project Manager. This request is to be forwarded to the Financial Controls & Budget Manager for review and processing.

### **G. Other Capital Expenditures**

1. The Other Capital Expenditures budget is developed on the same time frame as the overall operating budget. Other Capital Expenditures include any capital expenditures not requiring Consulting Engineer oversight or are minor in nature. These can include:
  - a. Computer/network hardware and software
  - b. Vehicles
  - c. Leased property improvements
  - d. Minor periodic maintenance projects (Signs, lighting, etc.)
2. Needs assessments can be recommended from Department/Division Managers with final approval by the Chief Financial Officer.

# Miami-Dade Expressway Authority Finance Procedures Manual

## Section 14: Exhibits

	<u>Exhibit</u>
▪ Investment Policy	A
▪ Procurement Policy	B
▪ Debt Management Statement	C
▪ Master Swap Policy	D
▪ Personnel Change Document	E
▪ Bi-weekly Timesheet	F

**Miami-Dade Expressway Authority  
Finance Procedures Manual**