

Interlocal Agreement

Whitman County and Whitman Co Library ^{Between} to have the District Process its Own Accounts Payable and Payroll Warrants Independent of the Whitman County Auditor's Office Warrant Processing System

This Interlocal Agreement is made and entered into this 20 of NOV. 2018, by and between Whit. Co. Library (District), Whitman County Commissioners (Commissioners); the Whitman County Auditor (Auditor), and the Whitman County Treasurer (Treasurer).

WHEREAS, the District has its own accounting system and ability to produce checks/warrants for accounts payable and payroll or has an outside entity performing those functions; and

WHEREAS, the Auditor currently processes and prints accounts payable warrants for the District; and

WHEREAS, the Treasurer and Auditor can allow a special purpose taxing district to produce its own checks/warrants for accounts payable and payroll using imprest banking accounts; and

WHEREAS, this agreement is entered into under the authority of and in conformity with the Interlocal Cooperation Act, Chapter 39.34 RCW; and

WHEREAS, all parties herein agree this change will save staff time and expenses for the Auditor and District;

NOW, THEREFORE THE PARTIES do hereby agree to the terms, promises and conditions of this Interlocal Agreement for the purposes set forth herein and as follows:

1. This Interlocal Agreement shall be effective from and after the date recited herein above, and shall continue in effect indefinitely until terminated by one of the parties herein.
2. Effective, NOV. 20 2018 (date), the Auditor will no longer print warrants other than those reimbursing the imprest account, and the District will print warrants/checks for their own accounts payable and payroll.
3. The District will, by resolution or other board-approved instrument, open an imprest account, with US Bank (bank). The District will inform the Auditor and

Treasurer of the bank account and provide the resolution or other instrument to the Auditor that the imprest account has a majority approval.

4. The Auditor will reimburse the imprest account through the Auditor-provided voucher listing form approved with signatures of a majority of the District's governing board. Appropriate copies of backup submitted by the District will accompany the voucher listing. The District will submit a voucher listing form on a monthly basis, or will communicate to the Auditor if there are no reimbursements to the imprest account for that month. The District will retain original invoices per the State Records Retention Schedules.
5. If an invoice(s) exceeds the imprest account's available balance, the governing body will create a resolution or other instrument approved by the majority of the governing board to instruct the Whitman County Auditor's Accounts Payable Department to issue a warrant to that vendor on a case-by-case basis. A copy of the resolution/instrument will be sent with the request.
6. Any changes to the established imprest account or the imprest amount must be approved by the Auditor and Treasurer prior to adoption by the District. The District will provide a board-approved document to the Auditor of the change(s).
7. Upon approval of the voucher listing the Auditor will remit the funds via warrant to the District.
8. Any party herein may terminate this Interlocal Agreement upon thirty (30) days written notice to the other parties.
9. The District will hold harmless, defend, and indemnify Whitman County from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the District's performance or nonperformance of the services or subject matter called for in this Interlocal Agreement.
10. The District shall comply with RCW 42.24.180, which provides:

In order to expedite the payment of claims, the legislative body of any taxing district, as defined in RCW 43.09.260, may authorize the issuance of warrants or checks in payment of claims after the provisions of this chapter have been met and after the officer designated by statute, or, in the absence of statute, an appropriate charter provision, ordinance, or resolution of the taxing district, has signed the checks or

warrants, but before the legislative body has acted to approve the claims. The legislative body may stipulate that certain kinds or amounts of claims shall not be paid before the board has reviewed the supporting documentation and approved the issue of checks or warrants in payment of those claims. However, all of the following conditions shall be met before the payment:

- (1) The auditing officer and the officer designated to sign the checks or warrants shall each be required to furnish an official bond for the faithful discharge of his or her duties in an amount determined by the legislative body but not less than fifty thousand dollars;
- (2) The legislative body shall adopt contracting, hiring, purchasing, and disbursing policies that implement effective internal control;
- (3) The legislative body shall provide for its review of the documentation supporting claims paid and for its approval of all checks or warrants issued in payment of claims at its next regularly scheduled public meeting or, for cities and towns, at a regularly scheduled public meeting within one month of issuance; and
- (4) The legislative body shall require that if, upon review, it disapproves some claims, the auditing officer and the officer designated to sign the checks or warrants shall jointly cause the disapproved claims to be recognized as receivables of the taxing district and to pursue collection diligently until the amounts disapproved are collected or until the legislative body is satisfied and approves the claims.

11. The District is responsible for ensuring its expenditures are appropriate and comply with all federal and state laws and regulations, including the payment of any taxes, such as sales or use tax.

12. The District shall adopt and adhere to adequate processes, procedures, and controls to prevent the misuse or loss of public funds from the revolving imprest account, which must include, but is not limited to, the following:
 - a. All expenditures from the imprest account must be processed in accordance with the Washington State Budgeting, Accounting, and Reporting System (BARS), and federal and state law.
 - b. The original of all invoices and supporting documentation shall be on file at the District office.
 - c. The District's own auditing officer shall review invoices received, note the date received and clearly indicate the fund to which the expenditures are to be posted.
 - d. The auditing officer shall review all invoices to be presented for payment.
 - e. Checks shall be signed by the auditing officer and one board member.
 - f. The auditing officer shall provide the District Commissioners, at their monthly meeting with a quorum, a copy of the imprest reconciliation of the revolving imprest account.

- g. The District will furnish to the County Treasurer a copy of the imprest account bank statements on a monthly basis if the Treasurer does not have direct access.
 - h. The revolving imprest account shall be replenished monthly in the amount equal to the invoices paid.
 - i. No money may be deposited into the account other than approved replenishments and increases to the authorized balance.
 - j. The account may never be used for personal cash advances, loans or expenditures.
 - k. Furnish the Auditor with a copy of an executed District Resolution evidencing the adoption of these policies, procedures, and controls.
13. This Interlocal Agreement shall not create a separate legal or administrative entity, nor provide for the acquisition or disposal of property other than set forth herein.
14. The Auditor shall serve as administrator for administering the terms, promises, and conditions of this Interlocal Agreement.
15. All parties to this Interlocal Agreement agree to provide mutual cooperation and make good faith efforts to assist one another in fulfilling the terms of this agreement.
16. The parties to this Interlocal Agreement do not intend to assume any contractual obligations to anyone other than the parties to this Interlocal Agreement. The parties do not intend that there be any third-party beneficiaries.
17. No parties to this Interlocal Agreement shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder.
18. This Interlocal Agreement may be amended, altered or changed in any manner by the mutual written consent of authorized representative of all parties herein.
19. Copies of this Interlocal Agreement, together with the resolutions of all parties' governing bodies' approval and ratification of this Interlocal Agreement, shall be posted on the County's website after execution of the Interlocal Agreement by all parties.
20. In the event any litigation should arise from this Interlocal Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Whitman. This Agreement shall be governed by the law of the State of Washington.

21. If any term or condition of this Interlocal Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Interlocal Agreement are declared severable.

Whitman Co. Library District

Andrea Miller
Commissioner

[Signature]
Commissioner

Bob Datz
Commissioner

[Signature]
Commissioner

[Signature]
Commissioner

Date: 11/20/18

ATTEST:
Shirley Comolero
District Secretary

BOARD OF COUNTY COMMISSIONERS
Whitman County, Washington

Dean Kinzer
Commissioner, Chairman

[Signature]
Commissioner

Arthur D. Swannick
Commissioner

Date: 12-03-18

ATTEST:
Maribeth Becker
Clerk of the Board/Deputy Clerk of the Board

[Signature]
County Auditor

[Signature]
County Treasurer

APPROVED AS TO FORM:
[Signature]
County Prosecuting Attorney