



POLICIES & PROCEDURES

Update on Policy Review Activities

April 10, 2018

Managing Fiscal Accountability



**Internal Audit
Reorganization**
Internal Audit function
reorganized to suit best
practices

Personnel Ordinance
Assessed, updated, and
amended by Board of
Commissioners in
October 2017

Workday Implementation
Automated workflows,
approvals, policy checks,
and transparent
auditability in a modern
financial system

**Fiscal Accountability
Framework**
Structure established by
County Manager for
ongoing improvements



Framework for Fiscal Accountability

Key Objectives

Policies and Procedures

- Resolve short-term issues related to policy transparency, access and awareness for key financial areas
- Review and recommend policies and approval/oversight procedures
- Recommend scope authority and reporting structure

Structure

- Evaluate current structures (e.g., staffing, reporting, and authority)
- Review best practices
- Define “gatekeeper” functions at finance and department levels

Organization Culture & Public Transparency

- Develop communication plans
- Internal and External Transparency and Accountability
- Staff engagement and education
- Alignment with COSO framework



Framework for Fiscal Accountability

Policies & Procedures: Plan of Action

1. Inventory of current policies
2. Establish a process for policy assessment
3. Recommend priority for policy review sequencing
4. Address unique and unusual departmental needs
5. Produce updated financial policies



Financial Policy Reviews

Review Team Members

Team Approach

- **15** Members in Policies Workgroup
- **10** Departments Directly Represented



Team Members

- John Hudson – Health and Human Services
- Sheri Powers – Sheriff
- Eric Grau – Information Technology
- Matt Evans – Budget
- Merry Michalsen – Human Resources
- Amanda Stratton – Performance Management
- Mason Scott – Performance Management
- Tammy Stewart – Compliance & Risk Mgmt.
- Pamela Freeman-King – General Services
- Paulina Mendez – Community Engagement
- Dan Hesse – Communications
- Max Taintor – Communications
- Ron Venturella – Procurement
- Autumn Lyvers – Finance
- Dustin Clark – Finance



Financial Policy Reviews

Policy Lineup

- Procurement Cards
- Gift Cards
- Travel
- Meeting & Meal Expenses
- Expense
- Gas Cards
- Formal/Informal Bids
- Petty Cash
- Professional Development
- Mobile devices



Financial Policy Reviews

Policy Lineup

Review
Complete

- Procurement Cards
- Gift Cards
- Travel
- Meeting & Meal Expenses

Currently
Under
Review

- Expense
- Gas Cards
- Formal/Informal Bids
- Petty Cash
- Professional Development
- Mobile devices



Financial Policy Reviews

Framework for Assessing Policy Criteria

Clarity

Is the background, intent, and objective defined? Are the elements explained clearly and understandably?

Effectiveness

Is the objective and intent achieved as stated? Is policy/procedure free of obvious gaps?

Risk Management

Are organizational risks (e.g. impropriety, cost inefficiency, inequity) addressed and mitigated?

Impact to Operations

Does the policy allow county operations to occur without negative impact, provide maximum flexibility, and keep current operations in compliance?

Comparison to Peers

Are there obvious gaps in policy when compared to peer counties or other entities?



Policy Review Team Conclusions

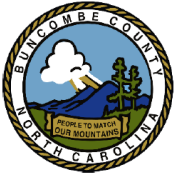
- Existing Procurement Card and Travel policies covered major controls and risks areas
- Language required updating due to system change
- Review team found some areas for improvement based on new Management expectations
- Recommendations presented to and reviewed countywide by Directors and Departments
- Feedback received and processed by Review Team



Meals & Meeting Policy

Major Policy Points

- Existing HHS policy revised and recommended for County
- Establishes guidelines for appropriate events and activities (not a comprehensive list):
 - Meetings of the Board, advisory committees, public officials, and community members in supporting and collaborating in program success
 - Trainings, workshops, webinars, and seminars
 - Meetings with community members regarding collaboration and partnership in the community
- Establishes requirements for documentation of these events
- Outlines unacceptable uses and events



Buncombe County, North Carolina

Meals and Meeting Expense Policy

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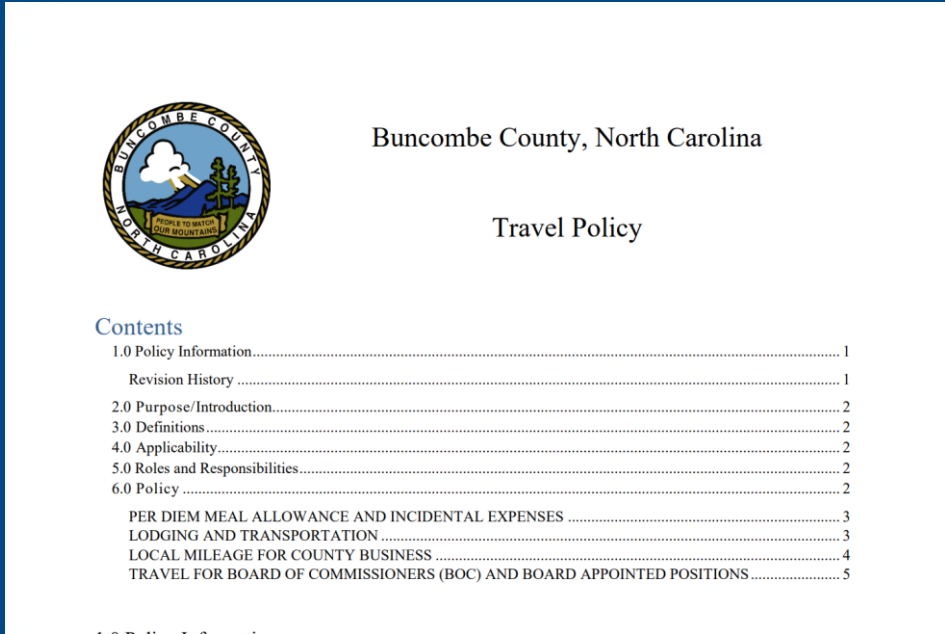
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Purpose

To establish a policy with guidelines for the appropriate purchase of food for County activities and events.

Major Policy Points


- Travel Requests
- Per Diem Meal Allowance and Incidental Expenses
- Lodging and Transportation
- Requirements for Approval of Foreign Travel
- Local Mileage for County Business



Purpose

To establish the rules and guidelines for the authorization and reimbursement of travel expenses incurred by employees when travel is necessary to conduct business on behalf of the County.

- General administrative cleanup
- Removed outdated references to legacy “Lawson” system
- Removed hardcoded numbers that change over time (e.g. GSA rates)
- 120 miles per day rule removed in both rental and county vehicle section
- Approvals/Notices required for Travel by Board of Commissioners (BOC) and Board Appointed Positions



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Travel Policy

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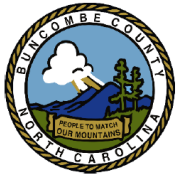
Purpose

To establish the rules and guidelines for the authorization and reimbursement of travel expenses incurred by employees when travel is necessary to conduct business on behalf of the County.

Procurement Card Policy

Major Policy Points

- General Provisions (i.e., Requesting a Card, Training, Terms and Conditions, and Reporting)
- Card Security
- Purchasing Guidelines
- Audits
- Identifying and Reporting Fraudulent, Improper, or Abusive Activity
- Penalties for Misuse



Buncombe County, North Carolina

Procurement Card Policy

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Purpose

To provide rules and guidelines for the use and administration of the procurement card program, as well as the controls and measures needed to help mitigate inherent risks.



Procurement Card Policy

Summary of Recommended Changes

- General administrative cleanup and updated definitions
- Better defined Roles and Responsibilities
- Added tiers for monthly limits
- Require written requests for limit increases
- Increased training requirements
- Inactivity clause added
- Transaction reporting requirement added for appointed employees and Board of Commissioners
- Preaudit requirements specifically defined per LGC guidance



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Procurement Card Policy

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Purpose

To provide rules and guidelines for the use and administration of the procurement card program, as well as the controls and measures needed to help mitigate inherent risks.



Gift Card Policy

Major Points of the Policy

- No existing County policies outside HHS specifically defined criteria around gifts cards
- Procurement Card policy amended to exclude any gift cards
- Specific gift card policy created, following example of HHS and other county peers
- Gift cards shall not be purchased for or given to any employee
- No gift cards shall be provided as payment for goods or services
- The methods of procuring any gift cards shall be constrained to the process outlined in the gift card Procurement Procedure
- Gift cards now only procured through centrally controlled "Gift Card Liaison"
- Limited use to 4 specific areas (HHS, Soil & Water, Sustainability, and BC Service Foundation)



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Gift Card Policy

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Purpose

Establishing a policy for minimizing or eliminating the risks associated with gift cards while maintaining the integrity of program requirements.



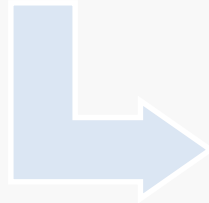
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County

Next Steps



Implement Policy Updates

- Presented versions of policies to go into effect as of [4/10/2018](#)
- Communications Team to transmit changes and requirements across county
- Communications Team to conduct periodic follow-up to gather feedback and measure impact



Financial "Gatekeeper" Roles Established

- COSO training across county departments
- Existing Finance position reallocated based on Structure group recommendations
- Role will include monitoring policy adherence and transactional analysis framework



Develop Formal Review Structure

- Finalize a standardized policy review process
- Build review schedules
- Define roles and responsibilities



Continue Policy Assessments

- Formal/Informal Bids
- Gas Cards
- Petty Cash
- Professional Development
- Mobile Devices
- Other Remaining Policies



Action for Tonight

- Statewide Memo Received from the NC Local Government Commission Regarding:
 - Updates to outdated rules around electronic payments
 - Electronic preaudit requirements
 - Policy and procedure requirements
 - Training requirements
 - Quarterly reporting
- Adoption of this resolution is required for the County to continue to engage in electronic payments.
- This requires the County to formalize policies and procedures consistent with LGC rules and NC Administrative Code guidelines related to preaudit certificate for Procurement Cards.

