

BLOUNT COUNTY

**FINANCIAL MANAGEMENT COMMITTEE POLICIES AND
PROCEDURES**

ADMINISTRATIVE POLICIES AND PROCEDURES FOR THE FINANCIAL MANAGEMENT COMMITTEE OF BLOUNT COUNTY

GENERAL PROVISIONS

The Financial Management Committee of Blount County consists of the County Mayor, the Highway Superintendent, the Director of Schools and four members of the county legislative body elected at its regular October session each year. The committee elects its own chairman and the director of finance serves, ex-officio, as secretary of the committee.

The objective of the Financial Management Committee is to establish and approve policies, procedures and regulations for implementing and maintaining a sound and efficient financial system for administering the funds of Blount County. The system shall include budgeting and accounting, purchasing, payroll, cash management, information technology, risk management, human resources, and other financial matters necessary to an efficient system.

MEETING TIME

The Financial Management Committee of Blount County shall meet on the Monday preceding the Monday prior to the regular monthly Commission meeting of each month at 5:30 pm in the County Commission room at the Blount County Courthouse.

If necessary, the chairman may call a special meeting at any time by notifying each member by telephone or in writing, provided the notice of the meeting shall be delivered at least seventy-two (72) hours in advance of the meeting. Public notice of the meeting shall be given in accordance with applicable laws.

Upon petition of two members of the Financial Management Committee, the chairman shall call a special meeting. Notice of the meeting shall still be delivered to each member of the committee in writing or by telephone at least seventy-two (72) hours in advance of the meeting. Public notice of such meeting shall be given in accordance with applicable laws.

AGENDA

Only items appearing on the agenda may be discussed or acted upon by the Blount County Financial Management Committee at its meetings. Any person or group of persons desiring to bring business to the committee for action or discussion must notify the secretary (finance director) of the request. Each person or group of persons having business with the Financial Management Committee should state the request exactly as it should appear on the committee's agenda.

The secretary shall prepare an agenda listing all requests and items of business to be discussed or acted on for each meeting of the Financial Management Committee. To allow the committee members adequate time for research and to become informed on the items appearing on the agenda, the secretary shall have the agenda prepared and distributed to committee members at least seventy-two (72) hours in advance of each meeting. Request received by the secretary less than seventy-two hours prior to the committee meeting shall be placed on the agenda for the next succeeding Financial Management Committee meeting.

Items on the agenda are to be discussed or acted on in the order they appear on the agenda. The committee may, by proper motion and second and the approval of at least four members of the committee, change the order in which items are to be discussed or acted upon.

QUORUM

Four (4) members of the Blount County Financial Management Committee shall constitute a quorum and may transact any business lawfully subject to action by the committee.

PUBLIC PARTICIPATION

The commission secretary shall notify the press in writing or by telephone of the items appearing on the agenda for the Blount Financial Management Committee as soon as the agenda is distributed to committee members. The public is invited and encouraged to attend meetings of the Financial Management Committee. The secretary shall provide at least (10) copies of the agenda for the audience at each meeting.

Only committee members, staff and /or persons or groups whose request appears on the agenda may speak during the meetings of the Financial Management Committee.

MINUTES

The secretary shall take the minutes of each meeting of the Financial Management Committee, being careful to record each motion and second and the action taken on each item of business conducted. After each meeting, the secretary shall have the minutes of the meeting formally prepared and distributed to each member of the committee.

The minutes approved by the Financial Management Committee shall be kept as a permanent record file in the office of the secretary (finance director). The committee shall keep the Blount County Legislative Body fully informed of the action it takes on each item appearing on the agenda of the Blount County Financial Management Committee. The secretary shall distribute a copy of the approved minutes of each committee meeting to each member of the Blount County Legislative Body.

ACCOUNTING POLICIES AND PROCEDURES

The Finance Director's responsibilities are to ensure compliance with state statute and to ensure proper financial management of the County. The purpose of the accounting system for Blount County is to record financial information so that it can be utilized (1) as a basis for managing Blount County's fiscal affairs (2) as a control to prevent waste and inefficiency, (3) as a check on the fidelity of persons administering interested parties (creditors, investment bankers, bond rating services, statistical reporting agencies, educational research organizations, and the general public) of the county's financial condition and operations.

Basic Objectives

The objectives of accounting and financial reporting for Blount County are to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP):

1. To provide financial information useful for determining and forecasting the flows, balances and requirements of short-term financial resources of Blount County.
2. To provide financial information useful for determining and forecasting the financial condition of Blount County and changes therein.
3. To provide financial information useful for monitoring performance under terms of legal, contractual and fiduciary requirements.
4. To provide information useful for planning and budgeting, and for forecasting the impact of the acquisition and allocation of resources on the achievement of operational objectives.
5. To provide information useful for evaluating managerial and organizational performance.
6. To communicate the relevant information to its users in a timely manner which best facilitates its use.

External Audits

All funds, agencies, departments and offices of Blount County shall be subject to an annual audit by the County audit division of the audit department of the State of Tennessee or by an independent Certified Public Accounting firm. Selection of the auditors for Blount County shall be made by the Financial Management Committee of Blount County each year prior to the 1st day of February in the fiscal year for which the audit is made. After the selection by the Financial Management Committee of the firm to perform the audit for the fiscal year, a contract shall be prepared, signed by the County and the audit firm and then forwarded to the division of county audit of the audit department of the State of Tennessee for their approval of the contract. Copies of the audit report shall be provided to each County Commissioner, each member of the Financial Management Committee, the Finance Director and the County Clerk.

DEPARTMENT OF BUDGETING AND FINANCE
REVISED TRAVEL REGULATIONS

Effective - July 1, 2005
(For travel days beginning)

Introduction

1. It is the intent of these regulations that employees not suffer additional cost as a result of travel incurred to carry out assigned duties. Employees shall be reimbursed for such expenses subject to the limitations provided in this travel policy and the accompanying reimbursement rate schedule.
2. When traveling, county employees should be as conservative as circumstances permit. The lower cost should be selected whenever practical. Reimbursement for travel will be based upon the most direct route possible. Employees traveling by an indirect route must assume any extra expense incurred. It is the responsibility of the employee to be familiar with and adhere to established county travel policies.

Travel Authorization

3. Travel may not be undertaken unless it is authorized in advance by the proper authority.
4. The department head is authorized to approve all travel for County business, including registration fees for conferences, conventions, seminars, etc. (Including the cost of official banquets and/or luncheons), with the following exceptions:
 - (A) The Financial Management Committee or the Blount County Commission shall approve exceptions to the travel policy.

Official Station

5. The official station of a county official or employee shall be designated by the appointing authority. It is normally expected that the official station is that location at which the employee spends the major portion of his/her working time.

Reimbursement Procedures

6. Employees should submit claims for reimbursement for travel expenses no later than thirty (30) days after completion of travel. The standard form for claims for travel expenses shall be used for reimbursement of expenses (TR-2). The form must show movement and detail of expenses on a daily basis, be signed in ink by the employee, and be approved by the employee's supervisor prior to reimbursement. Receipts for appropriate expenses must be attached to the form.

7. All signatures on the travel claim must be original. It is the intent of the county policy that each person submit his/her own individual travel reports whenever possible.

Travel Advances

8. Travel advances must be approved by the Finance Director.
9. The amount of the travel advance will be based on 80% of the total estimated cost of travel. Advances will not be issued for less than \$100. Immediately upon return the employee must submit a request for reimbursement regardless of whether he/she owes advance moneys back to the county or is due additional reimbursement.

Honorariums

10. For those county officials and employees who receive honorariums for appearing at meetings the following rules shall apply:
 - (A) The trip must have been approved by the department head.
 - (B) The county official or employee may, at his option, accept the honorarium as full reimbursement for the trip or turn in the honorarium to the county and be reimbursed according to applicable travel regulations in effect at the time of the trip.

Air Travel

11. Reservations for air travel should take advantage of discount fares and advance booking should be taken whenever practical, and fares should not exceed the regular tourist or coach fares offered the general public. Whenever necessary, employees may book a Saturday night stay if the reduction in cost of airfare is more than the cost of per diem and lodging. **A receipt in the form of a ticket stub or computer generated invoice should accompany the expense claim.**

Taxi Fares

12. Reasonable taxi fares are allowed from airports. It is expected that bus or light rail service to or from airports will be used when available and practical. In traveling between hotels or other lodging and meeting or conference sites, reasonable taxi fares will be allowed. No receipt is required for reimbursement of reasonable taxi fares.

Travel- Personally- Owned Automobile

13. In the use of personally owned cars, the authorized mileage allowance includes all operating expenses such as gas, oil and repairs.

14. Reimbursement for mileage for the use of personally owned cars may be claimed under the following conditions:

- (A) If the official or employee is traveling on county business, the reimbursement rate for use of private auto is at the approved State rate.
- (B) Mileage as shown by the official state map and that published by a nationally recognized source for routes will be regarded as official.
- (C) All travel claims submitted for mileage reimbursement must include either point to point mileage (i.e.: Maryville to Nashville) or include odometer readings from beginning to end of travel.

Automobile Rental

15. Officials or employees who use rental automobiles shall make every attempt to secure the lowest possible price.

Parking

- 16. Necessary charges for hotel and airport parking will be allowed provided that airport parking fees do not exceed normal taxi fare to and from the airport. Receipts must be furnished for all amounts more than **\$5.00**.
- 17. Valet parking will be allowed only if that is the only parking available or the cheapest way to handle parking.

Promotional Materials

18. Expenses of books, supplies, postage, stenographic help, and other items that do not constitute actual traveling expenses should not be made a part of the travel claim. The travel policy is not to be used as a substitute for the purchasing policy. Purchases of goods and services should go through the normal purchasing process.

Charge Cards

19. Departments electing to use charge cards will still be responsible for filing travel claims in accordance with the approved county travel policy. Any charges are the complete responsibility of the employee and department; this includes late charges and interest charges. The county is only responsible for claims submitted in accordance with the travel policy with appropriate documentation. It is the responsibility of the employee and department to ensure claims are submitted fully and timely in order to ensure prompt payment. Charge cards are not to be used for the purchase of goods and services without going through the County's normal purchasing procedures.

20. **Inappropriate use of credit card or cards may deem it necessary for the Financial Management Committee to take appropriate action. The Financial Management Committee will have the authority to prohibit any reimbursements when an employee or department uses their charge cards inappropriately.**

Lodging

21. The employee will be reimbursed for actual lodging costs plus tax incurred up to the applicable maximum amounts as indicated on the Reimbursement Rate Schedule. This schedule includes State Parks. Lodging receipts are required and must itemize room charges by date. If a convention rate exceeds the maximum reimbursement rate and is documented by a convention brochure or registration form, a higher reimbursement rate will be allowed. For lodging other than the convention site a reimbursement request of less than or equal to the conference rate will be allowed. If more than one rate is indicated, the lowest available rate is the amount that will be reimbursed. However, the employee should attempt to find lodging at the lowest government rate possible. When traveling to major cities (for example, Nashville) finding a rate comparable to that listed on the rate schedule can be hard. In these instances the employee shall check government rates at all hotels close to the official business to be conducted and document these rates. The best available rate will be allowed. NOTE: If accompanied by a county check and a tax-exempt form, hotels/motels will generally deduct state sales tax and charge only entertainment tax. You may get a tax-exempt certificate from Accounts Payable upon request.
22. If a room is shared with another employee, the applicable maximum reimbursement rates will be the combined allowance amount. The receipt for the entire amount should be submitted with the reimbursement claim.

Per Diem Rates for Meals and Incidentals

23. The maximum per diem rates includes a fixed allowance for meals and for incidental expenses (M&I). The M & I rate, or fraction thereof, is payable to the traveler without itemization of expenses or receipts. Incidentals are intended to include miscellaneous costs associated with travel such as tips for baggage handling, phone calls to home, etc. Reimbursement is made only when overnight travel is required, or excessive hours of work are required outside the county of the employee's official station or residence. Generally, the applicable maximum per diem rate for each calendar day of travel shall be determined by the location of lodging for the traveler.
24. The per diem rates for meals and incidentals are established on the Reimbursement Rate Schedule.
25. **Reimbursement for meals and incidentals for the day of departure and the day of return from overnight stays shall be 75% of the M & I rate applicable to the in-state or out-of-state rate. For single-day non-overnight travel, the regular meal**

reimbursement rates (100%) would be used. Employees on one-day travel status working beyond their 7.5-hour workday may claim the \$2.00 incidental fee for that day.

PER DIEM RATES
THREE-FOURTHS CALCULATIONS

In-State Rate-----\$34.00-----at 75%-----\$25.50

Out-of-State Rate----- \$42.00-----at 75%-----\$31.50

The following table may also be used to determine reimbursement for a single meal when appropriate. Reimbursement may be made for an occasional meal for employees on one-day travel.

IN-STATE AND OUT-OF-STATE
MEALS & INCIDENTALS - ALLOCATED BY MEAL

IN-STATE PER DIEM \$34.00

Breakfast \$ 6.00
Lunch \$10.00
Dinner \$16.00
Incidentals \$ 2.00

OUT-OF-STATE PER DIEM \$42.00

Breakfast \$ 8.00
Lunch \$12.00
Dinner \$20.00
Incidentals \$ 2.00

26. Meal expenses on official business will be reimbursed for the amount of the meal. If greater than the per diem rate per meal, a statement of the official business conducted and an itemized receipt will be required.

Prisoner Transportation

27. Prisoner transportation would be eligible for up to 100% of per diems.

Extended Travel

28. Special arrangement should be made in advance with the financial management committee for county officials or employees on extended travel whether in state or out-of-state. This provision is intended to cover county officials or employees performing auditing, investigative or like duties requiring absence from their official station more than one month.

Telecommunications Costs While on Travel Status

29. Charges for long distance telephone calls, telegrams, and/or fax on official business will be allowed provided a statement is furnished showing the date, the name and location

called, and the name of the business. Charges for necessary local calls on official business will be allowed.

Exceptions

30. The Blount County Financial Management Committee shall have the authority to grant exception from any or all part of these rules and regulations when deemed appropriate for an employee or group of employees on official travel.

TRAVEL REIMBURSEMENT RATE SCHEDULE
GENERAL REIMBURSEMENT RATES

Standard Mileage Rate (effective 7-1-2005)-----\$0.38 per mile
(This will be updated July 1 of each fiscal year in accordance with the State rate)
(Payment of mileage rate will be allowed only for personally owned vehicles)

Maximum Parking Fees (without Receipt)-----\$5.00 per day

IN-STATE TRAVEL REIMBURSEMENT RATES

Level I---Counties and Cities

<u>Day of Departure and Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M & I (Meals & Incidentals)	\$80.00+tax	\$34.00

Shelby Co., Davidson Co., Knox. Co., Hamilton Co., Sullivan Co., (Gatlinburg-Johnson City)

Level II Counties

Day of departure and return meals	75% of M & I	Maximum Lodging	Maximum
\$34.00		\$70.00 +tax	
(Meals and Incidentals)			

Anderson	GibsonMadison	Robertson	Williamson
Blount	GreeneMaury	Rutherford	Wilson
Bradley	Hamblen	Montgomery	Sevier
Carter	Hawkins	Putnam	Sumner
Coffee	McMinn	Roane	Washington

State Parks:

Paris Landing, Montgomery Bell, Natchez Trace, Pickwick, Fall Creek Falls

Level III (Includes all other counties not listed above)

Day of Departure Meals and Return	Maximum Lodging	Maximum
<u>Incidentals</u>		<u>and</u>
75% of M & I	\$60.00 + tax	\$34.00
(meals and Incidentals)		

Rates paid for downtown Nashville lodging will be at the current lowest State rate.

TRAVEL EXCEPTIONS

Independent contractors and non-employees traveling at the county's expense available at these hotels.

(A)Use of this travel policy is designed for county employees. For Independent Contractors and Non-Employees use of the county policy is strongly encouraged as a guideline for reasonable expense. However, Independent Contractors and Non-Employees may be reimbursed actual expenses with a statement of county business conducted and approved, as reasonable by the Department Head.

In accordance with the Blount County Commission, the above rates supersede and rescind all previous travel rates. These rates are effective and shall remain in effect until subsequently modified or withdrawn.