POLICIES & PROCEDURES COMMITTEE

Martin D. Marshall
County Administrator

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lenawee.mi.us

MEMBERS
Dawn Bales, Nancy Jenkins-Arno, James Goetz

Agenda: Monday, March 1, 2021– Immediately following 1:30 p.m. Airport Commission.

**In compliance with the State of Michigan authorization of electronic meetings,
this meeting will be held via ZOOM*

Join Zoom Meeting
https://us02web.zoom.us/j/83229565635?pwd=SG9LR05DTzBoeEU1cUFXNVJDTDBXZz09
Meeting ID: 832 2956 5635
Password: 125006

Phone In
877 853 5247 US Toll-free
888 788 0099 US Toll-free

I. **Approval of Minutes** – August 3, 2020

II. **Ready for review / recommendation**

A. Cash Handling Policy

B. Accounts Payable Procedures

III. **Other Business**

IV. **Adjournment**

http://www.lenawee.mi.us/639/County-Policies-Guidelines

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County Policies & Guidelines

Listed below are County policies and guidelines that have been adopted by the Board of Commissioners.

Attempts are made to maintain current information; it is not guaranteed. For any questions/concerns; please contact the **ADMINISTRATOR'S OFFICE**

Financial Policies & Guidelines

- Accounts Payable Policy (pdf)
- Automated Clearing House ACH (pdf)
- Bidding Policy (pdf)
- Bond and Annexation (pdf)
- Contracts Designated Signatory (pdf)
- Credit Card Acceptance (pdf)
- Credit Card Issuance (pdf)
- Federal Awards Management Policy (pdf)
- Fixed Assets (pdf)
- Investment Policy (pdf)
- Insurance Settlement Policy (pdf)
- Tuition Reimbursement (pdf)

CDBG Policies

- Citizen Participation Plan 201903 (pdf)
- Economic Opportunities For Section 3 201904 (pdf)
- Grievance Procedure 201905 (pdf)
- Non Discrimination Based on Handicap 201902 (pdf)

Information Technology Policies & Guidelines

- Info Technology and Security 2020 (PDF)

General Policies & Guidelines

- Driving on Airport Grounds Policy 2019008 (PDF)
- Fair Housing Policy (PDF)
- Flag Etiquette (PDF)
- FOIA Policy and Procedure (pdf)
- Green Initiative Policy 2019009 (PDF)
- Hiring Freeze Policy 2019006(PDF)
- Parking Regulations 2019014(PDF)
- Record Retention
- Vehicle Usage Policy 2019013 (PDF)

Miscellaneous Policies & Guidelines

- Emergency Guidelines (PDF)

Personnel Policies

- PERSONNEL Policies may be found under HUMAN RESOURCES

LENAWEE COUNTY BOARD OF COMMISSIONERS
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VICE-CHAIR
Terry Collins

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Karol "KZ" Bolton
Nancy Jenkins-Arno
James Goetz
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Ralph Tillotson
Chris Wittenbach

POL#2021-00x

LENAWEE COUNTY CASH HANDLING POLICY

****DRAFT****

PURPOSE AND SCOPE

This policy governs the handling of County Cash, as directed by MCLA 48.35 et seq. empowering the County Treasurer to be responsible for County funds and MCLA 46.11 empowering the County Board of Commissioners to establish rules and regulations in reference to the management of the interest and business of the county. The term "County Cash" applies to currency, coins, checks, credit card payments, electronic payment media and other negotiable instruments payable in money to the County. All moneys which come into the hands of any County Officer or employee pursuant to this policy are public moneys and steps shall be taken to ensure its safekeeping. MCL 750.490.

AUTHORITY IN COUNTY TREASURER

The County Treasurer is authorized to promulgate rules, subject to approval by the Board of Commissioners and prior written notification to the County Clerk and Finance Officer, for establishing the following procedures:

- $ Receipt, handling and deposit by Elected Officials and employees of County Cash into the County Treasurer;
- $ Method of documentation on all such transactions;
- $ Regular reporting to the County Treasurer;
- $ Certifying and rescinding qualification by the County Treasurer of all County employees who are authorized to receive or handle County moneys in the regular course of their employment or departmental activities;
- $ Inspection of departmental cash records, including overages or shortages; and
- $ Inspection of departmental practices and procedures in handling County Cash.

The County Treasurer may enforce these rules through on-site inspections; by rescinding qualification of any employee who fails to comply with the Rules as adopted and, in the event of noncompliance by a department or employee, requiring that payments be authorized by the County Treasurer, or deposited at his/her office.

DUTIES OF COUNTY PERSONNEL

Any County officer or employee who receives County Cash in the normal scope and course of his/her duties, shall:

A. County cash shall be:
   1. Balanced daily.
   2. A deposit prepared daily.
   3. Deposit delivered daily to County Treasurer or designated courier drop-off location.

B. County cash shall be kept separate and apart from the individual's own money and shall not be commingled with the individual's own money, nor with the money of any other person, firm or corporation, pursuant to MCL 750.490.

C. Comply with rules promulgated by the County Board of Commissioners for handling and processing of County Cash and for documentation and dissemination of records and with departmental internal procedures.

D. Minimize manual paper transactions and recording/reporting. Increase electronic payment mechanisms such as wire transfers, credit and debit card payments and recording/reporting.

E. Notify the employee's supervisor, County Financial Officer, and County Treasurer of any loss or theft of County money immediately upon discovery. Written notice shall be given to them no later than twenty-four (24) hours after discovery.

F. Be subject to disciplinary action (determined by appropriate Elected Official or Department Head) up to and including termination for failure to comply with departmental policies, adopted Board rules, collective bargaining agreements and/or duties described in this policy. Misappropriation of funds may result in criminal prosecution.

QUALIFICATION OF RECEIVERS AND CASHIERS

Only persons who are qualified shall receive and handle County Cash on a regular basis in the scope and course of their employment. Department Heads shall, in the first instance, designate and train employees in their department as to proper cash handling practices consistent with this policy. As a condition to qualification, the County Treasurer may require that the employee complete a course of instruction or training and/or pass an examination on the secure processing of money, consistent with the County Board adopted rules, procedures and applicable departmental rules.

DEPARTMENT DIRECTORS SHALL COMPLY WITH THE FOLLOWING PROCEDURES

A. Assign the receiving of County Cash only to those persons who are qualified to perform those functions.

B. Maintain a system of procedures, documentation and reporting on receipt handling and deposit of County funds consistent with the County Board of Commissioners' policy.

C. Notify the County Financial Officer and County Treasurer of any continuing pattern of loss in excess of twenty dollars ($20.00), or theft of County Cash immediately upon discovery. In the event of potential theft or other recurring type of irregularity, the County Prosecutor's Office shall be notified. Written notice shall be given no later than twenty-four hours after discovery.

D. Allow the Treasurer or his/her designee to make on-site inspections and observe the processing of County Cash, and to make inspections of departmental collection records when it appears County policy may not be adhered to.

<u>STARTUP CASH / PETTY CASH</u>

Departments who take payments from the public are in need of startup cash for their cash drawers. **Start up cash is *"cash approved by the Board of Commissioners on a case by case basis for use as start-up funds in cash drawers for making change for customers. No expenses should come out of this cash and the amount approved should always be the amount in the drawer after balancing at the end of each day."*** To obtain or increase start up cash, the County Treasurer must be notified, and the department must prepare a resolution and cover letter stating the need and reasons for the request. The disbursement issuing the cash is set up as an asset in the County's books and tracked. It is the responsibility of the County Treasurer to annually confirm the start up cash with the departments. The County Treasurer has the authority to do onsite audits of the startup cash at any time.

Departments may need Petty Cash to make incidental purchases. While this practice is discouraged the County realizes there are extenuating circumstances that warrant this process. **Petty Cash is *"cash approved the Board of Commissioners on a case by case basis for use to make incidental purchases where there is an immediate need and the purchase cannot be charged at the point of service. The total of the receipts in the drawer, plus the cash in the drawer, must always equal the total authorized Petty Cash Fund."*** To obtain or increase Petty Cash, the department must notify the County Treasurer, and prepare a resolution and cover letter stating the need and reasons for the request. The expenditures cannot exceed the amount approved for the Petty Cash Fund. The expenditures cannot cause the budgeted line items to be exceeded. It is the responsibility of the County Treasurer to annually confirm the Petty Cash with the departments. The County Treasurer has the authority to do onsite audits of the Petty Cash at any time.

PASSED BY ROLL CALL VOTE of the Lenawee County Board of Commissioners at a regular meeting held Wednesday, XX, 2021, in Adrian, Michigan.

__________________________	__________________________
David Stimpson, Chair	Roxann Holloway, County Clerk

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Policy#2021-00x

Accounts Payable Policy and Procedure

Date of Adoption: January 24, 2013
Amended: 04/14, 01/15, 01/16, 06/17, 01/18; 06/18; 06/20

This Policy Is to Create Anti-Fraud Procedures as Required by Standard Account Practice

ILLEGAL OR UNAUTHORIZED EXPENDITURES:

In order for an expenditure of public funds to be proper, the governmental body approving the expenditure must receive a benefit that fits within their scope of operations. It is not sufficient that the expenditure be well intentioned, the expenditure must serve the local governmental unit.

The Michigan Department of Treasury has identified some of the most common examples of unlawful expenditures which are listed below:

- Office refreshments (e.g., coffee, water and donuts) or picnics
- Contributions or donations – including the use of property or equipment – to churches, veterans, community or nonprofit organizations (e.g., Big Brothers/Sisters, Scouts)
- Flowers to the sick or departed
- Presents to officials and employees or retirement recognition events
- Donations to a private ambulance or EMS service not under contract with the governmental unit

To further clarify, the expenditure for office refreshments is allowable if it is considered to be for a public purpose. For example, coffee and donuts are considered to be for a public purpose if they are available to the general public (such as at an open meeting).

Amounts paid to a nonprofit organization to administer a program or activity with a public purpose are allowable, if the government enters into a legal contract with the organization.

EVERY INVOICE REQUEST MUST HAVE PROPER DOCUMENTATION:

Incomplete vouchers will be returned to the department. It is required that actual support for payment be provided and attached to all voucher requests. Expenses must have some type of support (invoice, receipt, registration form, etc.) to document an expense.

WEEKLY CHECK RUN:

Invoices must be submitted timely to AP for the check to be received by the vendor before their due dates. It is the department's responsibility to obtain invoices from the vendor for timely payment processing. Lenawee County does not pay late fees. All invoices must be received in the AP Department no later than Thursday, 4:30 PM to be included in the subsequent weekly check run. Please make sure all attachments needed to be mailed with checks are included and clearly labeled. Special requests or exceptions must contact AP Department by Tuesday, 2:00 pm.

POL#2021-00x

CHECK RETURNED TO THE DEPARTMENT:

Checks will no longer be returned by interoffice mail. Departments needing checks returned may pick them up Friday morning, 9:00 am to noon. Checks will need to be signed for their release. All checks not picked up Friday morning will be mailed out Friday afternoon.

INVOICING

- Every invoice needs an entry.
- **Invoice Numbers** Use only the invoice number available. The system will **not** allow duplicate invoice numbers for the same vendor. If there is not an invoice number, create a **meaningful** one for the entry. This number should be consistent with all invoices from that vendor. Please check vendor inquiries to verify prior invoice numbers.
- **Invoices will NOT be processed by the AP Department without the physical invoice.**
- Please make sure that all invoices measure at a minimum 8.5x11. Please tape smaller invoices to a full sheet of paper. This allows for easier filing/scanning and prevents the invoice from getting lost.

PURCHASE ORDERS:

- **All purchases costing over $10,000.00 must be on a Purchase Order.**

OTHER INFORMATION:

- **Lost checks or destroyed checks**- Replacement check will only be reissued after ten business days. Please contact the AP department when needing a replacement check.
- **Checks, Un-Cashed-** For checks 90 days or older – please contact the treasurer for processing directions.
- **Returned/undeliverable checks-** Please forward all returned/undeliverable checks to the AP Department

  DO NOT HOLD RETURNED CHECKS.
- **Clothing Reimbursements-** The employee is to purchase his or her clothing to equal the allotted reimbursement amount. Sales tax is not reimbursed. Turn in the detailed receipt with the departmental invoice.
- Employee Reimbursements- Employee reimbursements will be mailed to employee's home address. For convenience, please consider EFT as method of Payment. Using the department address for an employee is not permitted.

CREDIT CARD PURCHASES:

- All credit card invoice submissions MUST BE received on or before the due date established by AP each month.
- All credit card purchases must include a receipt for AP to process the payment.
- All invoice entries must be completed by using the established credit card training policy provided to all departments when cards are distributed.
- No credit card purchases are to be made between December 1st - 31st of each year. It is the department head's responsibility to ensure purchases are not made.
- Please review and understand allowable purchases on county credit card. For questions, please contact the AP Department.
- **Failure to comply with AP Credit Card Policy will result in suspension of credit card privileges for the department.**

POL#2021-00x

PETTY CASH:

- If a department finds it necessary to issue a handwritten receipt, a pre-numbered receipt book should be kept on hand. All numbered receipts should be verified by an individual other than the one issuing the receipts and handling the cash.
- All Petty Cash reimbursements must include receipts.

REMITTANCES:

- Remittances are normally sent for monthly invoices that have perforated slips included on the invoice.
- Please make sure documents are clearly labeled that are to be included with checks.

SALES TAX EXEMPT:

- Lenawee County is exempt from Michigan Sales Tax – deduct any sales tax added to the invoice amount from the entry. If a vendor needs a Michigan tax exempt form, indicate on the invoice and AP will send one with the check.

W-9 FORMS:

All vendors must provide a W9 form before service is performed. For questions, please contact the AP Department.

TRAVEL REIMBURSEMENT POLICY:

- Proper documentation is required for reimbursement.
- Reimbursements are paid through the regular AP check run.
- Check will be issued no more than 90 days before the scheduled events due date, unless otherwise stated on the registration form.
- Itemized receipts are required for reimbursements.

Meals:

- No meals within Lenawee County unless PRE-APPROVED by the Department Head. Documentation must include persons attending and reason for the meeting. Any deviations from this please call AP Department.
- The maximum reimbursement amounts are; breakfast $15, lunch $15, and dinner $35. The above maximums include tax and tip.
- Lenawee County will reimburse tips for meal service at customary rates.
- Itemized receipts must be submitted listing foods/drinks and restaurant name.
- Credit card charge slips are **NOT** acceptable.
- Meals charged to a hotel room must have an itemized receipt of all items ordered.
- Under no circumstances will Lenawee County reimburse employees for alcoholic beverages of any kind.

Hotel:

- "Check-Out" invoice must be used for reimbursement; if paid in advanced, please return a copy the Accounts Payable office.
- The supporting documentation (ex: receipt) is required within 60 days from the completion of the stay. If it is not presented to the AP Department within this allotted time, the employee will be responsible to reimburse the hotel cost to the County.
- Lenawee County is only exempt from Michigan Sales Tax. Check with the hotel in advance. Most will only accept a County check with the tax-exempt form.
- Only payment for the hotel stay during the conference dates will be authorized (documentation is required). All additional days (before or after) will be the employee's responsibility.

Room Rates/Type of Rooms:

- Lenawee County reimburses the lowest applicable rate. Reservations should be made at the standard block offering or applicable government rate. Any upgrade from the standard block offering or government rate, whichever is applicable, requires pre-approval by the County Administrator.

Mileage:

- When driving a personal vehicle, please use the current mileage rate.
- Do **not use** the corporate credit card for fuel purchases on Personal vehicles.
- When using a county vehicle or rental vehicle, please use the Corporate credit card for fuel purchases.
- Do not use the Mileage rate when using a county vehicle or rental vehicle.
- The authorized expense voucher must include date, number of miles and location for reimbursement.
- Lenawee County Commissioners must list separately taxable and non-taxable mileage.

Mileage Rate:

- The rate stays current with the IRS standard. Please feel free to contact the Accounts Payable Coordinator with any questions or concerns.

PASSED BY ROLL CALL VOTE of the Lenawee County Board of Commissioners at a regular meeting held Wednesday, xx, 2021, in the Old County Courthouse, Adrian, Michigan.

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David Stimpson, Chair | Roxann Holloway, County Clerk