

Franklin County Finance Policies & Procedures Manual For Franklin County, Tennessee

Issued 11-27-2001

Revised 11-23-2004 (Budget, Purchasing & Forms)

Revised 1-4-2007 (Travel & Cooperative Purchasing)

Revised 3-4-2008 (Electronic Data Backups)

Revised 2-25-2010 (Travel Review)

Revised 3-2-2015 (Travel Review)

Revised 1-18-2016 (Federal Guidelines Review)

All Prior Copies on File with the Finance Office

Revised 11-14-17 (quote limit single item \$1,500)

Revised 3-5-19 (School Requisition Designees)

Revised 12-2-19 (Commission Training)

Revised 6/4/20 (Purchase Order Guidelines & Weapons Disposal)

REVISED 9/19/22 (Competitive Bid Threshold \$25,000)

Revised 10/1/22 (Travel & Cooperative Purchasing Policy)

Revised 10/4/22 (Quote limit on single item \$5,000)

Revised 11/22/22 (Secondhand Purchases, Grant Claims)

Revised 3/20/23 (Purchasing Agent, Competitive Bid Threshold \$50,000, Travel State/GSA)

Table of Contents

INTRODUCTION.....	1
GENERAL POLICIES.....	3
ACCOUNTING.....	5
COUNTY PERSONNEL POLICIES.....	7
PAYROLL.....	9
CASH & DEBT MANAGEMENT.....	12
BUDGETING.....	13
PURCHASING.....	16
GRANTS.....	25
INVENTORY & FIXED ASSETS.....	27
RISK MANAGEMENT.....	29
TRAVEL.....	32
FORMS.....	41
POLICY & PROCEDURE LIST.....	42

Chapter 1

Introduction

Section 1.1 Purpose: The purpose of this manual is to provide a guide for county departments and employees regarding all policies and procedures established by the Financial Management Committee (The Committee) as required by the adoption of the “County Financial Management Act of 1981” (The Act). This system requires a County Financial Management Committee that establishes policies, procedures and regulations to implement a sound, efficient county financial system. TCA § 5-21-105

The Act provides the basis for a centralized Department of Finance to administer the finances of the county for all funds handled by the Trustee.

This manual was approved by the Franklin County Financial Management Committee at its November 23, 2004 meeting and supersedes any previous guidance on the matters herein.

Section 1.2 Implementation: The Act was adopted by the Franklin County Board of Commissioners at its September 11, 2000 meeting. The Act allows an implementation period beginning July 1 of the next fiscal year and ending by August 1 of the second fiscal year, making the fiscal year ending June 30, 2002 the implementation year for Franklin County.

Section 1.3 Suspension of Private or Local Acts: Upon ratification by the county legislative body and the full implementation of The Act, the operation of all private or local acts relative to county finances, budgeting, and purchasing that conflict with the policies and procedures approved by The Committee are suspended.

Section 1.4 Distribution: This manual will be distributed to all members of the County Commission and Financial Management Committee, county departments, and other County employees involved in areas covered by this manual. All recommended changes or corrections should be forwarded in writing to the Finance Director, Franklin County Finance Department, 851 Dinah Shore Blvd., Winchester, TN 37398.

Section 1.5 Revisions: This manual is to serve as a permanent, up-to-date guide of all approved Financial Management Committee Policies and Procedures. As additions and revisions are approved by the Committee, the added sections or revised pages will be forwarded to users of the manual for updating.

Chapter 2 General Policies

Section 2.1 Financial Management Committee: The Financial Management Committee is charged with establishing policies and procedures and regulations for implementation of a sound and efficient financial system for administering the funds of the county. The County Commissioners appointed to the Financial Management Committee are required to attend the County Technical Assistance Service Budget Course (4 Hours) for In-Service Development.

Section 2.2 Finance Department Personnel: Employees performing the functions of purchasing, payroll, accounting and budgeting shall be supervised by the Director of Finance. All financial books and records, including contracts, are to be maintained under the control of the Finance Director.

Finance Department employees are responsible for purchasing, accounting, budgeting, payroll, cash management, and reporting for the County and will be held to high professional and ethical standards.

Appropriate training and staffing are necessary to provide expected levels of service to county offices and officials. The ability to provide expected and necessary information will be assessed on an annual basis to determine if the needs of the County are being met under present staffing. Changes in needs shall be addressed during the budget-planning process and incorporated into the appropriations request. Annual training will be offered to maintain and improve the skills and knowledge necessary for optimum job performance.

Section 2.3 Internal Controls & Segregation of Duties: Tennessee Code Annotated, Section 9-18-102 is the legislation relative to internal controls for local governments. Internal controls are established to safeguard Franklin County in regard to obligations and cost being lawful; funds, property & other assets being safeguarded against waste, loss, unauthorized use or misappropriation; and the maintenance of accurate and reliable financial/statistical reports. Organization charts, process spreadsheets and segregated duties forms utilized in the practice or internal controls and segregation of duties are kept on file with the finance department.

Section 2.4 Conflict of Interest: It is a breach of ethical conduct for any official or finance department employee to participate, directly or indirectly, in a contract or procurement when he/she or any immediate family member has a financial interest in the transaction. County officials and employees shall not solicit, nor may they accept, gratuities, favors of any monetary value from contractors/vendors, potential contractors/vendors, or other parties with financial interest in any arrangement. This does not include incidentals such as pens, coffee mugs, notepads, or other similar items.

Section 2.5 Government Records: The Tennessee Code Annotated § 39-16-504 states that it is unlawful for any person knowingly:

- a) to make a false entry in, or false alteration of, a government record;
- b) to make, present or use any record, document or thing with knowledge of its falsity and with intent that it will be taken as a genuine government record; or
- c) to intentionally and unlawfully destroy, conceal, remove, or otherwise impair the verity, legibility, or availability of a government document.

Any violation of this section is a Class A misdemeanor.

Section 2.6 Records Management: The finance department follows all federal and state guidelines in regard to records management of all financial, payroll & purchasing records within the finance department. A listing of the requirements, are kept on file in the finance director's office and can be found online at: <http://eli.ctas.tennessee.edu/reference/records-management>

Section 2.6.1 Public Request for Information: The finance department abides by the open records laws of the State of Tennessee. The procedures and policies and official form, in regard to Franklin County government and public information request are kept on file with the finance director.

Section 3.1 Disaster Recovery Policy: The finance department has implemented disaster recovery plan to minimize the interruptions of services for Franklin County, TN with regards to the services provided by the finance department. This plan will help minimize the economic impact to Franklin County. The procedures are kept on file with the finance director.

Chapter 3

Accounting

Section 3.1 General: Under the Act, a finance department is created to administer the finances of the county for all funds handled by the Trustee. Records are to be maintained in conformity with generally accepted principles of governmental accounting, and the rules and regulations established by the state Comptroller of the Treasury, state Commissioner of Education, and state law. TCA § 5-21-124

Section 3.2 Purpose: The objectives of accounting are to provide information for decision making concerning the use of limited resources, effective direction, and control of human and material resources, and control of and accountability for expendable financial resources. The primary considerations of the governmental environment are compliance and accountability. Therefore, accounting, reporting and auditing of the governmental unit are principally tools of compliance control and accountability demonstration.

The Governmental Accounting Standards Board (GASB) is the authoritative source for governmental accounting and is responsible for establishing accounting standards for activities and transactions of state and local governments.

Section 3.3 Audit: An annual audit is required to provide reasonable assurance that the financial statements of Franklin County present fairly the financial position, results of operation and cash flows or changes in financial position in accordance with generally accepted accounting principles. Legal compliance is considered an integral part of both managerial responsibility and accountability of the fiscal audit.

Section 3.3.1 Audit Committee: In June 2011 the Franklin County Commission created an independent audit committee for oversight of the Franklin County, Tennessee's budget, financial and fiscal controls. The finance director is responsible to work with the audit committee in request and resolution to such matters involving the finance department.

Section 3.4 Reserve Fund Balance & Spending Prioritization: In an effort to establish best practice procedures for reserves, expendable fund balances and the spending prioritization of these balances the Franklin County Commission approved in June 2011 the “Reserve Fund Policy & Spending Prioritization Policy”. The policies are kept on file for reference in the finance director’s office.

Section 3.5 Maintenance of Effort: The finance director has the overall responsibility to insure the Franklin County Commission is meeting the required maintenance of local revenue to other funds/departments on an annual basis during the budget process. The departments that have the maintenance of effort review are the Highway Fund 131, School General Fund 141, and the Sheriff’s Department Fund 101 Categories 54110 & 54210.

The Highway maintenance of effort is checked at the end of each fiscal year by completing a “5Yr Average Highway Revenue” spreadsheet and working with the County Technical Assistance Services Agency of the State of Tennessee. The School Fund maintenance of effort is checked at the end of each fiscal year by a Tennessee Department of Education Fiscal Representative in cooperation with finance accounting personnel. There are forms and instructions to this process on the Tennessee Department of Education website. All other departments are managed in the budget preparation with the elected official and the finance committee.

Chapter 4

County Personnel Policies

Section 4.1 General: The State Legislature has placed authority over personnel with various individual officeholders. Therefore, the County Commission cannot adopt personnel policies and apply them to all county employees without the agreement of the officeholders.

The County Uniform Highway Law provides that the chief administrative officer of the highway department has control of and responsibility for personnel policies for the highway department employees. TCA § 54-7-109

The Civil Service Commission establishes personnel policies for the sheriff's department. The sheriff has authority to hire and fire employees pursuant to the policies established. TCA § 8-8-401

The County Board of Education is responsible for establishing personnel policies for both certified and classified personnel and is responsible for personnel matters for the Department of Education. TCA § 49-2-203, 49-2-209

State statutes give elected county officials authority over personnel matters within their offices. These officials can develop separate personnel policies for their staff. Any official who chooses to develop separate policies must include policies for leave, wage and hour, non-discrimination and sexual harassment, and drug and alcohol testing for those employees who are required by law to be tested. TCA § 5-23-104

All other county employees and employees of county officials without separate policies are governed by the policies and procedures developed by the County Mayor and the County Commission.

Section 4.2 Employee Handbooks: As part of the hiring process, employees shall be provided the appropriate personnel handbook by their department head or supervisor. Questions concerning personnel policy may be answered by the department head. Questions may also be addressed to the Finance Department, as it is responsible for payroll and benefit administration.

The Finance Department must be provided with copies of personnel handbooks and with updates and revisions as they occur. It is the responsibility of the department head and elected official to ensure the Finance Department is kept current so that it may effectively and accurately administer payroll and benefits.

Chapter 5

Payroll

Section 5.1 General: The Finance Department has the responsibility for processing payroll for the county, including County General, Highway, and Schools. An orderly process for notification of new hires, changes in pay and payroll status, leaves of absence and both voluntary and involuntary termination is essential to the payroll operation.

The supervisor is responsible for notification of changes, additions, and termination of employees. The information shall be forwarded to the appropriate department head, who is then responsible for notification to the Finance Department. It is imperative that this information is received timely.

Section 5.2 New Hires, Payroll Changes, and Terminations: Although employees of the County may work for different areas, County General, Highway, or Schools, all are employees of Franklin County. It is the responsibility of the Finance Department to ensure that the appropriate paperwork and supporting documentation are on file so that compliance with State and Federal laws is documented.

All new hires shall be directed to report to the Finance Department for processing of appropriate paperwork, including completion of forms W-4 and I-9, and enrollment in the County's insurance programs and benefits.

The Finance Department must be notified promptly by the appropriate department head of changes in pay rates, regularly scheduled hours, leaves of absence and terminations. Prompt notification is required for proper processing of payroll and record-keeping.

A copy of the current Payroll Notification Form for new hires, payroll changes, and terminations is included in the forms section of this manual. Questions concerning the form may be addressed to the Finance Director.

Section 5.3 Schedule: A schedule for payroll processing shall be developed for in-house use. This schedule shall include for each pay category (Highway, substitute teacher, etc.) and for each payroll period the following information:

- ◆ the date time sheets or time cards are due to the Finance Department
- ◆ the date payroll must be run in-house
- ◆ the date deposits are due to the banks for direct deposit
- ◆ the date deposits of Federal withholding and FICA taxes must be made
- ◆ the date deposits of voluntary deductions must be made
- ◆ the date payroll checks or automated clearing house must be run
- ◆ the date payroll checks are available for distribution/deposit

The dates time sheets are due to the Finance Department and the date payroll deposits are available for employees shall be shared with the department heads and supervisors for planning purposes.

Section 5.4 Checks: Checks for payroll or payroll deposits for tax and voluntary deduction withholdings can be drawn under the name of the Finance Director. Upon approval of the State Audit Department, signature plates can be used. It is the practice of the finance department to issue payroll payments via direct deposit.

Section 5.5 Fair Labor Standards Act: The Fair Labor Standards Act (FLSA) governs minimum wage and overtime pay standards, record keeping requirements, and provisions regulating the employment of minors.

Non-exempt employees who work more than 40 hours during the work week may be paid the overtime rate for the excess hours if funds are allocated for overtime. The employee, with approval of the employer, may choose compensatory (comp) time instead of receiving cash payment. Comp time accrues at the rate of one and one-half hours for each excess hour worked. Comp time cannot accrue over the maximum of 240 hours.

In order to comply with the FLSA regulations, and to prove compliance, the Finance Department must maintain certain records and information for each employee. These records and information include the employment application, date of hire, rate of pay, regularly scheduled hours of work, completed W-4 and I-9 forms, and time and attendance records for each pay period that accurately reflect the hours worked by the employee.

Section 5.6 Voluntary Deductions: The management and administration of voluntary payroll deductions is done as a courtesy. An example of a voluntary payroll deduction is a premium for insurance coverage not provided by Franklin County Government and for which the employee pays 100% of the cost. In this instance, the Finance Department withholds the amount of the insurance premium from the employee's paycheck and then issues payment to the insurance provider.

In order to keep the number of voluntary payroll deductions to a manageable level, all voluntary payroll deductions must be within the guidelines of the appropriate governing body and require approval of the Finance Director before being offered to County employees. At least 20% of the eligible employees must enroll in the program offered in order for the program to be included as a voluntary payroll deduction. If enrollment meets the 20% guideline and later drops, the program is open for reevaluation and can be discontinued. This does not mean the employee loses the coverage, simply that the employee would be responsible for remitting payment.

Teacher dues and deductions taken out on a pre-tax basis, such as tax deferred annuities and employer offered health insurance, are excluded from the 20% minimum requirement but must meet a commonsense standard to justify staff time required.

Chapter 6

Cash & Debt Management

Section 6.1 General: The Finance Department shall assist the Trustee in projecting cash flow resources and uses. This information shall be available when making decisions as to the investment of idle funds. The County Commission is responsible for establishing policies and procedures for the investment of idle funds. The Trustee is given the authority to make the investments within the guidelines set by the law and the Commission's policies.

Section 6.2 Debt Management: In an effort to establish best practice methods in regard to Franklin County, Tennessee's debt management, the Franklin County Commission in June 2011 adopted a "Debt Management Policy". This aids in decision process transparency, hiring outside professionals, potential conflict of interest issues and all other requirements for new debt. The Debt Management Policy is on file with the finance office for review & use.

Section 6.2.1 Federal Tax Compliance: In order to comply with the Internal Revenue Code of 1986, Section 148, the Franklin County Commission established by resolution, "Federal Tax Compliance Policies & Procedures" in December 2011. These policies and procedures are kept on file with the finance director and are used in regard to debt issuances and federal tax compliance issues.

Chapter 7

Budgeting

Section 7.1 General: The annual budgetary process is extremely important as it is an expression of public policy and intent. The budget is a financial plan that indicates the proposed expenditures for the next year and the means of financing them. The adoption of a budget implies that decisions have been made, on the basis of a planning process, as to how each department is to reach its objectives. The accounting system assists the supervisors and administrators control the activities authorized in order that the plans can be carried out, and prepares statements that permit comparison of actual operations with the budget and evaluation of the variances.

The Board of County Commissioners adopts the budget as the annual appropriation of the County at its regularly scheduled June meeting, but not later than September 1 of each fiscal year. When approved by the County Commission, the budgetary expenditure estimates become binding appropriations that both authorize expenditures and limit the amount that can be expended for each specified purpose. In the event that a budget is not approved by the County Commission before the lapse of the current budget, the Finance Director and County Mayor will work under the guidance of the State of Tennessee Comptroller's Office – Division of Local Finance to resolve compliance issues.

Section 7.2 Committee: The Committee shall establish and approve policies, forms and documents, procedures and regulations necessary for the preparation of the annual operating and capital improvement budgets.

Section 7.3 Budget Amendments: The budget is a plan for revenue and expenditure that is adopted in order to provide specific services and, thereby, implement the policies of the Board. It is also the legal authority to receive and expend funds. As it is a plan, it is recognized

that changing conditions will require budget adjustments. The continuing process of reviewing budgeted and actual revenues and comparing appropriations, expenditures and encumbrances, and revising the budget as needed in view of changing circumstances, is considered good financial management. These revisions to the budget will be processed in the form of a Budget Amendment in accordance with the procedures and approvals as discussed in the following sections.

Section 7.3.1 Line Item Budget Amendments – Required Approvals: With the approval of the County Mayor and the Director of Finance, amendment of line items within a department/function budget of the General Fund is authorized provided there is no net change to the total department/function budget.

With the approval of the Superintendent of Highways and Director of Finance, amendment of line items within a department/function of the Road and Bridge Fund is authorized provided there is no net change to the total department/function budget.

With the approval of the Director of Schools and the Finance Director, amendment of line items within a department/function budget of the School Fund is authorized provided there is no net change to the total department/function budget.

Section 7.3.2 Other Budget Amendments – Required Approvals: The Board of County Commissioners will be the approving authority for:

- ◆ Budget amendments that result in an increase or decrease of the total budgeted revenue or expenditure of a fund.
- ◆ Revisions to line items with a department/function change from one department/function to another within the same fund.

Proposed budget amendments shall be submitted to the Highway Commission, School Board, or the Financial Management Committee, as appropriate, for recommendation to the County Commission.

Section 7.4 Annual Budget Schedule: Sound financial planning requires that budget preparation begin in time for its adoption before the beginning of the budget period. The normal budget process starts with a required meeting of The Committee prior to the 1st of February and results in an approved tax rate and budget prior to September 1 by the Board of County Commissioners.

At the initial meeting, the required assumptions, procedures, forms calendar, etc. are determined. The Committee will approve preliminary estimates of the overall budgetary outlook and provide guidelines and direction to the various departments for use in projecting budgeted needs.

Based on this information, each department shall submit to the Finance Director a proposed budget for the succeeding fiscal year with appropriate documentation and support. The Finance Director shall meet with the department head or manager as necessary to prepare a consolidated budget.

The consolidated budget shall be presented to The Committee for review and discussion. Revisions and changes shall be communicated to the department head and manager as required. A recommended budget and tentative tax rate shall be presented to the County Commission at least ten (10) days prior to budget approval.

Chapter 8

Purchasing

Section 8.1 General: The basic responsibilities and procedures for an economical and efficient purchasing system are set forth in TCA § 5-21-118 through 5-21-129. The primary objectives of centralized purchasing are cost savings through uniform consolidated purchasing practices and verification of funds availability prior to obligation. Franklin County's Purchasing Agent is 100% dedicated to the purchasing function and works under the Finance Director. The Purchasing Agent is responsible for assisting departments with all aspects of the purchasing process.

No contract, purchase, or obligation of Franklin County for supplies, materials, equipment, contracted services, or rentals shall be made without the prior execution of a purchase order unless the requisition is for less than \$25 or the purchase falls within the narrow definition of emergency purchase as defined in Section 8.6. This excludes insurance premiums, surety bonds, dues & memberships, refunds/reimbursements, utilities, penalties, Trustee Commission fees.

A primary objective of governmental accounting is to assist the administrator in controlling expenditures, including the prevention of over-spending. In order to maintain the necessary records, encumbrances are recorded when purchase orders are issued for goods and services.

The basic principle of an organized purchasing system is to plan the County's needs, develop minimum specifications, receive bids from the most bidders possible, and make the best use of County resources.

Section 8.2 Purchases Requiring Competitive Bids: The cost basis for requiring competitive bids is set by the State of Tennessee as follows:

Section 8.2.1 All County, Highway Departments and Boards of Education: All purchases of \$50,000 and greater require competitive bids, solicited by advertisement in a newspaper of general circulation in the county. The Franklin County Commission approved this bid threshold March 20, 2023. Public notice shall be at least ten days prior to the bid closing date.

Requisitions for items estimated to cost more than the bid threshold will not be subdivided to circumvent the requirement for competitive procurement.

Bid procedures shall include the following essential elements:

- a) Completion of Request for Bid form by requesting department
- b) Preparation of bid specifications with appropriate department
- c) Preparation of invitation for bid including clear specifications
- d) Posting the invitation to bid in a place open to the public and advertising at least once in a newspaper of county-wide circulation at least ten days prior to the bid closing date; advertising in newspaper(s) of wider circulation depending on the goods or service, the finance website may also be utilized for notification.
- e) Provision of adequate time for submission of bids consistent with the size and type of goods or service
- f) Public opening of the bids
- g) Pending expenditure approval by the appropriate governing board or official, an award will be made by the Finance Director, Purchasing Agent and appropriate department head (County Mayor, Highway Superintendent, and Director of Schools). Awards will be made based on the bid that is most advantageous to the County, price and other factors considered
- h) Proof of liability and worker's compensation insurance must be provided to the Finance Department at any time during the bid process.
- i) Franklin County practices a Drug Free Workplace policy. Use of alcohol and/or illegal substances while performing work for Franklin County Government is strictly prohibited and will result in immediate contract termination.
- j) Franklin County reserves the right to reject any and all bids. Bid Protest instructions are in the Bid Policy & Procedures.

Detailed bidding policies and procedures are included in the Forms Section of this policy and procedure manual.

Section 8.2.2 Construction Projects exceeding \$25,000: In the case of construction projects that exceed \$25,000, it is the practice of Franklin County to contract with an engineer or architectural firm in order to comply with state & federal guidelines.

Section 8.2.3 Cost Analysis: Cost or price analysis shall be performed in connection with every procurement action in excess of \$150,000, including contract modifications.2 C.F.R. § 200.323(a). This is performed to evaluate the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements. If the finance director does not perform this duty it is generally contracted with a professional agency to perform. (i.e. Engineer/Architectural Firm)

Section 8.3 Exceptions to Bid Requirement: State law provides several exceptions to bid requirements.

Section 8.3.1 Professional Services: Contracts for legal services, auditing services by certified public accountants and similar services by professional persons or groups shall not be based on competitive bids but shall be awarded on the basis of recognized qualifications of competence and integrity. Any contract service should have a W-9 form completed prior to making payment unless services are from an incorporated entity.

Section 8.3.2 Time and Material Contracts: While Franklin County does not make a habit of utilizing “Time and Material Contracts”, it will utilize them in situations where no other contract can be obtained. These contracts and the activity of the project is closely managed to insure the most economical expense to Franklin County.

Section 8.3.3 Tennessee State Contract Pricing: Purchases through state contracts and price agreements meet the legal requirements for formal competitive bids. The County may purchase materials, supplies, commodities, and equipment from any federal, state, or local governmental unit or agency, without conforming to competitive bidding requirements.

Section 8.3.4 Perishable Goods and Commodities: Perishable goods are exempt from competitive bidding requirements when purchases are made in the open market. This exemption is not designed to discourage competitive bidding.

Section 8.3.5 Use of Internet Technology: The County may, by Resolution passed in January, 2005, utilize internet technology to purchase materials, supplies, commodities and equipment from any federal, state or local governmental unit or agency whose product is listed through GovDeals.com without conforming to competitive bidding requirements. Each Department of the County shall first obtain a purchase order from the Finance Department with the amount to be bid on each item.

Section 8.3.6 Cooperative Purchasing: All departments of Franklin County Government may engage in cooperative purchasing when goods and services are available at a cost previously negotiated by the State of Tennessee, any local government entity or cooperative entity in which the County is a member.

Section 8.3.7 Intergovernmental Agreements: Franklin County in its effort to safeguard unnecessary cost advocates intergovernmental agreements to meet the county's need when possible.

Section 8.3.8 Avoidance of Unnecessary or Duplicated Items: Franklin County in an effort to maximize assets and resources advocates' cooperation within the umbrella of Franklin County Government when identifying resources available in program operations. This includes and is not limited too; Franklin County Schools, Highway, Solid Waste, and other General Departments. Department Heads work together in regard to this issue. Federal Excess and Surplus Property are included in this process.

Section 8.3.9 Credit & Purchasing Card Purchases: The Franklin County Commission in November 2000, approved a Credit Card Policy that outlines the approved users and use of credit cards for Franklin County. This policy is kept on file with the finance director. The county has credit cards for the County Sheriff, County Mayor, and School Director. The county also has purchasing card accounts that are handled in the same matter as the credit card

policy allows. The School Board keeps on file the School Director and Assistant School Director cards for School Board use. The Sheriff's Department has cards on file for their use at the Sheriff's Department. The County Mayor and Industrial Development Board Assistant keep cards on their persons for use in county business only. The Purchasing Agent keeps all other purchasing cards for her, the Deputy Finance Director, Highway Superintendent, & Other Department Heads as needed. These cards are signed out as needed for official county use upon receiving the required paperwork for procurement. Finance accounts payable personnel review the monthly statements and obtain the necessary backup documentation from all county employees that have utilized the credit or purchasing cards. If an unordinary purchase has been made by credit card it is reported to the purchasing agent for review and resolution. Protest of charges and refunds are maintained by the accounting personnel in cooperation with the card end user to ensure Franklin County is not over charged for goods and services.

Section 8.3.10 Secondhand Purchases: The provision for the allowance of purchases of secondhand articles or equipment is outlined in TCA §12-3-12.02. Purchase of secondhand articles consisting of goods, equipment, materials, supplies, or commodities from any federal, state, or governmental unit or agency without public advertisement and competitive soliciting are allowed. As well, secondhand purchases may be made from any private individual or entity without public advertisement and competitive soliciting as long as documentation of the general range of value of the item(s) through a listing in a nationally recognized publication or through appraisal by a licensed appraiser, and the price is not more than five (5%) percent higher than the highest value of the documented range.

Section 8.4 Purchases Between \$5,000 and the Required Minimum for Bid: All purchases of at least \$5,000 but less than the minimum required by law to be bid may be made in the open market without advertised or public notice.

Requisitions for items estimated to cost more than the minimum for bid requirement will not be subdivided to circumvent the requirement for competitive procurement.

When initiating purchases between \$5,000 and the bid threshold, a minimum of three price quotes if possible must be documented and attached to the original requisition. This information can be obtained by telephone, soliciting informal quotes, by consulting catalogs, or other methods with a signed certification by the requester.

Section 8.5 Requisitions and Purchase Orders: No purchase shall be made until a requisition has been received in the Office of Finance, properly approved by the appropriate department head for all General Fund purchases, the Superintendent of Highways or designee for Road and Bridge Fund purchases, and the Director of Schools or Deputy Director for the School Department. The Director of Finance or appointee will verify the availability of funds.

Purchase orders will not be issued without the proper approvals and without verification of available funds. It shall be the duty of each office, department, or agency to anticipate needs for equipment, materials, supplies, contracted services or other needs and place requisitions with advance time for procurement under an orderly purchasing procedure.

Section 8.5.1 Blanket Requisitions: Departments frequently have a need for recurring goods or services. Blanket requisitions may be issued for such needs. This assures continuity of the goods and services and also reduces paperwork.

Generally, the need for blanket requisitions is determined at the beginning of the fiscal year. The department head and Finance Director or appointee will reach an agreement on the blanket requisitions, vendors and the monthly amount of the charges. Once approved, monthly purchase orders will be issued for the blanket requisitions. At the end of each month, that month's purchase order will be closed out and a new purchase order issued.

In no case may charges order exceed that approved for the monthly blanket requisition. The department head or manager is responsible for tracking the charges. He/she is also responsible for anticipating departmental needs and for issuing a separate requisition for those goods and services that exceed the approved blanket requisition.

Section 8.5.2 Departmental Requisitions of Less Than \$5,000: Single purchases of items on a departmental requisition totaling less than \$5,000 may be purchased without comparative prices. This does not mean that no consideration of price is necessary, nor should one vendor be favored over another where quality, price, and service are comparable.

Section 8.6 Emergency Purchases: Emergency purchases are those required under uncontrollable or unforeseeable circumstances where any delay would endanger the health or safety of Franklin County residents or cause additional and extensive damage to County property. Emergencies shall not include conditions arising from neglect or indifference in anticipating normal needs.

Emergency purchases may be made by any office, department, or agency in the open market without obtaining a purchase order. Every attempt must be made to obtain competitive bids for the emergency purchase. Informal bids based upon telephone calls are sufficient, but must be documented. Such purchase shall, whenever possible, be made with the concurrence of the Finance Department.

A written report of such emergency purchase shall be made to the Office of the Director of Finance before the close of business the next working day following the date of purchase. A copy of the emergency purchase form is included in the forms section of this manual.

Section 8.7 Obligations that Continue Beyond Current Fiscal Year: Obligations made on behalf of Franklin County must be paid from current year financial resources. Any obligation for goods or services that extends into the next fiscal year and that requires funding from future financial resources must be approved prior to commitment by the County Commission.

Section 8.7.1 Lease & Contract Procedures: All Franklin County Departments seeking to enter into a contract or lease agreement that spans more than one calendar or fiscal year must first have approval from the Franklin County Commission. Unexecuted lease or contract agreements shall be submitted to the Finance Director for review with the county attorney if

necessary. The draft agreement then goes to the finance committee for approval and recommendation to the county commission. Upon finance committee approval the draft document shall be sent to the county commission with a resolution approving the agreement. When the county commission approves the document the finance director is then approved to sign on behalf of Franklin County, Tennessee.

If the agreement incorporates debt on behalf of Franklin County, the certified resolution must be sent to the Tennessee State Comptroller, Division of State, and Local Finance for prior approval before execution of the document. All such documents are kept on file with the Finance Director.

Section 8.8 Purchasing Calendar: In order to receive volume discounts and to minimize delivery and storage problems, the Finance Director or appointee will consult with supervisors and department heads to project purchasing needs. From this information, a purchasing calendar will be developed to coordinate the bidding and purchasing cycle on an annual basis.

Section 8.9 Procedures: The basic purchasing procedures are described in the following paragraphs. A copy of the requisition form and notification of receipt of goods or services form can be found in the forms section of this manual.

Section 8.9.1 County General: All requisitions must be approved by the department head or appointee. The requisition shall be completed by the requesting party and sent to the Finance Department for verification of funds prior to a purchase order being issued. The Finance Director, Designee or Purchasing Agent shall sign the purchase order attaching with the requisition, then will be given to the County Mayor for approval. Once approved by the County Mayor, the purchase order is returned to the Finance Department for distribution and processing.

Section 8.9.2 Schools: All requisitions must be approved by the Director of Schools or the Assistant Director of Schools. The requisition shall be completed by the requesting party. If originated at the school level, the requisition must be approved by the principal before being forwarded to the Director of Schools or Assistant Director of Schools for review and approval.

Once approved by the Director of Schools or Assistant Director of Schools, the requisition is sent to the Finance Department for verification of funds prior to a purchase order being processed. The Finance Director, Designee or Purchasing Agent shall sign the purchase order attaching with the requisition, then distributing and processing.

Section 8.9.3 Highways: All requisitions must be approved by the Superintendent of Highways or Assistant Superintendent of Highways. The requisition shall be completed by the requesting party and sent to the Superintendent of Highways for approval or Assistant Superintendent of Highways. Once approved by the Superintendent of Highways or Assistant Superintendent of Highways, the requisition is sent to the Finance Department for verification of funds prior to a purchase order being processed. The Finance Director, Designee or Purchasing Agent shall sign the purchase order attaching with the requisition, then distributing and processing.

The requisition document will be available as an e-mail attachment. With the written approval of the County Mayor, Director of Schools or Superintendent of Highways, e-mailed requisitions with electronic signature can be used. Faxed requisitions are also acceptable.

Approved requisitions resulting in Purchase orders shall be signed by the Purchasing Agent. The Finance Director and Deputy Director will review purchase orders for their respective accounts they are responsible for maintaining. The County Mayor or ProTem Chair of the Commission shall provide an additional approving signature on County funds. The Highway Superintendent or the Assistant Highway Superintendent shall be the second approving signature for the highway funds. The School fund approvals are made at the requisition level by the School Board Director or Designee, not requiring a school administrative signature on the purchase order. A copy of the signed purchase order and requisition shall be sent to the department of the originating party. Once the goods or services are received, notification of receipt of the goods or services must be sent to the Finance Department before payment to the vendor can be made.

Chapter 9

Grants

Section 9.1 General: In order to comply with Federal, State, and Other Source Funded Grants Franklin County has adopted Grant Policies and Procedures that meet the Uniform Grants Guidance for all Federal Funds in January 2016. This will insure that all grant funds received are sought, received, and managed in accordance of the guidelines set down by the awarding agency.

Section 9.1.1 Pre-Application Process: Anyone applying for grants through Franklin County, Tennessee is obliged to fill out a pre-application form notifying the finance committee and county commission of the grant application and information regarding possible future obligations of Franklin County. See the Pre-Application Form in the “Forms” section of this manual.

Section 9.2 Grant Management: The Department Head or the Department Head Designee of the local agency applying for any grant shall be responsible for oversight of the grant being applied for. It shall be their responsibility to designate the grant program manager and a fiscal grant manager. These parties working together will insure that Franklin County stays within all of the grant requirements, safeguarding the assets of Franklin County and the program.

Section 9.2.1 Allowable Cost: The Grant Program Manager is responsible for determining if a cost is allowable or not utilizing the awarding agency’s grant contract and supplemental information to determine so. When determining if a cost is allowable, the most economical policy, must be utilized whether State, Federal or Local Policy.

Section 9.2.2 Extension Request: It is the responsibility of the Grant Program Manager to ascertain if a grant extension will be needed for the grant in question and see that it is processed in a timely matter. The Grant Program Manager will work with the Fiscal Grant Manager to determine the need and budget timeline.

Section 9.2.3 Indirect Cost: Indirect cost are those incurred for a common or joint purpose benefiting more than one cost objective and not readily assigned to the cost objectives specifically benefited in the grant. As a rule, the Franklin County Commission condones the use of indirect cost for all grants possible, unless the indirect cost would result in a negative effect on the grant program.

Grant Program Managers work with the Fiscal Program Managers in assessing this cost utilizing the state and federal guidelines. See the State of Tennessee guidance with the department providing the grant opportunity. Federal link: [Guidance on Indirect Costs for State/Local Governments | U.S. Department of Labor \(dol.gov\)](#)

Section 9.3 Federal Program Fiscal Management: The Grant Program Manager shall manage all aspects of the grant program in regard to the operations of the grant. The Fiscal Program Manager is responsible for the financial aspect of the grant management, reporting expenditures & claiming grant funds. Both managers assist local, state, and federal program managers as necessary. All grant claims shall be made on a monthly, bi-monthly, quarterly, semi-annual or annual basis according to the grant in question. Exceptions shall be made at fiscal year end and when state or federal processes prohibit said claims.

Section 9.3.1 Identification, Accounting, and Financial Reporting of Grant Funds: Grant Awards are identified in the budget utilizing the State of Tennessee “Uniform Chart of Accounts” and by created cost centers and sub-objects with descriptions that are identification triggers in the accounting records of Franklin County. Reports are processed yearly as federal requirements identifying the funds awarded, received, and expended. This report is included in the Annual Financial Report of Franklin County, TN. Grant files are also kept on file with documents regarding every activity of a grant award.

Chapter 10

Inventory & Fixed Assets

Section 10.1 General: Acquisition of fixed assets is an expenditure of governmental fund resources. The assets are capitalized in the General Fixed Assets Account Group. This account group is the basis for providing accountability and control. General fixed assets are classified as land, buildings and building improvements, infrastructure, machinery and equipment, and construction in progress. In order to record and report the manner in which fixed assets are acquired, it is necessary to group fixed assets according to the source of financing. General fixed assets shall be recorded at cost, or if cost is not practicably determinable, at estimated cost.

Section 10.2 Records: In order to track and maintain control of County assets, accurate records are imperative. Assets purchased that meet the capitalization and accountability policies shall be tagged and recorded. Transfers, sales, or disposals of tagged assets must be communicated to the Finance Department for proper asset accounting.

Section 10.3 Capitalization Policy: It is the policy of Franklin County to capitalize assets that meet any of the following criteria:

- ◆ Assets with an original cost of \$5,000 or more
- ◆ Assets with title

Useful life estimates shall be as determined by Internal Revenue Service guidelines and other authoritative sources. Residual Values shall be given for all assets depreciated. Residual value for buildings shall be 40%, all other items shall be 10%.

Section 10.4 Accountability Policy: Department heads are required to maintain annual June 30 inventory records of assets with a value of \$100 and greater. These inventory records must be Assets with an original cost of \$2,000 and greater shall be included in the County's insurance schedule listing for accountability purposes. Inventory list shall be reviewed with departments and discrepancies shall be investigated and appropriate actions taken.

Section 10.5 Sale of Surplus Equipment: Equipment and materials that are no longer used in County operations shall be sold in open auction to the highest bidder by the Finance Department or the Finance Director Designee. The Finance Director or appointee shall identify and organize surplus items until such auction is held. Internet technology may be utilized, per Resolution of the County Commission in January, 2005, by listing surplus items on Gov.Deals.com.

Franklin County shall provide that the Franklin County Sheriff whom is responsible for weapons and accessories, seized and purchased for law enforcement operations, be allowed to surplus seized and department owned weapons and accessories and sell by “Request for Proposals” to Licensed and Insured Law Enforcement Weapons Dealers following all state and federal guidelines.

Chapter 11

Risk Management

Section 11.1 General: Franklin County Government recognizes its obligation to its employees to provide a safe place to work and to its constituents to minimize danger to its citizens and exposure to loss of assets and has developed a plan to address these concerns.

Section 11.2 Employee Safety: Employee safety is best addressed by education and training which helps to raise awareness and to reduce personal injuries, interruption of job progress, damage to equipment, loss of materials, extra job costs, and increased insurance costs. County employees also have the responsibility of using due care and precaution in the performance of their work.

County personnel must incorporate safety and loss prevention in their daily activities. Supervisors must ensure that each staff member understands his/her particular job, as well as the possible hazards and safety issues.

Education and training classes on safety and risk management will be provided periodically to county employees. Department managers are encouraged to develop criteria and subject matter to address individual office needs. These classes will be adapted to the unique needs of the individual departments and will be developed in conjunction with the County Safety Director.

Section 11.3 Loss of Assets: Loss of assets may result from pilfering, embezzlement and theft, fire, accidental breakage or destruction, and carelessness. The Finance Department shall be notified as soon as any loss is identified for appropriate action. Appropriate action may include notification to an insurance carrier, filing of a police report, amendment of the fixed assets listing, etc.

Section 11.3.1 Backup of Financial Data: Backup of the financial records of Franklin County shall be processed daily. Friday backups shall be maintained for one (1) week. ~~and monthly backups for twelve (1) week.~~ Annual tape backups shall be processed prior to close and after closing entries are posted. For security and safety reasons, backup tapes shall be stored at an off-site location.

Section 11.3.2 Record Keeping: Franklin County is required by State law to maintain specific books and records. Records maintenance shall follow the requirements of State law.

Section 11.3.3 Electronic Data Processing Policy: In effort to safeguard Franklin County Property utilized by the Finance Department an “Electronic Data Processing Policy” has been approved for the method of ensuring Franklin County’s finance property in electronic form is kept secure and used in the appropriate manner. End users sign a certification verifying they understand and will follow the policy. A current copy of this policy is kept on file with the Finance Director.

Section 11.4 Accident, Injury, and Property Damage Reporting Procedures: Timely and accurate accident and loss reporting is a requirement of proper record keeping. It is the responsibility of each employee and supervisor to report all injuries, accidents, damages and other losses within 24 hours. For risk management and safety reasons all accidents and losses must be reported even if damage or loss is minimal.

Reportable losses fall into one of the following categories:

- ◆ Injury to an employee while on the job
- ◆ Losses caused to and by Franklin County automobiles, trucks, buses, and heavy equipment
- ◆ Property damage or bodily injury loss to all persons other than county employees
- ◆ Damage and loss to county buildings, contents and other property

Reportable losses will be reviewed to assess what could have been done to prevent the loss and to determine if processes need clarification or amendment.

Section 11.5 Legal Actions: Increasingly, lawsuits and other claims are filed against local governments. Such claims include, but are not limited to, violation of employment laws, contractual actions, actions of government personnel, and claims relating to personal injury and property damage. The County Mayor, Director of Schools, Superintendent of Highways, and the County Attorney shall keep the Finance Director apprised of all pending lawsuits, settlements, dismissals, judgments, appeals, et al.

Claims against a government are contingencies and must be recognized in the financial statements if it is probable that the court case will be settled or adjudicated on behalf of the claimant and if the amount of the loss can be reasonably estimated. If the outcome is uncertain or if the amount of the loss cannot be estimated, the contingency is disclosed in the notes to the financial statements.

Section 11.6 Annual Review: An annual review shall be made of the County's insurance policies by the Finance Director to determine if coverage is adequate. Recommendations on improvements to training, protection, and safety shall be forwarded as appropriate.

Chapter 12

Travel

Section 12.1 General: It is the policy of Franklin County Government to reimburse its elected officials, board members, appointed officials and employees for ordinary, necessary, and reasonable business expenses incurred in the conduct of official business. Authorized travel shall be consistent with budgets provided for such purpose and all expenses incurred under this policy must be charged to a travel expense budget line item.

Travel funds are an important public resource. It is assumed and expected that expenses incurred under this policy will be appropriate to the circumstances and consistent with the best interests of the County.

Section 12.2 Persons Eligible for Travel Expense Reimbursement: Within budgetary constraints, the following persons are eligible for travel expense reimbursement in conformance with this chapter and are likewise responsible for compliance with the terms of this chapter.

- County officials and employees
- School board members and employees
- Highway department officials and employees
- Members of boards or uncompensated volunteers participating in county business if authorized by the enabling legislation or appointing authority

Section 12.3 Authorization for Travel: Authorization to travel and for reimbursement of travel expenses shall be obtained prior to commencement of the travel activity. Even if the County will not be funding the travel expense, authorization is required if the person is to maintain official status during travel.

All travel requires prior approval. Travel for highway department employees requires approval of the Highway Superintendent or Assistant Highway Superintendent. Travel for board of Education employees requires the approval of the Director of Schools or Assistant Director of Schools. County employees must receive authorization from the appropriate elected or appointed official or department head.

County Commissioners, School Board Members, and Highway Commissioners travel and attendance is authorized for in-state workshops, quarterly and annual meetings, and other educational meetings sponsored by state-sponsored organizations including, but not limited to: CTAS, COAT, TCSA, TASBO, TGFOA, TSBA, and TCHOA.

Eligible Expenditures: Generally, eligible expenditures are those actual costs incurred by an employee or county official as a result of performing county business or for professional development opportunities.

Section 12.3.1 Conference or Seminar Registration: Actual cost of registration will be paid. Registration should be submitted for payment in advance of the travel, with appropriate documentation of the nature of the seminar and with appropriate departmental approvals.

Section 12.3.2 Transportation: Employees and county officials using a personally owned automobile while on county business will be reimbursed at the rate established by the State of Tennessee in its travel policy, which rate shall change as amended by the State. *When possible, shared transportation is expected.*

Mileage *to and from* the conference or meeting place will be reimbursed based on actual miles when the most direct route is taken. If an indirect route is taken for personal reasons, all extra costs of such travel are not reimbursable. If actual mileage is not known, or if there is a discrepancy in mileage reimbursement requests, the mileage will be determined from the internet.

Use of a county-owned vehicle must be indicated on the reimbursement form. When travel is made in a county-owned vehicle, reimbursement will be for emergency repair and gasoline purchases only. All such reimbursement requests must be accompanied by a receipt for the purchase.

It is expected that out-of-state travel will be minimal. Where out-of-state travel is deemed appropriate and travel is by airline, the employee must document and use the least-expensive coach alternative. Receipts for taxis and/or rental cars are necessary for reimbursement.

Travelers are expected to rent compact or mid-sized cars. Additional charges for full-sized or luxury vehicles will be at the traveler's expense. The purchase of collision or damage liability insurance on rental vehicles is prohibited since employees are already covered under the liability insurance carried by the County.

Section 12.3.3 Lodging: Employees and county officials attending meetings or conferences may stay in the hosting hotel, but are encouraged to price-shop other nearby hotels for lower rates. Double occupancy is encouraged, where appropriate. Employees and officials will be reimbursed for the conference room rate, or actual room charges, whichever is less.

The Finance Department will furnish a tax-exempt form for the official or employee to give to the hotel upon check-in. Franklin County does not pay in-state sales tax. A separate check will be issued to the hotel, based on the rates and appropriate hotel/motel tax rates according to the hotel confirmation. This check can be sent to the hotel in advance of the stay or taken by the official or employee to be presented at check-in along with the tax exemption form. In cases where checks are not excepted, expense cards may be used.

Section 12.3.4 Meal Costs: Franklin County uses the per diem rates of the general reimbursement schedule as established by the State of Tennessee in its travel policy utilizing US General Services Administration GSA rates, which rate shall change as amended by the State. No meal costs are reimbursed where overnight travel is not necessary and a maximum of $\frac{3}{4}$ of the per diem is reimbursed on travel days that involve overnight stay.

The per diem reimbursement will be adjusted for meals furnished or included as a part of the meeting or conference. It is expected that meals included in a registration fee will be used. Special dietary requests can usually be made ahead of time so that an individual's needs are addressed.

However, other circumstances may preclude use of such prepaid meals. In such cases, the meals will be reimbursed at the usual per diem rate provided that appropriate documentation is included with the reimbursement form.

A copy of the pertinent section of the Travel Policy of the State of Tennessee/Us GSA is included as follows and will be updated as changed as approved by the finance committee on March 3, 2015:

Per Diem Rates for Meals and Incidentals (M & I)

The per diem rates for meals and incidentals are established on the Reimbursement Rate Schedule, are available on the General Services Administration’s web site. As with lodging, there is a standard rate for the continental United States (CONUS), and a list of exceptions.

Reimbursement for meals and incidentals for the day of departure shall be three-fourths of the appropriate M & I rate (CONUS rate) at the rate prescribed for the lodging location. Reimbursement for M & I for the day of return shall be three-fourths of the M & I rate applicable to the preceding calendar day. To assist in this calculation, the following table lists partial per diem rates for meals and incidentals for in-state and out-of-state travel.

**Per Diem Rates
Three Fourths Calculations**

\$ 59	\$44.25
64	48.00
69	51.75
74	55.50
79	59.25

Reimbursement for a single meal (or meals) for employees on one-day travel status with no overnight stay is not permitted. While on travel status if a single full meal is provided, as a part of a state-sponsored training session or conference, the employee shall deduct the cost of those meals from the per diem for that day, using the schedule provided below. This also applies to the day of departure and the day of return. In those instances where all meals are provided, only the \$5.00 or prorated incidental rate shall be claimed.

**In-State & Out of State Meals & Incidentals – Allocated by Meal
Reimbursement Rate as per CONUS on GSA**

Per Diem	\$59	\$64	\$69	\$74	\$79
Breakfast	13	14	16	17	18
Lunch	15	16	17	18	30
Dinner	26	29	31	34	36
Incidentals	5	5	5	5	5

Level I Counties and Cities **Maximum M&I**
Hamilton (Chattanooga) & Knox (Knoxville) \$64.00

Level II Counties **Maximum M&I**
Shelby (Memphis) & Williamson \$69.00
(Brentwood & Franklin)

Level III Counties **Maximum M&I**
Davidson County (Nashville), \$79.00

All counties not listed above **\$59.00**

Section 12.3.5 Miscellaneous: Franklin County will reimburse the cost of fees charged for **self-parking** incurred while traveling for business purposes, with the appropriate receipts attached. The maximum reimbursed for parking without a receipt is \$8.00. **Supervisors have the authority to approve valet parking for safety issues and will reimburse by receipt.**

Section 12.3.6 Travel Claim Approvals: All travel claims will be approved by the Highway Superintendent or Assistant Highway Superintendent; Director of Schools or Assistant Director of Schools; or the appropriate elected or appointed official or department head. For Elected or Appointed Officials travel claims the Finance Director will approve, therefore meeting all local, state & federal guidelines.

Section 12.4 Ineligible Expenditures: Certain expenditures incurred while traveling are not reimbursable and include, but are not limited, to the following examples:

Section 12.4.1 Parking Tickets and Other Fines: Franklin County will not reimburse any official or employee for parking tickets, speeding tickets, or other moving violation charges.

This applies to all forms of travel, including county-owned, personal, and rental vehicles.

Section 12.4.2 Personal Charges: Franklin County will not reimburse any official or employee for movies charged to one's hotel room, laundry services, toiletry items, or other personal services or charges.

Section 12.4.3 Travel Costs of Spouse or Traveling Companion(s): Franklin County will not reimburse any official or employee for any part of travel costs incurred for spouse or other traveling companions. This includes, but is not limited to, cost difference between single and double occupancy room rates, airfare, meals, etc. Documentation of single room occupancy rate must be submitted so that correct reimbursable costs can be easily determined.

Section 12.4.4 Cost of Room or Airfare Upgrades: Franklin County will reimburse for standard room rates or coach airfare. Upgrades for the convenience of the traveler shall be at the traveler's expense. Documentation of standard room rates or coach fare must be provided so that the cost of upgrade is easily determined. Failure to document the cost of an upgrade may result in the entire expense deemed ineligible for reimbursement.

Section 12.4.5 State of Tennessee Sales Tax: Franklin County will not reimburse sales tax charges as the result of the failure to plan ahead or follow usual purchasing policies. This includes hotel and other travel expenditures charged to one's personal credit card.

Section 12.4.6 Travel Costs Incurred as Representative of another Agency: When travel costs are incurred while acting as a representative of another agency, those costs must first be submitted to that agency for reimbursement. Franklin County will then reimburse any unpaid expenditures under its normal practices. Documentation of the payment made by the primary agency or of denial of payment must be included with the travel claim reimbursement request.

Section 12.5 In-house Training and Staff Development: Expenditures for consultants and other in-house training costs shall be charged to the appropriate staff development expenditure line, unless prohibited by funding source, such as state or federal grants. A copy of

the agreement or contract with the consultant must be submitted with the initial requisition. If the consultant is a new vendor, a completed W-9 form must be submitted to the Finance Department before payment can be issued.

Section 12.6 In Case of Accident Incurred While on Official Travel: If the traveler is involved in an automobile accident while on official business, the following procedures are to be followed.

Section 12.6.1 Accidents Involving a Personal Vehicle: Notify first the personal insurance company and secondarily the Human Resources Specialist at the Franklin County Finance Department.

Section 12.6.2 Accidents Involving a Rental Vehicle: Complete all forms required by the rental agency and bring a copy of the forms to the Human Resources Specialist at the Franklin County Finance Department.

Section 12.6.3 Accidents Involving a County-Owned Vehicle: Notify the Human Resources Specialist at the Franklin County Finance Department.

Section 12.6.4 Accidents - In All Cases: In all cases, the accident must be reported immediately by the employee. A copy of the employee's report to his/her insurance company or report to the rental agency, and the police accident report must be submitted to the Human Resources Specialist at the Franklin County Finance Department. The employee will be given instructions for procedures for drug testing. Refusal to comply or unreasonable delay in complying with the substance abuse program of Franklin County shall result in administrative action up to and including termination of employment. (Refer to the Franklin County Employee Handbook for further explanation.)

Section 12.7 Travel in County-Owned Vehicles: The following regulations apply to those employees who utilize a county-owned vehicle in the course of their jobs, whether the vehicles are left on county property at the end of the workday or driven home.

Section 12.7.1 Authorized Driver: Authorized drivers must be current employees, be 18 years of age or older, have an acceptable driving history, and demonstrate safe driving behavior. Drivers must hold a valid Tennessee driver's license with appropriate endorsements. Drivers must also have on file at the Finance Department a current MVR which is updated annually. This is a requirement of the insurance company which insures all county vehicles. **Only the employee to whom the automobile is assigned may operate the vehicle. No other persons are permitted to operate the vehicle except in emergency.**

The authorized driver must agree to safely operate the vehicle, obey all traffic laws, wear safety belts, and require all other passengers to wear safety belts. Any driving infraction, violation, fine, or accident must be reported to the Human Resources Specialist at the Franklin County Finance Department. If involved in an accident, the employee will be given instructions for drug testing procedures. In the case of injury, the employee should seek appropriate medical attention at the closest medical facility.

Additional information or claim forms are available in the Risk Management Manual distributed to all County Supervisors.

Section 12.7.2 Prohibited Use: At no time is the vehicle to be operated if the driver has consumed any amount of alcoholic beverage or consumed any prescription, over the counter or illegal drug or substance that may impair driving performance. At no time shall the driver operate a county-owned vehicle when intoxicated or under the influence of any prescription, over the counter or illegal drug or substance.

No county-owned vehicle can be used by any employee for personal reasons. The only exception will be for employees working in the field who stop for meals during the course of the day.

Business passengers only will be allowed in county-owned vehicles, except in extreme emergency situations.

Failure to adhere to the above section will result in disciplinary action, up to and including termination of employment.

Section 12.8 Reimbursement and Reporting Procedures: Timely and accurate reporting is a requirement of proper record keeping. It is the responsibility of each employee and county official to file all requests for travel reimbursement in a timely manner.

Chapter 13

Forms

Section 11.1 General: The following forms are intended for use as samples and examples of procedures. Additional examples may be provided from time to time as necessary.

Section 11.2 Listing of Forms: The following samples and examples are provided for your information and use as needed.

ACCOUNTING FORMS

- a) Sample form for Inter-Category Amendment Request

PAYROLL FORMS

- b) County and Solid Waste Bi-Weekly Time Sheet
- c) Sample form for Employee Job Description
- d) Sample form for Payroll Change Notice
- e) Payroll Segregated Duties Form

PURCHASING FORMS

- f) W-9 Request for Contracted Tax Payer Identification Number
- g) Requisition Form - All Departments
- h) Sole Source Justification Form
- i) Emergency Purchase Justification
- j) Request for Bids
- k) Conflict of Interest Form
- l) Sample of vendor letter when no purchase order has been assigned
- m) Sample of letter to department heads when no purchase order has been assigned
- n) Vendor Application
- o) Accounts Payable Segregated Duties Form

GRANT FORMS

- p) Grant Pre-Application Form

INVENTORY & FIXED ASSETS FORMS

- q) Sample form for Department Inventory

RISK MANAGEMENT FORMS

- r) Electronic Data Processing User Form

TRAVEL FORMS

- s) Daily Travel Log Form
- t) Event Travel Form
- u) Travel Expense Form - School

Chapter 14
Policy and Procedure List

GENERAL

- a) Internal Control Policy
- b) Request for Public Information Policy
- c) Records Management Policy
- d) Segregated Duties Policy
- e) Organizational Charts
- f) Electronic Data Processing Policy
- g) Disaster Recovery Plan

ACCOUNTING

- h) Reserve Fund Policy
- i) Spending Prioritization Policy
- j) Audit Committee Policy

CASH & DEBT MANAGEMENT

- k) Debt Management Policy
- l) Federal Tax Compliance Policy & Procedures

BUDGETING

- m) Budget Calendar – Sample

PURCHASING

- n) Credit Card Policy
- o) Lease & Contract Procedures
- p) Detailed Bid Policy and Procedure
- q) “Code of Ethics” Policy (Conflict of Interest)

GRANTS

- r) Grant Procedures
- s) Federal Programs Fiscal Management Policy
- t) Maintenance of Effort
- u) Indirect Cost

INVENTORY & FIXED ASSETS

- v) Fixed Assets Policy