



# Board of County Commissioners Agenda Request

**5A**  
Agenda Item #

**Requested Meeting Date:** January 25, 2022

**Title of Item:** Approve General Operations Policy Changes

<input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> INFORMATION ONLY	<b>Action Requested:</b> <input checked="" type="checkbox"/> Approve/Deny Motion <input type="checkbox"/> Adopt Resolution (attach draft) <i>*provide copy of hearing notice that was published</i>	<input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing*
<b>Submitted by:</b> Jessica Seibert		<b>Department:</b> Administration
<b>Presenter (Name and Title):</b> Jessica Seibert, County Administrator and Kathleen Ryan, CFO		<b>Estimated Time Needed:</b> 10 min.
<b>Summary of Issue:</b>  Several updates have been made to the General Operations Policy as noted in red on the attached document. An overview of the changes will be discussed with the Board.		
<b>Alternatives, Options, Effects on Others/Comments:</b>  		
<b>Recommended Action/Motion:</b> Recommend approval of General Operations Policy changes.		
<b>Financial Impact:</b> <i>Is there a cost associated with this request?</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>What is the total cost, with tax and shipping? \$</i> <i>Is this budgeted?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i>		

Legally binding agreements must have County Attorney approval prior to submission.



# General Operations Policies

Adopted July 28, 2015

Amended September 29, 2015; May 24, 2016; January 24, 2017; May 26, 2020;

January 25, 2022

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- (b) County vehicles and equipment are to be used for County-related business only. However, assigned County vehicles may be used to a limited extent for the conduct of personal business when traveling out-of-town or for meal purposes during lunch hours. All passengers in County vehicles must be employees of the County or have an official County business function.
- (c) Periodically situations arise which require flexibility and common sense. Department Heads are authorized to make decisions relating to matters not specifically covered by this Policy, provided the decisions are made within the general intent of this Policy. (Board approved 7/30/90)

**Section P. Meal Reimbursement**

- Subd. (1) Purpose: To define the meal reimbursement procedures for County employees, elected officials, and authorized representatives for expenses incurred while conducting business on behalf of Aitkin County as required by the County.
- Subd. (2) Aitkin County will provide reimbursement for meal expenses when such expenses are necessarily incurred while conducting County business. The Department Head must approve all requests prior to incurring reimbursable expenses. The actual cost of meals, not to exceed ~~\$46.00~~ ~~\$57.00~~ per day, while traveling outside of the County will be reimbursed. The following daily amounts shall be followed:  
Breakfast: ~~\$11.00~~ ~~\$13.00~~ Lunch: ~~\$14.00~~ ~~\$17.00~~ Dinner: ~~\$21.00~~ ~~\$27.00~~
- Subd. (3) Conditions
  - (a) Employees who meet the eligibility requirements for two (2) or more consecutive meals, shall be reimbursed for the actual cost of the meals up to the combined maximum reimbursement amount.
  - (b) Reimbursements may be claimed by the individual if they depart from the work location in an assigned travel status before 6:00 a.m. or if the individual is away from home overnight.
  - (c) Individuals may claim reimbursement if they are not within the County boundaries during the regular scheduled lunch period.
  - (d) Reimbursement may be claimed by the individual if they are away from their normal work location in a travel status overnight or required to remain in a travel status until after 7 p.m.
  - (e) The Department Head must authorize meetings with a meal charge in excess of the approved meal allowance.
  - (f) When meals are part of a tuition or registration fee, no additional reimbursement request for such meals can be claimed.
  - (g) Expenses for alcoholic beverages are not reimbursable.
  - (h) Tips or gratuities are only reimbursable up to 20% of the meal allowance when dictated by a restaurant receipt.

Land	\$1	Capitalize only
Land Improvements	<del>\$1</del> \$2,500	\$25,000
Building and Building Improvements	<del>\$1</del> \$2,500	\$25,000
<del>Building Improvements</del>	<del>\$1</del>	<del>\$25,000</del>
Construction in Progress	\$1	Capitalize only
Machinery, Equipment and Vehicles	<del>\$250</del> \$1,000	<del>\$5,000</del> \$10,000
Infrastructure	\$25,000	\$50,000
<p>Items acquired of lesser value may be recorded and inventoried for control and other necessary accounting purposes. If an asset is purchased with Federal Funds, the threshold is \$5,000.</p>		

Subd. (3) Transferring/Selling Assets between County Departments

- (a) Assets may be transferred between departments without County Board approval.
- (b) Unless there is a need because of a grant agreement or reimbursement requirement, no accounting journal entry or warrant needs to be made to transfer assets between county departments.

Subd. (4) Selling and Donating Assets

- (a) All proceeds from the sale of items by the County shall be received by the County, and accounted for in to the appropriate departmental budget.
- (c) Assets no longer needed by the County may be donated to a non-profit or governmental organization, sold or discarded.
- (d) Assets must be appropriately decommissioned before being donated, sold or discarded.
- (d) Unless federal law, statute, contract or agreement requires the approval of the County Board, the County Administrator may approve of selling or donating assets when the projected value is less than \$25,000. Department Heads may approve of selling or donating assets when the projected value is less than \$10,000.
- (e) Generally, departments seeking to donate or sell assets shall ask other departments if they have a need for that asset, if no other county department has a need then it is appropriate to donate or sell the asset.
- (f) From time to time, the County will hold an auction to sell items the County no longer has a need for. The County Administrator and Department Heads are authorized to utilize on-line auction sites, government surplus sites or other methods that may increase the likelihood of sale or increase the sale price.

- (e) Contact information of the credit card issuer will be provided to the cardholder.

Subd. (6) Disputes Regarding Credit Cards

- (a) Should any employee lose or have their credit card stolen, or if fraudulent activity is suspected it is their responsibility to immediately notify, within 24 hours, the credit card issuer and the County Treasurer's Office.
- (b) In case of a dispute with a vendor, the cardholder must complete, within five working days, a Cardholder Statement of Questioned/Disputed Item form.

**Section NL. Risk Management Policy**

**Subd. (1)** The purpose of this policy is to guide the County in analyzing exposures to hazard risk, financial risk, operational risk, and strategic risk, and mitigating such risks where possible.

- (a) This policy is applicable County-wide.
- (b) Enterprise Risk Management (ERM) differs from traditional risk management in that it expands beyond examination of hazard risk (fire, theft, accidents, weather conditions, etc.).
  - (i) For purpose of this policy, risk is defined as: *An uncertain event or set of events that, should it occur, will have an effect on the achievement of objectives. A risk is measured in terms of a combination of the likelihood of a perceived threat or the opportunity occurring and the magnitude of its impact on objectives.*
  - (ii) Within the ERM process the County views four threats of utmost importance – reputation damage, financial loss, disruption to services, and missing opportunities for innovation and collaboration.
  - (iii) The County recognizes and accepts its legal responsibility to manage its risks effectively and has adopted a proactive approach to risk taking. The effective management of risk is therefore at the heart of the County Board's approach to delivering cost effective and valued services to the public as well as sound governance.
- (c) The County recognizes that all organizations face risk, and that well-managed risk taking should be recognized by all managers and staff within the County as being fundamentally important to effective service delivery, maximizing opportunities for innovation in service development, and adapting to change.

- (d) The County strives to be risk aware, not risk averse. The County will integrate risk management into its Budgeting, Purchasing and Capital planning processes. The results will be integrated with traditional risk management mechanisms (i.e., purchase of insurance).
- (e) Analysis of hazard risk in combination with value of County property shall guide the County in the purchase of insurance. Protection of County assets is a primary goal of the County's approach to risk management. The County desires to protect itself against the financial consequences of accidental losses, which are catastrophic in nature, and to preserve County assets and public service capabilities from destruction or depletion.
  - (i) Changes in insurance providers and material changes in coverage levels or deductibles shall be approved by the County Board. Responsibility for maintaining adequate insurance coverage lies with the County Auditor.
  - (ii) Risk management activities will be undertaken in the most efficient manner, recognizing that not all risks are avoidable, and that certain cost/benefit analysis may be required to ensure the County is maximizing value while maintaining adequate safeguarding of assets.

Subd. (2) The County's primary financial risks are losses from changes in financial markets and labor costs.

(a) To mitigate the risk of investment loss, the County Board has approved the County's Investment Policy. The primary focus of the Investment Policy is preservation of capital, followed by liquidity and yield. As documented in the Investment Policy, the County follows Minnesota statutes for investing.

(b) The County relies on a Third Party to evaluate job descriptions and place them on the wage scale based on guidelines established by the State of Minnesota for political subdivisions.

(c)

Subd. (3) The County desires to reduce operational risk (i.e., inability to perform operations, constituent satisfaction, fraud, technology security, obsolescence, etc.) to the extent economically feasible.

(a) The County has taken the following approaches to mitigate this risk:

- (i) The County has an Emergency Operations Plan (EOP) to ensure continued operations in the event of a disaster, natural or other. These disaster plans are reviewed by the Public Health Supervisor and Emergency Management Director, and modified if necessary.
- (ii) The County's Internal Control Policy documents an internal audit function designed to help reduce the risk of fraud; in addition, the County is audited annually by an external independent auditor.

(iii) The County maintains an Information Systems and Technology Policy to guide employees in the safe use of technology. This policy is reviewed periodically by the Information Technology Department, and modified if necessary.

Subd. (4) The County has identified the following strategic risks:

- (a) Changes in the economy
- (b) Damage to the government's reputation
- (c) Changes in constituent preferences and attitudes.
  - (i) In order to reduce the County's exposure to reputational damage, all elected and appointed positions, as well as all other County employees, are expected to abide by the County's Personnel Manual, which includes a section specifically on Ethics and Conflicts of Interest.

**Section MØ. Internal Control Policy**

Subd. (1) The purpose of this policy is to guide the County in the maintenance of a system of internal controls in order to safeguard its assets against loss, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

- (a) This Internal Control Policy is effective County-wide.
- (b) The County shall maintain an environment conducive to good internal control. The County recognizes that the control environment provides the discipline and structure to help the County achieve its objectives.
- (c) Working in concert with the County Board, County Administrator, and department directors, the Auditor's Office is responsible for designing appropriate financial internal controls for departments, and departments are responsible for implementation. The Auditor's Office shall ensure that a good faith effort is made to implement all independent auditor recommendations pertaining to internal controls. The Auditor's Office will administer an "in-house risk assessment" program at least annually to systematically review and monitor internal control procedures and compliance with federal and state regulatory requirements pertaining to internal controls or financial reporting.
- (d) The County's Internal Control Policy shall be adopted by resolution of the County Board. The policy shall be reviewed on a biennial basis by the Budget Committee and any modifications made thereto must be approved by the County Board.