

FINANCIAL MANAGEMENT COMMITTEE

March 6, 2013

8:30 am

APPROVED

**PRESENT:** Jo Ann Blankenship, Tom Bowers, Jack Perkins, Pat Hicks, Russell Kyte, Mayor Humphrey and Dr. Kevin Ward.

The meeting was called to order by Jo Ann Blankenship.

Quorum present.

Motion made by Mayor Humphrey second by Russell Kyte, to approve the agenda. Motion carried.

Motion made by Mayor Humphrey second by Tom Bowers, to approve the February 6, 2013 minutes. Motion carried.

### Old Business

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- **Tax Sale Update:** Melissa Moreland said the most recent tax sale was held in December, 2011 to sell properties with back taxes due from 2003 and 2004. The previous tax sale was held in June, 2005 to sell properties with back taxes due from 2000-2002. Mrs. Moreland also said there will be a motion for default filed on March 19<sup>th</sup> for properties with back taxes due from 2005 and 2006. She expects the next tax sale to take place in summer 2013. County Attorney Keith Bowers added property owners and lien holders are notified via certified mail and served by a deputy after which a notice of the back taxes due is posted in the local newspaper. He said after thirty days with no response the County can file for a default judgment allowing for the sale of the property to be initiated.

Mr. Bowers also said he has received a letter from the Carter County Rescue Squad terminating their agreement. He said he had just received the letter and will be giving more information on the matter soon.

### New Business

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- **Travel Policy:** Jo Ann Blankenship stated the Travel Policy has been revised to incorporate School System and County policies. Ms. Blankenship noted the items that were in addition to the current policy. Mayor Humphrey, referring to section D-2 Reimbursement Procedures of the Travel Policy, stated he felt it was antiquated to use adding machines to calculate travel reimbursements. Finance Director Ingrid Deloach said attaching adding machine tape to a travel claim is the only way for an auditor to tell the Finance Department correctly calculated reimbursement. Mrs. Deloach also noted that section F states "The Finance Department keeps spare keys to office vehicles that are available for travel purposes. Please contact the Finance Department for availability." Mrs. Deloach advised the committee her office does not have spare keys to any county vehicles. Mayor Humphrey said it was decided in a previous meeting that the Finance Department would be in charge of scheduling the county van for travel but his office had failed to turn over the keys to the vehicle. Mrs. Deloach stated she felt the policy was inferring she had spare keys to all county vehicles including those used solely by specific departments. Section F-1 will be amended to read, "For scheduling of the County Van, contact the Finance Department. For School Travel needs, contact the Bus Garage".

Mayor Humphrey, referring to section H-6 of the Travel Policy, stated he did not think it was wise to allow county or school employees to use their own vehicles for business travel. County Attorney Keith Bowers said the insurance carrier has to be notified of personal use of vehicles to ensure proper coverage. Mr. Bowers said it is his recommendation that business travel in personal vehicles should be avoided. Pat Hicks said there are many supervisors that need to travel to schools on a regular basis and it would not be practical to maintain a fleet of that size. County Attorney Keith Bowers is going to research the issue of use of personal vehicles for business use for the County and School Board Attorney John Banks will research the issue as it pertains to the School Department. Jo Ann Blankenship stated section M needed to be amended to state receipts are required for tolls, parking and ferry fees to be reimbursed. Jo Ann Blankenship also said section N should be amended to state that any citations or fines incurred while on travel are the responsibility of the driver.

Motion was made by Mayor Humphrey to accept the Travel Policy as presented with the discussed amendments to section F, H, M and N. Pat Hicks and Jo Ann Blankenship said they would rather wait to see the Travel Policy with all amendments made before approving the policy. Mayor Humphrey withdrew his motion.

See original policy attached.

- **Recent Bids:** Finance Director Ingrid Deloach reviewed a list of recent bids.
- **County General Update:** No report.
- **County Highway Department Update:** Jack Perkins said the Highway Department is working hard to keep the roads safe. He also said a Highway Department truck was lost to fire.
- **County Schools Department Update:** Director of Schools Dr. Kevin Ward stated the sequestration will result in a 5% cut in all federal programs.
- **Tom Bowers:** No report.
- **Pat Hicks:** Thanked Jack Perkins and the Highway Department for keeping the roads safe.
- **Russell Kyte:** Complimented Dr. Ward on his work in the school system and Phillip Nave in the Maintenance Department.

**Public Comments:** John Lewis said he felt a metal roof should be put on the jail annex. Roy Livingston asked several questions regarding the Financial Management Act of 1981.

Respectfully submitted,

Christa Byrd

**APPROVED**

*Jo Ann Blankenship*  
Jo Ann Blankenship, Approved for File

**Original Consolidated Policy as Presented  
CARTER COUNTY**

**TRAVEL AND REIMBURSEMENT POLICIES AND PROCEDURES**

**Purpose:** To establish travel policies and procedures to provide guidance and outline acceptable practices to county officials and employees in relation to travel related expenditures. These policies and procedures shall follow the Tennessee State Travel Guidelines and/or the U.S. General Service.

**A. POLICY:**

When County Officials or Employees spend their personal funds for travel, which is in the course of County business or in support of a County purpose, such employees may be reimbursed for such expenses from County funds provided that they were expended in accordance with this approved policy.

This policy shall apply to all employees, elected officials, board members, and any other persons for whom a disbursement warrant would be issued from the Finance Office for payment of such expenses.

When traveling for County business, persons seeking reimbursement should be as conservative as circumstances permit. The lower cost should be selected whenever practical.

**A County official's or Employee's deliberate disregard to this policy while traveling on County business or filing of an intentionally misleading or fraudulent travel claim is grounds for disciplinary action including termination.**

**B. AUTHORIZATION AND REQUISITION PROCEDURES**

All out-of-county travel shall be authorized by the department head prior to departure.

1. In the event of County Commission related travel, the Budget Committee Chairman should be notified prior to departure; the Budget Chairman will work with the Director of Finance as to the arrangements.
2. In the event of school related travel, the determination of reasonable practicality of lodging including room assignment and travel arrangements is reserved for the department head responsible for monies available for travel use. The Director of Schools shall have the final directive authority in the use of allocated travel budgets. The Director of Schools/Department Head may choose appropriate and practical lodging within proximity of meetings and convivance of travel.
3. The submission of an approved departmental requisition to the Finance Office in an estimated amount to cover expected expenses would serve as authorization. The county official or employee will be listed as the vendor on the requisition. Authorization of out-of-county travel is necessary to insure workers' compensation

and liability insurance coverage while out-of-county. Department requisitions for legitimate emergency travel should be handled in accordance with procedures outlined under Emergency Purchases.

4. Two of the following four individuals must approve out-of-county travel in excess of \$1,000.00 per individual per trip, Director of Finance, County Mayor, Director of Schools, or the Budget Committee Chairman.
5. All outstanding travel reimbursements must be resolved for the county official or employee prior to the approval of any future travel requisitions.
6. All school travel must have previous approval by the appropriate department head, in the Chain of Command: Director of Schools, Supervisor, or Principal, and generally will use the form *Staff Development/Meeting Request* (Appendix A).
7. All out-of-state school travel must be approved by the Director of Schools.

#### C. TRAVEL ADVANCES

1. It shall be the policy of Carter County to limit travel advances; however, they may be issued to a county official/employee when specifically authorized by the department head/elected official for hardship cases or cases where an employee will be away from the county for five or more days (not to exceed \$1,000.00).
2. Travel advances should not be issued for less than \$100.00. Immediately upon return, the county official/employee must submit a request for reimbursement regardless of whether he owes advance money back or is due additional reimbursement. Each county official/employee receiving a cash advance must sign a Payroll Form (Appendix B) authorizing the county to recover the advance from any salary owed the county official/employee in the event of termination of employment or failure to submit a claim form.
3. Travel advances are discouraged and should only be made in the case of using checks to pay for lodging in instances where credit card use is not feasible. Checks should be written for the exact amount of service provided.

#### D. REIMBURSEMENT PROCEDURES

1. County Officials/Employees are expected to submit claims for reimbursement for travel expense no later than 30 days after the completion of travel to the Finance Office. All written signatures on the Carter County Travel Claim Form must be original. Original receipts (copies will not be accepted) shall be provided for hotel stays along with a copy of the official training schedule/agenda to validate the purpose of the travel.
2. School System Travel
  - a. For local reimbursement, the employee should file a daily log of travel for said month, with mileage tallied and summarized according to immediate reimbursement rates of *The Official Travel Form* (Appendix C). An adding

machine tape of checked calculations should also be included with the reimbursement form. The form should be completed with the local mileage to and from commonly traveled destinations, and that is included as an appendix of this document (Appendix D). The employee should obtain the appropriate supervisor signature on the form with the current date.

- b. For travel occurring out of the local vicinity, the employee should complete the *Carter County Travel Claim Form* (Appendix E). It should be completed according to the *Department of Finance and Administration Standard Reimbursement Rates* (Appendix F) or *Department Head and Board Member Travel Reimbursement Rate Schedule* (Appendix G). The log should be tallied and an adding machine tape should be included demonstrating a check of the calculations. Evidence, usually in the form of a brochure or email detailing the nature of the meeting and the reason for travel should also be included in the final documentation being submitted for reimbursement. The appropriate supervisor should sign and date the document.
- c. All school travel claims should be filed in the Central Office at the Main Desk to be transferred to the Finance Office to be processed.

#### **E. PER DIEM RATES-MEALS AND INCIDENTALS**

1. Per diem rates for meals and incidentals for Carter County shall be equal to the reimbursement guidelines used by the State of Tennessee and/or the U.S. General Services.
2. All school system mileage, incidentals, and lodging reimbursement rates will be paid according to the state reimbursement schedule contained in the *State Department of Finance and Administration Standard Reimbursement Rates* or the *State Department of Finance Administration for Department Head and Board Member Travel and Reimbursement Rate Schedule*, contained as an appendix to this document. It is expected that department heads maintain current rates as they fluctuate.

#### **F. USAGE OF COUNTY VEHICLES**

1. When making travel arrangements, the availability of county vehicles shall be checked before utilizing a personal vehicle. County vehicle usage is preferred in order to reduce costs and to minimize any potential insurance coverage issues. The Finance Department keeps spare keys to office vehicles that are available for travel purposes. Please contact the Finance Department for availability.
2. County vehicles should only be used for official business. The driver should be an elected official or an employee of the organization. The driver of the vehicle must possess a valid driver's license. Verification of a valid driver's license is the

responsibility of the department head/elected official. A fuel card will be furnished with the vehicle.

#### **G. DETERMINATION OF MILEAGE AND OFFICIAL STATION**

The Director of Schools or Supervisor is responsible for determining the official work station according to the employee's job assignment and time of travel. When disputes for the amount of mileage reimbursement arise, the supervisor will defer to the calculations of an on-line mapping system such as Google Maps and use the shortest route outlined for the calculation. The Director of Schools or Supervisor may alter this determination for extenuating circumstances such as detours or emergencies.

#### **H. TRAVEL-PERSONAL VEHICLES**

1. Before utilizing a personal vehicle, please check with the Finance Department on the availability of a county vehicle.
2. You must check with others who may be attending the same event for carpooling.
3. In most cases of trips over 100 miles, a rental car will be more economical than use of a personal vehicle. Please contact the Finance Department for rental recommendations.
4. The use of personal vehicles for business travel should be pre-approved by the department head prior to any travel. Use of a personal vehicle when a more economical means of travel is available is not reimbursable.
5. Reimbursement for the use of personally owned vehicles shall be equal to the reimbursement guidelines used by the State of Tennessee. Only mileage on official county business may be claimed. Mileage should be calculated based on the most direct route.
6. The School Systems use of personally owned automobiles, rental cars, and local vehicles:
  - a. Personally Owned Automobiles may be used for travel both locally and for commutes if the department head approves their use. *It is the obligation of the employee to provide evidence of proper insurance coverage for the use of their automobile for performing work tasks and duties.*
  - b. Rental Cars and School Owned Vehicles are encouraged for use when practical and when a cost savings would be prudent by their use: The determination of practicality and prudence shall be determined by the appropriate supervisor.

#### **I. HOTEL ACCOMODATIONS**

Hotel accommodations should only be utilized when the trip is more than one day or the round trip mileage is greater than 300 miles. All hotel accommodations should be reviewed and approved by the department head. All department heads should explore the option of having more than one person stay in a room when possible. When booking a hotel, try to

get government rates. Inform the reservation center that you are tax-exempt, and that you will bring a tax-exempt form. If they request pre-payment, you will need to submit a travel requisition for a check or contact your department head as to the availability and usage of a county credit card.

#### **J. TELECOMMUNICATION CHARGES**

Local phone calls, fax charges, and long distance calls for county business will be reimbursed. Reimbursement shall be limited to one (1) personal long distance call per day. Employees/officials must provide a statement furnishing the date, name, and location called for long distance calls and faxes.

#### **K. TRAVEL WITH SPOUSE OR NON-EMPLOYEE**

1. The additional cost associated with travel of a spouse/non-employee is not reimbursable. Travel must be in the course of County Business or in support of a county purpose. While participation of a spouse/non-employee in out of town meetings is not prohibited, the following will result in zero reimbursements:
  - a. Use of personal vehicle for convenience of spouse when a county vehicle, carpooling and/or rental vehicle is appropriate.
  - b. Use of additional hotel rooms when a shared room for attendees is appropriate.
2. In the School System, the department head may also determine if mileage reimbursement may be altered because of the accompanying spouse and adjust accordingly including not reimbursing mileage if funds were budgeted for group commutes.

#### **L. USE OF CREDIT CARD AND FUEL CARDS DURING TRAVEL**

County Official/Employees may use or be assigned credit cards or fuel cards for use in traveling. It is the responsibility of the employee/official to insure the appropriate use of these cards as outlined in this manual or by supervisor. The employee using the charge card is liable for all expenses incurred on the card and shall pay any expense incurred by their misuse. It is the responsibility of the card user to know and understand the applicable use of the card including taxation reimbursement and appropriate purchases outlined by local and state policies. It is the responsibility of the Finance Director/School Supervisor to establish check out procedures and guidance for each respective card issued under their control.

#### **M. PARKING AND TOLLS**

Reasonable tolls, parking, and ferry fees will be allowed when necessary.

#### **N. VEHICLE ACCIDENTS OR DAMAGE**

Whenever a vehicle sustains damage or is involved in an accident, contact local law enforcement immediately to file a report. The Finance Department and the employee's supervisor must also be contacted within the first 24 hours so that an insurance claim may be reported. Upon return, the employee may be required to complete a report on the accident as well as a first report of injury.

#### **O. ABUSE OF TRAVEL POLICY**

1. Any suspect abuse of travel policies should be reported immediately. Notice of abuse can be made to the following parties:
  - Associated department head or elected official.
  - Director of Finance
  - County Mayor
  - Director of Schools
  - State Comptroller's Office
2. Deliberate disregard to the policies while traveling on county business or filing of an intentionally misleading or fraudulent travel claim are grounds for disciplinary action including termination.

#### **P. TRAVEL FORMS**

- Appendix A-Staff Development/Meeting Request
- Appendix B-Payroll Form
- Appendix C-Official Travel Form
- Appendix D-Commonly Traveled Destinations Mileage Form
- Appendix E-Carter County Travel Form
- Appendix F-Department of Finance and Administration Standard Reimbursement Rates
- Appendix G-Department Head and Board Member Travel Reimbursement Rate Schedule