

# Pinellas County Board of County Commissioners

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## Business Assessment

### A. General Information

1. Does the organization have a Board of Directors with specific functions and responsibilities (by-laws)? *The Board of County Commissioners is the legislative and governing body of Pinellas County. The seven-member commission is responsible for establishing policies to protect the health, safety and general welfare of Pinellas County residents.*

*As a local government entity, the State constitution gives the Board of County Commissioners the power to adopt ordinances (local laws), approve the County budget and set millage rates, and establish the requirements for the departments under its control. The Board governs all unincorporated areas of the county directly; municipalities may call upon the County for specialized services.*

2. Are minutes of the Board of Directors' meetings maintained? *The Clerk of the Circuit Court of the Board of County Commissioners attends all meetings of the Board of County Commissioners and other designated County Boards and produces, records, indexes and distributes the official minutes of these meetings.*

3. Is there an organizational chart or similar document establishing clear lines of responsibility and authority? *The County Administrator serves the citizens of the County as it applies to the policies and decisions of the Board of County Commissioners. In all, the Administrator is responsible for the operations of the departments that fall under the Board of County Commissioners. A copy of the organizational chart may be found at <http://www.pinellascounty.org/budget/GeneralOrgChart.pdf>*

4. Are duties for key employees of the organization defined? *All positions within county government have a classification encompassing the general duties of various jobs within the description. The specific job description within a department (Position Requirement Profile) is maintained within the department, as it is more detailed about the duties of the individual position.*

5. Does the organization have grants or cost-reimbursement contracts with other U.S. Department of Health and Human Services components or other Federal agencies? *Pinellas County's Department of Human Services currently has grant funding from the U.S. Department of Health and Human Services' Health Resources Services Administration (HRSA) for a Federally Qualified Health Center for the Homeless Program (330)(h). In 2012, the department was also awarded a capital construction grant from HRSA.*

6. Have any aspects of the organization's activities been audited recently by a Government agency or independent public accountant? *The County Commission contracts with an independent accounting firm to perform an annual audit of the functions and financial activities of the Board and each of the five Constitutional Offices. Each of these entities is independently audited and subject to materiality based upon their own expenditure levels. The audits of the five*

*Constitutional Officers along with the Board are then combined into a Comprehensive Annual Financial Report (CAFR).*

7. Has the organization obtained fidelity bond coverage for responsible officials and employees of the organization? *Bonds are purchased for all Officers (County Commissioners, and any Appointing Authority required by ordinance or statute to have a bond). Currently bonded are: Commissioners, Tax Collector, Clerk of Court, Sheriff. We also purchase a separate crime policy for ALL employees of Pinellas County.*
8. Has the organization obtained fidelity bond insurance in amounts required by statute or organization policy? *Yes*

## **B. Accounting System**

1. Is there a chart of accounts? *Yes, Pinellas County Government uses an Oracle based financial management system that fully complies with all GAAP and GASB requirements.*
2. Is a double-entry accounting system used? *Yes- Pinellas County uses an Oracle Financial Accounting System.*
3. Does the organization maintain the basic books of account as applicable? *All of the below are components of the Oracle Financial Accounting System*
  - a. General ledger - *Yes*
  - b. Operating ledger - *Yes*
  - c. Project (Job) cost ledger - *Yes*
  - d. Cash receipts journal - *Yes*
  - e. Cash disbursement journal- *Yes*
  - f. Payroll journal - *Yes*
  - g. Income (sales) journal - *Yes*
  - h. Purchase journal - *Yes*
  - i. General journal – *Yes*
4. Does the accounting system adequately identify receipt and disbursement for each grant (or contract)? *Yes, Pinellas County uses Oracle Projects Accounting Module to separately account for grant transactions.*
5. Does the accounting system provide for the recording of expenditures for each program by required budget cost categories? *Yes- Pinellas County has implemented and integrated Hyperion Budget software with the Oracle Financial Accounting system. Budgets are developed by fund, cost center, program, and project.*
6. Does the accounting system provide for recording the non-Federal share and in-kind contributions (if applicable for a grant program)? *Yes- Oracle Projects Module separately records a breakdown of non-federal share and in-kind contributions using a task structure. Tasks are fully customizable.*

7. Does the organization prepare financial statements at least annually? If not, how often?  
*Yes all financial reports can be accessed via the following link:*  
<http://www.pinellasclerk.org/aspInclude2/ASPInclude.asp?pageName=transparency2.htm>
8. Have the financial statements been audited within the past 2 years by an independent public accountant? *Yes- Pinellas County has annual independent audits performed by an independent accounting firm.*
9. Does the organization have a bookkeeper or accountant? If no, who is in charge of the accounting section? *Yes- we have many accountants. The Clerk of the Circuit Court and Comptroller of Pinellas, Ken Burke, CPA, is the official accountant to the Board of County Commissioners.*
10. Is there an accounting instruction manual? *Yes*

### **C. Budgetary Controls**

1. Does the organization use an operating budget to control project funds? *Yes- Pinellas County has implemented and integrated Hyperion Budget software with the Oracle Financial Accounting system. Budgets are developed by fund, cost center, program, and project.*
2. Are persons in the organization who approve budget amendments authorized to do so by the Board of Directors or top management? *Yes- The Pinellas County Board of County Commissioners adopts the budget and approves all budget amendments.*
3. Are there budgetary controls in effect to preclude incurring obligations in excess of:
  - a. Total funds available for an award? *Yes- budgetary control extends to the project level which includes grants/awards*
  - b. Total funds available for a budget cost category? *Yes- budgetary control is at the program level*
4. Are cash requirements and/or drawdowns limited to immediate need? *Yes- our standard process is to draw funds in arrears as a reimbursement of costs incurred and paid*

### **D. Personnel**

1. Are personnel policies established in writing or in the process of preparation which detail at a minimum:
  - a. Duties and responsibilities of each employee's position? *Yes*
  - b. Qualifications for each position? *Yes*
  - c. Salary ranges associated with each job? *Yes*
  - d. Promotion Plan? *Yes*
  - e. Equal Employment Opportunity? *Yes*
  - f. Annual performance appraisals? *Yes*
  - g. Types and levels of fringe benefits paid to professionals, nonprofessionals, officers, or governing board members? *Yes*

*All departments in the Unified Personnel System are subject to the Personnel Rules adopted by the Unified Personnel Board. These rules and policies were formulated to comply with federal and state laws and to ensure fair treatment for employees and sound services to citizens. Each department also has its own set of policies and procedures to guide employees in performing their jobs.*

2. Is employee compensation reasonable and comparable to that paid for similar work in the competitive labor market? *The Unified Personnel System compensation policy is designed to establish wage and salary ranges that reflect the value of the various jobs, as determined by a formal system of continuing job evaluation and review, taking into account the duties and level of responsibility for each job. It ensures that, for comparable jobs, pay rates and benefits are competitive with the external job market in which the County competes for talent and reflective of the internal value of each position.*
3. Are salary comparability surveys conducted? *Yes, a full survey is conducted annually over the Tampa Bay region. Specific sectors are done on an as needed basis.*

How often? *Annually*

4. Are salaries of personnel assigned to Government projects about the same as before assignment? *Yes, salaries are not adjusted based on the funding source of a project or a change in project assignment. Salaries are adjusted to reflect changes in responsibilities requiring different knowledge, skills, and abilities as determined by evaluation and review. Within Pinellas County Government, all projects are "Government" projects.*

Identify reasons for significant increases. *N/A*

5. Does the organization maintain a payroll distribution system which meets the required standards as contained in the applicable cost principles for that organization? *Yes- Pinellas County follows 2 CFR 200- Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards.*
6. Does the organization maintain daily attendance records for hourly employees? *Yes- All classified Pinellas County employees are required to submit bi-weekly electronic time sheets that reflect total hours worked on a daily basis.*

Does this show actual time employees sign in and out? *Yes- the Navigators use a separate time accounting system that records actual time*

7. Does the payroll distribution system account for the total effort (100%) for which the employee is compensated by the organization? *Yes- All classified Pinellas County employees are required to submit bi-weekly electronic time sheets that reflect total hours worked on a daily basis.*

8. Who signs and certifies work performed in items 5, 6, and 7 above? *Direct supervisors electronically sign-off on all time sheets using Oracle workflow. The Program manager electronically approves Navigator time sheets for the contracted employees.*
9. Where duties require employees to spend considerable time away from their offices, are reports prepared for their supervisors disclosing their outside activities? *Yes- travel reports are required to include a description of destination and purpose for all travel.*

#### **E. Payroll**

1. Does preparation of the payroll require more than one employee? *Yes- We have a payroll division within the Finance Division of the Clerk's office.*
2. Are the duties of those individuals preparing the payroll related? *Yes*
3. Are the names of employees hired reported in writing by the personnel office to the payroll department? *Yes- the payroll system is electronically integrated with the human resources system within the Oracle Financial Accounting System.*
4. Are the names of employees terminated reported in writing by the personnel office to the payroll department? *Yes- the payroll system is electronically integrated with the human resources system within the Oracle Financial Accounting System. Personnel termination actions are included in the electronic integration.*
5. Is the payroll verified at regular intervals against the personnel records? *Yes- the payroll system is electronically integrated with the human resources system within the Oracle Financial Accounting System. Personnel records are included in the electronic integration.*
6. Are all salaries and wage rates authorized and approved in writing by a designated official or supervisor? *Yes- the payroll system is electronically integrated with the human resources system within the Oracle Financial Accounting System. Salary rates are included in the electronic integration.*
7. Are vacation and sick leave payments similarly authorized and approved? *Yes- the payroll system is electronically integrated with the human resources system within the Oracle Financial Accounting System. Vacation time accruals are integrated and requests for vacation and sick leave payments are included in the approval workflow.*
8. Is there verification against payments for vacation, sick leave, etc., in excess of amounts approved and/or authorized? *Yes- payments are limited to accrued balances and all payments must be approved via workflow.*
9. Is the payroll double-checked as to:
  - a. Hours? *Yes*
  - b. Rates? *Yes*
  - c. Deductions? *Yes*

d. Extensions, etc.? *Yes*

10. Are signed authorizations on file for all deductions being made from employees' salaries and wages? *Yes- electronic signatures are captured for all deductions*

11. Is the payroll signed prior to payment by the employee preparing the payroll? *Yes- electronic signatures are captured for all employee time sheet submissions, electronic approvals are required for the contract employees*

The employee checking the payroll? *Yes-electronic signatures are captured via workflow for all payroll transactions, electronic approvals are required for the contract employees*

12. Are salary payrolls approved by an authorized official prior to payment? *Yes- electronic signatures are captured via workflow, electronic approvals are required for the contract employees*

13. Are employees paid by check or direct deposit? *Direct deposit is the standard for all payroll payments. New employees may receive 1-2 paper checks prior to direct deposit activation.*

If no, how are they paid?

*New employees are paid by check for the first 1-2 payroll periods, after that by direct deposit.*

14. If paid by check, are the checks pre-numbered? *Yes, all check stocks are pre-numbered*

15. Are checks drawn and signed by employees who do not:

- a. Prepare the payroll? *Yes*
- b. Have custody of cash funds? *Yes*
- c. Maintain accounting records? *Yes*

*Yes, Pinellas County maintains separation of duties consistent with generally accepted accounting principles*

16. Are payroll checks distributed to employees by someone other than the supervisor? *Yes- all payroll checks are direct deposit. Supervisors will distribute the first couple paychecks until direct deposit is authorized.*

17. Is there a payroll bank account? *Yes there is a separate impress payroll account*

If no, will one be opened if recipient is selected for award? *N/A*

18. Is the payroll bank account reconciled by someone other than payroll staff or personnel who sign and distribute the pay checks? *Yes, Pinellas County maintains separation of duties consistent with generally accepted accounting principles*

## **F. Consultants**

1. Are there written policies or consistently followed procedures regarding the use of consultants which detail at a minimum:
  - a. Circumstances under which consultants may be used? *Yes*
  - b. Consideration of in-house capabilities to accomplish services before contracting for them? *Yes*
  - c. Requirement for solicitation or bids from several contract sources to establish reasonableness of cost and quality of services to be provided? *Yes*
  - d. Consulting rates, per diem, etc.? *Yes*

*Pinellas County government procurement rules (local ordinance) includes contracting for professional services CONSULTANT COMPETITIVE NEGOTIATION ACT (CCNA) as per Florida Statute (F.S.) 287.055*

2. Are consultants required to sign consulting agreements outlining services to be rendered, duration of engagement, reporting requirements, and pay rates? *Yes – all consulting agreements are comprehensive and include services to be rendered, duration of engagement, reporting requirements, and pay rates*

## **G. Property Management**

1. Are records maintained which provide a description of the items purchased, the acquisition cost, and the location? *Yes- Pinellas County maintains a detailed fixed asset accounting system*
2. Are detailed property and equipment records periodically balanced to the general ledger? *Yes- at least annually*
3. Are detailed property and equipment records periodically checked by physical inventory? *Yes- annual inventory*
4. Are there written procedures governing the disposition of property and equipment? *Yes, Pinellas County maintains policies and procedures for the transfer and disposal of excess and surplus property consistent with requirements set forth in Florida Statutes, Chapter 274.*
5. Are periodic reports prepared showing obsolete equipment, equipment needing repair, or equipment no longer useful to the organization? *Yes, this is part of the inventory and fixed assets system.*
6. Does the organization have adequate insurance to protect the Federal interest in equipment and real property? *Yes, Pinellas County is self-insured per Florida Statutes, Chapter 768.28, but also maintains catastrophic insurance coverage for all property.*

## **H. Purchases**

1. Does the organization have written purchasing procedures? *Yes, Pinellas County has a Purchasing Policy and Procedures Manual and has codified purchasing rules within the Pinellas County Code*

If not, briefly describe how purchasing activities are handled. *N/A*

2. Does the policy/procedure consider such matters as quality, cost, delivery, competition, source selection, etc.? *Yes, the Policy is a very comprehensive document which includes all aspects of the procurement process.*
3. Has the responsibility for purchasing been assigned to one department, section, or individual within the organization? *Yes, the Pinellas County Purchasing Department.*

If not, explain. *N/A*

4. Is the purchasing function separate from accounting and receiving? *Yes, the Purchasing Department is organizationally under the Board of County Commissioners, accounting is maintained by Finance Division under the Comptroller, and receiving is handled by the department who initiated the request for the service/commodity.*
5. Are competitive bids obtained for items such as rentals or service agreements over certain amounts? *Yes, the Purchasing manual details when to use competitive bids, proposals, etc.*
6. Are purchase orders required for purchasing all equipment and services? *Yes, purchase orders are used for procurement of goods and services.*
7. Is control maintained over items or dollar amounts requiring the contracting or grants management officer's advance approval? *Yes*

Describe controlling factors.

*Pinellas County Purchasing Policy and Procedure Manual (excerpt):*

*The responsibilities of OMB include initiating, reviewing and/or administering grant applications and grants and Contracts in accordance with the approved grant procedures, intergovernmental agreements, and determining and coordinating alternative means of financing acquisitions consistent with approved cash management goals and the approved budgets for all Non-Purchasing Contracts.*

*The project manager is responsible for initiating expenditures that are consistent with federal and state regulations for the specific project and expenditures that meet the conditions of the grant agreement. The budget is to be monitored to ensure compliance with purchasing and accounting policies and guidelines and to ensure spending stays within the established budget.*

*The project manager reviews prepared contracts, if included in the project's approved budget, with outside vendors for all specifications and conditions required by the grant agreement.*

8. Is the accounting department notified promptly of purchased goods returned to vendors? *Yes, the purchasing module is integrated into the Oracle Financial Accounting System*
9. Is there an adequate system for the recording and checking of partial deliveries and checking deliveries against purchase orders? *Yes, check of deliveries and updating the Oracle Purchasing Module is the responsibility of the receiving department*



10. When only a partial order is received, is the project account credited for the undelivered portion of the purchase order? *Yes, this is part of the receiving process performed by the receiving department.*
11. Are the vendor invoices checked for:
- Prices and credit terms? *Yes*
  - Extensions? *Yes*
  - Errors and omissions? *Yes*
  - Freight charges and disallowances? *Yes*

*Invoices are routed to the receiving department via workflow prior to payment by Finance Division.*

12. Are vouchers, supporting documents, expenses, or other distributions reviewed and cleared by designated staff before payment is authorized? *Yes, all supporting documentation is included in the workflow for electronic approval and authorization*

## **I. Travel**

1. Does the organization have formal travel policies or consistently followed procedures which, at a minimum, state that:
- Travel charges are reimbursed based on actual costs incurred or by use of per diem and/or mileage rates? *Yes*
  - Receipts for lodging and meals are required when reimbursement is based on actual cost incurred? *Yes*
  - Per Diem rates include reasonable dollar limitations? *Yes*  
Subsistence and lodging rates are comparable to current Federal per diem and mileage rates? *Yes*
  - Commercial transportation costs are incurred at coach fares unless adequately justified? *Yes*  
Travel requests are approved prior to actual travel? *Yes*
  - Travel expense reports show purpose of trip? *Yes*

*The Guidelines for Payment and/or Reimbursement of Travel Expenses for Pinellas County Officers and Employees became effective November 1, 2003. The purpose of these guidelines is to foster equity, uniformity and efficiency in the payment and/or reimbursement of authorized travel expenses for officers and employees within Pinellas County government. The Guidelines cover all of the minimum requirements identified in the NOFA.*

## **J. Internal Controls**

1. Is there a separation of responsibility in the receipt, payment, and recording of cash?
- For example: Are the duties of the record keeper or bookkeeper separated from any cash functions such as the receipt or payment of cash? *Yes*
  - Or, is the signing of checks limited to those designated officials whose duties exclude posting and/or recording cash received, approving vouchers for payment, and payroll preparation?

*Yes, Pinellas County maintains separation of duties consistent with generally accepted accounting principles*

2. Are all checks approved by an authorized official before they are signed? *Yes, the Oracle Financial Accounting System routes transactions through workflow for appropriate authorization and approval. Some transactions are sent to finance via a Miscellaneous Template once approved by authorized personnel*
3. Are all accounting entries supported by appropriate documentation (e.g., purchase orders, vouchers, vendor payments)? *Yes, each transaction within the Oracle Financial Accounting System includes electronic/scanned support.*
4. Does the organization have an internal auditor or internal audit staff? *Yes – the Pinellas County Office of the Auditor General performs internal audits*
5. Is there a petty cash fund where responsibility is vested in one individual; limited to a reasonable amount; restricted as to purchase; and counted, verified, and balanced by an independent employee at time of reimbursement? *Yes, there are separate petty cash funds located where appropriate, each maintained by a designated petty cash custodian.*
6. Are all checks pre-numbered and accounted for when general purpose bank account is reconciled? *Yes, all checks are reconciled and accounted for during the monthly bank reconciliation process.*
7. If a mechanical or facsimile signature is used for cash disbursements, is the signature plate, die, key, electronic card, etc., under strict control? *Yes, security and strict control is maintained over signature plate access and use.*
8. Are bank accounts reconciled by persons not handling cash in the organization? *Yes, Pinellas County maintains separation of duties consistent with generally accepted accounting principles*
9. Are all employees who handle funds required to be bonded against loss by reason of fraud or dishonesty? *Bonds are purchased for all Officers (a.k.a Commissioners, and any Appointing Authority required by ordinance or statute to have a bond). Currently bonded are: Commissioners, Tax Collector, Clerk of Court, Sheriff. We also purchase a separate crime policy for ALL employees of Pinellas County.*