

S T A T E O F M I C H I G A N

BOARD OF COMMISSIONERS OF THE COUNTY OF ALLEGAN

FINANCE - APPROVE BUDGET POLICY #211

BE IT RESOLVED, that the Allegan County Board of Commissioners hereby adopts the updated Budget Policy #211, as attached, effective immediately; and

BE IT FURTHER RESOLVED that Administration shall post the policy to the County website.

DRAFT

Budget Policy
Summary of Changes

1. Add “Asset” after Capital in Section 3.6. = Capital Assets
2. Add to Section 3:
 - Donation – money or goods (real or personal property), commonly equipment, supplies, vehicles, real estate, K9s, etc.) that are given to the County.
 - Donor – person or organization giving a donation.
 - Personal Property: Any item of value, that is not real estate.
 - Real Property: Real estate.
 - Restricted Donation – any donation that specifies a particular use or “restricts” the use of the donation
3. Add “(CAP)” to Section 4.4 = Cost Allocation Plan (CAP).
4. Replace Feb. 1, 2019, with January 1, 2021, in Section 4.6.2.1.
5. Replace 4.6.2.3 with:
 - “In the event an employee may travel for a duration and time commensurate with multiple meal reimbursements, the amount expended per meal is left to the employee’s discretion. However, reimbursement shall be limited to not more than the combined total of the applicable published meal rates of the eligible meals.”
6. Add under 4.10:
 - The CAO is authorized to perform budget adjustments that are necessary to carry out the General Fund Surplus Distribution process.
7. 4.11.4. move up to the end of 4.11:
 - “Unless stated elsewhere within this policy, any capital or other projects shall be budgeted for and managed by the provisions within this section.”
8. Add 4.12.2.5.:
 - “Budget adjustments that are necessary to carry out the provisions contained within this GF Surplus Distribution section shall be prepared and performed at the time of the distributions, and reported to the Board through in accordance with the Budget Adjustments section of this policy.”
9. In 4.16.1.5 capitalize General Appropriation Act and add “Resolution”.
10. 4.16.3.1. change COA to “CAO”.
11. Replace 14.17. through 14.17.1.5 with:
 - “Grants: Application, acceptance and use of any Grant shall be consistent with the nature of the County’s Services and Programs, Strategic Goals and internal controls, and subject to the approval of the Board of Commissioners or CAO pursuant to Appendix 6D Grants, and shall be submitted utilizing the Work Order/Request For Action (RFA) process.”
12. In 4.17.2.2. add “RFA” after Work Order.
13. In 4.17.2.4.1. delete “(see Section 7b)”.
14. In 4.17.2.5. add “RFA” after Work Order.
15. Add new Section after Grant Requirements titled: Donations and Surplus Programs:
 - Donations and Surplus Programs
 - Acceptance and use of any donation (money, goods or services) shall be consistent with the nature of the County’s Services and Programs, Strategic Goals and internal controls and subject to the approval of the Board of Commissioners or CAO pursuant to Appendix 6.D and shall be submitted utilizing the Work Order/(RFA) process.

Service Areas anticipating receipt of donations (or expecting to solicit donations through fundraising efforts), and expecting to use or expend donations (other than receiving monetary donations as a general revenue), on an ongoing basis shall develop a Donation Plan to be submitted to the CAO..

The Plan shall include the appropriate financial structure to support the transactions within or beyond a given fiscal year.

Unless otherwise approved through a Donation Plan, consistent with Appendix 6.D, or permitted within Board of Commissioners approved policy, donations of 1) money for a restricted purpose, 2) goods or 3) services, shall not be accepted.

Donations from service providers doing business with the County or likely to do business with the County are specifically prohibited. Infrequent and de minimis that are generally made available to a broader audience and therefore not an influential factor in decision making processes (e.g. product samples, conference trinkets, holiday greetings) shall not be considered donations.

Donations as Recognition/Appreciation – Services Areas (not individuals) may receive donated goods as recognition/appreciation to the extent such is infrequent and de minimis, Example 1, perishable/consumable items such a food in recognition of service or working lunches (e.g. pizza, desserts, etc.) Example 2, token items of appreciation generally valued under \$100 (e.g. service area plaques, photos, inspirational decorations).

Once approved for acceptance the Service Area receiving the donation shall acknowledge and express thanks to the donor(s) on behalf of the County.

Monetary Donations - Unless otherwise approved as part of a Donation Plan or approved consistent with the thresholds in Appendix 6.D, monetary donations shall be considered and treated as all other revenue, offsetting existing expenditures, and not carried over into a subsequent fiscal year.

All monetary donations must be handled in accordance with the Treasurer's Receipting Policy. Service Areas shall not accept any donation that places restrictions on how/whether the money is to be receipted.

Service Areas expecting to receive monetary donations as a revenue to offset existing expenditures on a regular basis shall include estimates of donation revenue in the annual budget process.

Goods Acquired through Government Surplus Programs or through Donation: Eligible Service Areas may participate in Government Surplus Property Grants, such as the Federal 1033 Program or may receive donated goods subject to the following requirements:

All goods which have been approved through the County's Capital Improvement Plan (CIP) and/or Annual Budget/Operational Plan may be acquired, with appropriate review or approval at the time the items are available.

In determining review/approval levels, the estimated replacement value of an item shall be utilized and not the temporary ownership cost.

Notwithstanding the value of an item, any items in consideration to be acquired shall undergo the appropriate review/approval consistent with county policy and operational support standards prior to acquisition. Example 1, technology items (e.g. laptops, portable electronic devices, printers, software, etc.) shall be reviewed in advance by Information Services.

Example 2, facility items (e.g. furniture, appliances, etc.) shall be reviewed in advance by Facilities Management. Example 3, vehicles shall be reviewed in advance by Transportation.

Service Areas may acquire surplus or donated goods valued up to \$500 and considered to be general operating goods for the nature of work performed by that Service Area.

- In cases where a good becomes available that has not been approved through an existing plan, exceeds the value of \$500 and is identified as needed, the item may be reserved for 14 days and submitted for consideration, consistent with the value thresholds in Appendix 6.D (operational/capital purchases).

- The Service Area shall maintain and furnish the CAO with access to all agreements, records, and property inventory for all items related to this program.

16. Modify Appendix 6.A. as follows:

Sheriff's Dept Contracts for Service	2800 *28 07		\$10,000 per contract fund 10% of current-year expenditure budget.	Transfer to the Liability Sinking Fund 2590
Sheriff's Dept Contracts for Service – Wayland	2806	This Fund/contract includes a vehicle lease payment.	10% of current year expenditure budget, plus \$40,000 per leased vehicle.	Transfer to the Liability Sinking Fund 2590
Local Government Revenue Sharing	2470		10% of current year revenue, plus \$25,000 reserved for Agricultural Incubator match. Additional \$20,000 reserved annually for DNR Trust Fund match, until \$100,000 is saved.	Transfer out to Parks fund to balance operating budget. Additional \$20,000 reserved annually for DNR Trust Fund match. Remaining fund balance after minimum threshold and DNR Trust are met may be utilized for Parks Capital and/or Economic Development Initiatives as approved by the BOC.

17. Add Donation Section to Appendix 6.D as follows:

Donation	<ul style="list-style-type: none"> • Changes in grant • Department Requesting • Name of Donor • Summary of Donation • Amount of Donation • Included or not included in Donation Plan • Does it affect other operations? • Contact info/Resp parties/ownership • Disposition 	Individual Donations \$25,001-\$100,000 to be used or expended in the current fiscal year.	Individual Donations valued \$100,001 or more to be used or expended in the current fiscal year. Donation plans of an ongoing nature and spanning multiple fiscal years. Any donation that is relates to activities not generally funded through the Board approved budget.	Any monetary donation to be receipted as a general purpose revenue without resulting in additional expenditures. Individual donations under \$25,001 to be used or expended in the current fiscal year and is consistent with activities generally funded through the Board approved budget.
Purchase Operational (Budgeted)	<ul style="list-style-type: none"> • Department • Item(s) 	\$25,001-\$100,000 budgeted	\$100,001+ budgeted All non budgeted purchases	• Budgeted County direct purchases under \$25,001

18. Delete “Contingency or” from the Budget Adjustments Section on Appendix 6.D as follows:

Budget Adjustments	<ul style="list-style-type: none"> • Department • Fund, Activity, Account • Amount • Revenue/Expense • Explanation/Description 	\$25,001-\$100,000	\$101,000+ Contingency or Fund Balance of any fund	<ul style="list-style-type: none"> • Line items moves within an activity • Year End Adjustments (Jan-Mar) • Adjustments/transfers under \$25,001 (between activities and between funds)
Personnel	<ul style="list-style-type: none"> • Backfilling Positions • RFA 		<ul style="list-style-type: none"> • Non-budgeted changes • New positions 	<ul style="list-style-type: none"> • Filling existing budgeted unchanged positions