Delegated Approvals
Expense Reimbursements
&
Post Audit Changes

February 25, 2010

Agenda

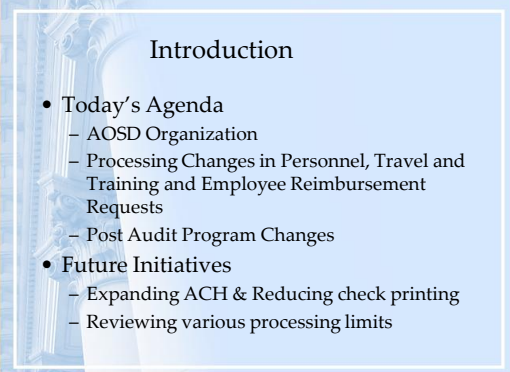|	
Introduction	Ben Rosenfield
AOSD Update	Mary Fitzpatrick
Personnel Actions & Employee Reimbursements Approval Changes	Alan Pavkovic
Post Audit Changes	Debbie Gordon
Break	
Travel and Training Reimbursements	Alan Pavkovic
Employee Reimbursements	Alan Pavkovic

Introduction

- Today's Agenda
  - AOSD Organization
  - Processing Changes in Personnel, Travel and Training and Employee Reimbursement Requests
  - Post Audit Program Changes
- Future Initiatives
  - Expanding ACH & Reducing check printing
  - Reviewing various processing limits

Accounting Operations and Systems

- Organization
  - Operations, Grants, Post Audit –Alan Pavkovic
  - CAFR, Cash, FAST, FAACS – Carmen Lefranc
  - FAMIS Systems Support – Annette Reardon
  - Technical Systems Support – Pedro Martinez
  - EIS / Budget System Support – Jeff Pera

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Who do I contact for…

- Table update changes? Fund Accountant
  - Index Code, Subobject, Grants, Projects, Subfunds, Subsidiary, and User Codes
  - Issue new form by March 15, 2010

- Data, Reports, and Downloads from FAMIS?
  - Annette Reardon, annette.reardon@sfgov.org 554-7880

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Approval Path Changes: Personnel Actions

Currently the following are typically reviewed by Controller for funding, position compatibility, proper documentation, etc.

- ASO Funded Requisitions
- Temp Funded Requisitions
- Tx Requisitions
- Z-symbol
- Acting Assignment Pay
- Extended Range Pay
- Exemplary Pay

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Approval Path Changes: Personnel Actions

- Beginning March 1 the Controller's Office will:
  - Only review personnel actions for *funding availability* when a department is projected to overspend salaries and fringes.
- Human Resources will continue to review <u>all requests</u> as they do now, for position compatibility, proper documentation, Tx appropriateness, etc.

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Approval Path Changes: All Departments
Effective: March 1, 2010

Documents No Longer on the Controller's Office Approval Path

- **Employee Travel & Training Reimbursements***
  - Document Type - TT
- **Employee Reimbursements***
  - Document Type - TE

* Department Head or authorized designee must sign all reimbursement requests.

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Travel and Training Approval Requirements

- Only Department Head or Authorized Designee signoff reimbursement document
- Department must have at least one initiator and one approver in FAMIS Accounting
- Department required to keep documentation on-site for regular review and audit

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Department Head Quarterly Review

- Controller's Office will send report in Excel Format to department head quarterly which includes:
  - Employee name, amount, transaction description, index code, subobject, etc.
- Department Head must review, sign off and return this report to Controller as acknowledgement of reimbursement activity in their department

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Continual Reimbursements Audit

- Sample selected randomly on a regular basis throughout the year
- Fund Accountant will email document numbers selected to department CFO
- Original documents will be reviewed
- Employees overpaid which are not reimbursed to the City are subject to payroll offset

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Post Audit Program Changes

Debbie Gordon

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Why Post Audit?

- The Controller's Office is responsible, under the City's Charter, for ensuring that the City maintains sound financial practices.
- Consistent with this responsibility, the Controller's Office's implemented the Post Audit Program as an internal control component for the City's decentralized, on-line processing environment.
- It is designed to review departments internal controls, accounting procedures and compliance with City rules and regulations by auditing selected accounting transactions on a regular basis.

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Changes for Post Audit for CY 2009

- Combined Post Audits of Grants & Accounting Transactions:
  - One internal control questionnaire
  - One site visit, one report
  - No fieldwork for some low risk departments – complete ICQ required to complete risk assessment
- Risk Assessment:
  - Focus on internal controls
  - Consider external & program audits

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Changes for Post Audit for CY 2009 (cont.)

- Sample Selection
  - Fewer documents tested Citywide
  - Document types and number tested will relate to actual department activities
  - Document types and number tested will relate to risk assessment of each department

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Facilitating the Post Audit

- Prepare space for auditors to work
- Identify and make available all requested documents
- Clarify which staff will serve as contacts if questions.
- Photocopy grant agreements if copy not already submitted to grants unit.

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Facilitating the Post Audit (cont.)

- Complete ICQ timely
- Advise audit team as soon as possible of any issues concerning space or staffing.
- Ask questions if anything is unclear in auditor requests or other communication.
- Explain freely anything you think we should understand.

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Post Audit Scheduling

- By 2/26: Site visits scheduled
- By 2/26: CFOs to email scanned completed Internal Control Questionnaire
- 1 week prior to scheduled visit: List of grants & transactions to be tested sent to department
- Throughout audit: auditors will communicate preliminary observations

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Post Audit Scheduling (cont.)

- <u>At exit conference</u>: auditors will communicate preliminary results of the audit with finance officers & staff
- <u>By 5/31</u>: All site visits completed
- <u>By 6/30</u>: All reports of audit results issued to departments

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- Additional Information:
http://famis.sfgov.org/controllerspolicies/
or
http://conpolicy

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Break

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Employee Travel and Training Reimbursements (TT)

"Officers or employees should incur only those expenses that a reasonable and prudent person would incur when traveling on official business."

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TT – Employee Travel and Training Reimbursements

- Expenses - a reasonable and prudent person would incur on official business
- Requests - on a timely basis, within 10 days after returning to work
- Original receipts are required
- Expenses incompatible with City's rules – not reimbursable
- Just because employee "spent the money" does not mean they should be reimbursed

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Use of Vehicles

- Most direct and cost efficient route must be taken
- All passengers must be on official City business

- Personal Vehicle
  - IRS standard mileage rate is 50 cents/mile
  - Fuel, vehicle repair, and maintenance not reimbursable
  - Must include starting and ending odometer mileage on reimbursement form
  - Mileage must be from wherever is closer (worksite or home)
  - Cannot claim mileage if normal commute is not by car

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Use of Vehicles - Continued

- Rental Car
  - Allowed only when absolutely necessary and pre-approved by Department Head or Authorized Travel Signatory
  - Pre-approval is required to be documented in writing
    - Include estimate of other related expenses
    - Justification why other forms not appropriate, how rental car is most economical and efficient/practical
  - Limited to standard compact size vehicle
  - Rental insurance not needed nor reimbursed as City is self-insured

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Air Travel

- Departments may book airfare with approved travel agencies (Orientex and Clement Travel)
- If employee makes own arrangements on-line must pay first and request reimbursement AFTER travel.
- For best rates, airfare should be purchased at least 2 weeks in advance
- Economy or coach class only
- Reimburse cost of first checked bag with receipt

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Air Travel – Cont'd

- Transportation between home and airport
  - Recommend public transportation or shuttle
  - Taxi up to $50 each way including tip
  - Up to $15 each way when using personal car
  - Parking maximum $15/day up to $100 total for travel
  - Employee not reimbursed for any damages

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Lodging

- Itemized hotel receipt required
- Maximum reimbursement limited to Federal per-diem rate
- Conference rates and Government rates should be used whenever possible
- If conference rate is higher than Federal rate documentation of rate is required
- Conference recommended and overflow hotels must not exceed conference rate
- Hotel not allowed within 9 Bay Area Counties without written pre-approval by Department Head or Authorized Travel Signatory
  - *Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma*

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Per Diem Meals & Incidentals

- Federal rate for meal and incidental expenses will be paid without receipts
- Meals included in conference registration fees are not allowed per diem

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Per Diem Meals & Incidentals – Cont'd

- Partial per-diem based on travel times
- Departure and arrival times must be documented on travel reimbursement form
- Breakfast if leave home before 6 AM
- Lunch if leave worksite/home before 10 AM or return after 2 PM
- Dinner if return to worksite/home after 7 PM
- Incidentals
  - Includes transportation between places of lodging for meals if meals cannot be obtained within walking distance
  - Tips for porters, baggage carriers, hotel maids, etc.

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Per Diem Meals & Incidentals – Cont'd

- Per Diem Meals and Incidentals not allowed within 9 Bay Area counties
    - *Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma*
    - Exception for pre-approved overnight stay
- Day trips outside 9 Bay Area Counties
    - Per Diem not allowed unless employee leaves worksite/residence before 6 AM and returns after 7 PM
    - Conference/training/meeting agenda required as documentation

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Other Items…

- Business Calls, Fax, Internet Usage
    - Reimbursed for reasonable usage with original receipt
    - Business purpose and justification of need required
- Toll / BART / Muni / Parking Meter / Public Telephone are reimbursable without receipt**s**

- Reimbursements will not exceed necessary and reasonable amount as determined by Controller. If you have questions, please contact your Fund Accountant
- Q & A section in Travel Reimbursement Guideline source of information

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- Non-Allowable or Non-Reimbursable Items
    - Upgrades (Airline or Car)
    - Parking Tickets
    - Towing Charges
    - Hotel Movies
    - Unjustified Internet Access
    - Alcoholic beverages
    - Flowers, Greeting Cards, Gifts, Post Cards
    - No Original Itemized Receipt
    - Other items not normally part of travel

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Employee Reimbursements – Non-Travel (TE)

"Officers or employees may be reimbursed for field expenses or for minor non-recurring goods, up to $200 from any single vendor, with proper approval from Department Head or authorized designee."

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Employee Reimbursements

- Reimbursement limited to $200 with proper approval
- Mostly for "field expenses"
- Not for recurring transactions
- Services cannot be reimbursed

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Processing in FAMIS Accounting

- Document Type TT
  - Travel and Training Reimbursements
- Document Type TE
  - Employee Reimbursements
- Document Type TA*
  - All Travel Advance Related Transactions except for Cash Receipt

*Approved by Controller Accounting Operations

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Additional Information:

- Controller's Policies Travel & Training:
http://famis.sfgov.org/ControllersPolicies/AOSD_PP_Directives_index.html#Travel
or
    http://conpolicy/travel

- Federal Per-Diem Rates
    http://www.gsa.gov/perdiem

- Fund Accountant

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- Question & Answer

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