

Staff member's name: Tracey Kellogg, Nicole Thomsen

Topic of staff report: POL 130.001 - Finance Policy

Board of Health committee: Program Policy Committee, Administration Committee and Executive Committee

Date(s) of committee meeting(s): March 18, 2021; March 24, 2021; and March 25, 2021

Will this item go to the full Board? If yes, date of Board meeting: Yes, May 11, 2021

Do you recommend this item go to the full Board as Action, Consent, or Briefing? Action

Proposed Board action

At this time briefing only.

Division / Preparer, Title

Administration/Nicole Thomsen, Health Policy Analyst

Prior Board Review

Budget Ad Hoc Committee, 11/20/2020
Program Policy Committee, 3/18/2021 and 4/15/2021
Administrative Committee, 3/24/2021 and 4/28/2021
Executive Committee 3/25/2021 and 4/29/2021

Exhibits

- A. 2013 Financial Management Policies (Res. 13-11)
- B. 2016 Revision of Financial Management Policies (Res. 16-020)
- C. Presentation – Finance Policy, Budget Ad Hoc Committee, 2020-11-20
- D. POL 130.001 – Finance Policy_Draft_2021-03-12

Background

The financial integrity of the District is of vital importance. Written, adopted financial policies assist the Board and staff in the financial management of the District. Financial policies provide a level of security for the community by ensuring public funds are being used openly, legally, efficiently, and effectively and in a manner that provides insulation from fiscal crisis and economic disruption.

The current financial management policy was established in 2013 by Resolution 13-11 (Exhibit A) and updated in 2016 by Resolution 16-020 (Exhibit B). Since its establishment there have been several federal, state and District policy changes. For example, District POL 100.001 - Policies and Procedures established a standardized policy format and a two-year revision timeframe.

On November 20, 2020, the Budget Ad Hoc Committee received a briefing (Exhibit C). At that time work had been completed to comply with the District's standardized formatting.

To fully update the District's financial management policies, the current financial management policy will be split into a minimum of three policies (POL 130.001 - Finance, POL 130.006 - Asset Management, and POL 135.001 - Budget) that together inform and sets baseline standards for the District's financial well-being. Each policy will be reviewed and approved through the BOH Committee process under separate agenda items for consideration.

Each of the three policies were formed by evaluating existing financial management policies and determining which of the three 'new' policies best fit that topical focus. From there, content changes were made to be compliant with regulatory and current practice. Content changes for the 'new' Policy have been redlined.

POL 130.001 - Finance (Exhibit D) is the first such 'new' policy for your consideration and review. As these changes are both organizationally and substantively significant, this is a briefing only. Content changes include:

- Establishment of definitions
- Adding linkages to the District's resolution on Equity, Res. 20-17
- Citation and linkages to the Division of Responsibilities and related governmental accounting standards.

In addition to the above, staff seek direction on a number of potential content specific changes. Places for requested feedback and direction are nested in the draft POL 130.001 - Finance (Exhibit D) as a comment.

Direction and feedback from board members will be added to the proposed policy and brought back for consideration and potential action.

Board Authority

Consistent with Resolution 19-20 and the revised Division of Responsibilities (10/8/19), the Board of Health is responsible for setting District budget and policy.

Recommended Motion

No action required. Briefing only.