



Atlanta Regional Commission

# MEMORANDUM

**DATE:** March 28, 2018

**TO:** ARC Governance Committee

**FROM:** Douglas R. Hooker, Executive Director

**RE:** ARC Policy Updates

As a result of the Georgia DOAA performance audit, ARC has undergone a process to revise and update select personnel and operational agency policies. DOAA determined 34 areas requiring attention that spanned travel, agency vehicles, agency Purchasing-Cards, and several compliance issues. ARC submitted a plan for corrective actions as a response to the audit. The Executive Director authorized the Executive Team to establish a Steering Committee and Policy Review Committee. These committees worked in tandem to create key recommendations that were presented to the Governance Committee on February 28, 2018. The Executive Team worked with a smaller staff committee to implement these recommendations by updating current policies in the case of the Purchasing and Procurement Policy and Personnel Policy Manual, and creating a new full policy based on State policy in the case of the Travel and Reimbursement Policy. Those drafts have been presented with the highlighted areas referencing significant policy changes in existing policies.

Below is a summary of the major changes to each policy.

## **Purchasing and Procurement Policy**

### Introduction

- Updated the Standards of Ethical Conduct as it pertains to Procurement to include direct language from the ARC Policy and to add consequences for violations.
  - Substantial and material violations as determined by the Chairman will result in elected Board members being reported to their relevant Board
  - Violations may result in citizen members, or ARC employees being removed from that position
- Added a list of unallowable costs for federal funds which includes indirect
- Added an allowance for special purchases including alcohol and entertainment for events such as LINK and RLI
- Added limitations for ARC funded sponsorships and donations based on the GA Constitution
- Added allowance for the Executive Director to bring a guest to in region ticketed special events.

### Purchasing Card Policy

- Changed the name from Credit Card to Purchasing Card (P-Card) to emphasize use as a tool in ARC purchasing
- Credit limit of \$ 5,000.00- individual transactions limited to \$ 5,000.00 by state law

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- Recommended recurring expenses and IT expenses not be on the P Card.
- Travel Purchases outside of registration fees may not be put on a P-Card
- Meals may not be put on a P-Card
- Prohibited purchases include: Alcohol, Entertainment, Gift Cards, Personal purchases, Individual meals subject to travel policies and the Per Diem, Tobacco products. The purchase of a prohibited item results in immediate account termination
- The costs of prohibited items or any items submitted without a receipt must be paid back to ARC by the cardholder.
- Other violations:
  - 1st P-card policy violation – Verbal warning from the direct supervisor to the cardholder. This is considered a warning but can be elevated to a personnel action depending on the severity of the offense.
  - 2nd P-card policy violation – Written warning (memo) from Center for Business Services Director to the cardholder, their direct supervisor, and applicable Center Director.
  - 3rd P-card policy violation – Center for Business Services will impose a minimum one-month account suspension and submit a letter to the personnel file of the Cardholder and of their direct supervisor.

#### Accounts Payable

- Drafted a policy to reflect current practices. There was not a policy previously.

#### Purchasing Policy

- Better defined the quotes process for the purchase of goods
- Added requirement that sole sourced projects be bid out after 3 years

#### Contracting and Procurement Procedures

- Added requirement that sole sourced projects be bid out after 3 years

#### Retention Policy

- Added the current agency retention policy to the Purchasing and Procurement Policy with no changes.

### **Travel and Reimbursement Policy**

#### Policies Applying to All Expenses

- Receipts must be provided for Air, lodging, rental cars and rail (such as Amtrak, etc.), Visa/Passport fees, Conference registration fees, All single expenditures of \$25 or greater.

#### Air Travel

- Should be used for out of state travel
- Lowest logical airfare should be selected- base rate, nonrefundable
- ARC will not pay for Business or First Class; free upgrades may be accepted or the employee can purchase upgrades
- ARC will only cover 1 bag

#### Ground Transportation

- ARC will not reimburse for any tickets, fines, fees, for rental, personal, ARC vehicles or otherwise

- Normal commuting miles must be deducted from mileage reimbursement
- Taxi, uber, lyfts, mass transit, etc., are all reimbursable

#### Lodging

- Least expensive reasonable lodging
- conference hotel is reimbursable even at a higher rate

#### Meals

- In State per diem- \$28/day, High cost areas (select counties) \$ 36/day
- Out of state and international- GSA schedule
- Reimbursement in travel is subject to 75% of the rate on travel days
- Provided meals must be removed from the per diem
- Non-overnight In Region meal per diem only allowed when staff is working after hours, during the weekend, or on a holiday
- Non-overnight travel Out of Region meal per diem only allowed when the work assignment is 4 or more hours
- Business meals may be reimbursed at cost if it is an event not hosted by ARC, includes non-ARC staff, the meal is integral to the meeting, and the meeting is not just a lunch or dinner meeting, ex, a speaking engagement, a gala, an additional meal cost for a conference or seminar
- Employee group meals are only allowed when a meeting last 4 or more hours and has sufficient agenda materials for a meeting of such length, ex an all-day Center retreat. Meal subject to the per diem rate per person
- Retirement celebrations, year-end celebrations and other events funded by the employee fund are subject to the availability of those funds
- Non-employee meals may only be covered when ARC is hosting an event, or when the Executive Director or Center Directors are taking out advisors or VIPs in an abnormal visit. Meals are subject to the per diem.

#### Reimbursement

- Travel expenses should be reimbursed through this policy and not put on the PCard
- Reimbursements must be submitted within 30 days of return
- Receipts must include name of vendor, date of service, description of goods, amount paid per item, total amount
- Receipts are not required for parking or tolls if the total is under \$25
- Items submitted without a receipt will not be reimbursed unless it is per diem or doesn't require a receipt

### **Personnel Policy**

#### Organizational Structure

- Revised to account for Center for Business Services as a distinct operation from the Office of Executive Director

#### Vehicle Use Policy

- Added a priority for vehicle reservation – mass transit riders and carpoolers, normal business hours in region, out of region travel

- Added information about Enterprise Rental account
- Added guidelines for weekend use of vehicles
- Applied P Card violations and policies to the Fuel Purchasing cards
- Added that staff found at-fault for accidents in the ARC vehicles may lose the ability to travel on agency business
- Added in location monitoring disclaimer

#### Travel and Personal Mileage Reimbursement

- Added in determining factors for using a personal vehicle vs. a rental car

#### Vehicle Allowance

- Added in the Director Vehicle Allowance Policy

#### Drug Free Workplace

- Removed over-reaching alcohol prohibitions while leaving in limitation on workplace drinking
- Added in specific provisions for special purchases as allowed in the Purchasing and Procurement Policy