

County Fiscal Ruleset ^{CTO} Revision

Presented by: Christine Torres

Slide 1

CTO [@Sahagun, Kristina] [@Green, Spencer] Kristina, will you be available on Friday, Sept 27 from 9:00-10:30 to start the recording and advance the slides?

Torres, Christine, 2024-09-26T01:22:31.591

OO [@Torres, Christine], yes, I will.

Sahagun, Kristina, 2024-09-26T14:54:49.933

Meeting Expectations

- Meeting Space
 - Zoom meeting - you have full control of your mic and video, please stay muted when not speaking.
- Questions:
 - Use Chat function for comments & questions in Zoom or raise hand during the presentation.

Today's Agenda

- Meeting Purpose
- Goals
- Review Rulemaking Schedule
- Review the Fiscal rules 1.010.14-.18
- Public Comment

HDO

Slide 3

HDO [[@Torres, Christine](#)] we should add public comment to every rulemaking meeting
Henry, Danielle, 2024-09-11T20:30:07.520

Meeting Purpose

Review the HPCF Executive Director County fiscal rules and ensure a robust stakeholder process that will provide Counties several opportunities to engage, including repurposing some of the monthly director calls to focus on rules

Goals

Our goals for County fiscal rulemaking are:

- **Modernize County fiscal rules**
- **Align with other state agencies**
- **Reduce/streamline County workload/administrative processes**

Rulemaking Schedule CTCT1

Fall 2024

- County Fiscal Rule Committee
- October County Director Monthly Call

December 2024

- File Rule Notice
- Notice published in the register

February 2025

- Adopt Rules

April 1, 2025

- Rules effective

November 2024

- Stakeholder Meetings
- Advocate
- County
- Providers/Hospitals

January 2025

- Release Final Redlines
- Rule Hearing

March 2025

- Notice Published in Register

Slide 6

CT0 [@Henry, Danielle]

Torres, Christine, 2024-09-12T16:17:02.801

CT1 [@Green, Spencer] Danielle provided a walk-through for the rulemaking schedule. Will you get with Danielle to get her script or listen to the 9/16/24 recording in the County Rulemaking folder:

https://drive.google.com/drive/folders/110wQOlxBgBYKN1zNwOkXGHHVNzzBB7w-?usp=drive_link

Torres, Christine, 2024-09-26T00:26:35.921

Fixed Assets

1.010.14

1. County Responsibility--Each County Department shall be responsible for ensuring that all capitalized equipment is properly accounted for when acquired, annually inventoried, safeguarded throughout its useful life, and properly accounted for at the time of disposal.
2. Inventory--The County Department shall be responsible for an annual inventory of property, both real and personal, belonging to the County Department. An inventory shall be required only with respect to items of property having an original cost that equals or exceeds \$5,000.00. For control purposes a County Department may establish an amount less than \$5,000.00.

Fixed Assets

1.010.14

3. Property Records--Each County Department shall maintain detailed property records disclosing the:
 - a. Date acquired,
 - b. Cost of the fixed asset or value at the time of donation,
 - c. Specific program fund or cost pool used to acquire the fixed asset,
 - d. Any alterations made to the fixed asset, and
 - e. The physical location of the fixed asset.

Fixed Assets

1.010.14

4. Useful Life, Use and Disposal

- a. Useful Life--The fixed asset acquired must be used by, and in, the County Department for the useful life of the asset. Useful life will be the same as defined by the Internal Revenue Service for straight-line depreciation for that class of asset as discussed in the Internal Revenue Manual 1.35.6, Property and Equipment Accounting (2019), which is hereby incorporated by reference.
- b. Use for the County Department--If the fixed asset is removed from the County Department, sold or traded before the useful life is exhausted, the prorated cost of the remaining useful life is to be refunded to the original funding source for the asset.
- c. Discontinuance of Program--If fixed assets were purchased for a program that has been discontinued, the assets may continue to be used for the benefit of the other federally funded programs that are administered by the County Department.

Fixed Assets

1.010.14

4. Useful Life, Use and Disposal
 - a. Credit to the Original Funding Source Upon fixed asset disposal, the trade-in value or scrap value is to be reported as a credit to the original funding source of the asset.
5. Recorded in the General Ledger--The total dollar amount of fixed assets shall be recorded in the general ledger and shall be supported by and agree to the detailed property records that disclose the funding source of the assets.
6. Donated Fixed Assets--Fixed assets donated to a County Department shall be recorded at the fair market value on the date of the gift and treated as purchased equipment for inventory and accounting purposes.

Fixed Assets

1.010.14

7. Leased Fixed Assets With No Intent to Purchase--The fixed asset so acquired must be used by, and in, the County Department for the term of the lease.
 - a. Interest--Interest is allowable per the restrictions found in this rule manual, section 1.010.13.3.
 - b. Allowable Cost in a Sale and Leaseback--Costs under sale and leaseback arrangements are allowable only up to the amount that would be allowed had the County Department continued to own the fixed asset.
 - c. Limit on Amount of Reimbursement--Fixed assets rented by the county with no intent to purchase are reimbursable only up to the amount of the annual depreciation had the county purchased the asset.

Fixed Assets

1.010.14

8. Capital Lease of Fixed Assets--Costs under leases, which are required to be treated as capital leases under generally accepted governmental accounting principles, are allowable only up to the amount that would be allowed had the county purchased the fixed asset on the date the lease agreement was executed. This amount would include expenses such as depreciation or use allowance, maintenance, and insurance.

Revenue and Expenditures

1.010.15

1. County Tax Revenue--The county government, through the budget process, determines the amount of county tax revenue that will be deposited into the social/human services fund during a calendar year.
 - a. Apportioned Taxes County tax revenue apportioned to the social/human services fund includes but is not limited to:
 - i. Levy on assessed valuation of property, and
 - ii. Specific ownership taxes.
 - b. Deposits are Revenues--The county shall record the actual deposits made each month to the social/human services fund from information furnished by the County Treasurer. No calculation of earned revenue from county sources is necessary month by month.

Revenue and Expenditures

1.010.15

2. Miscellaneous Revenue

- a. Revenue from Social/Human Services Costs--All revenue received by a county or County Department, as a result of part or all of the costs being borne by a social/human services program, shall be deposited into the social/human services fund.
- b. Donations and Gifts--Unrestricted bequests, gifts or donations to the County Department are used as local revenue. If a restricted donation to the county is invested and the income from the investment is not restricted, such income is a source of local revenues.

3. State and/or Federal Revenue and Payables

- a. Monthly Posting to the General Ledger--Accounting entries to record the County Department calculation of the monthly earned revenues and electronic benefit authorization payables shall be posted monthly to the county general ledger.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

- i. No Provision for Profit--Reimbursable expenditures shall be based on actual cost with no provision for profit or increment above cost.
- ii. Expenditures shall be based on Actual Costs--Reimbursable expenditures shall be an actual cost and not a cost based on an average, allocated, anticipated or budgeted cost.
- iii. Expenditures Shall Not Be Prohibited--Reimbursable expenditures shall not be those prohibited under federal, State, or local, laws, rules, and regulations.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

- iv. Expenditure Policies, Regulations, and Procedures Shall Be Applied Uniformly--Reimbursable expenditures shall be consistent with policies, regulations, and procedures that apply uniformly to State and federal awards and other activities of the county.
 - 1) Expenditures Shall Have Consistent Treatment--Expenditures shall be accorded consistent treatment. A cost shall not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

iv. Expenditure Policies, Regulations, and Procedures Shall Be Applied Uniformly--Reimbursable expenditures shall be consistent with policies, regulations, and procedures that apply uniformly to State and federal awards and other activities of the county.

2) Expenditures Shall Comply With Generally Accepted Accounting Principles-- Expenditures shall, except for provisions in Office of Management and Budget Uniform Guidance or the US Department of Health and Human Services 45 CFR part 75 Financial Guidance, incorporated by reference, be determined in accordance with generally accepted governmental accounting principles.

Revenue and Expenditures

1.010.15

4. Expenditures

- a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

- v. Expenditures Shall Only Be Used Once as a Match--Expenditures shall not be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior period, except as specifically provided by federal law or regulation.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

vi. Expenditures Shall Be Net of Applicable Credits

- 1) Net of All Credits--Expenditures shall be claimed net of all credits, including but not limited to, volume and cash discounts, refunds, rental income, trade-ins, scrap sales, rebates or allowances, recoveries or indemnities on losses, insurance refunds, adjustments of overpayments, and erroneous charges.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

vi. Expenditures Shall Be Net of Applicable Credits

2) In Some Instances, the Amounts Received from the Federal Government Shall Be Treated as Applicable Credits

In some instances, the amounts received from the Federal government to finance activities or service operations shall be treated as applicable credits. Specifically, the concept of netting such credit items, including any amounts used to meet cost sharing or matching requirements, should be recognized in determining the rates or amounts to be charged to federal awards.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

vii. Expenditures Shall Be Necessary and Reasonable--Expenditures shall be necessary and reasonable for proper and efficient performance and administration. A cost is reasonable if, in its nature and amount, it meets all the following criteria:

- 1) Expenditures Shall Be Compared to Market Prices for Reasonableness--Expenditures shall be compared to the market prices for comparable goods or services as a test for reasonableness.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

vii. Expenditures Shall Be Necessary and Reasonable--Expenditures shall be necessary and reasonable for proper and efficient performance and administration. A cost is reasonable if, in its nature and amount, it meets all the following criteria:

2) Expenditures Shall Be Ordinary and Necessary--Expenditures shall be of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the federal award.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

- vii. Expenditures Shall Be Necessary and Reasonable--Expenditures shall be necessary and reasonable for proper and efficient performance and administration. A cost is reasonable if, in its nature and amount, it meets all the following criteria:
 - 3) Expenditures Shall Meet Standards Such as Sound Business Practices and Arms-Length Bargaining--Expenditures shall have restraints or requirements imposed by such factors as: sound business practices; arms-length bargaining; federal, State and other laws and regulations; and, terms and conditions of the State and/or federal award.

Revenue and Expenditures

1.010.15

4. Expenditures

a. Expenditures, Basis of Claims for Reimbursement, and Factors Affecting Allowability of Costs

To be allowable for reimbursement under Federal awards, expenditures reported in the County Financial Management System shall meet the following general criteria:

- vii. Expenditures Shall Be Necessary and Reasonable--Expenditures shall be necessary and reasonable for proper and efficient performance and administration. A cost is reasonable if, in its nature and amount, it meets all the following criteria:
 - 4) Expenditures Shall Be the Same as Would Be Incurred by a Prudent Person--Expenditures shall not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. A prudent person is one who considers their responsibilities to the governmental unit, its employees, the public at large, and the federal government.

Revenue and Expenditures

1.010.15

4. Expenditures

- b. Legal Settlements--Legal judgments and settlements against the County Department are not reimbursable.

5. Documentation of Expenditures--To be allowable for reimbursement under federal awards, expenditures reported in the County Financial Management System shall meet the following criteria:

- a. Documentation to Support Expenditures The authorization to purchase, documentation of the receipt of the goods or services, the vendor's invoice, and a signed commitment voucher or signed approval to pay for each disbursement are documents supporting expenditures and must be retained and available for audit purposes.

Revenue and Expenditures

1.010.15

5. Documentation of Expenditures--To be allowable for reimbursement under federal awards, expenditures reported in the County Financial Management System shall meet the following criteria:
 - a. Documentation to Support Expenditures The authorization to purchase, documentation of the receipt of the goods or services, the vendor's invoice, and a signed commitment voucher or signed approval to pay for each disbursement are documents supporting expenditures and must be retained and available for audit purposes.
 - i. Prior Authorization--Expenditures shall be prior authorized by a signed requisition, purchase order, or similar form of prior authorization. If the purchase is for a monthly recurring expense, a copy of the initial authorization shall be attached to the billing.

Revenue and Expenditures

1.010.15

5. Documentation of Expenditures--To be allowable for reimbursement under federal awards, expenditures reported in the County Financial Management System shall meet the following criteria:
 - a. Documentation to Support Expenditures The authorization to purchase, documentation of the receipt of the goods or services, the vendor's invoice, and a signed commitment voucher or signed approval to pay for each disbursement are documents supporting expenditures and must be retained and available for audit purposes.
 - ii. Different People Are Required for Ordering, for Receiving and for Processing Payment--The person ordering goods and/or services shall not be the same person receiving or the person processing the payment for them. Likewise, the person receiving the goods/services shall not be the same person processing the payment for them.

Revenue and Expenditures

1.010.15

5. Documentation of Expenditures--To be allowable for reimbursement under federal awards, expenditures reported in the County Financial Management System shall meet the following criteria:
 - a. Documentation to Support Expenditures The authorization to purchase, documentation of the receipt of the goods or services, the vendor's invoice, and a signed commitment voucher or signed approval to pay for each disbursement are documents supporting expenditures and must be retained and available for audit purposes.
 - iii. Receiving Reports
 - 1) Proper Receiving Report--Expenditures shall be documented by evidence of the receipt of goods or services such as a receiving report signed by an employee authorized to receive the goods or services. A receiving report shall include; actual quantities received, any unsatisfactory condition, and compliance with specifications, prior to a voucher being processed for payment and shall be attached to the voucher packet.

Revenue and Expenditures

1.010.15

5. Documentation of Expenditures--To be allowable for reimbursement under federal awards, expenditures reported in the County Financial Management System shall meet the following criteria:
 - a. Documentation to Support Expenditures The authorization to purchase, documentation of the receipt of the goods or services, the vendor's invoice, and a signed commitment voucher or signed approval to pay for each disbursement are documents supporting expenditures and must be retained and available for audit purposes.
 - iv. Verification of Vendor's Invoice--The vendor's invoice must be verified by checking for proper purchase authorization, notation of receipt of goods/services, correct addition, and extensions. The invoice should be signed by the person verifying its accuracy. Any discounts for prompt payment or volume purchase shall be reported as a credit or reduction of expenditures.

Revenue and Expenditures

1.010.15

5. Documentation of Expenditures--To be allowable for reimbursement under federal awards, expenditures reported in the County Financial Management System shall meet the following criteria:
 - a. Documentation to Support Expenditures The authorization to purchase, documentation of the receipt of the goods or services, the vendor's invoice, and a signed commitment voucher or signed approval to pay for each disbursement are documents supporting expenditures and must be retained and available for audit purposes.
 - v. Commitment Vouchers--No disbursement of funds shall be made unless the County Department director or the director's designee has signified approval by signing the commitment voucher or invoice.

Revenue and Expenditures

1.010.15

6. Employee Salary and Benefits To be allowable for reimbursement under Federal awards, employee salary and benefits reported in the County Financial Management System shall meet the following criteria:
 - a. Documentation of Employee Salary and Benefits--The County Department Director and/or board of county commissioners will document employee salary, benefits, and withholdings on payroll records. County Department expenditures shall be listed on payrolls separate from other county personnel costs. These payrolls must be retained as per Colorado State Archives Records Management Manual, Schedule 10 and available for audit.
 - i. Documentation of Employee Salary and Benefits--County Departments shall have records documenting all personnel actions including, but not limited to, appointments and separations, employee salary level, transfers, demotions, funding changes, pay increases, promotions, terminations, title changes, attendance and leave records, longevity or other circumstances affecting employee compensation.

Revenue and Expenditures

1.010.15

6. Employee Salary and Benefits To be allowable for reimbursement under Federal awards, employee salary and benefits reported in the County Financial Management System shall meet the following criteria:
 - a. Documentation of Employee Salary and Benefits--The County Department Director and/or board of county commissioners will document employee salary, benefits, and withholdings on payroll records. County Department expenditures shall be listed on payrolls separate from other county personnel costs. These payrolls must be retained as per Colorado State Archives Records Management Manual, Schedule 10 and available for audit.
 - ii. Controls Over Employee Salary and Benefits--Adequate controls shall be maintained to initiate changes in salary due to promotion, longevity or other circumstances affecting employee compensation.

Revenue and Expenditures

1.010.15

6. Employee Salary and Benefits To be allowable for reimbursement under Federal awards, employee salary and benefits reported in the County Financial Management System shall meet the following criteria:
 - b. Employee Wage Assignments County Department employee wages are subject to execution, levy, attachment, garnishment, or other legal processes.
 - c. Leave Records All County Departments shall maintain records of all leave both accrued and taken.
 - d. Standards for documentation of personnel expenses--Personnel expenses shall:
 - i. Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable and properly allocated.
 - ii. Reasonably reflect the total activity for which the employee is compensated not to exceed 100% of compensated activities

Revenue and Expenditures

1.010.15

6. Employee Salary and Benefits To be allowable for reimbursement under Federal awards, employee salary and benefits reported in the County Financial Management System shall meet the following criteria:
 - b. Employee Wage Assignments County Department employee wages are subject to execution, levy, attachment, garnishment, or other legal processes.
 - c. Leave Records All County Departments shall maintain records of all leave both accrued and taken.
 - d. Standards for documentation of personnel expenses--Personnel expenses shall:
 - iii. Have supporting documentation for the distribution of the employee salary or wages among specific activities or cost objectives. This includes personnel activity reports such as 100% time reporting, prescribed certifications or equivalent documentation that support the records as required by HHS Financial Guidance 45 CFR part 75, §75.460 Compensation - personal services.

Revenue and Expenditures

1.010.15

6. Employee Salary and Benefits To be allowable for reimbursement under Federal awards, employee salary and benefits reported in the County Financial Management System shall meet the following criteria:
 - e. Reimbursements for Employee Training
 - i. Training Purpose--Training not provided or required by the State Department as specified in section 1.020.3.3.c must include the following to be eligible for reimbursement: Training functions shall be held to achieve program objectives, develop employees, enhance employee's job performance, and shall be limited to reasonable and actual costs.
 - ii. Training Attendance--The attendance of employees at training functions shall include only those individuals related to the purpose of the function.
 - iii. Training Functions Shall Be Documented--Training functions shall have a written agenda, study materials, and be led by an identified presenter. Training materials created or modified by the County Department that are related to the required trainings as listed in section 1.020.3.3.c must be approved by the State Department prior to the training being offered to County Department staff.

Contracts

1.010.16

The County Departments shall adhere to all county guidelines for contract processes and procedures. In the absence of county procedures, the County Department shall follow State contract process and procedures pursuant to 1 CCR 101 through 1 CCR 109.

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

1. Contract Intent--Each County Department shall be responsible for assuring that the contracts they initiate are within the intent of the funding source and that the contract is necessary and is the most economical and efficient means for accomplishing the identified tasks.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

2. Subrecipient versus Contractor Determination--Each County Department shall be responsible for determining the substance of the agreement as required by HHS Financial Guidance §75.351 between the county and its vendors. County Departments must have a documented process for this determination. County Departments must maintain documentation of the determination as part of the agreement.
 - a. The County Department must have a written monitoring process for oversight of its subrecipients.
 - b. This process must include a risk assessment of each subrecipient. The risk assessment is not part of the selection process but must be done at the outset of the subaward and at least annually thereafter.
 - c. Counties must follow information and documentation requirements required by HHS Financial Guidance §75.352.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

3. Interagency Contracts--Formal agreements between two agencies, sometimes referred to as “Interagency Agreements,” “Memoranda of Understanding,” or “Memoranda of Agreement” are to be treated as if they are contracts.
4. Contracts Legality--The County Department shall be responsible for assuring that all constitutional, statutory, regulatory, and grant requirements have been met prior to signing a contract.
5. Protection of Interests--A County Department shall negotiate and process a contract when protecting the interest of the county can only be accomplished by using a contract. When questions arise in this area, the county legal representative should be contacted for assistance.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

6. Advance Payments/Retainers--Contracts and other commitment vouchers shall not provide for advance payment for goods and/or services unless it is an established industry standard or unless the party to the contract provides a benefit to the county at least equal to the cost and risk of the advance payment. Any advance payment made on a contract shall require the written approval of the chairman of the County Board, or an authorized delegate.
7. No Personal Benefit--The county signatories of a contract shall have no personal or beneficial interest whatsoever in the goods or services described in the contract.
8. Contracts at a Minimum Shall:
 - a. Be in Writing--All contracts at a minimum shall be prepared in writing.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

8. Contracts at a Minimum Shall:
 - b. Specifically Identify the Parties to the Contract--All contracts at a minimum shall specifically identify the parties to the contract.
 - c. Contain a County Fiscal Year Restriction--All Contracts shall contain a fiscal year restriction such as: “This contract is subject to and contingent upon the continuing availability of budgeted county funds for the purposes hereof.”
 - d. Contain a Restriction Regarding the Availability of State and/or Federal Funds--Contracts shall contain a restrictive clause involving State and or federal funds such as: “This contract is subject to and contingent upon the continuing availability of State and or federal funds for the purposes hereof.”

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

8. Contracts at a Minimum Shall:
 - e. All Contracts Shall Contain Provisions for:
 - i. Statement of Work;
 - ii. Payment terms, including maximum dollar amount;
 - iii. Performance period (contract beginning and end dates); and
 - iv. General terms and conditions.
 - f. Request Payment at Least Monthly--Contractors shall bill for goods or services at least monthly. Goods or services performed must be identified in detail. Contracts shall specify that all parties to the contract shall maintain, for audit purposes, documentation to support expenditures claimed under the contract. Payments made should be coded to account categories that identify the type of expense being paid.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

8. Contracts at a Minimum Shall:
 - g. Define Breach of Contract--The county shall define breach of contract and include available remedies in the contract.
 - h. State a Preference for Colorado Labor--Pursuant to Sections 8-17-101 and 8-17-102, C.R.S., a preference for Colorado labor is applicable if the contract is for public works and is financed in part or in whole with State funds.
9. Contract Review
 - a. Contract Monitoring--The County shall have a monitoring system to assure that expenditures claimed are within the terms of the contract.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

9. Contract Review
 - b. Review for Availability of Funds--Before the execution of a contract, the County Department Director or a delegate shall review the contract for completeness and to ensure that funds are available to cover the contract liability; written evidence of the director's or delegate's review shall be maintained with the contract.
 - c. Review for Compliance--Before execution of a contract, the County Department Director or delegate shall categorize the contract according to risk using the State Controller's "Review and Approval of State Contracts" criteria or criteria established by written policy of the County Department Director. The County Department legal representative shall review all high risk contracts to include compliance with:

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

9. Contract Review

c. Review for Compliance--Before execution of a contract, the County Department Director or delegate shall categorize the contract according to risk using the State Controller's "Review and Approval of State Contracts" criteria or criteria established by written policy of the County Department Director. The County Department legal representative shall review all high risk contracts to include compliance with:

- i. The federal and the State constitution,
- ii. Federal and State laws,
- iii. Federal and State rules and regulations,
- iv. Executive orders, and
- v. The authority of the County Department of Social/Human Services to enter into the contract.

The County Department shall maintain written documentation of the risk analysis of the contract as well as a copy of the results of the written legal review in the contract file.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

9. Contract Review
 - d. Delegation of the Contracting Authority--Under certain circumstances the County Department Director may delegate, in writing, authority to execute contracts. Delegation of the County Department Director's signature authority does not eliminate the requirement that all contracts have a risk analysis and, if required, legal review, or exempt any County Department from securing the required approval from the chairman of the County Board.
10. Contract Signature Approval
 - a. Signature Authority--The chairman of the County Board or a designee shall sign all contracts on behalf of the County Department. Delegated authority shall be in writing and maintained for audit purposes.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

11. Required for Personal Services--Contracts shall be required when a County Department purchases personal services that are provided in a relationship other than that of employee-employer. Personal service contracts include maintenance and service agreements, including but not limited to, legal services, management services, extensions of County Department staff, other public or private agencies, automated data processing services, and training by other than the Colorado Department of Health Care Policy and Financing, Colorado Department of Human Services, or another County Department staff.
 - a. Contract Provision for Personal Services in excess of \$100,000--To be included as a reimbursable expense from the State Department, personal services contracts over \$100,000 shall include all of the following contract requirements:
 - i. Performance measures and standards developed specifically for the contract by the administering County;
 - ii. Accountability standards requiring regular vendor reports on achievement of the specified performance measures and standards;
 - iii. Payment provisions allowing the County to withhold payment until successful completion of all or specified parts of the contract and requiring prompt payment upon successful completion;
 - iv. Monitoring requirements specifying how the County and the vendor will evaluate each other's performance, including progress reports, site visits, inspections, and reviews of performance data; and
 - v. Processes for resolving disputes between the County and the vendor.

Contracts

1.010.16

To be allowable for reimbursement under federal awards, expenditures for contracts reported in the County Financial Management System shall meet the following criteria:

11. Required for Lease/Rent--A County Department shall negotiate and process a contract when leasing land, buildings, or other office or meeting space when the rental is for more than thirty days or for an amount more than \$5,000.00.
12. Required for Capital Construction/Maintenance--A County Department shall negotiate and process a contract when expending capital construction or maintenance funds in excess of \$5,000.00.
13. Compliance with Laws--Existing laws, rules and regulations cannot be overridden by terms in a contract or a memorandum of understanding.

Travel

1.010.17

The County Department shall adhere to all county guidelines for travel policies and reimbursement procedures. In the absence of county policies and procedures, County Departments shall follow State travel policies and procedures pursuant to 1 CCR 101-1, Chapter 5, Rule 5-1. 1.

1. To be allowable for reimbursement under Federal awards, travel expenditures reported in the County Financial Management System shall meet the following criteria:
 - a. General--All costs for travel not directly related to case workers or member activity shall be pre- approved by the employee's supervisor and the County Department Director. Appropriate supporting documentation shall be maintained by the supervisor prior to travel.
 - b. Travel Policies Shall Be Consistent Throughout the County--The travel policies for County Department employee reimbursement for lodging, meals, and transportation shall be consistent with those policies in the county's other departments, offices, and divisions.

Travel

1.010.17

1. To be allowable for reimbursement under Federal awards, travel expenditures reported in the County Financial Management System shall meet the following criteria:
 - c. Travel Expense as Part of Another Fee--If travel expenses (meals, lodging, transportation, etc.) are included in conference fees, registration fees, or are otherwise furnished at no additional cost to the traveler, no reimbursement shall be made for these items. If, however, a meal included in a commercial transportation ticket is not adequate, and the traveler incurs an additional meal expense, reimbursement may be claimed at the authorized rate for that meal.
 - d. Travel Reimbursement for Only County Business--Lodging, meals, and other reimbursable travel expenses shall only be reimbursed for the period of time necessary for the traveler to accomplish the County Department business. When a traveler uses an alternate method of transportation, which is authorized by the approving authority, any additional time required to complete the County Department business shall be charged to approved leave.

Travel

1.010.17

1. To be allowable for reimbursement under Federal awards, travel expenditures reported in the County Financial Management System shall meet the following criteria:
 - e. Limited Time for Reimbursement--Reimbursement for travel and related expenses is available for the current month (month being paid) and two preceding months.
2. Transportation--Transportation costs charged to the State Department shall be for the benefit of the State Department and shall conform to the State of Colorado Fiscal Rules, 1 CCR 101-1, Chapter 5, Rule 5-1 (Travel) (2021), which is hereby incorporated by reference.
 - a. Reimbursement for the Most Economical and Efficient Means Available
 - b. Documentation of Trip Sufficient documentation of the purpose and the cost of the trip shall be included with the travel expense form. If the purpose of the travel is not solely for business purposes, the individual involved shall make a reasonable allocation of the expenses and the travel reimbursement request shall contain sufficient documentation to indicate the allocation made and the basis for the allocation.

Travel

1.010.17

2. Transportation--Transportation costs charged to the State Department shall be for the benefit of the State Department and shall conform to the State of Colorado Fiscal Rules, 1 CCR 101-1, Chapter 5, Rule 5-1 (Travel) (2021), which is hereby incorporated by reference.
 - c. Mileage Rate--Reimbursement of vehicle transportation shall not be greater than the standard mileage rate for business established by the US Internal Revenue Service. This mileage rate is to cover all ownership and operating costs of the vehicle. The County Department shall adhere to all county guidelines for mileage reimbursement. If a County Department does not have an established policy they must follow the State Travel policy at Section 24-9104, C.R.S.
 - d. Transportation Does Not Include Employee's Spouse or Other Non-County Employee--Reimbursable costs shall not include the cost of an employee's spouse or other non- County Department employee(s) accompanying the employee on a business trip.

Travel

1.010.17

2. Transportation--Transportation costs charged to the State Department shall be for the benefit of the State Department and shall conform to the State of Colorado Fiscal Rules, 1 CCR 101-1, Chapter 5, Rule 5-1 (Travel) (2021), which is hereby incorporated by reference.
 - e. Only One Reimbursement per Vehicle--When two or more people travel together in the same personally owned and operated automobile, only the employee responsible for the automobile shall be allowed mileage reimbursement.
3. Lodging
 - a. Lodging Receipt--Receipts for lodging shall be obtained and submitted with the travel expense form. The actual lodging receipt is required. Charge slips are not sufficient.
 - b. Travel Reimbursement at Reasonable Accommodations--Employees pre-authorized to travel shall be reimbursed the actual cost of reasonable accommodations. Employees may be required to use approved or designated lodging facilities in certain areas to assist in controlling travel cost. Reimbursement shall be limited to the cost of commercial lodging.

Travel

1.010.17

4. Meals

- a. Meal Per Diem--Employees pre-authorized to travel shall be reimbursed for the cost of meals, including tax, tip and other incidental expenses at a rate not higher than the per diem rates set by State of Colorado Fiscal Rules, 1 CCR 101-1, Chapter 5, Rule 5-1 (2021), which is hereby incorporated by reference.

5. Reimbursable Items--In addition to lodging, meals, and transportation, the following actual expenses incurred as a necessary part of approved travel may be reimbursed.

- a. Travel Tips--Reasonable tips paid by the traveler for bellhops, porters, maids, and ground transportation are reimbursable up to the daily incidental per diem. Tips paid in conjunction with meals are included in the meal per diem and cannot be claimed separately.

Travel

1.010.17

5. Reimbursable Items--In addition to lodging, meals, and transportation, the following actual expenses incurred as a necessary part of approved travel may be reimbursed.
 - b. Vehicle Trips
 - i. Mileage of a Private Vehicle--Mileage expenses are reimbursable for the written, pre-approved use of a private vehicle. The written approval should be by the employee's supervisor. The pre- approval may be provided by the supervisor on an annual basis for case workers and those directly involved with member activity. The County Department shall adhere to all county guidelines for mileage reimbursement. If a County Department does not have an established policy they must follow the State Travel policy at Section 24-9-104, C.R.S.
 - ii. Commercial Vehicle--Commercial transportation expenses paid by the traveler are reimbursable. A receipt shall be required for each individual ride in a commercial vehicle, if over \$25.00.

Travel

1.010.17

5. Reimbursable Items--In addition to lodging, meals, and transportation, the following actual expenses incurred as a necessary part of approved travel may be reimbursed.
 - c. Travel Campsite Fees--Campsite fees paid by the traveler for a commercial campground or a State or national park are reimbursable. A receipt shall be required if over \$25.00.
 - d. Parking Fees--Parking fees paid by the traveler are reimbursable. A receipt shall be required for any single fee over \$25.00.
 - e. Travel Registration Fees--Registration fees paid by the traveler are reimbursable. A receipt is required for all registration fees paid.
 - f. Rental Car Cost--Rental car costs paid by the traveler are reimbursable. A receipt is required for all rental car expenditures.

Travel

1.010.17

5. Reimbursable Items--In addition to lodging, meals, and transportation, the following actual expenses incurred as a necessary part of approved travel may be reimbursed.
 - g. Communications Charges--Telephone, fax, and other similar charges paid by the traveler for official County Department business are reimbursable. A receipt shall be required for any single charge over \$25.00. Personal phone calls are included in the incidental per diem rate; they cannot be claimed separately.
 - h. Toll Road Charges--Toll road charges paid by the traveler are reimbursable when the travel is for official County Department business and when the travel is pre-approved.
6. Non-Reimbursable Travel Items--The following actual expenses incurred as a part of approved travel shall not be reimbursed.
 - a. Alcohol--Alcoholic beverages purchased by the traveler are not allowable for reimbursement.

Travel

1.010.17

6. Non-Reimbursable Travel Items--The following actual expenses incurred as a part of approved travel shall not be reimbursed.
 - b. Entertainment Fees--Entertainment expenses paid by the traveler are not allowable for reimbursement.
 - c. Personal Items--Personal expenses incurred during travel that are primarily for the benefit of the traveler and not directly related to the official purpose of the travel are not allowable for reimbursement. Examples include the purchase of personal hygiene items, magazines, snacks, movie rentals, and other miscellaneous items.
 - d. Insurance Expense--Travel insurance expenses paid by the traveler are not allowable for reimbursement.
 - e. Traffic Fines and Tickets--The cost of traffic fines and traffic tickets are not allowable for reimbursement.

Travel

1.010.17

7. Travel Expense Form and Approval

- a. Travel Expense Form--The State Department-prescribed travel expense form or alternate form containing the same information shall be used for claiming all travel expenses for which an employee, volunteer, or County Board member requests reimbursement. A properly completed and approved travel expense form shall support all payments for travel expenses.
- b. Approval--The County Department Director or designee shall sign the travel expense form. This signature shall certify a review and approval of all travel expense items. Receipts for lodging, parking and other miscellaneous claims shall be attached to the County Department copy of the travel expense form. This travel expense form and all receipts shall be retained. Approval of this travel expense form shall be shown by the employee's supervisor's signature. The employee requesting reimbursement shall sign the travel expense form to certify that all expenses listed are for approved County Department purposes.

Travel

1.010.17

7. Travel Expense Form and Approval

- c. Travel Advances--At the discretion of and in compliance with County Department policies and procedures, employees may request a cash advance to conduct business for the County Department. The amount of the travel advance shall be no larger than the total per diem allowance for the planned trip. The State Department-prescribed Request for Travel Advance form or alternate form containing the same information shall be used for requesting an advance. The form should require the signed approval of the employee's supervisor and the County Department Director or designee.

Travel

1.010.17

8. Travel Coding and Reimbursement

- a. Travel Coding--Travel shall be reported under the same program and function coding as the employee's salary and benefits. If the travel expense is reported under a coding other than the coding for the employee's salary and benefits, sufficient explanation and/or documentation to support this alternate coding shall be attached to the travel expense form.
- b. Travel Appropriations and Reimbursement--Travel by County Department employees and members of County Boards will be reimbursed within the limit of each County Department allocation(s) if travel was pursuant to section 1.010.7.K of these rules.

Office Space

1.010.18

1. To be allowable for reimbursement under federal awards, expenditures for office space reported in the County Financial Management System shall meet the following criteria:
 - a. Purchase of Office Space--A county social/human services fund shall not use federal funds to construct or purchase buildings or facilities or to purchase real estate unless prior approval has been obtained from the Controller of the State Department, 1570 Grant St., Denver, CO 80203.
 - b. Allocation of Office Space Costs--The reimbursement for office space is a part of each program's administrative allocation and allowable only to the extent of each program's administrative allocation. The allocation of the total office space costs to each program is to be based on square foot used or other reasonable and documented method.

Office Space

1.010.18

1. To be allowable for reimbursement under federal awards, expenditures for office space reported in the County Financial Management System shall meet the following criteria:
 - c. Sharing Office Space--If a building is shared with another agency, the County Department cost shall not exceed the prorated share of the total building costs based on square feet used.
 - d. Substantiating Space Costs--Prior to building or contracting for another building, or changing the current contract, the County Department shall obtain and retain documentation that office space costs incurred are equal to or less than the cost of comparable commercial leases in the area.

Office Space

1.010.18

2. Allowable Costs for County Owned Office Space

- a. Allowable Capital Costs for Owned Office Space--The allowable cost for county-owned office space is based on a usage allowance of two percent per year of the capitalized cost of the building or an amount based on a reasonable depreciation schedule that is approved by the Controller of the State Department, 1570 Grant St., Denver, CO 80203.
- b. Expenditure of the Social/Human Service Fund--The full amount of the usage allowance or depreciation for office space shall be an actual expenditure from the social/human services fund. This expenditure shall be paid to the county social/human services fund or other county entity that owns the building(s).
- c. Allowable Office Space Costs in Addition to Capital Costs--Office space costs that are allowable for reimbursement are as follows, but are not limited to, utilities such as heating, lighting or cooling the building, normal repairs and maintenance that are not capitalized, ordinary and normal rearrangement and alterations that are not capitalized, security, janitorial, building insurance, elevator service, and upkeep of grounds.

Office Space

1.010.18

2. Allowable Costs for County Owned Office Space

- d. Allowable Interest on Office Space Costs--Costs incurred for interest on borrowed capital or the use of a governmental unit's own funds, however represented, are unallowable except as specifically provided below.
 - i. Office Space Interest Expense Limitations--Financing costs (including interest) paid or incurred on or after August 29, 1997, associated with the otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling completed on or after October 1, 1980, is allowable, subject to the following three conditions:
 - 1) Bona Fide Third Party Funding--The financing is provided (from other than tax or user fee sources) by a bona fide third party external to the governmental unit,
 - 2) Support Federal Awards--The assets are used in support of federal awards, and
 - 3) Interest Earnings--Earnings on debt service reserve funds or interest earned on borrowed funds pending payment of the construction or acquisition costs are used to offset the current period's cost or the capitalized interest, as appropriate. Earnings subject to being reported to the Federal Internal Revenue Service under arbitrage requirements are excludable.

Office Space

1.010.18

3. Allowable Costs for Leased Office Space

- a. Allowable Office Space Costs for Leased Office Space--The allowable cost for non-county owned office space is the lower of the actual lease cost or a rate that is reasonable in light of such factors as rental costs of comparable property, if any; market conditions in the area; alternatives available; and, the type, life expectancy, condition, and value of the property leased.
- b. Allowable Office Space Costs in Addition to Lease Costs--Office space costs that are allowable for reimbursement if not already provided for in the lease agreement are as follows but are not limited to utilities such as heating, lighting or cooling the building, normal repairs and maintenance that are not capitalized, ordinary and normal rearrangement and alterations that are not capitalized, security, janitorial, building insurance, elevator service, upkeep of grounds, and appraisal fees required by the County Department for cost comparisons.

Office Space

1.010.18

3. Allowable Costs for Leased Office Space

- c. Allowable Office Space Costs in a Sale and Leaseback--Costs under sale and leaseback arrangements are allowable only up to the amount that would be allowed had the county continued to own the property.
- d. Office Space Costs in a Less-Than-Arms-Length Lease--Office space costs under a less-than-arms-length lease are allowable at the lower of the actual lease cost or an amount that is reasonable in light of such factors as rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased.
- e. Authority Created to Acquire and Lease Office Space--Prior approval from the State Department Controller, 1570 Grant St., Denver, CO 80203, is required for reimbursement of office space costs when the county creates an authority or similar entity to acquire and lease the office space to the County Department.

Office Space

1.010.18

3. Allowable Costs for Leased Office Space

- f. Capital Lease of Office Space--Costs under leases, which are required to be treated as capital leases under generally accepted governmental accounting principles, are allowable only up to the amount that would be allowed had the governmental unit purchased the property on the date the lease agreement was executed. This amount would include expenses such as depreciation or use allowance, maintenance, and insurance. Interest costs related to capital leases are allowable to the extent they meet the criteria for allowability of interest in section 1.010.13.3 of these rules.

4. Office Space Costs to be Excluded from Reimbursement

- a. Office Space Funded by Others--Office space cost to be excluded is space that is funded by another State or private agency.

Office Space

1.010.18

4. Office Space Costs to be Excluded from Reimbursement

- b. Sublet Office Space--Office space cost to be excluded is space sublet to a local, state, or federal agency or other user.
- c. Used by Others--Office space cost to be excluded is space used solely by staff not authorized by the State Department.
- d. Not Authorized for Use--Office space cost to be excluded is space used solely for functions not authorized by the State Department.
- e. Not Incurred--Office space cost to be excluded is cost that has not been incurred by or paid from the County Department. Costs excluded are the value of donated materials, labor, or buildings. Other costs excluded are those paid from a grant, or a cost used as matching funds for a grant.
- f. Idle or Empty Office Space--Office space cost to be excluded is idle facilities or idle capacity unless necessary to meet fluctuations in workload.



Public Comment

Contact Info

Christine Torres
County Fiscal Admin Supervisor
Christine.r.torres@state.co.us

To submit public comment please fill
out this [google form](#)

Thank you!