

Category: 200
Number: 212

Subject: **CLAIMS PROCESSING PROCEDURE POLICY**

1. **PURPOSE:** The purpose of this policy is to establish an orderly procedure that specifies how claims are to be processed and provides for Elected Officials and Department Heads to authorize his/her department's expenditures, the Controller's Office to review the claim and to submit the claim to the Board in a timely manner.
2. **AUTHORITY:** The Saginaw County Board of Commissioners.
3. **APPLICATION:** This policy applies to all Elected Officials, Departments and Agencies of Saginaw County.
4. **RESPONSIBILITY:** The Controller's Office shall be responsible for the implementation and administration of this policy.
5. **DEFINITION(S):** NONE
6. **POLICY:**
 - 6.1 The following is the general claims procedure established for those claims which, under statute, require the approval of the Saginaw County Board of Commissioners:
 - 6.1.1 Each Elected Official and/or appointed Department Head shall receive the original invoice for a claim against his or her respective department. Upon receipt of the invoice, the Department Head/Elected Official shall review said invoice and cause a computerized voucher to be prepared authorizing the expenditure of funds provided funds are available and were appropriated in the budget. On this voucher, which shall be designed by the Controller's Office, the Department Head/Elected Official shall indicate the appropriate fund, activity and account number to which this expenditure is to be charged and sign his/her name authorizing said expenditure. The voucher, along with the original invoice, proof of delivery and such other information as deemed appropriate, shall be submitted to the Controller's Office – Financial Services Division.
 - 6.1.2 The Controller's Office – Financial Services Division, is charged with the specific responsibility of reviewing the voucher (claim) for payment. This audit shall consist, at a minimum, of the following: comparing the quantity, unit price and description of the goods or services received with the corresponding purchase order and/or Board resolution, if required;

verifying all calculations; reviewing for appropriate account number charged, checking conformity to purchasing policies established by the Board and verifying signature of authorized Department Head/Elected Official or designee.

6.1.2.1 Upon completing the review, the Controller's Office – Financial Services Division shall either cause to be prepared an "Audit Listing of Open Items Summarized by Fund" and an "Audit Listing of Open Items by Voucher Number" for those which have all supporting documents, or the original invoice and incomplete voucher claim shall be returned to the submitting department along with a note explaining what information is deficient. Both approved audit listings and a transmittal shall be submitted to the Board of Commissioners at least four (4) working days prior to the Budget and Audit Subcommittee meeting in which said claims are to be reviewed and recommended to the Board.

6.1.3 The Board of Commissioners shall receive the "Audit Listing of Open Items Summarized by Fund" and an "Audit Listing of Open Items by Voucher Number" and shall forward the listing of claims to the Budget and Audit Subcommittee. The listing of claims shall include only those claims that have been submitted to the Board Office by the Controller's Office – Financial Services Division. This claims listing, at a minimum, shall include the payee's name (vendor) and dollar amount of the claim.

6.1.3.1 Original voucher documents shall be retained in the Financial Services Division.

6.1.3.2 The List of Claims (list) shall have designated thereon by the Clerk what action has been taken by the Board of Commissioners as to each claim. The "list" shall be retained in a book of claims by the Controller's Office – Financial Services Division, which shall be certified as reflecting the official action of the Board as to each claim by the Clerk. On a weekly basis, the Controller's Office – Financial Services Division shall authorize the printing of the checks and the creation of a check register for payment of the claims to be approved by the Board of Commissioners. The original check register shall be retained and filed by the Controller's Office – Financial Services Division. One copy of the check register shall be sent to the Treasurer authorizing him/her to process checks.

- 6.1.4 After the checks are printed, the checks shall be forwarded to the County Treasurer's Office for processing and mailing as determined by the County Treasurer. The vouchers and supporting documentation shall be retained and filed by the Controller's Office – Financial Services Division.

- 6.2 The County Controller is hereby granted the authority to authorize payment without additional action by the Board of Commissioners under the following circumstances for items within the budget:
 - 6.2.1 Implementation of any and all provisions of collective bargaining agreements and other compensation plans adopted by the Board of Commissioners.
 - 6.2.2 Payment of premiums on insurance policies including, but not limited to, health insurance, life insurance, dental insurance, unemployment insurance and others.
 - 6.2.3 Payments provided for within the provisions of any and all contracts authorized by and approved by the Board of Commissioners.
 - 6.2.4 Replenishment of petty cash accounts within the various departments to the extent provided in departmental budgets.
 - 6.2.5 Postage to the extent provided in departmental budgets.
 - 6.2.6 Jury, witness and attorney fees by order of the Circuit Courts, District Courts and Probate Courts.
 - 6.2.7 Any invoices providing for a discount if paid within a specified period provided such invoices shall not be paid if such time period will allow consideration by the Board of Commissioners without loss of discount and further, provided that they have been budgeted in the departmental budget.
 - 6.2.8 Any and all utility bills, including but not limited to electrical, heating, natural gas, telephone, water and sewage.
 - 6.2.9 Travel and registration claims to the extent provided in departmental budgets.
 - 6.2.10 Payments made to the State of Michigan for State Institutions.

- 6.3 The above claims shall be reported to the Board of Commissioners at least on a monthly basis and are to be filed by the Controller's Office – Financial Services Division after receipt by the Board in the Book of Claims as approved claims pursuant to this resolution.
- 6.4 The Budget and Audit Subcommittee of the Board of Commissioners shall, at least bi-monthly, review, audit and approve the claims and forward same to the Board of Commissioners for approval at the next Board meeting. If the Budget and Audit Committee refuses to pay any particular claim, the Controller's Office – Financial Services Division shall inform the appropriate Department of said refusal and request clarification by the Department Head as to the expenditure, prior to resubmitting to the Budget and Audit Subcommittee. The Budget and Audit Subcommittee's recommendations may be changed by the full Board of Commissioners.
- 6.5 Payments made from non general fund, trust and agency accounts maintained by the County on behalf of other boards or agencies upon authorization of any Statutory Board or Agency with the authority to approve and authorize the distribution of sums from accounts maintained on their behalf may be made without Board approval by the County Controller.
- 6.6 Payments to employees, elected officials, department or agency personnel employed by (or conducting business with) Saginaw County for travel, meals, lodging or attendance at events, will not be advanced prior to the event in question.
7. ADMINISTRATIVE PROCEDURES: The Controller's Office shall be responsible for developing and implementing requested forms or extending procedures as necessary.
8. CONTROLLER/CAO LEGAL COUNSEL REVIEW: The Controller/CAO has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. County Civil Counsel has determined that this policy as submitted contains content that appears to be legal activities of the Saginaw County Board of Commissioners.

Approved as to Substance:
Saginaw County Controller/CAO

Approved as to Legal Content:
Saginaw County Civil Counsel

ADOPTED: November 23, 1999
AMENDED: November 17, 2009