

**RESOLUTION 2024- 142**

**A RESOLUTION UPDATING THE FINANCIAL  
POLICIES FOR THE BOARD OF COUNTY  
COMMISSIONERS, PROVIDING AN EFFECTIVE DATE**

WHEREAS, the Board of County Commissioners adopted certain financial policies pursuant to Resolution 2023-128, adopted July 10, 2023 as amended by Resolution 2023-169, adopted September 25, 2023 providing the necessary framework for sound financial management practices, careful fiscal planning and healthy long-term financial management of all County resources and activities. Financial policies provide a comprehensive approach to financial management to the betterment of Nassau County citizens; and

WHEREAS, Section I Budget Policy, Policy 10, states “Budget policies will be reviewed as part of the annual budget process” and the Board of County Commissioners has determined a need to update the Financial Policies.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners, Nassau County, Florida in regular session duly assembled on the 18th day of September 2024 that the financial policies attached hereto as Exhibit A be effective upon adoption.

BOARD OF COUNTY COMMISSIONERS  
NASSAU COUNTY, FLORIDA

  
\_\_\_\_\_  
JOHN F. MARTIN  
Its: Chairman

ATTEST AS TO CHAIRMAN'S SIGNATURE

  
\_\_\_\_\_  
JOHN A. CRAWFORD  
Its: Ex-Officio Clerk

APPROVED AS TO FORM:

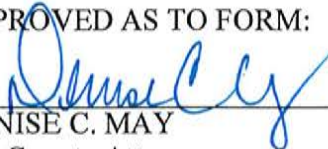
  
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DENISE C. MAY  
Its: County Attorney

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**Nassau County, Florida  
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Financial Policies**

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**Purchasing Policy-Ordinance 2009-09, as amended, adopted by Board of County Commissioners defines the Purchasing Policy for Nassau County, Florida**

**Ordinance 2022-23, as amended, adopted by the Board of County Commissioners provides for the expenditure of funds for County sponsored events; allowing for business meetings and employee of the quarter lunches.**

**Introduction**  
**Nassau County, Florida**  
**Financial Policies**

Financial policies are a key element of sound fiscal administration and provide the guidance for decisions of public managers. Financial policies are guidelines for operational and strategic decision making related to financial matters. They identify acceptable and unacceptable courses of action, establish parameters in which the government can operate, and provide a standard against which the government's fiscal performance can be evaluated. It is important to have financial policies that complement the statutory requirements and professional standards that establish local governments' financial framework.

Nassau County's financial policies herein set forth the basic framework for the overall fiscal management of the County. These Policies assist the decision making process of the Board of County Commissioners and the administration by providing guidelines for evaluating both current activities and proposals for future programs.

The following resources were utilized to update the financial policies:

- Florida Statutes
- Government Finance Officers Association (GFOA) publications
- National Advisory Council on State and Local Budgeting (NACSLB) recommended budget practices
- Rating agencies publications
- Florida Government Finance Officers Association publications
- Other governmental entities adopted policies
- Nassau County Clerk of the Circuit Court & Comptroller
- Nassau County Board and department managers' recommendations

It should be noted that the policies listed herein reflect those adopted by the Nassau County Board of County Commissioners. Financial policies adopted by other County Constitutional Officers do not appear here.



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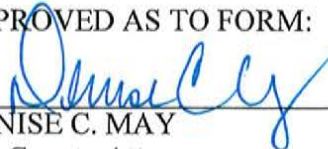
  
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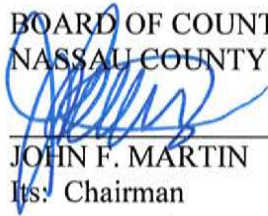
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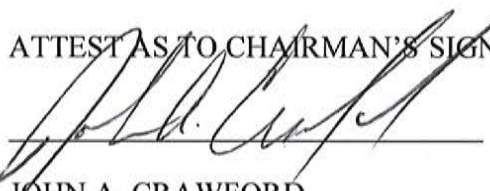
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- PURPOSE:** Operating budget policies are structured to:
- Help all to understand how the budget is formulated and adopted;
  - Communicate available opportunities and necessary restrictions to ensure long-term fiscal stability;
  - Clarify to staff, management, and elected officials their roles and responsibilities;
  - Explain how the operating budget links to other government documents such as the capital budget, long-term financial plan, and the strategic plan.

**DEFINITIONS:**

- I. **Budget Amendment:** is defined as change to the budget that changes the total budget amount of that fund.
- II. **Budget Transfer:** is defined as a change within a fund that does not affect the total budget amount of that fund.
- III. **Intradepartmental:** is defined as within a department’s management structure. For example, the Facilities Maintenance Department manages several departments such as Maintenance-Other County Buildings, Maintenance-Judicial, Recreation, etc. Transfers between departments under the Facilities Maintenance Department control are considered intradepartmental.
- IV. **Interdepartmental:** is defined as between departments not in the same management structure. For example, a transfer between Office of Management and Budget and Library is interdepartmental.

**POLICY:**

- 1 Pursuant to Florida Statutes 129.025, the Board has designated the Office of Management and Budget Director as its Budget Officer.
- 2 Florida Statutes Chapter 129 “County Annual Budget” detailing the annual budget process and amendment requirements as adopted by the State of Florida shall be followed in compliance with Florida law. Budgets are adopted on an annual basis with the fiscal year defined as October 1 - September 30.
- 3 Florida Statutes Chapter 129 requires the County’s budget must be balanced, so that the total of the estimated receipts available from taxation and other sources, including balances brought forward from prior fiscal years, equals the total of appropriations for expenditures and reserves. The balancing requirement also applies to each fund.
- 4 The budget must show budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1). (e.g. major category of Personal, Other, Operating, etc.)
- 5 The county utilizes a predetermined set of budgetary guidelines established through practice, as well as that provided in Florida statutes chapters 166 and 200. The County follows these procedures in adopting the budget:
  - The County Manager submits a proposed budget to the Board of County Commissioners for the upcoming fiscal year
  - Public hearings are held to obtain citizen input (Florida statute 200.065)
  - The budget and millage rates are adopted by ordinances prior to October 1 each fiscal year
  - The budget may be amended during the fiscal year to reflect changes in available resources and appropriations



- Departments are authorized to spend within the budget amounts but may request the Budget Officer transfer amounts between operating accounts within the department
  - Unexpended appropriations lapse at year-end unless funds are carried forward
  - All budgets shall be adopted by the Board of County Commissioners at the legal level of budgetary control, which is the fund level. Per Florida Statute 166.241 (5)(b) the governing body may establish procedures by which the designated budget officer may authorize budget amendments if the total appropriations of the fund is not changed.
- 6 Florida Statutes Chapter 200 “Determination of Millage” defines how Florida counties must proceed with respect to raising monies through taxation of real, personal and intangible property and shall be followed in compliance with Florida law.
- 7 The modified-accrual basis or accrual basis of accounting is followed for all funds in accordance with generally accepted accounting principles.
- 8 Budget transfers and amendments may be initiated by the director (or authorized designee) of the requesting department/division, the County Manager or the Budget Officer. Department director requests are followed with review by the Budget Officer prior to the subsequent approval/denial by the County Manager and the Board of County Commissioners, as set forth by the following provisions of this policy.
- 9 Budgetary Levels of Authority:
- A. Intrafund Budget Transfer: Transfers requested within a major expenditure category (i.e. personal services, operating and capital), and within a department (intradepartmental), may be initiated by the department director or authorized designee, the County Manager, or the Budget Officer and approved by the Budget Officer or authorized designee.
  - B. Intrafund Budget Transfer: Transfers requested between a major expenditure category (i.e. personal services, operating and capital), and within a department (intradepartmental), may be initiated by the department director or authorized designee, and require Budget Officer, or authorized designee, or County Manager approval up to \$100,000. Transfers of this nature in excess of \$100,000 require Board approval.
  - C. Intrafund Budget Transfer: Transfers requested between departments within the same fund (interdepartmental), may be initiated by the department director or authorized designee, County Manager, or the Budget Officer or authorized designee and require Budget Officer or County Manager approval up to \$100,000. Interdepartmental budget transfers in excess of \$100,000 require Board approval.
  - D. Intrafund Budget Transfer: Transfers from reserves (designated as function “599”) in the General Fund, County Transportation Fund and Municipal Service Fund require the Budget Officer, County Manager, and Board approval. Transfers from reserves in the other governmental funds (Funds 105-399) may be approved up to \$25,000 by the Budget Director and approved by the County Manager. Transfers in governmental funds in excess of \$25,000 require Budget Officer, County Manager and Board approval.
  - E. Budget Amendments: The Budget Officer, County Manager, and the Board must approve. Budget amendments shall be in accordance with the advertising and public hearing requirements set forth in Florida Statute 129.
- 10 Budget policies shall be reviewed as part of the annual budget process.
- 11 All funds are required to balance; therefore, budgeted revenues must equal budgeted expenditures for each fund.

- 12 The County's annual budget shall be developed in accordance with policies and priorities set forth in the comprehensive plan, strategic plans, capital improvement plan, fleet replacement program, county goals, the needs of the community, and Federal and State laws.
- ~~13~~ The County shall adopt a "revenue driven" budget philosophy where expenditures are limited to expected revenues based on the existing millage rate adjusted to account for changes in the percent change in the "Save Our Homes" (SOH) assessment limitation as established by section 193.155(1), Florida Statutes. Alternatively, the Board may provide additional direction at the annual strategic planning workshop.
- ~~1314~~ Constitutional offices budget request shall seek to be inline or below the projected reoccurring ad valorem revenue growth percentage. Such request shall be inclusive of fleet and technology replacement programs. All capital projects may be requested through the County's Capital Improvement Plan discussions.
- ~~1415~~ The County's initial preliminary annual budget shall be developed based on the Minimum Fund Balance, Emergency Fund Balance, and Reserve for Contingency being set at their minimum fund balances as required by the Fund Balance and Reserve Policy. The BOCC may direct and approve higher funding levels through the budget process.
- ~~1516~~ Enterprise activities shall strive to operate as stand-alone financial entities. If an enterprise activity fails to maintain self-sufficiency for 3 consecutive years a thorough review shall be conducted to consider outsourcing, privatization or divestiture if financially advantageous to the County.
- ~~1617~~ The Budget Officer and County Manager shall work to develop financial and budget reports for submission to the Clerk of the Courts and Comptroller and Board.
- ~~1718~~ For funds and departments for which there is no department head, the Budget Officer shall prepare department budget. Examples: Debt Service Funds, indigent assistance department.
- ~~1819~~ Department budgets shall be submitted to the Budget Officer for first review. Upon completion, the County Manager shall review department budgets and adjust as considered necessary for the budget presented to the Board in accordance with Florida Statutes 129.
- ~~1920~~ Authorized Positions: All changes in FTE count or number of authorized positions must be approved by the Board after review and approval by the Human Resources Director, OMB Director and County Manager.



**PURPOSE:** Nassau County is dedicated to maintaining the fiscal stability of the County. It is essential that adequate levels of unrestricted funds be maintained to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and/or other similar circumstances. This policy will provide guidance on establishing and maintaining reasonable levels of reserves in both governmental and proprietary funds. In addition, this policy will improve financial reporting by establishing fund balance classifications that create a hierarchy based on the extent to which the County is bound to observe spending constraints that govern how the County can use amounts reported in the governmental fund balance sheet.

**DEFINITIONS:**

- I. **Calculation Date:** September 30<sup>th</sup> every year. Reviewed during audit and adjusted prior to closing General Ledger.
- II. **Capital Projects Funds:** are used to account for all financial resources restricted, committed or assigned to expenditures for acquisition or construction of capital assets.
- III. **Debt Service Funds:** are used to account for all financial resources restricted, committed or assigned to expenditures for principal and interest.
- IV. **Fund Balance:** is the excess of total assets as compared to total liabilities in a governmental fund.
  - A. Fund Balances are listed under five categories:
    1. **Non-spendable:** Amounts that cannot be spent because they are either not in the spendable form or are legally and contractually required to be maintained intact.
    2. **Restricted:** Amounts that are constrained on the use of resources by external creditors, grantors, contributor, or laws or regulations of other governments; or, by law through constitutional provisions or enabling legislature.
    3. **Committed:** Amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the government’s highest authority, the Board of County Commissioners (BOCC).
    4. **Assigned:** Amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.
    5. **Unassigned:** the residual amounts that have not been restricted, committed, or assigned to specific purposes.
- V. **General Funds:** are used to account for all financial resources not accounted for and reported in another fund.
- VI. **Operating Expenditures:** total appropriation, as represented as the “Total Expenditures” in the Statement of Revenues, Expenditures and Changes in Fund Balance” in the Annual Comprehensive Financial Report.
- VII. **Permanent Funds:** are used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support the County’s purposes.
- VIII. **Special Revenue Funds:** are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt services or capital projects.



IX.   Taxing Funds: collectively the General Fund, County Transportation Fund and Municipal Services Fund.

X.   Unaudited Actual: Estimated operating expenses as of September 30 every year.

**POLICY:**

**I. Fund Balance Classification in Governmental Funds**

A. GASB 54 outlines the requirement to report the fund balance for governmental funds in specific classifications, which create a hierarchy primarily based on the extent to which the County is bound to the constraints on the specific purposes for which funds can be spent.

1. The Fund Balance consists of the following five categories:

- a. Non-spendable
- b. Restricted
- c. Committed
- d. Assigned
- e. Unassigned

B. An individual governmental fund could include non-spendable resources and amounts that are restricted, committed, assigned, unassigned, or any combination of those classifications.

C. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

D. The general fund is the only fund that may report a positive unassigned fund balance.

1. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

E. Stabilization arrangements will be consistent with GASB 54.

**II. Committing Fund Balance**

A. For Nassau County, the Board of County Commissioners (BOCC) is the highest level of decision-making authority.

B. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is an ordinance or resolution approved by the BOCC at a public meeting.

1. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made.

2. The amount subject to the constraint may be determined in the subsequent period.

**III. Assigned Fund Balance**

A. The BOCC has authorized the County Manager and the Clerk of the Court and Comptroller as the officials authorized to assign fund balance to a specific purpose as approved by this fund balance policy.

1. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular year.
2. Fund balance may be assigned for various purposes including but not limited to, capital projects, fleet replacement, litigation, Constitutional Officers' reserves, etc.

**IV. Reporting Encumbrances**

- A. Encumbering amounts in governmental funds for specific purposes for which resources have already been restricted, committed, or assigned should not result in separate display of encumbered amounts.
- B. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed, or assigned, will be classified as committed or assigned, as appropriate, based on the definitions and criteria set forth in GASB Statement No. 54.

**V. Hierarchy of Fund Balance Use**

- A. When multiple categories of fund balance are available for expenditures, the County will spend the most restricted funds first before moving down the category with available funds in the following order:
  1. Restricted
  2. Committed
  3. Assigned
  4. Unassigned

**VI. Minimum Level of Fund Balance**

The BOCC establishes the following minimum fund balances:

- A. Taxing Funds
  1. Minimum Fund Balance Policy
    - a. It is the goal of the County to maintain a Minimum Fund Balance for each Taxing Fund at a minimum of 16.70% and not more than 20% of the total Operating Expenditures as reported in the previous year's audited financial statements.
      - i. These funds may be used to protect the County against potential financial risk, ensure cash flow prior to receipt of budgeted revenue, for use in the event of a disaster or emergency and to protect the County's credit rating.
  2. Emergency Fund Balance (General Fund only)
    - a. The General Fund Emergency Fund Balance Policy is established for the purpose of providing funds for an urgent catastrophic event, major disaster (e.g. hurricane, pandemic, wildfires, terrorist attack, etc.), economic distress, uncertainty, or opportunity conditions. The County's Emergency Fund balance is established at a minimum of 10% and a maximum of 12% of the General Fund's Operating Expenditures.

- i. When these funds are used for catastrophic events, major disaster (e.g. hurricane, pandemic, wildfires, terrorist attack, etc.), the following actions must be met:
  - The recognition of an urgent event must be established by the BOCC by adoption of a resolution explaining the nature of the event and requires approval by a majority vote of the Board.
  - A budget revision must be approved by the BOCC.
  - The BOCC must approve and adopt a plan to restore the fund balance per Section VII, if the fund balance falls below the minimum requirement.
  
- ii. When these funds are to be used during times of severe economic distress such as recessionary periods, State unfunded mandates on local resources, or other impactful unforeseen events, which greatly diminish the financial ability of the County to deliver core services, the following actions must be met:
  - The recognition of an urgent event must be established by the BOCC by adoption of a resolution explaining the nature of the event and requires approval by a majority vote of the Board. Examples of such events include the following:
    - The annual Consumer Price Index exceeds five percent for two consecutive years. (e.g. year 1 CPI = 5.0% and year 2 CPI = 5.0%)
    - Local unemployment rate exceeds 9% for three consecutive quarters.
    - The rate of inflation exceeds the growth in property tax revenue by 5% for two consecutive fiscal years.
    - Significant State take-aways of revenue totaling more than 5% of total revenue in a given fiscal year.
    - Sales Tax revenue falls by 5% over the previous quarter.
  - A budget revision must be approved by the BOCC.
  - The BOCC must approve and adopt a plan to restore the fund balance per Section VII if the fund balance falls below the minimum requirement.
  
- iii. When these funds are to be used for economic opportunities to help facilitate and leverage the receipt of additional grant funds to the County or to provide for significant economic development opportunities, the following actions must be met:



- The recognition of an urgent economic opportunity event must be established by the BOCC by adoption of a resolution explaining the nature of the event and requires super majority approval of the Board.
- A budget revision must be approved by the Board. A maximum of 50% of the prior fiscal year ending balance in the Emergency Fund Balance may be drawn.
- The BOCC must approve and adopt a plan to restore the fund balance per Section VII, if the fund balance falls below the minimum requirement.

3. Reserve For Contingencies

- a. The County will achieve and maintain a minimum Reserve for Contingency in each Taxing Fund of not less than 5% or more than 10% of the total budgeted operating expenditures (total expenditure less reserves, capital and transfers).
- b. The OMB Director, County Manager, and the BOCC must approve requests for use of reserves, as provided within the Operating Budget Policies. Requests will be evaluated to ensure consistency with other BOCC policies; the urgency of the request; the scope of services to be provided; the short and long-term fiscal impact of the request; a review of alternative methods of funding or providing the services; a discussion of why funding was not sought during the normal budget cycle; and a review of the impact of not funding or delaying funding to the next fiscal year.

B. Special Revenue Funds

1. Special revenue funds are created to account for the proceeds from specific revenue sources that are legally restricted for specific purposes (e.g. grants, assessments).
2. Each fund is unique based on the timing of revenue receipts.
  - a. No specific minimum fund balance requirement is created by this policy, unless noted below.
  - b. Each fund must adhere to any underlying guidelines attached to that revenue source.
3. The Amelia Island Beach Renourishment Municipal Service Taxing Unit (Fund 136)
  - a. The Amelia Island Beach Renourishment Municipal Service Taxing Unit (“Sand MSTU”) Fund Balance Policy is established for the purpose of providing funds for beach renourishment, restoration, erosion control and storm protection. The Sand MSTU’s Emergency Fund minimum balance is established at \$4,680,000 for Fiscal Year 2023/24. The minimum fund balance shall be increased by 3% each fiscal year.
    - i. As the Emergency Fund balance currently falls below the minimum fund balance, until such time as the minimum fund balance is met,

expenditures from the Sand MSTU shall be limited to ~~\$50,000~~ for capital projects (not to exceed \$50,000), annual required monitoring costs, and such emergency purposes as may be required. Additionally, the millage rate shall remain flat to assure proper funding of the Emergency Fund balance.

ii. When Emergency Fund balance is used for allowable purposes, the following actions must be met:

- The recognition of an urgent event must be established by the BOCC by adoption of a resolution explaining the nature of the event and requires approval by a majority vote of the Board.
- A budget revision must be approved by the BOCC.
- The BOCC must approve and adopt a plan to restore the fund balance per Section VII, if the fund balance falls below the minimum requirement.

C. Debt Service Funds

1. The minimum fund balance requirement for any outstanding issue will be consistent with the bond covenants.

D. Capital Projects Funds

1. Capital projects funds are created to account for resources set aside to construct or acquire fixed assets or improvements.
2. These projects may extend beyond one fiscal year.
3. No specific amount for minimum fund balance is required per this policy.

E. Enterprise Funds

1. Enterprise funds should strive for positive net operating income to provide for necessary operating and capital expenses while maintaining sufficient debt service coverage ratios.
2. A specific percentage or dollar amount will vary due to the considerations for working capital, debt coverage, asset replacement, rate stabilization, and revenue volatility.
3. Nassau Amelia Utility (NAU) shall develop a separate Financial Reserves Policy.

F. Internal Service Funds

1. Internal Service Funds, by nature are designed to operate on a break-even basis for operations, while, if applicable, accruing additional funds to finance future capital costs or potential liabilities.
  - a. No specific amount for minimum fund balance is required per this policy.

**VII. Replenishing Minimum Fund Balance Deficiencies**

- A. When the Taxing Funds minimum fund balances for Minimum Fund Balance or Emergency Fund Balance fall below the required thresholds, the BOCC must approve and adopt a plan to restore this balance to the target minimum level within five years or less using the following budget strategies:
  - 1. The County will use budget surplus or,
  - 2. The County will reduce recurring expenditures to eliminate any structural deficit or,
  - 3. The County will increase revenues or pursue other fund sources, or,
  - 4. A combination of the three options above.
- B. Once fully funded, when the Sand MSTU Emergency Fund minimum balance falls below the required thresholds, the BOCC must approve and adopt a plan to restore this balance to the target minimum level within five years or less using the following budget strategies:
  - 5. The County will use budget surplus from within the Sand MSTU or,
  - 6. The County will reduce recurring Sand MSTU expenditures to eliminate any structural deficit or,
  - 7. The County will increase Sand MSTU revenues or pursue other fund sources, or,
  - 8. A combination of the three options above.
- C. Unless a repayment plan is pre-established at the time reserves are allocated, Staff shall bring for BOCC consideration a replenishment plan, within 90-days of allocation from the reserve.
  - 1. It would be BOCC's priority that every effort would be made to replenish the reserve as soon as it is financially feasible and practical to do so.
- D. If the reserve cannot be replenished by the next annual budget, a repayment plan not to exceed five years should be approved by BOCC by a majority vote.

**VIII. Deficit Unassigned Fund Balance**

- A. If the Taxing Funds fund balance or net asset balances are not positive at any year-end, the County shall develop a funding plan and a timeframe to bring them into a positive state.
  - 1. The unassigned fund balance deficit in the Taxing Funds will be restored through the same steps as set forth in Section VII.

**IX. During Close of Fiscal Year Surplus Fund Balance**

- A. At September 30<sup>th</sup> each fiscal year, if the minimum fund requirements of this policy have been met, any fiscal year end surplus of revenues over expenditures (including any carryovers) will be designated as unassigned capital reserves until future designation by the BOCC.

**X. Implementation and Review**



- A. Upon adoption of this policy, the BOCC authorizes the County Manager’s office and the Office of Management & Budget to establish standards and procedures, which may be necessary for its implementation.
  
- B. The BOCC shall review and approve this policy via resolution at a minimum of every year to ensure it continues to meet the needs of the County given economic factors and the current financial status at that time interval.

**Nassau County, FL BOCC  
 Fund Balance and Financial Reserves Summary**

<u>Fund</u>	<u>Classification</u>	<u>Minimum</u>	<u>Maximum</u>
<u>General Fund</u>			
Minimum Fund Balance	Unassigned	16.70%	20.00%
Emergency Fund Balance	Assigned	10.00%	12.00%
Reserve for Contingency	Unassigned	5.00%	10.00%
<u>County Transportation Fund</u>			
Minimum Fund Balance	Assigned	16.70%	20.00%
Reserve for Contingency	Assigned	5.00%	10.00%
<u>Municipal Services Fund</u>			
Minimum Fund Balance	Assigned	16.70%	20.00%
Reserve for Contingency	Assigned	5.00%	10.00%
<u>Sand MSTU Fund</u>			
Emergency Fund Balance	Assigned	\$4,680,000 minimum increased 3% per year	
<u>Debt Service</u>			
Reserve		Set by Debt Covenants	
<u>Enterprise (NAU)</u>			
See NAU Financial Reserve Policy			

- PURPOSE:** The development and use of revenue policies:
- Aid in the consistent provision of public services;
  - Help ensure financial stability regardless of economic fluctuations;
  - Guide revenue practices so they are fair to citizens.

**POLICY:**

- 1 The County shall endeavor to maintain a diversified and stable revenue stream to provide protection against fluctuations in any revenue source. This shall include consideration of establishing a Municipal Service Benefit Unit (MSBU) or Municipal Service Taxing Unit (MSTU) when the improvement or benefit is directed at a specific area in the County.
- 2 In the event a significant revenue shortfall is projected or has occurred, the County will develop a plan to reduce expenditures, use reserves, and/or take other appropriate actions to maintain the financial integrity of the County.
- 3 Non-recurring revenues in the General, County Transportation and Municipal Service Funds are strongly discouraged from funding recurring expenditures. Examples of non-recurring revenues are sales of fixed assets, budgetary savings from a debt refinancing, court settlements, tax collection windfalls and fund balance.
- 4 Department/division heads will review department revenues annually during the budget process. The full cost of providing services for which fees are or should be charged will be identified. The calculation of cost will include all reasonable and justifiable direct and indirect cost components. Fee schedules will be based upon cost recovery goals for each fee and will be approved by the County Manager and Board as required by enabling legislation.
- 5 County staff will continue to diligently pursue federal and state grants and legislative changes where necessary.
- 6 The County will follow a responsible policy of collecting revenues.
- 7 Florida Statutes will be adhered to in determining how state revenues shall be budgeted and spent.
- 8 The budget will be organized so that revenues are related to expenditures whenever possible. County wide revenues shall be allocated to funds providing county wide services and unincorporated revenues to funds that provide unincorporated services. Revenues generated by departments will be assigned the same organizational number as the departmental expenditures.
- 9 When budgeting revenues, the local economy and guidance from the state will be taken into consideration. Reasonable estimates will be maintained to avoid a potential revenue shortfall.
- 10 Ad Valorem, Surtax, and Sales Tax revenues shall be budgeted based on prior year's collection levels, trends, and current economic events. Not less than 95% of estimated revenue collections will be budgeted.
- 11 All fee revenues (including impact fees) will be based on fee schedules adopted by the Board. All BOCC fee schedules will be reviewed on an annual basis and updated as necessary.
- 12 Each year, before budget packages are sent to departments, the Budget Officer will prepare major revenue estimates and provide those estimates to the County Manager so he/she may provide



guidance to departments in preparing budget requests.

- 13 For the purpose of financial reporting, the County considers revenue to be recognizable when receipt is measurable and available. Availability is defined as anticipated to be received within sixty (60) days.

**PURPOSE:** The development and use of expenditure policies:

- Aid in the consistent provision of public services;
- Help ensure financial stability regardless of economic fluctuations;
- Guide expenditure practices so they are fair to citizens.

**POLICY:**

- 1 The County will provide for a level of expenditures to strive for the ongoing health, safety, and welfare of citizens.
- 2 Within the resources available each fiscal year, the County shall endeavor to maintain capital assets and infrastructure at a sufficient level to protect the County’s investment, to minimize future replacement and maintenance costs, and to continue service levels.
- 3 The operating and capital budgets will be reviewed concurrently. A fiscal impact operating analysis shall be conducted for items contained within the capital improvement budget and incorporated into the operating budget as part of the annual budget process.
- 4 New services/programs will not be added without a cost-benefit analysis incorporating current and future budget impact. The Nassau County Clerk of Courts and Comptroller’s recommendations will be considered.
- 5 The County Manager will determine annual department requested budget targets based upon revenue forecasts received from the Budget Officer, economic conditions, county goals and objectives and other sources as deemed necessary.
- 6 Department heads must review and control expenditures so that actual expenditures do not exceed budget. Departments are expected to adjust spending levels as required to ensure compliance within established budget. If the department head determines additional budget is required and not available within the department’s budget, a request for funding assistance should immediately be forwarded to the County Manager containing department analysis and recommendation.
- 7 Transfers and budget amendments will be processed in accordance with adopted Budget Policies.
- 8 Expenditure budgets will be developed in accordance with policies and priorities set forth in the County’s Comprehensive Plan, strategic plans, capital improvement plan, fleet replacement program, County goals, the needs of the community, and federal and state laws.

- PURPOSE:** Purposes of Capital Expenditure Policies are to:
- Provide Nassau County with an orderly process for planning and budgeting for capital needs;
  - Serve as a link to the County’s planning process and compliance with adopted Comprehensive Plan standards, strategic plan or other long-range plans;
  - Prioritize current and future needs to fit within the anticipated level of financial resources;
  - Provide a description of projects to be developed by County, communicating to citizens, businesses, and other interested parties the County’s capital priorities and plans for implementing projects including funding.

**POLICY:**

**I. Capital Improvement Plan**

- 1 The Capital Improvement Plan (CIP) shall generally consist of capital projects with a cost estimate of at least \$50,000 and an asset life of at least five (5) years. Capital projects may include land, buildings, infrastructure and equipment affixed to public facilities and may involve a new purchase, new construction, major repair, renovation or replacement of existing asset. Capital improvements—projects are the building, upgrading, or replacement of County infrastructure, such as residential and arterial streets, bridges, traffic signals, public safety facilities, storm drain systems and drainage channels, parks, and other public facilities. The Capital Improvement Plan should not include maintenance projects. Determination of projects being identified in CIP versus maintenance shall be at the discretion of the County Engineer and OMB Director.
- 2 The County shall evaluate and prioritize capital improvement-projects based upon the judgment of the County Manager considering the following criteria:
  - a. Preservation of the health and safety of the public
  - b. Compliance with all mandates and prior commitments
  - c. Elimination of existing deficiencies
  - d. Maintenance of adopted level of service standards
  - e. Protection of existing capital investments
  - f. Consistency with the County’s Comprehensive plan and plans of other agencies
  - g. Eligibility for grants
  - h. A demonstrated relationship between projected growth and capital project
  - i. Impact on operating costs
  - j. Utilization of economies of scale and timing of other projects
  - k. Adjustment for unseen opportunities, situations, and disasters
  - l. Funding sources
- 3 Funding shall be identified for each Ccapital Improvement-Plan-project.
- 4 Revenues dedicated specifically to capital projects include:
  - a. At least 25% of One Cent Sales Surtax
  - b. An annual appropriation from the County Transportation Fund of not less than \$1,500,000 for transportation related capital projects, including the pavement management and chip seal programs.
  - c. Proportionate Share payments and other negotiated developer payments
  - d. Impact fees for law enforcement, fire rescue, administrative facilities, and recreation.



- e. Mobility fees for transportation.
- 5 Use of impact and mobility fees shall be reviewed annually as part of the budget process and in compliance with adopted ordinances as amended.
- 6 Annually, a minimum five-year Capital Improvement Plan (CIP) will be developed consistent with the Capital Improvement Element (CIE) of the County's Comprehensive Plan and in compliance with Florida Statutes regarding growth management. Capital ~~improvement-project~~ needs related to the County's Comprehensive Plan will be assessed at least annually. The ~~five-year~~ CIP shall be adopted by a Resolution of the Board of County Commissioners.
- 7 Annual updates of the Capital Improvement Plan (CIP) shall be coordinated between the County's Budget Officer and impacted Departments for those aspects of the CIP related to the County's Comprehensive Plan to ensure synchronization with the County's budget process and compliance with Florida Statutes regarding growth management.
- 8 If additions or deletions to the adopted Capital Improvement Plan (CIP) are needed more frequently than annually, these changes shall be by a Resolution of the Board of County Commissioners amending the annually adopted Capital Improvements Program Resolution and action taken to insure compliance with Florida Statutes regarding growth management.
- 9 A fiscal impact operating analysis shall be examined for each item contained within the Capital Improvement Plan for the period covered in the ~~Plan~~CIP. Future operating, maintenance, and replacement costs associated with the new capital ~~improvement-project~~ will be forecast, matched to available revenue sources, and included in future operating budgets. Such information will also include any savings.
- 10 The County will make ~~capital-improvement~~ expenditures in accordance with the Capital Improvement Plan.
- 11 The first year of the 5-year Capital Improvement Plan (CIP) will be used as the basis for formal fiscal year appropriations during the annual budget process. Appropriations made in prior years for which expenditures have not occurred nor projects completed, will be reevaluated for inclusion in CIP and appropriation in new fiscal year.
- 12 Each Capital Improvement Plan (CIP) project budget will include a reserve for contingency for each project, if appropriate. The reserve should generally be between 10%-15% of the estimated project cost.

## 1. INTRODUCTION AND PURPOSE

Proper debt management is fundamental to sound financial management practices and protecting the county's financial condition. The Nassau County Board of County Commissioners (BOCC) recognizes that the foundation of managing debt is a comprehensive debt management policy. This debt management policy sets forth the parameters and guides the following decisions:

- The amount of debt which may prudently be issued;
- The purposes for which debt may be issued;
- Structural features of debt being issued;
- The types of permissible debt;
- The preferred method of sale;
- The selection of professionals;
- Compliance with securities laws and disclosure requirements; and,
- Compliance with federal tax laws and arbitrage compliance.

The purpose of this debt management policy is to provide broad policy guidelines regarding County debt. However, exceptions to the general principles set forth may be appropriate under certain circumstances after carefully considering the facts of each case. Also, additional guidelines and policies may be necessary as new or innovative financial products and debt structures evolve.

## 2. DEBT RESPONSIBILITIES

### A. POLICY

This Policy provides general guidance to Nassau County's County Manager (CM), Office of the County Attorney (CA), and the Clerk of the Circuit Court and Comptroller (Clerk) in the capacity as Comptroller, concerning the desires of the Nassau County Board of County Commissioners (BOCC), for the issuance and management of all debt issued by Nassau County, Florida (County). However, nothing in this Policy shall limit the lawful authority of the BOCC to pursue the issuance of debt through all legal means, even in circumstances that may deviate from the general guidance of this Policy. All references herein to the term Debt Management Team shall refer to the professional staff from the CM, the CA, the Clerk, and other staff or external members (as contracted by the BOCC) assigned to manage the County's debt issuance and compliance. The Debt Management Team applies their professional judgment within their areas of expertise but does not legally operate as a collective body. Under the guidance of federal and state laws, County Ordinances, and Resolutions, the County may periodically enter into debt obligations to finance the construction or acquisition of infrastructure, buildings, and other assets or to refinance existing debt and unfunded liabilities to meet its governmental obligations to its citizens. All debt will be issued and administered to obtain the best long-term financial advantage to the County while making every effort to maintain and improve the County's bond ratings and



reputation within the investment community. It is the policy of the County to comply with all applicable federal tax rules related to its tax-exempt or tax-advantaged debt issuances.

1. The County may issue long-term debt only for land acquisition and/or capital improvement projects that cannot be funded from available revenues or fund balance/retained earnings. It may also be issued for refunding outstanding debt if sufficient cost savings can be realized, or it is advantageous to do so.
2. The County may undertake debt only when it believes that the project revenues or specific resources will be available and sufficient to service the debt over its life. County debt shall not be issued for periods exceeding the useful life or average useful lives of the financed project(s).
3. The County seeks to maintain the highest possible credit ratings for all categories of direct debt that can be achieved without compromising the delivery of essential County services and achievement of adopted County policy objectives.
4. The County will generally seek to structure long-term debt with level principal and interest costs-payments over the life of the debt, on a series or aggregate basis.
5. The County may sponsor conduit financings for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the County’s overall comprehensive plan or service and policy objectives, as determined by the BOCC. It shall be the County’s policy to approve conduit financing for only those projects that demonstrate a “significant public benefit.” All conduit financings must insulate the County entirely from credit risk or exposure. Conduit financings must be approved by the County’s bond counsel and financial advisor before being submitted to the BOCC for authorization. All cost of conduit financing shall be paid by the conduit borrower, as allowable by law.

## B. AUTHORITY

The debt of Nassau County is subject to the Internal Revenue Code, Florida Statutes, County Ordinances, and County Resolutions, which outline legal borrowing authority, restrictions, limits, and compliance requirements. While the Florida Constitution and Statutes authorize the issuance of bonds by counties, these debt policies provide supplemental guidance consistent with the existing statutory authority.

## C. PURPOSES AND USES

1. Asset Life



The County will consider long-term financing for acquiring, replacing, or expanding capital assets (including land, software, and equipment) if it has a useful life of at least five years. County debt will not be issued for periods exceeding the useful life or average useful life of the project or projects to be financed.

2. Refinance Existing Debt

The County may consider refinancing existing debt when the conditions are favorable or in the case of an emergency and approved by the BOCC. County debt will generally not be issued for periods exceeding the useful life or average useful life of the project or projects to be financed.

3. Capital Financing

The County typically relies on internally generated funds and grants or contributions from other governments to finance its land and capital needs. Debt shall not, in general, be used for projects solely because insufficient funds are budgeted at the time of acquisition or construction. The County may undertake debt only when it believes that the project revenues or specific resources will be available and sufficient to service the debt over its life. Debt financing will not be considered appropriate for any recurring purpose, such as operating or maintenance costs.

- a. Capital improvements should typically be financed primarily through user fees, service charges, assessments, taxes, special taxes, or developer exactions so long as the benefits the County will derive from such improvements can be attributed to the users of the improvements. Moreover, the County will specifically consider the costs associated with any borrowing to determine if the above funding sources are adequate to service the proposed debt.
- b. The County will evaluate the use of debt in-lieu-of “pay-as-you-go” financing based on the following criteria:
  1. Factors favoring “Pay-as-You-Go” financing:
    - a. Current fund balances or project revenues are sufficient to fund the project.
    - b. Existing or proposed debt levels would have a harmful effect on the County’s credit position or rating.
    - c. Credit market conditions are unstable or present extraordinary difficulty marketing the proposed debt.
  2. Factors favoring the use of debt:

- a. Revenues are stable and reliable enough to support the proposed debt at investment grade rating levels.
- b. The nature of the financed project will support investment grade ratings
- c. Credit market conditions present favorable interest rates and demand for financings such as the County's.
- d. The project is mandated by the state or federal government, and resources are insufficient or unavailable.
- e. The project is immediately required to meet or relieve capacity needs, and current resources are insufficient or unavailable.
- f. The estimated useful life of the asset to be financed is greater than five years.
- g. In such cases where it is more equitable to the users of the project to finance the project over its useful life than to fund it out of current year revenues
- f.h. Voter approved debt.

### 3. CREDITWORTHINESS OBJECTIVES

#### A. CREDIT RATINGS

1. The County seeks to maintain the highest possible credit ratings for all categories of short-term and long-term debt that can be achieved without compromising the delivery of essential County services and achievement of adopted County policy objectives. The County recognizes a direct correlation between the credit rating it achieves and the cost of borrowing. Therefore, the County will seek to acquire and maintain an investment grade rating on its direct debt as a general rule when applicable.
2. The County recognizes that external economic, natural, or other events may affect the creditworthiness of its debt from time to time. Nevertheless, the County is committed to ensuring that actions within its control are prudent and consistent with these Policies.

#### B. FINANCIAL DISCLOSURE

1. The County is committed to full and complete financial disclosure and to cooperating fully with rating agencies, institutional and individual investors, County departments and agencies, other levels of government, and the general public to share clear, comprehensible, and accurate financial information. The County is also committed

to meeting secondary disclosure requirements as set forth in Securities and Exchange Commission Rule 15c2-12, and its amendments, on a timely and comprehensive basis. (See Section 8 – Continuing Disclosure for additional discussion.)

2. The Clerk of Court and Comptroller is responsible for ongoing disclosure to established national information repositories. The Clerk shall act as the primary point of contact for investor relations and will also maintain compliance with disclosure standards promulgated by state and national regulatory bodies and may carry out such responsibility through the engagement of an outside dissemination agent and by using the Clerk and Comptroller's or County's internet website.

#### C. CAPITAL PLANNING

To enhance creditworthiness and prudent financial management, the County is committed to systematic capital planning, coordinating intergovernmental cooperation, and long-term financial planning. Evidence of this commitment shall be demonstrated through the adoption and periodic adjustment of a Comprehensive Plan pursuant to Chapter 163, Florida Statutes, and the annual adoption of a five-year capital improvement plan (CIP).

#### D. DEBT LIMITS

1. The County will keep outstanding debt within the limits prescribed by State Statute and County Ordinance and at levels consistent with its creditworthiness, best practices, needs, and affordability objectives. Affordability objectives are further described in Section 7 – Debt Issuance.
2. In the case of debt serviced from the County's General Fund, the County shall not exceed 6% of the current countywide audited actual expenditure amounts of expenditures and transfers out as the "maximum" level for General Fund resources committed to the repayment of debt. Prior to any debt issuance, such calculation shall also take into account any recent debt which may not be included in the audited financials, for calculation of the 6%.
  - a. For example, in FY 21/22 actual expenditures were \$99,971,179 and transfers out of the General Fund (from unrestricted funds) for debt service were \$2,322,000 or 2.3%.
  - b. Such maximum amount shall exclude special revenue sources dedicated and/or restricted to the payment of Debt Service (e.g. Gas Tax, CLAM).

### 4. DEBT STANDARDS AND STRUCTURE

#### A. DEBT STRUCTURE

1. Debt shall be structured to achieve the lowest possible net cost to the County given prevailing market conditions, the urgency of capital funding needs, and the nature and type of security to be provided.
2. To the extent possible, the County will design the repayment of its overall debt to rapidly recapture its credit capacity for future use.



## B. AMORTIZATION

1. The County will seek to structure long-term debt with level principal and interest costs over the life of the debt, on a series or aggregate basis.
2. The "back-loading" or "wrapping" of debt service will only be considered when:
  - a. Natural disasters or extraordinary or unforeseen external factors make the short-term cost of the debt prohibitive.
  - b. The benefits derived from the debt issuance can be demonstrated to be greater in the future than in the present.
  - c. When such structuring is beneficial to the County's overall amortization schedule.
  - d. Such structuring will allow debt service to more closely match project revenues during the early years of the project's operation.
3. In the case of an issue structured with term bonds and a sinking fund, the County's policy will be to retire the term bonds in a substantially level fashion over each year of the life of the sinking fund unless the factors described above apply.

## C. TYPES OF INSTRUMENTS AND PLEDGES/SECURITY

The following list is an example of the types of securities the County may utilize when incurring debt. The security shall be based on the revenue stream pledged to service the debt and the nature of the Capital Projects to be financed.

1. Bonds are long-term debt securities issued by a government at a fixed interest rate to finance capital projects.
  - a. General Obligation (GO) Bonds are long-term debt instruments secured by the County's ability to levy ad valorem taxes on real and personal property within the County. The full faith and credit of the County is the pledge of the general taxing powers to pay this obligation. Per Florida Statutes, GO Bonds must be approved by a majority of those voting on a bond proposal in a bond referendum unless they mature in less than a year or meet the statutory refunding exception.
  - b. Non-Self-Supporting Revenue Bonds are long-term debt instruments secured by dedicated non-ad valorem revenues derived from sources other than Enterprise Revenues such as half-cent sales tax and other special taxes.
  - c. Self-Supporting Revenue Bonds are long-term debt instruments secured by non-ad valorem revenues derived from fees and charges from the County's Enterprise Operations such as Solid Waste, Water and Wastewater System, and Stormwater System (Enterprise Revenues).

2. Commercial Paper (CP) is a short-term debt instrument used for periods not to exceed five years. The County can utilize a covenant to budget and appropriate legally available non-ad valorem revenues (CB&A pledge) or Enterprise Revenues for its short-term borrowings under programs such as the Florida Local Government Commercial Paper Loan Program (a variable rate debt). This program provides cash flow and cash management capabilities to implement the County's ongoing CIP for interim or temporary up-front financing to the County's pay-as-you-go CIP. A project financed with short-term notes, such as tax-exempt commercial paper, may be "taken out" by a bank loan or public issue once costs for the project are finalized.
3. Bank Loans provide an alternative to funding projects with publicly sold bonds where interest costs are estimated to be lower than a comparatively priced public issue or there are other desirable conditions for a particular financing (e.g. size, prepayment flexibility, accelerated schedule).
4. State and Federal Programs are long-term loans issued by a state or federal agency for a qualifying project loan. They are secured based on the revenue stream pledged to service the debt and nature of the capital projects to be financed. State Revolving Fund loans and the loans through the Water Infrastructure and Finance and Innovation Act (administered by the Federal Environmental Protection Agency) are examples of state and federal loan programs.
5. Other types of debt that may be used are anticipation notes used as short-term financing and other promissory notes issued to repay short-term or long-term debt.

As part of the overall financing plan, the Debt Management Team will determine the security pledge for the debt and whether the debt is issued on parity with existing debt or as a subordinate debt. To the extent it is in the county's best interest, there is a preference that there be a nexus between the revenue pledged and the specific purpose for which the debt is issued. Additionally, bonds should generally be equally and ratably secured by the revenues pledged to repay any outstanding debt. However, the creation of a subordinate lien is permissible if a first lien is not available or if it is economically beneficial or advantageous to the County.

#### D. TAXABLE VS. TAX-EXEMPT DEBT

The County seeks to issue debt at the lowest total cost. Generally, this objective is achieved by issuing tax-exempt debt, which can be offered at lower interest rates since investors get the added benefit of the tax break. The Internal Revenue Service has established guidelines that municipal bond issuances must meet to qualify for the tax-exempt status. (For a more detailed discussion of this issue, reference IRS Publication 4079 – Tax-Exempt Government Bonds).

Should the situation arise, the County will carefully consider whether issuing taxable debt is the best financing option for a proposed project or refinancing and develop a thorough understanding of the differences between the tax-exempt and taxable markets before proceeding with a planned sale.



The Debt Management Team will analyze how these differences would affect the overall financial plan and ability to manage its debt and consult appropriate counsel and advisors.

E. REFUNDINGS

1. The Debt Management Team will periodically monitor refunding opportunities of the County's outstanding debt portfolio. Refunding opportunities will be considered (within federal tax law constraints) when there is a net economic benefit of the refunding, or the refunding is essential to modernize covenants vital to the County's financial or operating position.
2. Generally, the net economic benefit to the County must provide a net present value savings of at least five percent (5%) of the debt being refunded. Refundings that produce net present value savings of less than five percent will be considered on a case-by-case basis, provided that the present value savings are at least three percent (3%) of the refunded debt. Refundings with savings of less than three percent (3%) or negative savings will not be considered unless there is a compelling public policy objective as authorized by the BOCC.

F. CREDIT ENHANCEMENTS

Credit enhancement (i.e., letters of credit, bond insurance, etc.) will be used to the extent that net debt service on the bonds is reduced by more than the enhancement costs, measured in present value terms. To calculate the economic effectiveness of a credit enhancement, the County will compare the present worth of the debt service required on the proposed transaction on both an enhanced and unenhanced basis to determine the economic benefits of the enhancement offered. Credit enhancement which does not produce economic benefits in present value terms will only be considered if acceptance of the enhancement directly furthers other County goals and objectives.

G. VARIABLE RATE DEBT

The County may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities, consistent with state law and prevailing covenants of existing debt, and depending on market conditions. The County will limit its outstanding variable rate debt to reasonable levels in relation to the total outstanding debt.

H. SHORT TERM NOTES

The use of short-term borrowing, such as bond anticipation notes and commercial paper, will only be undertaken if the transaction costs plus interest on the debt are less than the cost of internal financing or if the available cash for internal financing is insufficient to meet funding requirements.

The County will not employ short-term borrowings for the sole purpose of earning arbitrage profits.



#### I. INTERNAL BORROWINGS

1. For short-term liquidity purposes, the County will generally favor internal borrowings over external borrowings. If sufficient resources are available, liquidity will not be impaired, and a defined source of repayment is available, the County will consider internal borrowings. Inter-fund borrowings shall be evidenced by a written memorandum or agreement specifying the tenor and terms of the borrowing, including repayment terms, interest rates, and calculations and procedures for amendment. Internal borrowings must have the approval of the BOCC, except for fiscal year-end accounting entries that create temporary loans for financial statement presentation purposes. Inter-fund borrowings will be reflected in the County's accounting records as "due to" and "due from" items respecting the funds and accounts borrowed from and loaned to, respectively. Such short term borrowing shall comply with all applicable laws, fund restrictions, and recommended accounting procedures.
2. Inter-fund borrowing will typically bear interest at a rate consistent with the average rate of return of the County's Investment Plan unless specifically recommended by the Clerk and approved by the BOCC.

#### J. STATE AND FEDERAL LOAN PROGRAMS

These programs provide funds for projects such as water supply and distribution facilities, stormwater control and treatment projects, air and water pollution control, solid waste disposal facilities, infrastructure, etc. In programs like the State of Florida Revolving Loan Fund (SRF), local governments benefit from the strength of the state's credit, and costs are traditionally low.

Other programs, like the Water Infrastructure Finance and Innovation Act (WIFIA), provide partial funding for large water and wastewater-related projects, and the State Infrastructure Bank (SIB) Loan provides funding for infrastructure-type projects. Whenever possible, these programs shall be considered if the implementation costs are not excessive, interest costs are below prevailing open market conditions, and legal terms are acceptable.

#### K. USE OF DERIVATIVES

The County does not recommend the use of derivative instruments in general.

### 5. DEBT ADMINISTRATION

#### A. ANNUAL DEBT REPORT

The Clerk of Court and Comptroller is responsible for preparing and delivering an Annual Debt Report to the BOCC as part of its annual review of the Annual Comprehensive Financial Report. This report shall pertain to the prior Fiscal Year and may include the following elements:

1. A brief history and description of all outstanding bonds,

2. A review of the County's bonded debt over the last ten years and a comparison of the County's debt to that of other similarly populated counties in Florida,
3. Information on the Commercial Paper Loan Program, Bank Loans, the State Revolving Fund Program or other similar programs, and debt issued through the conduit financing programs,
4. Arbitrage information (with accompanying schedules) to provide a brief history of debt affected by arbitrage, the financial impact, and the current status.

#### B. REPORT TO DEBTHOLDERS

The Clerk of Court and Comptroller shall prepare and release the Annual Comprehensive Financial Report to all interested parties, which will act as the ongoing disclosure document required under the Continuing Disclosure Rules promulgated by the Securities Exchange Commission (SEC) Rule 15c2-12 (The Rule).

This report shall contain general and demographic information on the County and a discussion of:

1. General Government,
2. Solid Waste System,
3. Water and Wastewater Utility System,
4. Stormwater Utility System, and
5. Any other systems that the BOCC may subsequently establish.

The information presented on General Government and each enterprise system shall comply with the disclosure obligations outlined in the Continuing Disclosure Agreements executed in connection with its outstanding debt obligations and may include information, including but not limited to, the following: service areas, rates and charges, financial statement excerpts, outstanding and proposed debt, a summary of certain bond resolution provisions, a management discussion of operations, and other information the County shall deem to be important. The specific information required to be updated annually is included in each relevant Continuing Disclosure Agreement. The report shall also include Notes to the Financial Statements and, to the extent available, information on conduit debt obligations issued by the County on behalf of another entity.

#### C. ARBITRAGE COMPLIANCE

The Clerk of Court and Comptroller maintains a recordkeeping and reporting system to meet the arbitrage rebate compliance requirements of the federal tax code. An outside arbitrage consultant completes all arbitrage rebate calculations. Arbitrage rebate liabilities are calculated annually, and the applicable liability is reported in the County's annual financial statements.



D. TAX-EXEMPT DEBT POST-ISSUANCE COMPLIANCE

Specific post-issuance federal tax requirements must be met according to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended. To monitor such post-issuance requirements, the Clerk of Court and Comptroller has adopted policies and procedures concerning Form 8038, Information Return for Tax-Exempt Private Annuity Bond Issues, compliance.

E. FINANCING PROPOSALS

Any financing proposal to a County department, agency, utility, or employee involving a pledge or other extension of the County's credit through the sale of securities, execution of loans or leases, marketing guarantees, or otherwise involving directly or indirectly the lending or pledging of the County's credit, will be referred to and reviewed by the Clerk and the County Manager's Office, or their respective designees. Any decision to act on such a proposal will require final approval by the BOCC.

F. CONDUIT BOND FINANCING

1. The County as Issuer of "No-Commitment Debt" or Conduit Debt
  - a. The County may sponsor conduit financings for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the County's Comprehensive Plan and overall service and policy objectives as determined by the BOCC. The County requires complete indemnification from third parties seeking conduit bond financing and does not accept any liability associated with conduit bond financings. Therefore, the County will not recognize a conduit bond financing as a liability. The Clerk of Court and Comptroller, and the County Manager must review and approve a conduit financing before submitting it to the BOCC for authorization and implementation.
  - b. Each applicant (for a conduit financing by the County) will be required to provide an indemnity to the County, or its constituent agencies, for all costs, expenses, attorney fees, settlement, or judgment costs arising out of the financing or any of the documentation relating to the financing. All County costs for the review of each application and cost related to any financing shall be paid by the conduit borrower, as allowable by law.
2. Significant Public Benefit Test for Conduit Debt
  - a. It shall be the County's policy to approve conduit financing for only those projects that demonstrate a "significant public benefit." In general, "significant public benefit" means that the proposed project will enhance the economic, social, or cultural quality of life for the residents of the County; or that the proposed project will stimulate employment within the County and that such enhancement or employment gain can be measured in a manner which permits the County to evaluate the risks and rewards of acting as the



conduit issuer. The significant public benefit is based on the County's evaluation of the availability of public access to the county's widest possible number of residents, depending on the context.

- b. Acceleration or addition of public infrastructure in excess of that required by law or the County's land-use policies could also produce a significant public benefit. Such benefits arise either from the installation or completion of public infrastructure assets before they might otherwise be installed or from the additional assets that might be realized due to being able to finance the project more efficiently.
  - c. Finally, the finding of significant public benefit can arise from the installation or acquisition of a community asset that produces additional employment opportunities or which produces environmental benefits either as a direct or secondary result of its completion. In circumstances where the financed improvements generate regional benefits, finding significant public benefit will be easier than those where the financed facilities serve only a small number of residents.
  - d. The County will require a financial pro forma and business plan for any project to be financed with the proceeds of a conduit issue.
3. Credit Quality of Conduit Debt

The County will consider conduit financing for only those applicants who are credit-enhanced or guaranteed to attain a rating of at least "A" from any one of the three major credit rating agencies.

The County may consider a waiver of this requirement under special circumstances as recommended by the County Manager and Clerk and approved by the BOCC. In cases where the County elects to waive this requirement, it expressly reserves the right to require additional requirements of the sponsor of such a conduit financing.

## **6. FINANCING TEAM**

### **A. FINANCING TEAM SELECTION PROCESS**

The BOCC selects the external members of the Debt Management Team, known as the Financing Team. The County may select firm(s) to provide debt-related financial services without an RFP or RFQ, consistent with County and State legal requirements. Following an independent review, the internal members of the Debt Management Team will provide recommendations to the BOCC, as requested, on the selection of Financial Advisors and Underwriters. The BOCC makes all final determinations.

Compensation for members of the Financing Team will be consistent with industry standards.

### **B. FINANCIAL ADVISOR**

The BOCC will hire a registered Financial Advisor before undertaking debt financing. The Financial Advisor has a fiduciary duty to the County and will provide advice on determining the best type of financing for the County, assistance with selecting other finance professionals, planning the bond sale, or other financing, and successfully selling and closing the bond sale or other financing. Financial Advisors must have comprehensive municipal debt experience, including diverse financial structuring and pricing of municipal securities. The County requires that its Financial Advisor complies with the Municipal Securities Rulemaking Board (MSRB) Rule G-42 or similar standards of conduct for municipal advisors engaging in municipal advisory activities. The role of the Financial Advisor will also include assisting in the assemblance of the external Financing Team members, as requested.

#### C. BOND COUNSEL

The County retains external Bond Counsel for all debt issues deemed necessary. All debt issued by the County includes a written opinion by Bond Counsel affirming that the County is authorized to issue the debt and to determine the federal income tax status of such debt. The Office of the County Attorney engages Bond Counsel. The selection criteria include a requirement for comprehensive municipal debt experience.

#### D. DISCLOSURE COUNSEL

In certain instances, the County may choose to engage the services of a disclosure counsel to assist in the various aspects of the preparation of an official statement, private placement memorandum, or other forms of offering disclosures or continuing disclosure documents to be disseminated in connection with the sale of the County's debt or conduit debt.

In performing these services, the disclosure counsel represents the County as the issuer of the debt and not the underwriter, as is the case where the underwriter's counsel prepares such documents. Because the County engages disclosure counsel, the cost of disclosure counsel's services is typically paid from the proceeds of the debt issue. The Office of the County Attorney engages Disclosure Counsel.

Disclosure Counsel shall provide legal advice to the county to help meet its secondary market disclosure obligations. Disclosure Counsel is engaged in the same manner as Bond Counsel.

#### E. UNDERWRITERS

The County selects Underwriters for competitive and negotiated sales. The Underwriters will provide ideas and suggestions concerning the structure, timing, and marketing of the bonds being sold.

1. Underwriters shall be required to demonstrate sufficient capitalization and experience related to the debt. The County may engage an underwriter for a negotiated sale of debt through a competitive process. The utilization of the underwriter for a particular bond sale will be pursuant to a written underwriting agreement.
2. The selection process for underwriters will require that the selected underwriter have comprehensive municipal debt experience, experience with diverse financial structuring requirements, and strong distribution capabilities for municipal securities.



Upon completion of the underwriter's engagement, the County has the option of making a new arrangement with any existing underwriter.

F. UNDERWRITERS COUNSEL

County payments for Underwriter's Counsel in negotiated sales will be authorized on a case by case basis depending on the nature and complexity of the transaction and the needs expressed by the Underwriters. If approved, the senior managing Underwriter may select their Underwriter's Counsel, who will be compensated as an expense item and negotiated as part of the gross underwriting spread. The County maintains no involvement in selecting Underwriter's Counsel as the Underwriter bears responsibility for its own counsel.

G. PAYING AGENT

The BOCC may utilize a Paying Agent on all County indebtedness. The fees and expenses for servicing outstanding bonds are paid from the appropriate debt service fund unless specified otherwise by the BOCC.

H. OTHER SERVICE PROVIDERS

The Clerk of Court and Comptroller shall have the authority to select other service providers periodically (e.g., escrow agents, verification agents, trustees, arbitrage consultants, etc.) as necessary to meet legal requirements and minimize net County debt costs. These services can include debt restructuring services and security or escrow purchases. The Clerk may select firm(s) to provide debt-related financial services without an RFP or RFQ, consistent with County and State legal requirements.

**7. DEBT ISSUANCE PROCESS**

A. DEBT AFFORDABILITY MEASURES & ANALYSIS

The County shall examine the following statistical measures to determine debt capacity before issuing any new debt. These measures shall be compared to other benchmark counties of comparable size. At a minimum, the County may analyze the following or comparable measures:

1. Debt per Capita;
2. Debt to personal income;
3. Debt to taxable property value; and
4. Debt service payments as a percentage of revenues
5. Debt service payments as a percentage of expenses
6. Truth-in-lending report (to compare net cost of each option)

B. BOND AND NOTE SALES

All proposed borrowings require the BOCC's final approval, including adopting appropriate Resolutions drafted by Bond Counsel and reviewed by the Debt Management Team. Before



the sale of bonds or notes, the Debt Management Team will identify the source and use of bond proceeds, Funds, Organization (Org) Codes, Object Codes for deposit of all bond proceeds, and the Funds and Org Codes for payment of debt service. The preparation of an appropriate Budget Amendment may also be required. The BOCC shall incur no bonds, notes, or other forms of indebtedness without the Debt Management Team's review.

C. INVESTMENT OF BOND AND NOTE PROCEEDS

All proceeds of debt incurred by the County, other than conduit debt obligations, held for the credit of the funds and accounts established in the Resolution shall be invested and reinvested by the County in Investment Obligations defined in the Resolution as any obligations permitted by the investment policy adopted by the County pursuant to Section 218.415, Florida Statutes, as modified, and in which surplus public funds may be invested under the laws of the State of Florida. Such investments or reinvestments shall mature or become available before the respective dates, as estimated by the County, that the money for such funds or accounts will be needed.

D. USE OF BOND AND NOTE PROCEEDS

All proceeds shall be used as described in the resolution authorizing the issuance. If funds are determined not to be needed for the purpose they were issued, such funds shall be transferred to the debt service fund to be applied to payment or prepayment of the bond or note, unless otherwise authorized in the issuance resolution.

E. COSTS AND FEES

All costs and fees related to the issuance of bonds, except conduit bonds, are paid out of bond proceeds unless otherwise determined by the Debt Management Team.

F. METHOD OF SALE

The Debt Management Team will prepare a method of bond sale for BOCC consideration based on a thorough analysis of the relevant rating, security, structure, and other factors pertaining to the proposed bond issue. The County's policy is to sell public debt using the method of sale expected to achieve the best result, considering all short-term and long-term implications. This analysis and selection will be undertaken with the advice of the Financial Advisor. Due to the inherent conflict of interest, the BOCC shall not use a ~~broker-dealer or~~ potential Underwriter to assist in the method of bond sale selection unless that firm has agreed not to underwrite that transaction. There are two methods to sell bonds.

1. Competitive Sale

In a Competitive Sale, the County conducts all tasks necessary to offer the bonds for sale and may use the assistance of attorneys, its Financial Advisor, or other consultants. The bonds are awarded to the Underwriter that has submitted the best price (i.e., the lowest true interest cost bid). Once the bid is awarded, the bond's pricing and major structural aspects are locked in, regardless of the success or failure of the Underwriter to sell the bonds to investors. In such instances where the County

deems the bids received unsatisfactory, it may, at the election of the BOCC, enter into negotiation for the sale of the securities.

2. Negotiated Sale

In a Negotiated Sale, the County may select firm(s) to provide debt-related financial services without an RFP or RFQ, consistent with County and State legal requirements. Alternatively, the County may select its Underwriters through an RFP process that appoints a pool of Underwriters for a term of up to five years. From that pool, senior managing and co-managing Underwriters for individual financings are selected through a "mini-RFP" process, typically conducted by the Financial Advisor on behalf of the County, based on their qualifications to manage the particular transaction under consideration. The Debt Management Team and the Financial Advisor then evaluate the responses.

The County will employ external consultants to perform all tasks necessary to offer the bonds for sale within the County's pool of Underwriters. The County's Financial Advisor will advise on all aspects of the sale, including selecting the Underwriter. Bond Counsel and Disclosure Counsel will also be retained.

**8. TAX-EXEMPT DEBT POST-ISSUANCE COMPLIANCE GUIDELINES**

A. PURPOSE

These post-issuance compliance policies and procedures are intended to guide the County to facilitate compliance with the federal tax law applicable to the County's outstanding debt issuances. In the event, these guidelines conflict, in whole or in part, with the Certificate Relating to Tax, Arbitrage, and Other Matters (the Tax Certificate) or other similar certificate prepared on behalf of the County in connection with a debt issuance, the terms of the Tax Certificate shall control. In addition, the County may deviate from these guidelines based on the advice of Bond Counsel. These guidelines do not apply to conduit issuances of debt by the County. However, the county encourages the adoption of such guidelines by conduit borrowers.

B. RESPONSIBILITY OF COUNTY OFFICIALS

Except as otherwise described herein, the Clerk of Court and Comptroller and the County Manager share primary responsibility for ensuring that the County's outstanding tax-exempt debt issuances are, and will remain, in compliance with federal tax law. The Clerk and County Manager will consult with other departments within the County, as well as third-party professionals (e.g., the County's Bond Counsel, County's Disclosure Counsel, County's dissemination agent, and arbitrage rebate provider), as needed, to ensure compliance with such rules, including these guidelines. The Clerk and County Manager will review these guidelines annually.

C. CLOSING OF DEBT ISSUANCES

1. Tax Certificates – Tax Exempt Debt



The County's Bond Counsel, with assistance from the Debt Management Team and other professionals associated with the financing, shall prepare a Tax Certificate in connection with each debt issuance issued by the County, to be delivered at closing. The Tax Certificate shall serve as the operative document for establishing the County's reasonable expectations as of the debt issuance date and provide a summary of the federal tax rules applicable to such issuance. In consultation with the County's Bond Counsel, the Debt Management Team will review the Tax Certificate prepared for each of the County's debt issues before closing the issue.

2. Internal Revenue Service Form 8038-G - Tax-Exempt Bonds

The County's Bond Counsel, with assistance from the Debt Management Team and other professionals associated with the financing, shall prepare an IRS Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, or similar form, in connection with each tax-exempt debt issuance issued by the County, which the Debt Management Team will review prior to closing. Each IRS Form 8038-G prepared for a tax-exempt debt issuance will be filed with the IRS no later than the 15th day of the second calendar month after the close of the calendar quarter in which the tax-exempt obligation to which such Form 8038-G relates is issued. The County's Bond Counsel shall file all Form 8038-Gs with the IRS.

D. USE OF DEBT PROCEEDS

1. Private Use

The County will not knowingly take or permit any action which would cause any of its outstanding debt issuances to become "private activity bonds."

Generally, an issue of debt will be considered "private activity bonds" if more than ten percent of the proceeds of the debt are used directly or indirectly in any trade or business carried on by a private business user and more than ten percent of the debt service on the debt is directly or indirectly (1) secured by any interest in property used or to be used in any trade or business carried on by a private business user or payments in respect of property used or to be used in any trade or business carried on by a private business user, or (2) derived from payments made in respect of property used or to be used in any trade or business carried on by a private business user. The threshold drops to five percent if the private business use of the debt proceeds is unrelated to or disproportionate to the governmental use of the debt proceeds.

2. Overview

The County routinely reviews, and will continue to review, third-party uses of its debt-financed facilities for potential "private business use." The Debt Management Team shall be responsible for such routine reviews of third-party use. Additionally, the County will continue to consult regularly with its Bond Counsel regarding the applicable federal tax limitations imposed on the County's outstanding debt issuances and whether arrangements with third parties give rise to private business use of the financed projects.



If the County enters into any arrangement that gives rise to private business use, the County will consult its Bond Counsel regarding the arrangement and whether such arrangement impacts the tax-exempt status of the County's outstanding debt, as applicable. Upon request made by the Clerk or OMB, the County Attorney, in consultation with Bond Counsel, shall review Service Contracts, leases and subleases, naming rights agreements, and joint venture and partnership agreements concerning potential private business use.

The private business use arrangements to be monitored by the County include, but are not limited to, the following:

a. Management or Other Service Contracts

In the event the County enters into a management contract, service agreement, operating agreement, or license (a Service Contract) with a third party, the County will evaluate whether such arrangement results in private business use. After initial review by the County Attorney, the Debt Management Team shall monitor all service contracts that involve the use of debt-financed property for compliance. If the County enters into a Service Contract that does not satisfy the safe harbors outlined in Revenue Procedure 2017-13, the County will consult with its Bond Counsel to assess the impact, if any, that the noncompliant Service Contract has on the tax status of the County's outstanding debt.

b. Leases and Subleases

After initial review by the County Attorney, the Debt Management Team shall monitor all leases and subleases that involve the use of debt-financed property, including such things as the name of the lessee or sub-lessee, the term of the lease or sublease, the amount of the rent paid by the lessee or sub-lessee, and the square footage of space used by the lessee or sub-lessee relative to the square footage of the debt-financed property.

c. Naming Rights Agreements

After initial review by the County Attorney and consultation with Bond Counsel, the Debt Management Team shall monitor all naming rights agreements that involve debt-financed property, including the term of the arrangement and the amount paid by the naming party.

d. Joint Ventures and Partnership Arrangements

After initial review by the County Attorney and consultation with Bond Counsel, the Debt Management Team shall monitor all joint ventures, partnerships, or other cooperative agreements that involve the use of debt-financed property.

3. Sale of Debt-Financed Property

The county's policy is to use debt proceeds to finance property that the County intends to own for the entire term of the debt issued to finance the projects. Before selling or otherwise disposing of any debt-financed project for which debt remains outstanding, the County shall consult with its Bond Counsel to determine the impact, if any, such sale or disposition would have on the tax status of the County's outstanding debt.

4. Remedial Actions

The County is aware of the remedial action rules contained in Treasury Regulations Section 1.141-12, providing the County with the ability, in certain circumstances, to voluntarily remediate violations of the private business tests or private loan financing test. Although the County intends that none of its debt issuances will require the application of the remedial action rules, before taking any action that would cause one of its outstanding debt issuances to violate the private business tests or private loan financing test (absent a remedial action), the County shall consult with its Bond Counsel regarding the applicability of remedial action rules and the ability to remediate the impacted debt issuance.

5. Private Loans

Except in connection with the issuance of conduit bonds, the County will not loan the proceeds of any County debt issuance to a third party, other than governmental units within the meaning of Section 141 (c) of the Code.

E. ARBITRAGE LIMITATION IMPOSED ON DEBT ISSUANCES

1. Arbitrage Rebate Monitor

The Clerk of Court and Comptroller will continue to retain an arbitrage rebate monitor to review outstanding debt issuances, unless, in the judgment of the Clerk, and in compliance with these policies and procedures and the Tax Certificate or other related documents entered into in connection with a debt issuance, there is no reasonable prospect of an arbitrage rebate or yield reduction payment liability. If an arbitrage rebate monitor is retained, the arbitrage rebate monitor will perform calculations to ascertain whether the County owes an arbitrage rebate payment or yield reduction payment to the IRS, including whether the debt issuance in question qualifies for an exception to the arbitrage rebate rules.

2. Yield Restrictions Limitations

Each Tax Certificate or other related documents prepared for the County's debt issuances shall contain the applicable yield restriction investment limitations, including the applicable investment limitations imposed on proceeds of the debt issuance and any temporary periods during which the County may invest proceeds of the debt issuance at an unrestricted yield.

3. Monitoring Yield Restriction Limitations



The Clerk of Court and Comptroller will ensure that the County complies with the yield restriction limitations outlined in the Tax Certificate or other related documents entered into by the County in connection with debt issuance, including any exceptions to yield restriction described therein.

4. Payment of Arbitrage Rebate and Yield Reduction Liability

In the event the County owes arbitrage rebate or has accrued a yield reduction payment liability to the IRS, the County will timely submit IRS Form 8038-T, Arbitrage Rebate Yield Reduction and Penalty in Lieu of Arbitrage Rebate, to be prepared by the arbitrage rebate monitor, together with payment in the amount equal to the arbitrage rebate or yield reduction payment liability calculated by the arbitrage rebate monitor per the Tax Certificate or other related documents related to such debt issue.

Within sixty (60) days after each installment computation date, the County will cause to be paid to the IRS at least ninety percent of the amount of arbitrage rebate and yield reduction payment liability owed. Within sixty days after the final installment computation date, the County will cause to be paid to the IRS one-hundred percent of the amount of arbitrage rebate and yield reduction payment liability owed.

5. Expenditure of Tax-Exempt Debt Proceeds

It is the policy of the County to expend debt proceeds as promptly and diligently as possible within the confines of these policies and procedures and the Tax Certificate or other related documents entered into by the County in connection with a particular debt issuance. For these purposes, it is the County's policy generally not to finance projects using the proceeds of debt for which the County expects that the debt proceeds will not be entirely spent within three years of the date of issue of the debt.

6. Arbitrage Rebate Exceptions

Each Tax Certificate or other related documents prepared for the County's debt issuances shall contain the arbitrage rebate exception(s) applicable to the debt issuance and which arbitrage rebate exceptions(s) will be applied (by the rebate monitor) in assessing whether the County owes arbitrage rebate.

7. Verification Agent

The County will retain a third-party verification agent for each of its advance refunding bond issues. The County may waive the requirement for a verification agent if no escrow securities are purchased and the escrow is gross funded. The verification agent will verify the arbitrage yield on the tax-exempt debt issuance, the arbitrage yield on the investments acquired as part of the refunding escrow established using gross proceeds of the debt issuance, and the sufficiency of the refunding escrow.

8. Establishment of Refunding Escrows and Trustee Responsibilities



The County will deposit debt proceeds and any other amounts to be used to advance refund County debt into one or more separate escrow trust accounts established with the trustee or escrow agent selected for the transaction.

Working with the Bond Counsel, and in accordance with the documentation prepared for the refunding transaction, the County will impose primary responsibility for initiating actions required to be taken concerning the refunding escrow (including the reinvestment of amounts within the escrow and disbursing funds from the escrow) on the trustee or escrow agent. In the event of an omission on the part of the trustee or escrow agent, an error in the documentation or procedures establishing the escrow, or investment to be acquired as part of the refunding escrow is not available for purchase, the Debt Management Team will timely consult with the Bond Counsel, as applicable, to determine the impact, if any, on the status of the bond issue and actions to be undertaken by the County to ensure the continuing status of the obligations.

9. Acquiring Investments for Refunding Escrows

It is the policy of the County to maximize the investment return on all investments acquired with bond proceeds and to acquire such investments at fair market value.

In the event the County chooses to fund an advance refunding escrow using securities purchased on the open market, the County will, if possible, solicit bids from providers of qualifying securities in accordance with the limitations described in the "3-Bid" safe harbors outlined in Treasury Regulations Section 1.148-5(d)(6).

10. Interest Rate Hedges

Through the Debt Management Team, the county will engage a third-party Financial Advisor for all interest rate hedges entered into by the County, irrespective of whether any such hedge is acquired through a direct negotiation with the provider or procured through a bidding process. In all cases, the County will obtain appropriate certifications from its Financial Advisor and/or the provider to establish the product's fair market value. The County will consult with its Bond Counsel concerning all interest rate hedging transactions related to an outstanding or prospective debt issuance before the date on which the interest rate hedging transaction is entered.

F. ACCOUNTING FOR DEBT PROCEEDS

1. General

Except as otherwise described below and in the Tax Certificate entered into by the County in connection with a debt issuance, it is the county's policy to consistently apply a generally accepted method of accounting for allocating its debt proceeds.

2. Investment Proceeds

Proceeds of the County's capital borrowings shall be accounted for in a separate fund or account. All proceeds shall be invested at the direction of the Clerk of Court and Comptroller per the County's investment policy adopted by the BOCC.

3. Expenditure of Debt Proceeds on Capital Projects

The respective responsible department will initially review and approve invoices related to the debt-financed expenditures and forward them to OMB and the Clerk for subsequent review and approval of invoices to cause payment to be made. All invoices and records of payment shall be retained by the County per the proceeding section G, "Recordkeeping," found below.

The County shall maintain an active ledger, updated with each payment of an expenditure from debt proceeds that shows:

- a. The name and date of the debt issue to which the proceeds relate,
- b. The projects financed with the proceeds of the issue,
- c. The authorized amount of proceeds used to finance each project,
- d. The amount of proceeds of the debt issuance used to date to finance each project,
- e. The amount of unspent proceeds of the debt issuance to be used to finance each project, and
- f. The date on which the debt proceeds related to each project were fully expended.

G. RECORDKEEPING

1. General

The County is aware of its ongoing recordkeeping responsibilities associated with its debt issuances. Each Tax Certificate prepared on behalf of the County (for a debt issuance) shall describe records to be maintained by or on behalf of the County and the time such records must be maintained.

2. Means of Maintaining Records

The County shall maintain all records required as described in this section in a manner consistent with State Record Law. These records will be stored in paper or electronic form (e.g., CD, drives, disks) either internally or through the dissemination agent. It is the policy of the County to maintain as much of its records electronically as feasible.

3. Transcript and Use of Debt Proceeds

The County shall maintain, or cause to be maintained, all records relating to the tax-exempt status of its tax-exempt debt issuances and the qualification of County debt and the representations, certifications, and covenants outlined in its respective Tax



Certificates. Records shall be held until three (3) years after the last outstanding obligation of the issue to which such records and related Tax Certificates have been retired. These records include, but are not limited to, the following:

- a. Basic records and documents relating to the obligations (including the transcript, which shall include, among other records, the Tax Certificate, IRS Form 8038-G or 8038-8, verification report, authorizing resolution(s), trust indenture, loan agreement, record of public approval, and the opinion of Bond Counsel);
- b. Documentation evidencing the expenditure of debt proceeds;
- c. Documentation evidencing interest paid by the County (for which refundable credits are claimed) and all IRS Form 8038-CPs submitted on behalf of the County;
- d. Documentation evidencing the use of debt-financed projects by public and private sources, including copies of all arrangements described in Part 8 Section D of these policies and procedures;
- e. Documentation evidencing all sources of payment or security for the debt issuance; and
- f. Documentation pertaining to any investment of debt proceeds (i.e., the purchase and sale of securities, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations).

4. Arbitrage Rebate and Yield Reduction Payment Records

The County shall maintain all records of arbitrage rebate payment and yield reduction payment calculations performed by the arbitrage rebate monitor (irrespective of whether the County owed any amount to the IRS), and records related to any arbitrage rebate payments or yield reduction payments made to the IRS, including the calculations performed by the arbitrage rebate monitor substantiating such payments, together with the IRS Form 8038-T, Arbitrage Rebate, Yield Reduction, and Penalty in Lieu of Arbitrage Rebate, that accompanied all such payments, until the date three years after the last outstanding obligation of the issue to which such records and related rebate payments have been retired.

5. Overpayment of Arbitrage Rebate Records

The County shall maintain all records of arbitrage rebate payments or yield reduction payments, including calculations performed by the arbitrage rebate monitor, together with the IRS Form 8038-R Request for Recovery of Overpayments Under Arbitrage Rebate Provisions that accompanied the request for recovery of such overpayment. These records shall be maintained until the date three (3) years after the last outstanding obligation of the issue to which such records and related rebate overpayments have been retired.



6. Other Records

The County will also maintain the following records, to the extent applicable to a particular debt offering, until the date three (3) years after the last outstanding obligation of the issue to which such relates have been retired:

- a. Minutes and resolutions authorizing the issuance of, or the reimbursement of expenditures using proceeds of, the financing,
- b. Appraisals, demand surveys, and feasibility studies related to debt-financed or refinanced property,
- c. Documentation relating to any third-party funding for a project to which debt proceeds will be applied (including government grants),
- d. Records of any IRS audit, compliance check, or other IRS inquiry related to debt.

7. Applicability of Recordkeeping Requirement in the Event of a Refunding

In the event the County issues debt to retire County debt, the County shall maintain all records described in this section with respect to the refunded debt until the date that is three (3) years after the last outstanding obligation of the issue, the proceeds of which were used to retire the refunded debt have been retired.

**9. CONTINUING DISCLOSURE OBLIGATIONS GUIDELINES**

The County will provide continuing disclosure, such as annual financial information and material event notices, pursuant to a continuing disclosure agreement or similar document (the Continuing Disclosure Document) prepared by Disclosure Counsel and made a part of the transcript with respect to each issue of bonds of the County that is subject to such continuing disclosure requirements. The continuing disclosure obligations of the County are governed by the Continuing Disclosure Agreements (CDAs). The Clerk is primarily responsible for such continuing disclosure obligations and monitoring compliance with such obligations. The Clerk files all continuing disclosure obligations through its dissemination agent.

**A. RESPONSIBILITY OF COUNTY OFFICIALS**

Generally, publicly offered bonds issued by state and local governments are subject to ongoing monitoring and reporting with respect to federal disclosure requirements pursuant to their CDAs, as well as compliance with federal tax requirements specifically related to tax-exempt bonds. In addition to federal securities and tax requirements, issuers may face a variety of other compliance obligations, such as bond indenture requirements, state and local law, and policy requirements.

Comprehensive post-issuance compliance consists of policies and procedures designed to assist an issuer of bonds in complying with all relevant requirements that apply to each series of bonds from the date they are issued until the bonds are no longer "outstanding."

Market disclosure, in general, is subject to the anti-fraud rules under the federal securities laws. Disclosures by issuers are generally made in three contexts: (1) primary market disclosure through offering documents prepared for primary offerings of securities; (2) secondary market disclosures prepared in compliance with undertakings under The Rule; and (3) releases and/or statements by the issuer and its officials that are reasonably expected to reach investors and the trading markets, such as communications through investor websites, press releases or other public responses.

The County shall engage Disclosure Counsel to advise on disclosure obligations and requirements under the federal securities laws.

#### B. PRINCIPLES

1. Everyone involved in the County disclosure process should be encouraged to raise potential disclosure items at all times in the process.
2. Everyone should be encouraged to raise issues to the next level of the review chain.
3. While care should be taken not to shortcut or eliminate any steps outlined in these guidelines on an ad hoc basis, they are a continuing process, and recommendations for improvement should be solicited and regularly considered.
4. The process of primary disclosure should not be viewed as a mechanical insertion of current information and data. Everyone involved in the preparation of official statements should consider the need for revisions in the form and content of the sections for which they are responsible at the time of each update.
5. Care should be taken that information produced and maintained for public consumption, which may be relied upon by an investor to make an investment decision, is accurate as of its publication date.
6. If you are not sure if it is material or not, err on the side of concluding that it is material.
7. Prior to undertaking any voluntary continuing disclosure filings, the County should first consult with its Disclosure Counsel. If it is determined to be beneficial to undertake a voluntary continuing disclosure filing, the County should be consistent in its filings. Such voluntary filings can also be subject to federal securities law liability. Any voluntary continuing disclosure filings should contain no material omissions or misstatements.
8. Consideration should be made, based on consultation with Disclosure Counsel, as to whether a public statement by a County official or the response by the County to an



investor inquiry (e.g., a question from one of the County's bondholders) may be material enough to merit a voluntary Electronic Municipal Market Access (EMMA).

### C. POLICIES

#### 1. Preparation of Annual Continuing Disclosure Filing

Each year, the Clerk shall review the County's annual filing requirements in each active continuing disclosure undertaking to determine what financial information and operating data must be updated and filed and when such filings should be submitted. The Clerk shall comply with the annual filing requirements of all such undertakings. The preparation process shall be the same as the preparation of Official Statements. The Clerk of Court and Comptroller's Office may employ the services of an outside dissemination agent to assist with the foregoing responsibilities.

#### 2. Monitoring Events Which May Trigger Continuing Disclosure Filing

Periodically, the Clerk shall review the list of enumerated events in each active continuing disclosure undertaking to maintain awareness of the circumstances that may trigger a filing obligation, including the time frame such a filing would be required to be made. The Clerk's office shall use their best efforts to comply with the ongoing filing requirements of all such undertakings. Two enumerated events will be included in Continuing Disclosure Agreements made upon the issuance of public offerings that close on or after February 27, 2019. Those enumerated events include the following:

- a. The incurrence of a financial obligation of the issuer or obligated person, if material (a new obligation event), or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material (a revised obligation event), and
- b. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties (a financial distress event). (Note the lack of a materiality standard in this section (b) compared to section (a) above.)

#### 3. Materiality, Financial Obligations, and Financial Difficulties

Certain enumerated events in The Rule require a materiality determination to be made by the County. When making a determination of materiality, the Clerk's Office should ask whether the information would be important to a reasonable investor (for example, consider what is pledged, what is the priority, what is the size of the borrowing relative to the County's budget, what events of defaults were granted, what remedies were granted, etc.). The Clerk should also consult Disclosure Counsel.

In addition to monitoring the list of reportable events, the Clerk should do the following:



- a. Inventory all existing financial obligations and planned borrowings on a spreadsheet as a living and breathing document, as outlined below,
- b. Monitor debt issuance plans and such financial obligations on an ongoing basis for any of the reportable events described in Section (9) C(2) of this document and, if any such event occurs, to ensure the filing of a notice on EMMA of such within ten (10) business days of the occurrence of such event.

The Clerk should consult with the ongoing Disclosure Counsel in preparing for and executing this responsibility. Material failures to timely comply with Continuing Disclosure Agreements must be disclosed in official statements for five years following non-compliance. Having a dissemination agent alone is not enough because it is the Clerk's office, not the dissemination agent, which first obtains knowledge that one of these events has occurred. A dissemination agent is generally not tasked with monitoring the issuer's debt plans and financial obligations on an ongoing basis to determine if a new obligation event occurs, a revised obligation occurs, or a financial distress event occurs. For example, they are often not on a distribution list for an upcoming bank loan.

Examples of a financial obligation (i.e., a new obligation event) include, but are not limited to, a debt obligation, a bank loan, the closing date of a drawdown line of credit, initial establishment of a new commercial paper program, a forward interest rate swap, a cap, a collar, a traditional interest rate swap, a derivative, a guarantee, an inter-local funding agreement, an equipment lease financing that is like a borrowing (e.g., a bank-affiliated leasing company is involved in addition to the equipment vendor), a certificate of participation, a subject to annual appropriation financial obligation, etc.

An example of a "revised obligation event" includes that the covenants in a private placement or loan agreement may be changed because of improvements to the issuer's financial condition or if the parties wish to restructure the loan for other reasons. It is not necessary that a revised obligation event reflect financial difficulties. Another example would be substituting existing security with stronger security with the consent of the lender for non-financial reasons, which has nothing to do with financial difficulties and would be considered a revised obligation event.

#### D. VOLUNTARY CLOSING AGREEMENT

The County is aware of its ability, under IRS Notice 2008-31, to request a voluntary closing agreement with the IRS to correct failures on the part of the County to comply with the federal tax rules related to tax-exempt debt issuances.

#### E. CONTINUING EDUCATION

The County will regularly consult with its Bond Counsel regarding the federal tax rules applicable to its outstanding debt and changes to the federal tax law. It shall regularly update these policies and procedures to reflect any changes.

The Debt Management Team shall undertake a reasonable amount of continuing education annually. Continuing education includes, but is not limited to, consulting with outside professionals, participation in conferences, reading informational updates from governmental resources and professional organizations, and attending webinars through the dissemination agent or others.

**PURPOSE:** Nassau County has a significant investment in capital assets such as land, land improvements, buildings, machinery & equipment, and infrastructure. In a continuing effort to present meaningful financial reporting, accountability, and operational efficiencies in managing these assets and to comply with the established guidelines of GASB 34, Chapter 274, Florida Statutes, and 69I-73, Florida Administrative Code, the Board of County Commissioners hereby establishes the following asset capitalization policy. This policy includes asset class definitions, capitalization thresholds, and depreciation methods.

**POLICY:**

**1. Capital Asset Definition**

The term capital asset describes assets used in operations with initial lives extending beyond a single reporting period. Capital assets may be either intangible (e.g., easements, water rights, licenses, leases) or tangible (e.g., land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, and infrastructure).

**2. Capital Asset Improvements Definition**

Improvements are defined as additional value that materially extends the useful life or increases the service capabilities of an asset beyond one year. Repairs and maintenance are not capitalized, as they only serve to retain value and will be expensed in the period it occurs.

**3. Property Supervision and Control**

Per Section 274.03, Florida Statute, the Board of County Commissioners, as the governmental unit, shall be primarily responsible for the supervision and control of its assets. Per statutory provisions and by approval of this policy, the Board of County Commissioners delegates its use and immediate control of tangible personal property to department heads and constitutional officers. These delegates are named as follows:

1. Custodian - Department Heads/Constitutional Officers, by virtue of their position, have immediate control and are delegated the authority and responsibility as Property Custodians.
2. Custodial Delegate - Department Heads/Constitutional Officers may appoint a person to serve as their custodial delegate to carry out the duties of the Property Custodian. However, this does not relieve the Department Head/Constitutional Officer of their responsibility and accountability as the Property Custodian.

The Clerk of the Circuit Court and Comptroller shall establish procedures for the proper recording, reporting, management, and inventory of capital assets in the accounting system to ensure that all custodians comply with the statutory provisions and accounting requirements for capital assets.

**4. Capital Asset Valuation and Reporting**

Capital assets are reported at historical costs, which can include: (1) all charges to place the asset in its intended location (e.g. freight); (2) all charges to place the asset in its intended condition for use (e.g. installation or site preparation); and, (3) subsequent additions or improvements that enhance a capital asset's functionality or extends its useful life. Examples of items to be included in the cost of a capital asset may include, but are not limited to:

- Original contract or invoice price
- Legal and title fees



- Closing costs
- Appraisal and negotiation fees
- Surveying fees
- Land preparation costs
- Demolition costs
- Developer costs
- Transportation charges
- Freight and handling costs
- Storage costs necessary to transport an asset to the intended location
- Costs associated with putting a vehicle or other equipment into service

When the historical cost of a capital asset is not practicably determinable, the asset's estimated cost may be used to value and record the asset. The estimated historical cost should be determined by appropriate methods and recorded. Estimated historical costs should be identified in the record and the basis of determination established in the records. The basis of valuation for capital assets constructed by County personnel should include the costs of material, direct labor, and overhead costs identifiable to the project.

Costs of extended warranties or maintenance agreements that can be separately identified from the equipment cost should not be capitalized.

Donated capital assets shall be reported at their fair market value on the date the donation is accepted.

#### 5. Depreciation Method

Depreciation is recorded to allocate an asset's cost over its useful life. Capital assets shall be depreciated over their estimated useful lives unless they are:

- Inexhaustible (e.g., land)
- Construction in progress
- Considered to have an indefinite useful life

Nassau County uses straight-line depreciation. Capital assets should generally have no residual value at the end of their useful life.

Depreciation does not affect the removal of a capital asset from inventory.

#### 6. Capitalization Categories and Thresholds

##### A. Land

It is the County's policy to capitalize all acquired land. Land will never be depreciated unless an evaluation is needed in the rare case of depletion of resources in the land purchased.

Items to be capitalized with the land will be:

- The purchase price or the determined fair market value (if the land is donated)
- Preparation costs (if indefinite useful life) of basic site improvements
- Land excavation, fill, grading, drainage
- Demolition of existing buildings and improvements (less salvage)
- Removal, relocation, or reconstruction of other property on the land
- Includes related rights (unless acquired separately)

- Commissions, professional fees (title searches, architect, legal, engineering, appraisal, surveying, environmental assessments, etc.)

#### **B. Buildings and Building Improvements**

A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable.

The county's policy is to capitalize buildings with a value of \$50,000 or greater and depreciate them for ten to fifty years.

Examples of items to be capitalized as part of the building will be:

- Original purchase price and any other costs associated with preparing the building for use
- All costs related to the original construction of a building
- Environmental Compliance
- Professional fees (i.e., legal, architect, inspections, title searches, etc.)
- Cost of building permits
- Cancellation or buyout of existing leases
- Expenses for remodeling, reconditioning or altering a purchased building to make it ready to use for the purpose for which it was acquired

Any building improvement of \$25,000 or more will be added to the cost of improving the building and depreciated over ten to fifty years.

Examples of items to be capitalized as building improvements are:

- Additions to buildings (i.e., expansions, extensions, or enlargements)
- Installation or upgrade of heating and cooling systems
- Structural changes such as reinforcement of floors or walls, installation or replacement of beams, rafters, joists, steel grids, or other interior framings
- Exterior renovation, such as installing or replacing siding, roofing, masonry, etc.

Examples of items to be considered maintenance and repairs and not capitalized as buildings are:

- Adding, removing, or moving walls relating to renovation projects that are not considered significant rehabilitation projects and do not increase the value of the building
- Improvement projects of minimal or no added life expectancy or value to the building
- Plumbing or electrical repairs
- Cleaning, pest extermination, or other periodic maintenance
- Interior decorations such as draperies, blinds, curtain rods, wallpaper, etc.
- Exterior decorations such as detachable awnings, uncovered porches, decorative fences, etc.
- Maintenance-type interior renovation such as repainting, touch-up plastering, replacement of carpet, tile, or panel sections, sink and fixture refinishing, etc.
- Maintenance-type exterior renovation such as repainting, replacement of sections of deteriorated siding, roof, or masonry, etc.

#### **C. Improvements to Land Other Than Buildings**

The capitalization threshold for Improvements to Land Other Than Buildings will be \$25,000 or greater and depreciate from ten to thirty years, depending on the improvement. Each improvement project will be evaluated for the appropriate useful life.

Items to be capitalized as Improvements to Land Other Than Buildings will include, but are not limited to:

- Fences and gates
- Parking lots
- Landscaping
- Retaining walls
- Park peripherals
- Paths and trails
- Gazebos
- Pavilions
- Recreation areas and athletic fields
- Basketball courts, playground equipment, swimming pools, and tennis courts
- Shade structures
- Signals and signage
- Boat docks and ramps

**D. Machinery, Vehicles, and Equipment**

Machinery, Vehicles, and Equipment will be capitalized at \$5,000 or greater and depreciated over the asset's useful life, from three to twenty years.

Items to be capitalized as machinery, vehicle, and equipment will include, but are not limited to:

- Machinery
- Technology Equipment
- Vehicles
- Furniture
- Library books (capitalized as a collection, annually)

**E. Works of Art, Historical Treasures, and Similar Assets**

Acquired works of art, historical treasures, or similar assets shall be capitalized regardless of value.

Departments acquiring items in this class must notify the Clerk of Court and Comptroller about the asset's value and estimated useful life (along with a description). If this information is unavailable, the Clerk must still be informed.

Works of art, historical treasures, or similar assets will be depreciated unless it is determined that the item has an inexhaustible life. The useful life for art should range from twenty to fifty years. For donated assets, fair market value will be used to determine the asset value.

**F. Infrastructure and Improvements**

Infrastructure is defined by GASB 34 as a long-lived capital asset that is normally stationary in nature and can be preserved for a significantly greater number of years than most capital assets. The capitalization threshold for infrastructure will be \$50,000 or greater per project and depreciate over ten to fifty years. Items costing less than \$50,000 will be expensed in the year of purchase. Any land associated with infrastructure will be recorded separately under the land section of capital assets.



Items to be capitalized as infrastructure will include, but are not limited to:

- Roads and streets, including peripherals such as landscaping, curbs, gutters, sidewalks, and streetlights, when incorporated into the construction project
- Bridges
- Driveways and parking barriers
- Stormwater drainage improvements
- Water and sewer utility plant, piping equipment
- Water and wastewater transmission and distribution systems

Improvements made to infrastructure assets that extend the useful lives, increase the value, or increase the service capabilities of the asset beyond one year should also be capitalized.

#### **G. Construction in Progress**

Construction in Progress is used as a placeholder for future asset items that have not yet been completed, such as buildings, infrastructure, additions, alterations, reconstruction, and installation. Assets to be capitalized as Construction in Progress will be determined by their asset classifications listed in this policy. They will be considered capitalizable upon meeting one of the following requirements:

- The asset is placed into service
- Final acceptance from the contractor (defined below)

##### Final Acceptance from the Contractor

After a project has been completed, tested, and inspected (per the contract requirements) and ownership and maintenance of the asset have switched from the contractor to Nassau County.

#### **H. Software**

Software, in general, is a computer program used to perform tasks and specific functions. The costs included in the software will be the acquisition cost of software purchased or created by the government (internally generated) or by a contracting party acting on the government's behalf.

The process of developing and installing internally generated computer software can be grouped into the following stages:

1. Preliminary Stage – This stage includes such things as making decisions about the allocation of resources, determining performance requirements, conducting supplier demonstrations, evaluating technology, and supplier selection. All outlays associated with the preliminary stage should be expensed as incurred.
2. Application Development – Includes materials and services consumed in the development effort, such as third-party development fees, software purchase costs, coding, installation of hardware, and testing, including data conversion needed to make the software operational. All outlays related to the activities in the application development stage should be capitalized. Capitalization should cease once the software is substantially complete and operational (i.e., ready for use).
3. Post-Implementation/Operation Stage – Activities in this stage include application training, data conversion that is beyond what is strictly necessary to make the software operational, licensing, and software maintenance. All outlays associated with the activities in the post-implementation (operation stage) should be expensed as incurred.

The activities within the three stages of development may occur in a different sequence. The recognition for outlays associated with internally generated software should be applied based on the nature of the activity, not the timing of its occurrence.

The minimum capitalization level for software will be \$50,000, with each software purchase individually evaluated for a useful life.

**I. Easements or Right-of-Way**

Easements or Right-of-Ways are defined as a right to cross or otherwise use someone else's land for a specified purpose. For example, easements are used for roads or granted to utility companies for the right to bury cables or access utility lines.

Easements or Right-of-Way will be capitalized at \$10,000 or greater and individually evaluated for useful life.

**J. Other Capital Assets**

The Other Capital Asset category is used for assets that do not easily fit into the above categories. Capitalization minimum levels for Other Capital Assets will be \$50,000, and each asset is individually evaluated for a useful life. Items to be capitalized as Other Capital Assets will include, but not are limited to:

- Patents: A patent safeguards an original invention for a certain period and is granted by the United States Patent and Trademark Office. It allows for the exclusive right granted by a government to an inventor to manufacture, use, or sell an invention for a certain number of years.
- Copyrights: Copyrights protect “works of authorship,” such as writings, art, architecture, and music. As long as the copyright is in effect, the copyright owner has the sole right to display, share, perform or license the material.
- Trademarks: A trademark is any word, name, symbol, design, or any combination thereof, used in commerce to identify and distinguish the goods of one manufacturer or seller from another and indicates the source of the goods.
- Use Rights: Use rights are defined as the right to utilize land per its zoning, including any lawful departure or consent use. “Utilization” in relation to land means the use of land for a purpose and includes the extent of such use.

**K. Summary of Asset Classifications and Thresholds**

Asset	Threshold	Useful Life
Land	Capitalize All	Indefinite
Buildings	\$50,000	10 - 50 Years
Building Improvements (Capitalized as Part of Buildings)	\$25,000	10 - 50 Years
Improvements to Land Other Than Buildings	\$25,000	10 - 30 Years
Machinery, Vehicles, and Equipment	\$5,000	3 - 20 Years
Works of Art, Historical Treasures, and Similar Assets	Capitalize All	20 - 50 Years
Infrastructure and Infrastructure Improvements	\$50,000	10 - 50 Years
Construction in Progress	Use Final Intended Asset Class Threshold	Use Final Intended Asset Class Useful Life
Software	\$50,000	Individually Evaluated
Easements or Right-of-Way	\$10,000	Individually Evaluated
Other Capital Assets	\$50,000	Individually Evaluated

**7. Group of Assets**

Assets whose individual acquisition costs are less than the threshold for an individual asset should be capitalized if those assets in the aggregate are significant. Computers, furniture, and library books are examples of asset types that may not meet a capitalization policy on an individual basis yet could be significant collectively. Example: Purchasing 100 computers costing \$1,500 each (\$150,000 aggregate) is significant and should be capitalized.

Each item of property shall be accounted for in a separate asset record. Related individual items which constitute a single functional system may be designated as an asset group. The asset group may be accounted for in one record if the component items are separately identified within the record. All property group items, the total value or cost of which is equal to or greater than \$100,000 shall be inventoried under this rule.

**8. Attractive Items**

Attractive items are defined in Florida Administrative Code 69I-73 as tangible personal property used in operations with a cost less than an established capitalization threshold and requiring special attention to ensure legal compliance, protect public safety, and avoid potential liability or compensate for a heightened risk of theft. Attractive items shall be recorded and accounted for in the County’s financial system as property (for inventory purposes) but are not capitalized.

The Clerk and County Manager shall develop written internal policies and procedures to ensure adequate controls are in place for managing items that are not capitalized and fall within the following categories:



- a. *Items that require special attention to ensure legal compliance.* Legal or contractual provisions may require a higher than ordinary level of accountability over certain capital-type items (e.g., items acquired through grant contracts).
- b. *Items that require special attention to protect public safety and avoid potential liability.* Some capital-type items by their very nature pose a risk to public safety and could be the source of potential liability (e.g., firearms, voting equipment).
- c. *Items that require special attention to compensate for a heightened risk of theft.* Some capital-type items are both easily transportable and readily marketable or easily diverted to personal use (e.g., sound equipment, laptops, and tablets).

Examples of attractive items include the following assets, at a minimum:

- Firearms
- Voting Equipment
- Radios and other restricted communication devices
- Assets purchased from State or Federal Grants
- Mobile computing devices with a unit cost of \$1,000 or more (i.e., laptops, notebooks, tablets, and smartphones)
- Other Information Technology (IT) equipment containing critical or sensitive data

Other examples shall include the following assets with unit costs of \$1,000 or more:

- Personal Computers and monitors
- Printers
- Cameras, video cameras, televisions, and associated equipment
- Projectors
- Scanners
- Tools and Toolsets
- Lawn equipment, trailers, and generators

The Clerk and County Manager may define additional types of equipment or require equipment identified (above) at a lesser threshold as attractive items based on certain considerations.

Below are a few examples of what will be considered when evaluating risk and determining what should be treated as an attractive item:

- Has the item been stolen in the past?
- How portable is the item?
- Is it new technology or a high-tech item?
- Is it adaptable for Personal Use?
- Does it contain critical or sensitive data?
- How accessible is the area where the asset is located? (e.g., a controlled area, where very few individuals have access, or public, unrestricted access).
- An assessment of the benefits received by tracking non-capital property as an attractive item compared to the cost involved with the process of marking and tracking the attractive item.

This policy does not preclude a department head from monitoring and recording items identified by other internal policies and procedures for inventory control purposes.

- PURPOSE:** Nassau County (“County”) actively pursues grants and legislative appropriations to enhance its ability to deliver quality services to its citizens at the lowest possible costs. This policy is designed to provide guidance for legislative appropriation grants and other grants (collectively “grant(s)”) under the Board of County Commissioners (“BOCC”) jurisdiction and to ensure that grants are handled in a consistent and efficient manner to meet the needs of both the grant agency and the BOCC.
- GOALS:** To seek legislative appropriations and grant funding that will enhance, support and provide additional services to the County and to focus on practices to assure ongoing compliance,~~–which–~~ These opportunities will clearly provide a positive benefit to the community or needed infrastructure improvements that may not be otherwise provided at adequate levels due to limited County revenues. ~~To focus on practices to assure ongoing grant compliance.~~
- POLICY:** This policy is intended to supplement, not replace, the normal operating procedures of the County. Budgeting, purchasing, accounting, and all other County policies should be adhered to in the application ~~for~~ and administration of all grants or legislative appropriations awarded to the BOCC, unless specific exemptions are identified in the grant-agreement. It is important to understand that when ~~in~~-accepting grant-funds from other agencies, the County ~~is~~-accepting accountability for the expenditure of the funds. It is the intent of the County to ~~provide~~-ensure proper financial controls are in place and ~~to ensure~~ that the funds are used for the best purpose ~~for which they are as~~ intended by the awarding agency and the agreement. The successful administration of a legislative appropriation or grant involves the commitment and coordination of several offices within the County BOCC along with the Constitutional Officers (e.g. Supervisor of Elections, Tax Collector, Clerk of the Court & Comptroller, Property Appraiser, and Sheriff).

## I. ROLES AND RESPONSIBILITIES

- A. **GRANT PROJECT DIRECTOR:** The Grant Project Director is the most important administrator of the grant. The Grant Project Director may be either a designated BOCC employee or Constitutional office employee. They are responsible for carrying out the requirements of the grant. The other positions involved will be in the administration of the grant, but the Grant Project Director will be involved in the daily operation of the grant to make sure the objectives are being achieved. The Grant Project Director needs to be completely familiar with the grant-agreement and be able to review the accuracy and completeness of expenditure reports. The timely completion of reports required by the grant is the responsibility of the Grant Project Director, as well as conducting all internal program and fiscal monitoring. The Grant Project Director should be listed as the contact person in the grant-application.
- B. **GRANT COORDINATOR:** The Grants Manager Specialist-of the Office of Management and Budget (“OMB”) will serve as Grant Coordinator. The Grant Coordinator will research funding opportunities, evaluate eligibility requirements, maintain 'Grants in the Pipeline' intranet site for centralized communication with departments, assist with documentation for application, maintain all grant files in ~~the Office of Management and Budget-OMB~~ and coordinate the accounting and auditing requirements with Clerk of the Court for compliance and monitoring cost share/match. Copies of all grant-applications, grant-agreements, reports, reimbursements, and other necessary documents must be provided to the Grant Coordinator. The Grant Coordinator will have direct contact with both the Grant Project Director and, if applicable, the grant-awarding agency to help resolve issues which may come up during the grant period. The Grant Coordinator shall be familiar with all applicable Federal and State Grant-Regulations and the specific conditions associated with each grant. Although grant reporting is the responsibility of the Grant Project Director, the Grant Coordinator will also monitor this activity for timeliness and accuracy. It is the Grant Coordinator's responsibility to make sure that requests for reimbursement are according to the Grant-Agreement in order to avoid delays and receive full reimbursement.
- C. **OFFICE OF MANAGEMENT AND BUDGET:** ~~The Office of Management and Budget-OMB~~ must review all legislative request and grant applications on behalf of the BOCC before they are



~~submitted prior to submission~~ to the ~~grant-awarding~~ agency. ~~The Office of Management and Budget OMB~~ must be satisfied that the funding and expenditure proposals in the application do not create unnecessary burdens to implement and identify that funds are available for a match, if required. OMB will forwards its recommendations to the County Coordinator.

- D. **COUNTY COORDINATOR:** On behalf of the ~~Board of County Commissioners~~BOCC, the County Coordinator shall serve as the Commissioners' designee to the extent allowable by the awarding agency. The County Manager, Assistant County Manager, Deputy County Manager, or OMB Director may be designated as the County Coordinator. The County Coordinator shall be designated as the OMB Director for all grants unless otherwise approved by the ~~Board of County Commissioners~~BOCC. As designee, the County Coordinator shall execute any ~~grant~~-documents and certifications required by the grant. Information pertaining to ~~grant~~-application submissions and updates shall be provided to the ~~County Commission~~BOCC by the County Coordinator. Upon receipt of the Notice of ~~Grant~~-Award from the awarding agency, the Grant Project Director shall coordinate with the County Coordinator to present the grant to the ~~Board of County Commissioners~~BOCC for approval.
- E. **BOARD OF COUNTY COMMISSIONERS:** The ~~Board of County Commissioners~~BOCC must approve all legislative requests and grants awarded to the County. Such approval should occur prior to the preparation and submission of any preparing a legislative requests or grant application in excess of \$100,000 or for grants which requires the County to matching funds or future commitments in excess of \$100,000. Other grants may be approved either prior to submission or when requesting award acceptance.

## II. PRE-APPLICATION PROCESS

- A. Upon notification of a potential legislative appropriation or grant, the County Coordinator shall assign it to the applicable department or Constitutional Office. A department or Constitutional Office that receives direct notification of a grant-funding opportunity may also initiate the ~~grant~~-application process after notifying and receiving concurrence from the Assistant County Manager and OMB Director and also receiving BOCC approval when necessary. The department or Constitutional Office shall designate a Grant Project Director to identify and review potential grant-funding sources, obtain grant-funding application materials and related regulations. To provide a clear understanding of what we are applying for and who will be responsible for the application and reporting requirements, the Grant Project Director shall coordinate a meeting of the Grant Project Director, Grants Coordinator and all staff that will be involved in the grant process prior to submitting an application.

## III. COMPLETION OF LEGISLATIVE REQUEST/GRANT PROPOSAL INFORMATION FORM, & COST/BENEFIT WORKSHEET, AND CHECKLIST:

- A. Based on information obtained, the Grant Project Director shall complete prior to the acceptance of the legislative appropriation or ~~Grant by the County~~, the Legislative Request/Grant Proposal Information Form (Attachment A), ~~and Legislative Request/Grant Cost/Benefit Worksheet (Attachment B)~~, and Application Checklist (Attachment C). The ~~grant~~-funding identified in Attachment B should be based on a minimum three-year budget projection, as applicable. Attachments A, ~~and B, and C~~ shall be reviewed and approved by the Grant Coordinator, Department Head/Constitutional Office, OMB Director, and County Manager (or designee) as part of the ~~grant~~ application process. All ~~grant~~-proposal information forms and cost/benefit worksheets shall:

1. Ensure the complete computation of personnel and other applicable costs such as consultant services, estimated design and construction, equipment, ~~and~~ technology, etc. are included in the grant-application documentation.



2. Verify the funding source and amount of the required local match for term of grant. Ensure that all direct costs or in-kind services are identified and included in the grant as eligible expenses or County matching funds to the extent possible.
3. Identify amount or percent of grant funds covering cost of personnel, consultant services, design, construction, equipment, ~~and~~ technology, etc.
4. Identify the funding source and amount of matching funds needed to be budgeted for the term of the grant.
5. OMB shall determine if adequate funds are available to meet required local match plus any additional costs exceeding the match.

#### IV. APPLICATION PROCESS

Legislative appropriations or Grants may be offered in many different formats and may require a Legislative request, pre-application, a separate application, or the application and ~~grant~~ agreement combined in one document. The purpose of this section is to establish a uniform process designed to apply to all grants, regardless of the specific format of each grant.

The grant application shall be completed by the Grant Project Director under the direction of the applicable Department Head/Constitutional Office. The Grant Project Director shall write and complete the grant proposal. The Grant Project Director shall also confirm that the grant proposal meets eligibility requirements and is consistent with the grant guidelines; that goals and objectives are clearly identified; and that the percent and amount of costs funded by the grant and required matching funds are clearly identified.

The grant application and other documents required by the grant agency prior to grant approval must flow through the following process.

- A. The application is prepared at the ~~d~~Department/Constitutional Office level by the Grant Project Director. The Grant Project Director forwards the completed grant application and all other necessary documentation to the Grant Coordinator.
- B. The Grant Coordinator reviews and forwards the application packet to ~~the Office of Management and Budget-OMB~~ for review.
- C. ~~The Office of Management and Budget-OMB~~ Director reviews and forwards the application packet to ~~Procurement and~~ the County Attorney's office for review, if additional review is determined by the ~~Office of Management and Budget-OMB~~ Director. Once reviewed and approved by the County Attorney's Office, a contract number must be obtained from Procurement.
- D. If approved and allowable by the awarding agency, the County Coordinator, or designee signs the grant documents (pre-application/participation, application, etc.) on behalf of the Board of County Commissioners.
- E. For ~~certain grant~~ application over \$100,000.00 or committing County funds, which require BOCC approval is required prior to submission. ~~s~~Such items shall be scheduled by the Grant Project Director as an agenda item for BOCC approval. For applications of \$100,000.00 or less, the Assistant County Manager and/or OMB Director shall have discretion as to determine whether the application requires BOCC approval prior to submission.
- F. An electronic copy of the application is provided to the Grants Coordinator to establish a grants filefolder.
- G. The Grant Project Director shall submit the agreement and documents to the grant agency.

#### V. APPROVAL AND ACCEPTANCE

~~The Nassau County Board of County Commissioners must approve and accept all grants awarded to the County.~~

- A. Upon ~~N~~notification of Grant Award, it is the responsibility of the Grant Project Director to submit the grant award to the County Coordinator and the Grants Coordinator in the form of an Agenda Request. To avoid any unnecessary delay, the Grant Project Director should coordinate with ~~the Office of~~

~~Management and Budget-OMB~~ to ensure new accounts have been established and a budget amendment has been prepared as needed.

- B. The County Coordinator, Grants Coordinator and Grant Project Director will coordinate to include the request on a future Board of County Commissioners agenda. Agenda items should be coordinated with the County Coordinator and Grants Coordinator and OMB to ensure the Budget Resolution is part of the agenda packet presented to the BOCC. The Grant Project Director should attend the scheduled meeting in case there are any questions regarding the grant.
- C. The ~~Board of County Commissioners-BOCC~~ may approve or deny acceptance of the grant award. If accepted and allowable by the awarding agency, the Board of County Commissioners also designates the County Coordinator to execute any documents and certifications required by the grant. Designation of the County Coordinator to execute any documents and certifications required by the legislative appropriation or grant shall be set forth in the agenda item.
- D. The Grant Coordinator will establish the system to administer the grant and coordinate all parties to ensure grant compliance.
- E. The Grant Project Director shall take all action necessary for the establishment of the grant program and tracking processes, including but not limited to the following:
  1. Schedule a meetings as necessary to discuss the applicable financial, project management and reporting requirements of new grant.
    - a. Review personnel, equipment and technology data to determine if needs and costs are still applicable or need updating.
    - b. Set up separate meeting for design and construction projects to discuss project issues and grant requirements related to Federal funding such as preparation of construction-related documents, procurement requirements, Davis Bacon compliance standards, etc., and hold a pre-construction conference and take minutes of meeting.
    - c. Initiate all necessary procurement activities, distribute grant documents to those departments involved in the project, hire grant-funded personnel and purchase equipment and technology.
    - d. Monitor projects for compliance with grant requirements, assure timely submittal of required quarterly, semi-annual or annual progress reports. The Grant Project Director shall coordinate with assigned department to specify the responsibilities of the grant-funded personnel that may involve collection of data for preparation of reporting requirements.
  2. Provide technical and administrative assistance to the ~~grantee—department~~ Department/Constitutional Office if needed.
  3. Ensure that all grant-funded contracts include the required grant provisions and route to applicable staff.
  4. Prepare appropriate purchase requisitions and progress payment requests. The Grant Project Director shall prepare requests for grant payments and/or reimbursements and obtain appropriate department signatures and shall review for eligibility of purchase under conditions of the grant.
  5. Coordinate with the Grant Coordinator the submittal of copies of grant documentation associated with grant-funded purchase requisitions. The Grant Project Director shall identify personnel, equipment and technology and reference with specific grant name or number on documentation for purchase requisition.



6. Prepare budget and financial activities for Federally-funded projects, [Legislative appropriations](#) or other procedure identified by funding agency.

## VI. GRANT FOLDER CONTENTS

The receipt of grant funds typically requires specific documentation and financial records be established and maintained for multiple years. In order to show compliance with grant conditions, for both internal and external review, a Grant Folder should contain all the associated documentation. These files shall be compiled in a designated grant folder and made available for internal audits, county auditors, or external auditing agencies as needed. The Grant Folder is prepared and maintained by the Grant Coordinator and Grant Project Director in electronic and hard copies (if required by the grant) and should contain, but not limited to the following:

- A. Cover page listing the grant title, mailing address for the grant agency, contact person at the grant agency with email address, phone and fax numbers, funding sources by amount and percentage, beginning and ending dates, grant identification number, [Catalog of Federal Domestic Assistance \("CFDA"\) numberCFDA-#](#) for federal grants or [Catalog of State Financial Assistance \("CSFA"\) numberCSFA-#](#) for state grants, fund and department numbers assigned to the grant, project director and extension, brief description of the project, Board of County Commissioners approval date, any special conditions the grant requires, and report/reimbursement due dates
- B. [Copy of completed Legislative Request/Grant Proposal Information Form \(Attachment A\), Legislative Request/Grant Cost/Benefit Worksheet \(Attachment B\), and Legislative Request/Grant Application Checklist \(Attachment C\).](#)
- B.C. Copy of the signed Grant Application
- C.D. Copy of the executed Grant Agreement (by both County and Grant Agency)
- D.E. Copy of signed amendments and extensions, if any, to the original Grant Agreement
- E.F. Copies of all correspondence, with the Grant Project Director, Clerk of the Court, & the Funding Agency summarizing important items discussed
- F.G. Copies of all reports and reimbursement requests, signed if appropriate, submitted to the Grant Agency and any supporting documents used to prepare the reports
- G.H. All internal or external monitoring reports and journal entry documentation
- H.I. Copies of the completed close out package and any supporting documents used to prepare the closeout

The Grant Project Director should ensure [the Grants Coordinator receives a copy of for the grant folderall documentation-is-copied-to-the-Grants-Coordinator.](#)

## VII. MONITORING PROCEDURES

Once the grant has been approved by both the County and grant agency, the following monitoring requirements shall be followed:

- A. GRANT PROJECT DIRECTOR
  1. Prepare documentation for the grant folder
  2. Conduct and document periodic monitoring of grant program activity.
  3. Conduct periodic monitoring of fiscal grant requirements.
  4. Conduct periodic monitoring of project status (i.e. % to completion) and timelines.
  5. Develop a contact at the grant agency to answer questions as they arise.
- B. GRANT COORDINATOR
  1. Prepare and maintain the grant folder.
  2. Post electronic copies of documents to the County's Intranet site to provide access to a centralized location for grant information.



3. Develop a system that identifies and tracks the reporting requirements of the grant.
4. Develop a system that identifies and tracks, as appropriate, any specific tasks or special requirements contained in the grant.
5. Develop a system that tracks all expenses accurately and in a timely manner.
6. Review and assist the Grant Project Director with reporting requirements.
7. Monitor timeliness of grant reporting.

#### **VIII. ACCOUNTING AND REPORTING PROCEDURES**

An important part of the success of the grant is the attention given to the paperwork generated by the grant.

##### **A. GRANT PROJECT DIRECTOR**

1. Conduct projects in accordance with grant parameters.
2. Approve all requisitions, purchase orders, check requests, and other charges to the grant. Make copies as the grant progresses to avoid rush gathering of information at the end of the grant.
3. Verify that items or services purchased with grant funds have been properly documented as required by the grant agency and County policy.
4. Prepare all reports required by the grant agency.
5. Provide the Grant Coordinator with all reports and documentation related to the grant.
6. Maintain contact with grant agency.

##### **B. GRANT COORDINATOR**

1. Review and assist with reimbursement requests and verify amounts on the general ledger before sending to the Office of Management and Budget.
2. Review and assist with any additional reports that go to the grant agency.
3. Prepare a list of grant carryovers at year-end.
4. Prepare a schedule of grant receivables at year-end.
5. Review and assist with the Schedule of Federal and State Financial Assistance at year-end.

##### **C. OFFICE OF MANAGEMENT AND BUDGET**

1. Review all financial reports and requests for grant reimbursements.
2. Review additional reports, as appropriate, considering the requirements of each grant.

##### **D. COUNTY COORDINATOR**

1. As designated by the Board of County Commissioners and to the extent allowable by the awarding agency, shall execute all documents and certification required by the grant.

#### **IX. GRANT CLOSEOUT**

The Grant Project Director should review the grant closeout forms to see what type of information will be required at completion and be sure that the information on hand will provide the necessary data to complete the forms and ensure that deadlines are met.

Prior to completion of the project, the Grant Project Director should provide the Grant Coordinator with the following items:

- A. Status of the expenditure accounts and projected variances, if any.
- B. Copies of canceled checks, purchase orders, invoices, etc. and any other documents required by the grant agency to demonstrate proper use of grant funds.
- C. Status of any matching fund requirements.

- D. A copy of the closeout reports that will be required by the grant agency and a timeline for completion.
- E. Any additional actions or assistance needed to ensure that the objectives of the grant are met by the close out date.

**X. GRANT EXPIRATION/PROJECT COMPLETION:**

- A. The Grant Project Director and assigned department shall notify other departments, including the Office of Management and Budget and the Grant Coordinator of project completion.
  - 1. Review departmental grant file for completeness of all required documentation and mandatory reports. Complete final assessment report if required.
  - 2. Retain records for the required time period.
  - 3. Participate in grant audit or monitoring.
  - 4. Prepare News Release regarding completion of project if appropriate.
  - 5. Schedule and attend grant close-out meetings (construction projects).

**XI. SCHEDULE OF FEDERAL AND STATE FINANCIAL ASSISTANCE**

The Schedule of Federal and State Assistance is prepared at year-end by the Clerk of the Court in conjunction with the annual audit. The Grant Coordinator will assist Clerk of the Court with the Schedule of Assistance by providing the following information for each grant:

- A. Funding Agency and Program Title
- B. Account Number(s)
- C. Catalog of Federal Domestic Assistance # (CFDA #) or Catalog of State Financial Assistance # (CSFA #) - depending on whether federal or state dollars
- D. Contract# or Grant#
- E. Program Award Amount - total value of grant, not including County match
- F. Beginning Accrued Revenue - total amount of money spent but not received at the beginning of the fiscal year (accrued revenue from prior year end)
- G. Beginning Deferred Revenue - total amount of money received but not spent at the beginning of the fiscal year (deferred revenue from prior year end)
- H. Adjustments - total value of any adjustment made during the year
- I. Federal Funds Received - total value of federal funds received during the fiscal year
- J. State Funds Received - total value of state funds received during the fiscal year
- K. Total Received - sum of federal and state funds received during the fiscal year
- L. Expenditures - total value of expenditures during the fiscal year
- M. Ending Accrued Revenue - total amount of money spent but not received at fiscal year end (beginning accrued revenue+ expenditures - total received)
- N. Ending Deferred Revenue - total amount of money received but not spent at fiscal year end (beginning deferred revenue - expenditures)
- O. Any other requested grant documentation needed to ensure successful reporting and auditing of the County's grants.

**XII. ATTACHMENTS**

The following Attachments are provided for reference and maybe updated by the County Manager as needed to reflect operational updates and tracking requirements. The current versions of the Attachments shall be posted on the County's OMB intranet page.





## ATTACHMENT A

### GRANT PROPOSAL INFORMATIONAL FORM

Name of Grant: \_\_\_\_\_

Funding Source:  Federal  State  Other (Describe) \_\_\_\_\_

Responsible Department/Division: \_\_\_\_\_

Amount of Grant: \$ \_\_\_\_\_

Local Match Required \$ \_\_\_\_\_

---

Please provide brief answers for the following questions.

1. Is the grant consistent with the County's Legislative Appropriations and Grants Manual Policy ~~policy~~ and goals identified ~~in the Grant Policy therein~~
  
2. Give brief description of legislative appropriation or grant.
  
3. Describe and identify costs for the personnel, equipment, technology, construction, design and other items required or needed under this legislative appropriation or grant (refer to Attachment B).
  - a. Personnel
  
  - b. Equipment/Technology
  
  - c. Design/Engineering



- d. Construction
  
  - e. Other (space)
- 
- 4. Identify the Grant Project Director and other departments/staff who will be responsible for implementing the legislative appropriation or grant and providing project oversight.
  
  - 5. List procedural requirements for legislative appropriation or grant such as public hearing, advisory board setup, Davis Bacon, environmental reviews, etc. and describe any potentially costly monitoring or compliance issues.
  
  - 6. Identify required reports (quarterly, semi-annual, annual) to be completed after legislative appropriation or grant award and what department/staff would be assigned reporting requirements.
  
  - 7. Describe the cost/benefit aspects of the legislative appropriation or grant.
  
  - 8. Complete Attachment B – Grant Cost/Benefit Worksheet



ATTACHMENT C

NASSAU COUNTY GRANT APPLICATION CHECKLIST

Grant Title: \_\_\_\_\_ Grant Amount: \_\_\_\_\_  
 \_\_\_\_\_ Match Amount: \_\_\_\_\_  
 Department: \_\_\_\_\_ TOTAL: \_\_\_\_\_

Each grant should flow through the following levels of review and approval. Date each step as completed.

Processing Checklist		Notes
<b>Initial &amp; Date</b>	<b>Action Required</b>	
_____	Prepare Application & Grant Cost/Benefit Worksheet if applicable	
_____	Department Director Review	
_____	Forward Application, Supporting Documents and this checklist to Grant Coordinator	
_____	Forward Application, Supporting Documents to OMB Director	
_____	OMB Director Approves/Denies and Returns to Grant Coordinator	
	<input type="checkbox"/> Approved <input type="checkbox"/> Denied	
_____	Return to Department Director for submission	
_____	Department notify Grants Coordinator if grant is awarded or denied.	



## ATTACHMENT D

### NASSAU COUNTY - Grant Folder Information Sheet

Department: \_\_\_\_\_

Grant Title: \_\_\_\_\_

Grant Period: \_\_\_\_\_

BOCC Agenda Date: \_\_\_\_\_ BOCC Approval Date: \_\_\_\_\_

Contract #: \_\_\_\_\_ Grant Amount: \_\_\_\_\_

Local Match: \_\_\_\_\_

In-Kind: \_\_\_\_\_

Fund #: \_\_\_\_\_ Total Amount: \_\_\_\_\_

Submission Date: \_\_\_\_\_ Notice of Grant Award: \_\_\_\_\_

Funding Source:

Federal – Direct  Federal – Pass Through/SubGrant  State of Florida

If a Federal Grant:

CFDA #: \_\_\_\_\_

Federal Agency: \_\_\_\_\_

State Agency (if applicable): \_\_\_\_\_

If a State Grant:

State Agency: \_\_\_\_\_

CSFA #: \_\_\_\_\_

Funding Contract Manager: \_\_\_\_\_

Grant Info:  Cost Reimbursement  Fixed Fee  Unit of Service

Records Retention: \_\_\_\_\_

Reporting Period Requirements:

Quarterly: \_\_\_\_\_ Due: \_\_\_\_\_

Annually: \_\_\_\_\_ Due: \_\_\_\_\_

Close-Out Date: \_\_\_\_\_

Are funds required to be placed in an interest bearing account? Yes / No / N/A

Interest to be returned to grantor? Yes / No / N/A

Nassau County Contact Information:

Program/Project Manager \_\_\_\_\_ Phone# \_\_\_\_\_

Grant Account Number: \_\_\_\_\_ Project Code: \_\_\_\_\_

**PURPOSE:** The purpose of this policy is to ensure that Nassau County is fiscally responsible in the allocation of County General Funds to nonprofit organizations and to ensure that the award and use of such funds are adequately documented. This policy creates a uniform procedure for the submission, review, approval and accounting of funding requests to the County from nonprofit organizations.

**SCOPE:** Nassau County is committed to providing financial assistance to those nonprofit agencies which assist Nassau County Government in carrying out its vision of “...managing growth and creating sustainable economic development in a way that maintains and improves the quality of life and unique character of the communities by utilizing its strengths – the people, the abundance of unspoiled natural resources, and its strategic location as the “Eastern Gateway to Florida.””.

**POLICY:**

**I. Nonprofit Agency Eligibility for County Grant Funds**

It shall be the policy of Nassau County to consider providing assistance to nonprofit agencies meeting the criteria detailed below.

**A. Eligibility Requirements**

All nonprofits shall verify their nonprofit status by submitting an IRS determination letter confirming 501(c)(3) status, the most recent IRS 990 form and a current solicitation license from the Florida Department of Agriculture (or if exempt, the exemption letter). Such information shall be provided to the BOCC. Businesses shall also be registered on SunBiz.org. Additionally, nonprofit organizations must not have their revenue suspended by the Florida Secretary of State or have overdue federal or state taxes.

**B. Accountability**

Nonprofit agencies shall adhere to accountability standards set by this policy and as required by law. Compliance with these standards is a criterion for funding. These standards include but are not limited to:

1. Complying with all financial requirements including the submission of financial statements or audits as specified.
2. Complying with program performance measurement requirements and reporting.
3. Complying with all other application terms, including meeting all deadlines.

**C. Funding Eligibility**

1. A nonprofit agency must be incorporated under the State of Florida and have operated for two (2) consecutive years by December 31st of the year preceding the grant application deadline.
2. Nonprofit agencies may not use a funding agent or other third-party arrangement to meet program requirements for eligibility.
3. Only one complete grant application per agency will be considered each year.
4. Grants are for programmatic expenses (items recognized under Generally Accepted Accounting Practices – GAAP – as operating costs)

5. The County will not fund the purchase of capital assets with a value in excess of \$5,000 or a useful life greater than three years.
6. A nonprofit agency must be available to all residents in Nassau County who meet the eligibility requirements of the nonprofit organizations. Services offered by the agency/program must not be restrictive with regard to race, sex, age, religion, disability, or any other classification that would be prohibited by law.
7. Funding requests must specifically describe how the agency program impacts the health, economic, or social well-being of the clients served and how such program serves a public purpose.
8. Funding requests must also include performance measures establishing how they impact the health, economic, and/or social well-being of the clients served and how they serve a public purpose.

## II. Grant Funding Application Procedure

### A. Grant Application Timeline

1. Annually, a public notice of availability of funding and information for applying will be advertised by the Office of Management and Budget (OMB) Department.
2. A copy of the application will be available on Nassau County's website. A sample is included as Exhibit A, which may be amended by the County Manager's office as necessary.
3. Completed grant applications are due to the OMB Department no later than the date indicated in each year's public notice. Applications received after the published deadline will be deemed ineligible for that year.

### B. Grant Application Requirements

A completed County nonprofit funding application is required, along with all required documentation by the advertised deadline. County staff shall reserve the right to request additional information as needed.

### C. Funding Award

1. The total budget funded for Nonprofit grant awards shall not exceed \$900,000 each fiscal year, with the final amount to be established by the BOCC as part of the annual budget process.
2. The maximum funding per eligible nonprofit agency shall not exceed \$325,000 per fiscal year.
3. The County Manager will make nonprofit funding recommendations in the Proposed Budget to the Board of County Commissioners, based upon prior year allocations.
4. The Board of County Commissioners will approve final funding for nonprofits as part of the annual Budget adoption.
5. Awarded applicants will be notified of the final funding amount no later than October



1st.

6. An agency awarded nonprofit program grant funds must accept the funds by completion of a contractual agreement which must be signed by the agency's Executive Director (or head administrator) and the County. Failure to execute a contractual agreement will result in forfeiture of funding award.

6.7. Any award to an agency shall be for the single year and any funding does not imply nor guarantee future funding will be awarded for an agency. All funding decisions shall be based upon the sole discretion of the BOCC.

D. Conflict of Interest

The consideration, award and funding of any nonprofit agency, shall be carried out in a manner consistent with the Code of Ethics for Public Officers and Employees, Florida Statute Chap. 112, Part III, Code of Ethics for Public Officers and Employees and Nassau County Employee Policies & Procedures Manual Section 2: Standards of Conduct, 2.02 Code of Ethics.

### III. GRANT REPORTING AND MONITORING

Each funded agency will submit a written annual audited financial report and an annual programmatic report. These reports describe progress towards program outcomes and require a financial report detailing expenditures. Agencies are required to maintain detailed back-up documentation of expenditures, available for review by county staff upon request. Failure to comply with these reporting requirements may jeopardize county funding. Site visits may be performed to determine and verify data collection methodology. Any Agency which receives grant funding under this Policy may be subject to an audit by the Board of County Commissioners, the Nassau County Clerk of the Circuit Court and Comptroller, or their designee.

**Exhibit A**  
**Not-For-Profit Grant Funding Request Application**

**I. GENERAL INFORMATION**

Name of Organization: \_\_\_\_\_

Are you a Not-for-Profit with active 501(c)(3)? Yes  No

Has your revenue been suspended by the Florida Secretary of State or do you have any overdue federal or state taxes? Yes  No

Have you read and will you be able to comply with the Nassau County Nonprofit Grant Funding Policy? Yes   
No

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Contact Person Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Program Location/Address: \_\_\_\_\_

**II. ORGANIZATIONAL INFORMATION/HISTORY**

Name of Executive Director: \_\_\_\_\_

Date organization founded: \_\_\_\_\_

Date organization incorporated as a non-profit organization with a 501(c)(3) current tax-exempt status: \_\_\_\_\_

Federal Tax Identification Number: \_\_\_\_\_

Number of paid staff: \_\_\_\_\_

Number of volunteers: \_\_\_\_\_

Will the proposed project provide services on-site in Nassau County? Yes  No

**Applications are due xxxxxx, 2023, by 5:00 p.m.**

**III. REQUIRED DOCUMENTATION (attach separate pages as necessary)**

- Current Listing of Board of Directors and number of years on the Board
- Organizational Chart, for your overall organization
- Resumes for Key personnel that will oversee the success of the project
- Summary of the current FY2022-2023 budget for your operation, which should include salaries, operating expenses, and capital outlay. It should also provide an accounting of all revenue sources, including any allocation/grant from Nassau County
- Projections for the upcoming FY2023-2024 budget for your operation, which should include salaries, operating expenses, and capital outlay. It should also provide an accounting of all revenue sources, including any allocation/grant from Nassau County
- The legal citation (if any) mandating a contribution by the County
- Most recent audited Financial Statements
- Most recent IRS 990 form (optional\*)
- For those which received funding in a prior fiscal year, an annual programmatic report as required per Section III of the Nonprofit Grant Funding Policy
- Copy of current solicitation license from the Florida Secretary of State (or if exempt, the exemption letter) (optional\*)
- Proof of registration on SunBiz.org

\* Optional items shall be provided to the BOCC upon request.

**IV. PROJECT DESCRIPTION (attach separate pages as necessary)**

Select the one that best describes your project or program:

- |   |  |
|---|--|
| <input type="checkbox"/> Arts                   | <input type="checkbox"/> Veterans          |
| <input type="checkbox"/> Beautification         | <input type="checkbox"/> Workforce         |
| <input type="checkbox"/> Disabled/Mental Health | <input type="checkbox"/> Youth             |
| <input type="checkbox"/> Homeless               | <input type="checkbox"/> Shelter           |
| <input type="checkbox"/> Housing                | <input type="checkbox"/> Disaster Recovery |
| <input type="checkbox"/> Seniors                |  |

Name of Project/Program: \_\_\_\_\_

Provide a detailed description of the proposed project by describing, in quantifiable terms, precisely what is to be accomplished with the requested funds. Describe the specific purpose of the project, identifying the needs the project intends to meet. Funding requests must specifically describe how the agency program impacts the health, economic, or social well-being of the clients served and how such program serves a public purpose. This description will be used in application summaries for the Board of County Commissioners throughout the application process. (Limit to 150 words) \_\_\_\_\_

Describe the project goals and objectives and expected project timeline and results/outcomes. (Limit to 150 words) \_\_\_\_\_

Please provide details on performance measures that your organization currently uses, your plan to implement the activity within 180 days and the types of indicators you use to measure accomplishments. Funding requests must include performance measures establishing how they impact the health, economic, and/or social well-being of the clients served and how they serve a public purpose. (Limit to 150 words) \_\_\_\_\_

**Applications are due xxxxxx, 2023, by 5:00 p.m.**



Timetable for Project Implementation Readiness to proceed:

Indicate primary project milestones:

<u>MILESTONE</u>	<u>START DATE</u>	<u>COMPLETION DATE</u>

Persons to Benefit:

- 1) Total number of individuals to be served by this project: \_\_\_\_\_
- 2) Total number of Nassau County individuals to be served: \_\_\_\_\_
- 3) Of Nassau County persons served, total number of low and moderate-income persons: \_\_\_\_\_
- 4) Is this a new service to Nassau? Yes  No
- 5) If service is not new, will the proposed activity substantially increase the existing level of service:  
 Yes  No

Explain how the service level will be increased or enhanced or what makes this program is unique. (Limit to 150 words) \_\_\_\_\_

**V. PROJECT BUDGET**

The County's funds are extremely limited as compared to needs and should always be considered as a secondary resource to help fill a program/project's budgetary gap. Applicants must demonstrate that all efforts have been made to leverage other resources for the project before funding is considered.

Please complete the following annual budget. Provide total budget information for the program year and a breakdown of costs associated with providing service to Nassau County residents. Note: If there is funding for multiple programs, please provide budgets for each program. If the line items shown are not applicable to your activity, please attach an appropriate budget.

<b>Expense Category</b>	<b>Overall Program Budget (To serve all program recipients)</b>	<b>Nassau County Funds Request</b>
Salaries & Fringes	\$	\$
Supplies & Materials	\$	\$
Copy Work/Printed Materials	\$	\$
Mileage	\$	\$
Utilities	\$	\$
Audit	\$	\$
Space Rental	\$	\$
Other: (Specify)	\$	\$
<b>Total Budget</b>	\$	\$
<b>Total Nassau County Funds Requested</b>		\$

**Applications are due xxxxxx, 2023, by 5:00 p.m.**

Will there be on-going operational and maintenance costs? Yes  No

If so, who will pay for these costs: \_\_\_\_\_

Identify Other Funding Sources:

Identify commitments or applications for funds from other source to implement this specific activity. If other funds have been approved, attach evidence of commitment.

<u>Funding Source</u>	<u>Amount of Funds Available</u>	<u>Date Available</u>

If your program is not awarded any funds, what would happen to your program:

- Scale down the program resulting in less clients served  
\_\_\_\_\_ Estimated reduction in clients served
- Make changes to the program without reducing the number of clients served
- Make up the differences with other funds available to my agency

SAMPLE

**PURPOSE:** This policy establishes the basic guidelines for travel on County business. It defines the County's expectations of its employees who are required to travel in connection with their work responsibilities and clarifies which expenses will be advanced or reimbursed to the employee by the County, and which expenses are considered the personal responsibility of the employee. The policy also provides direction for County's tourism promotion agency for activities funded by the Tourism Development Tax.

**SCOPE:** This policy applies to all County employees regardless of funding sources (e.g. taxing funds or grants). This policy is not intended to cover routine local travel or local travel related to the performance of an employee's regular job duties. The policy also applies to the County's tourism promotion agency, its officers, employees or other authorized persons created pursuant to Florida (FL) Statutes 125.0104.

**STATUTES:** This policy shall comply with FL Statutes sections 112.061 and 125.0104

For purposes of calculating the per diem and subsistence allowances provided in s. 112.061(6), F.S., the following guidelines are prescribed:

Class A travel is continuous travel of 24 hours or more away from official headquarters. The travel day for Class A is based on a calendar day (midnight to midnight).

Class B travel is continuous travel of less than 24 hours which involves overnight absence away from official headquarters. The travel day for Class B travel begins at the same time as the travel period.

Class C travel is short or day trips in which the traveler is not away from his/her official headquarters overnight.

**POLICY:**

**I. General**

A. This policy provides for reasonable subsistence, modes of travel, and lodging accommodations while on County business.

I. Employees are responsible for using good judgment in making reservations, and travel decisions should emphasize economy and efficiency at all times. Foreexample:

i. When using air travel, employees should always book flights in coach as opposed to first class.

ii. Although the Internet offers plenty of specials and low-priced flights, flexibility is often sacrificed and sales are often final. Employees should consider this when booking their flights.

iii. When choosing a hotel for a conference, it is preferable to stay at the hotel where the conference is being held even though it may be slightly more expensive than others in the area.

B. It is permissible to combine personal travel with business travel, such as departing for a business conference a few days early to utilize personal vacation time. But only strictly business-related expenses will be reimbursed, County vehicles may not be used for personal travel and personal travel shall not result in higher business travel costs or they must be reimbursed to the County.



- C. This policy is not intended to address every issue, exception or contingency that may arise in the course of County travel or attendance at meetings. **Accordingly, the basic standard that should always prevail is to use good judgment and economy in the use and stewardship of County funds.**
- D. Request for Attendance at meeting and conferences shall comply with the procedures as set forth in Attachment A - Request for Attendance-Meeting and Conferences

## II. Meals (Including Per Diem)

- 1. Computation of Travel for Reimbursement. For purposes of calculating the per diem and subsistence allowances provided in s. 112.061(6), F.S., the following guidelines are prescribed:
    - i. Class A travel is continuous travel of 24 hours or more away from official headquarters. The travel day for Class A is based on a calendar day (midnight to midnight).
    - ii. Class B travel is continuous travel of less than 24 hours which involves overnight absence away from official headquarters. The travel day for Class B travel begins at the same time as the travel period.
    - iii. Class C travel is short or day trips in which the traveler is not away from his/her official headquarters overnight. Class "C" travel may not be subject to meal allowance reimbursement.
  - 2. All travelers shall be allowed the following amounts for subsistence while on official business. Such amounts are subject to change based on s. 112.061(6), F.S.
    - i. Breakfast – \$6.00 (When travel begins before 6 a.m. and extends beyond 8 a.m.)
    - ii. Lunch – \$11.00 (When travel begins before 12 noon and extends beyond 2 p.m.)
    - iii. Dinner – \$19.00 (When travel begins before 6 p.m. and extends beyond 8 p.m. or when travel occurs during nighttime hours due to special assignment.)
  - 3. In lieu of the subsistence rates set forth in Section II(2), meal reimbursements may be determined by the Federal General Services Administration's (GSA) guidelines. Tips are not reimbursable. Receipts **MUST** be provided in order to exceed the Section II(2) allowances. The GSA website to access meal per diem rates is [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem).
  - 4. Meal reimbursement is not allowable when a meal is included in a registration fee and the meal allowance must be deducted from the reimbursement claim. As provided in Attorney General Opinion 081-53, a continental breakfast is considered a meal and must be deducted if included in a registration fee for a convention or conference. Pursuant to Section 112.061(8)(a) 5, F.S., actual expenses for banquets and other meal functions that are not a part of a basic registration fee may be reimbursed if participation in such event will directly enhance the public purpose of the agency. In the case where a meal is provided by a hotel or airline, the traveler will not be allowed to claim the meal allowance provided by law.
- B. Other Expenses

1. Alcoholic Beverages
  - i. Expense reimbursement for alcoholic beverages will not be allowed.
2. Spouses and Guests
  - i. Spouses and guests are welcome to accompany employees on County travel; however, any additional costs associated with the participation of a spouse or guests are the responsibility of the employee. Spouses may not travel in a County vehicle.

### III. Method of Travel

#### A. General

1. When planning the transportation portion of the trip, the employee must consider all aspects of cost to the County, such as daily expenses, overtime, lost work time, and actual transportation costs.
2. Employees are responsible for canceling airline or hotel reservations they will not use.
  - i. Any charge for an unused reservation shall be considered the employee's personal expense, unless failure to cancel the reservation was due to circumstances beyond the employee's control.

#### B. Air Travel

1. Reservations
  - i. Reservations should be made as soon as travel plans are finalized to receive advance purchase discounts. Supervisor's approvals shall be received prior to making reservations.
    - a) Employees are encouraged to make airline reservations at least 14 days in advance when rates are generally cheapest.
2. Upgrades
  - i. The County will not reimburse any upgrades.
3. Airline Frequent Flyer Programs
  - i. Frequent flyer memberships should not influence travelers to select a flight that is not the lowest priced flight available.
  - ii. Frequent flyer miles earned by any traveler during County business travel may be retained by the traveler for business or personal use.
  - iii. Dues for membership in any airport/airline club are not reimbursable.
4. Lost or Excess Baggage

- i. The County will not reimburse travelers for personal items lost while traveling on business.
    - ii. Excess baggage charges will be reimbursed in the following circumstances:
      - a) when traveling with heavy or bulk items necessary for business
      - b) when traveling for more than seven (7) days
    - iii. An explanation must be provided explaining the nature of any excess baggage charge.
  - 5. Cancellations/ Unused Airline Tickets
    - i. When a trip is canceled after a ticket has been issued, the traveler should inquire about using the ticket for future travel or processing a refund.
      - a) The ticket will become property of Nassau County and will be used for County purposes only.
    - ii. Most unused airline tickets have a cash value and should not be discarded or destroyed.
    - iii. Many non-refundable tickets can be used for future travel (generally within one year) for a change fee.
      - a) An explanation of circumstances should accompany any documents when requesting reimbursement for change fees.
  - 6. Lost or Stolen Airline Tickets
    - i. Additional costs incurred due to a lost/stolen ticket will be the responsibility of the traveler and will not be reimbursed by the County unless otherwise approved by the County Manager.
  - 7. Air Travel Reimbursement Requirements
    - i. The original passenger receipt or e-ticket statement is required for reimbursement.
      - a) A boarding pass or travel agent itinerary/receipt are not valid for reimbursement.
- C. Automobile
  - 1. County-Owned and Personal Vehicles
    - i. Whenever practical, County owned vehicles should be used for travel.
    - ii. If a County vehicle is not available, or if there is another reason why the employee should drive his/her personal automobile (such as personal travel or spouse traveling to event), the County shall reimburse the employee with either



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the cost of the most appropriate means of transportation, or the actual mileage involved in the travel, whichever is the lesser of the two.

- iii. The County will reimburse all reasonable business travel expenses, including bridge tolls and parking fees incurred as a result of an employee's authorized use of a private vehicle or County vehicle while traveling on County business. Receipts are required.
  - iv. Without receipts, any employee request for out-of-pocket reimbursement of costs incurred as a result of an employee's authorized use of a private vehicle or County vehicle while traveling on County business is subject to review and approval by the Clerk's office.
  - v. Personal vehicle - The reimbursed mileage rate shall be based upon the current Federal General Services Administration's (GSA) rates (<https://www.gsa.gov/travel/plan-book/transportation-airfare-pov-etc/private-owned-vehicle-pov-mileage-reimbursement-rates>).
  - vi. The rates shall be provided by the Office of Management and Budget, following any updates from the Federal General Services Administration, to the Clerk and to each Department Head. All reimbursable mileage must be from headquarters as the point of origin and return unless the home is shorter, which must be justified on the voucher. Traveler shall submit the vehicle mileage, per trip, from point of origin to point of destination.
  - vii. County vehicle - mileage associated with county vehicle usage shall be documented with a beginning and ending odometer reading. If it is necessary to purchase gas while traveling in a county vehicle, then the amount purchased for the county vehicle is reimbursable, provided a receipt is submitted when filing the claim.
  - viii. In order to drive a privately owned vehicle on County business, the employee must:
    - a) Possess a valid driver's license.
    - b) Carry liability insurance, as required by the State.
    - c) Realize that any damage to the employee's personal vehicle and/or service or repair occurring on the trip will be the employee's responsibility, as insurance costs are factored in the per mile cost reimbursement.
    - d) No traveler shall be allowed either mileage or transportation expense when gratuitously transported by another person or when transported by another traveler who is entitled to mileage or transportation expense.
2. Local Ground Transportation and Automobile Rental
- i. If local ground transportation is needed during the trip, the use of public transit such as airport shuttles, buses, streetcars, and subways is appropriate.

- ii. Ground transportation must be efficient and cost effective.
  - a) Use of taxis, ride sharing services, hotel courtesy buses and local shuttles are allowed when other public transit or common carriers are not reasonably available.
- iii. Ground transportation receipts are required if in excess of \$25 on a per transaction basis. However, in cases where a receipt is not available, the employee must notate this.
  - a) Employee requests for out-of-pocket reimbursement of ground transportation costs without receipts are subject to review and approval by the Clerk's office.
- iv. The use of a rental car is authorized in cases where it is economical or more feasible relative to using ground transportation.
  - a) If a car rental is required, the employee may request reimbursement for out-of-pocket costs including rental fees, gasoline, and parking upon return from business travel. Receipts are required.
  - b) The optional car rental agency-provided insurance is not a reimbursable cost. Since employees are required to be insured by their own automobile insurance carrier for use of a rental vehicle, employees may opt for this coverage at their own expense.
    - 1) Employees choosing to rent cars shall be responsible for all damages and insurance for such cars.
  - c) When possible, rental cars shall be shared with other employees who may be attending the same event or conference.
  - d) Rental terms and car size/cost should be economical, taking advantage of any promotions or discounts when possible.

#### IV. Lodging

- A. Lodging is allowed for attendance at conferences, seminars or meetings that are in excess of 50 miles one-way from the employee's headquarters.
  - 1. The County Manager may approve exceptions to the 50-mile/one hour minimum if he/she considers the request to be reasonable and practical, especially considering the destination, the difficulty of the commute, and the starting time of the conference.
- B. Reasonable lodging expenses will be paid at actual cost including parking, for as many nights as necessary.
  - 1. Non-business-related room charges, such as movies or refreshments are not reimbursable.
  - 2. Parking at a lodging facility should utilize the lowest cost option when possible. Options may consider distance from facility, weather, safety, etc.

- C. The lodging accommodations should be economical and practical.
  - 1. In general, the employee should select the most reasonably priced accommodations available, but consistent with the purpose and goals of the trip.
  - 2. When choosing a hotel for a conference, it is preferable to stay at the hotel where the conference is being held even though it may be slightly more expensive than others in the area.
- D. When making lodging reservations, be sure to ask if a “government rate” is available.
  - 1. Check with the hotel for this exemption and any required form as some cities exempt travelers on government business from their local transient or tourism tax.
  - 2. All lodging in Florida should be tax-exempt for a government agency and employees shall request the tax exemption. Employees shall obtain and provide the appropriate sales tax exemption certificate and complete the hotel’s additional forms, if required, to qualify for an exemption.
- E. Since there is seldom a difference in the room rate for double occupancy, it is permissible for an employee to share a room with a spouse or guest at no additional cost to the County.
  - 1. If double occupancy of a room by a non-County employee results in an increased room rate, the difference shall be the employee’s personal expense.

**V. Incidental Expenses**

- A. Incidental expenses include but are not limited to taxi and ferry fares; bridge, road, and tunnel tolls; storage or parking fees; and communication expense.
- B. Business-related expenses such as telephone calls, copying and faxing, computer accessories, tapes and other training materials purchased at a conference are reimbursable with receipts, and become property of the County.
  - 1. Whenever possible, employees should anticipate the need for supplies and should take whatever they need with them instead of purchasing these supplies at their destination, where the cost may be significantly more than what the County would normally pay.
- C. Other reimbursable expenses are as follows:
  - 1. Parking fees (excluding parking violations) and tolls. Receipts are required if in excess of \$25 on a per transaction basis.
  - 2. Taxi fares, ride shares (Uber, Lyft, etc.), and/or general transportation. Receipts are required if in excess of \$25 on a per-fare basis.
  - 3. Tips
    - i. paid to taxi drivers or ride share, not to exceed 15% of fare
    - ii. paid for portage, not to exceed \$1 per bag not to exceed \$5 per incident



iii. paid for mandatory valet parking, not to exceed \$1 per incident

D. All other provisions of Section 112.061, Florida Statutes, except as stated above, shall be applicable. The above provisions are also consistent with the Reference Guide for State Expenditures published by the Florida Department of Financial Services, Division of Accounting and Auditing.

**VI. Non-Reimbursable Expenses**

A. Personal entertainment costs are not reimbursable.

1. These include such things as headphones or alcoholic beverages purchased, video rentals, refreshment bars in hotel rooms, spas, gyms, and other items of a personal nature.

**VII. Compensation for Travel Time (Non-Exempt Employees)**

A. Employees shall follow all clock in/out rules and procedures as set forth by Human Resources.

B. When travel time exceeds the normal workday or workweek, the County's rules for overtime apply to those employees eligible for overtime.

C. In determining overtime compensation, normal commute time should be deducted from total travel time.

D. Normal unpaid meal periods are not considered work time while traveling.

E. Overtime eligibility applies equally to drivers and passengers and should be granted whether travel occurs during normal workdays or on weekends or evenings.

**VIII. Travel Expense Reimbursement**

For eligible travel expenses, the employee may seek reimbursement based on the procedures and forms as set forth in Attachment B - Voucher for Reimbursement of Travel Expenses.

**IX. AMELIA ISLAND TOURISM DEVELOPMENT COUNCIL (AITDC) TRAVEL & ENTERTAINMENT POLICY & PROCEDURES**

Certain travel and promotional expenses for the AITDC are governed by the broader provisions of Section 125.0104, Florida Statutes. Travel expenses other than those described as exceptions in that subsection shall be as provided in Section 112.061, Florida Statutes.

This section establishes policies and procedures governing tourism-related travel and entertainment expense reimbursement. It applies to all authorized travelers that incur travel-related expenses while performing official duties related to the County's tourism function.

The BOCC has contracted with the Amelia Island Convention and Visitors Bureau, Inc. (CVB), a private not-for-profit 501(c)(6) corporation, to perform tasks recommended by the TDC and approved by the BOCC. The President/CEO of the CVB shall act as the TDC Managing Director of the AITDC.

A. DEFINITIONS

1. Amelia Island Convention and Visitors Bureau (CVB) – the entity with a valid contract

to administrate the County's tourism-related services.

2. Amelia Island Tourism Development Council (TDC) – the advisory body that recommends and oversees the expenditure of the County's local option tourist development tax authorized by Section 125.0104, Florida Statutes.
3. Authorized Person or Authorized Traveler - A person other than a County officer or employee, whether elected or commissioned or not, who is authorized by an agency head to incur travel expenses in the performance of official duties on behalf of the agency.
4. Business – relating to the promotion of tourism to Amelia Island.
5. Entertainment Expense – The actual, reasonable, and necessary costs of providing hospitality to Tourism Promoters, as authorized under Section 125.0104(9), Florida Statutes.
6. Local Tourist Development Partners – Includes all employees or representatives from local hotels, motels, restaurants, businesses, Nassau County government officials, municipalities, boards, associated employees, and vendors contracted to do business with Nassau County.
7. Per Diem – As an alternative to reimbursement for lodging and meals, a traveler may receive an amount of \$80 per day to cover travel costs. The day is divided into four quarters, six hours or a fraction thereof, midnight to midnight. No receipts are required, but per diem is limited to travel outside of Nassau County that requires an overnight stay.
8. Subsistence – All travelers shall be allowed for subsistence when traveling to conduct bona fide County business that serves a direct and lawful public purpose. Rates and requirements further described in Section II of this policy and as outlined in Section 112.061(6), Florida Statutes.
9. Tourism Promoter – Travel writers, tour brokers, journalists, travel agents, tour operators, airlines, travel consultants, meeting planners, or others that can bring, direct, or encourage travel or publicity to Amelia Island (collectively or singularly referred to as "Tourism Promoters"). For purposes of this policy, Local Tourist Development Partners are excluded from this definition.
10. Traveler – A public officer, public employee, or authorized person, that incurs travel expenses while traveling in the performance of official duties.

**B. GENERAL POLICY**

Travelers will uphold conduct and behavior standards to reflect positively on the TDC, the Board of County Commissioners, and the community.

The TDC Managing Director may only approve items authorized by the approved signature authority and this policy, as set by the BOCC.

1. Travel shall only be approved for persons called upon to contribute time and services as consultants or advisors (or in the performance of promotional and other duties of the agency) when such travel is on behalf of the TDC. In such instances, a complete



explanation and justification must be shown on the travel expense voucher (See Attachment B – Voucher for Reimbursement of Travel Expenses). Travel expenses for authorized persons shall adhere to the same rates and guidelines as those for public officials and employees (see Attorney General Opinion 2020-02).

2. Authorized Persons on official County business in the performance of tourism-related activities, when meeting with tourism promoters or when traveling in connection with travel and trade shows, (as prescribed by Section 125.0104, Florida Statutes) may be reimbursed for actual, reasonable, and necessary expenses when meeting with tourism promoters or when traveling in connection with travel or trade shows.
3. Foreign travel is per Section 125.0104(9)(b), Florida Statutes.
4. Cash Advances. The AITDC recognizes that some travelers may require cash advances rather than relying on reimbursement for business expenses. Cash advances can be requested according to Section 112.061, Florida Statutes. All expense reporting policies shall be required.
5. Inclement Weather/Unanticipated Events/Illness. When on travel status, inclement weather, sudden illness, or unanticipated events out of the control of authorized persons may occur. In these cases, they are to report to their supervisor or the TDC Managing Director to seek guidance and authorization for a change in travel plans. Additional travel expenses may be authorized following this procedure. Should events preclude communication with the TDC Managing Director, the authorized person will secure the safest and most economical means of return.

C. TRAVEL AUTHORIZATION & APPROVAL

Travel will be by the means and schedule most advantageous to the TDC in terms of cost and productivity, not for personal convenience. Travel may not be approved without an available budget, as approved by the BOCC. Travel arrangements should be made in advance since last-minute changes could be costly.

1. **Travel outside of Nassau County** must be preauthorized. Authorizations:

TRAVELER	AUTHORIZATION
TDC/CVB Employees/Authorized Persons (Other than Board Members)	TDC Managing Director
TDC Managing Director	County Manager
Public Officers, Board Members of the BOCC and TDC Board Members	BOCC or County Manager
Meeting w/Tourism Promoters	TDC Managing Director
Foreign Travel – All Travelers	BOCC or County Manager

2. Travel Request Forms must be completed and approved by the TDC Managing Director and the County’s OMB Department before booking travel. The Travel Request Form should include copies of anticipated flight, lodging, mileage, meals, incidentals, and registration costs.



3. Travel within the County to conduct official business may be authorized by the TDC Managing Director without a travel request form.

Note: The CVB shall not be reimbursed for administrative-related travel as this is accounted for in their contracted fee for service (see contract CM2698 Exhibit-A). However, if the CVB is meeting with Tourism Promoters (to perform bona fide County tourism business), certain travel expenses may be authorized under the Entertainment Expense section of this policy.

D. RATES OF PAYMENT

1. Per Diem. Travelers shall be allowed per diem as described in Section 112.061, Florida Statutes, or actual expenses for lodging and meals as permitted per this policy.
2. Lodging. An authorized traveler shall be reimbursed for the actual cost of a single occupancy hotel room for travel that requires overnight absence from the official headquarters. Travelers should always attempt to secure reasonable rates. Rates shall be considered reasonable when the base rate does not exceed \$250 per night or when choosing the hotel where the event is being held. The County Manager may approve exceptions to the rates if they consider the request to be reasonable and practical, especially considering the destination.

It is permissible to stay outside the room block during a conference or trade show if the room block is sold out or if less expensive and appropriate accommodations can be found. Every effort should be made to find economical, safe accommodations in a nationally recognized hotel brand catering to business travelers. Accommodations may not be booked through Airbnb or other similar booking sites to ensure the personal safety of staff.

Lodging is only authorized when traveling more than 50 miles one way from the traveler's official headquarters. The TDC Managing Director and County Manager may approve exceptions to this rule if the request is reasonable and practical, considering the destination, the difficulty of the commute, and the starting time of the authorized purpose.

Hotel receipts are required for hotel stays and shall be attached to the travel voucher reimbursement request.

3. Meals. Travelers are expected to be reasonable and exercise good judgment in purchasing meals. Meals included with any fee paid by the County or county funds in some other manner shall not be reimbursable.
  - i. Actual Meal Expense (for Domestic Travel). The TDC will reimburse authorized individuals for meals when traveling on official business. The allowance for meals shall be authorized based on the following schedule:

Meal(s)	Travel Begins Before:	Travel Extends Beyond:
Breakfast	6:00 a.m.	8:00 a.m.
Lunch	12:00 noon	2:00 p.m.
Dinner	6:00 p.m.	8:00 p.m.

The travel times for departure and return are determinative of the meals allowed when traveling.

- a) The maximum meal allowances (including gratuity) are considered reasonable when limited to the amounts specified under the U.S. General Services Administration (GSA) Per Diem Rates (<https://www.gsa.gov/travel/plan-book/per-diem-rates>) for meals & incidentals (M&IE) of the traveled destination.
  - b) The maximum meal allowance established above applies to travelers when not meeting with a Tourism Promoter. Limits when meeting with Tourism Promoters are further described in the Entertainment Expense section of this policy.
  - c) Reimbursement for actual meals shall be substantiated by detailed paid receipts up to the maximum allowance.
- ii. Subsistence Allowance. In lieu of the above actual meal expense, a traveler may elect to receive a subsistence allowance as provided in Section 112.061(6), Florida Statutes. No receipts are required.

Note: A traveler must make the election on the travel authorization (subject to the approval of the TDC Managing Director) as to which method of meal reimbursement they elect. Once the election is made, the traveler cannot elect the alternate method, nor can they alternate the reimbursement methods for the duration of the trip.

4. Foreign Travel. Foreign travel is authorized by Section 125.0104(9)(b), Florida Statutes. Authorized travelers shall be reimbursed at the current rates specified in the Federal publication "Standardized Regulations (Government, Civilians, Foreign Areas)" for the traveled country. These limitations include incidental expenses incurred while traveling internationally and shall be reimbursed at the M&IE rate on the international chart for the city/country visiting.

Authorized travelers must adhere to all federal government rules and regulations when traveling outside the United States.

- i. Travel Day and Per Diem calculations shall be determined based on Section 112.061, Florida Statutes.

#### E. TRANSPORTATION

Personal vehicles shall be utilized for local and in-state transportation unless the destination is farther than 50 miles from the authorized traveler's headquarters and the method of travel is determined to be more economical.

The TDC Managing Director must be notified immediately of any accident during travel (in or outside Nassau County). Following the initial call to report an accident, a written description must be submitted as soon as possible, along with a copy of any police report.

1. Airfare. Travelers may utilize commercial airlines unless ground transportation is determined to be less costly and more efficient (as detailed on the travel authorization). Reservations shall be made at the most reasonable and lowest coach-class fare available on the most direct route. If a person travels by an indirect route for personal convenience, any extra costs will be at the traveler's expense.



- i. Some fares do not allow the customer to book a guaranteed seat or to check or carry-on luggage. In these cases, authorized travelers may book the lowest fare that allows for seat selection and luggage accommodations. Class upgrades provided by airlines or using personal frequent flyer miles are acceptable.
  2. Mileage. The reimbursed mileage rate (when using a personal vehicle) shall be based upon the Federal General Services Administration's (GSA) rates (<https://www.gsa.gov/travel/plan-book/transportation-airfare-pov-etc/privately-owned-vehicle-pov-mileage-reimbursement-rates>).
    - i. To drive a privately owned vehicle on official business, the traveler must:
        - a) Possess a valid driver's license.
        - b) Carry liability insurance, as required by the State.
        - c) Realize that any damage to the traveler's personal vehicle and service or repair occurring on the trip will be the traveler's responsibility, as insurance costs are factored into the per-mile cost reimbursement.
      - ii. Mileage reimbursement is for the express purpose of conducting official TDC business and is not to reimburse travelers for their regular commute to the office. Therefore, mileage is typically calculated from the office, not home.
        - a) When travel is more prudent between the traveler's home and the location, the traveler shall be reimbursed the lesser of miles between the location and the office or between the location and the traveler's home. When using the home as a starting or ending point, the expense report must document and support that this was the more prudent option.
      - iii. Each mileage entry on the expense reimbursement form should provide a brief description of the reason for travel (i.e., airport, post office, bank, or other official business purposes) and provide a map printout to calculate and justify the distance traveled.
    3. Rental Cars. Rental cars are authorized in cases where it is more economical or feasible relative to the transporting needs. It is recognized that larger vehicles or vans may be required for sales trips, familiarization tours, or for carrying more than one person.
      - i. If a car rental is required, the traveler may request reimbursement for out-of-pocket costs (i.e., rental fees, gasoline, and parking) upon return from business travel. Receipts are required.
      - ii. Rental terms and car size/cost should be economical, taking advantage of any possible promotions or discounts. Rental cars will be obtained at the lowest corporate rate available.
      - iii. Travelers shall be responsible for all damages and insurance for such rental vehicles.
      - iv. When possible, rental cars shall be shared with other travelers who may be attending the same event or conference.



- v. If a traveler utilizes a rental car, it will be assumed that there will be no other ground transportation charges unless exceptional circumstances necessitate such use. If additional ground transportation is required (at the same time as a rental car), the circumstances must be thoroughly explained and documented.
- vi. Before returning a rental car, the vehicle should be appropriately refilled with gasoline to avoid excessive rental car charges.

F. OTHER REIMBURSABLE EXPENSES

The following incidental travel expenses of the traveler may be reimbursed:

1. Public Ground Transportation. Cash paid for public buses, subway fares, taxis, or rideshares while on official County business.
  - i. Taxicab or rideshare fares are allowable when other facilities are not available or when timeliness is essential.
    - a) Reimbursement will be made for actual tips paid to taxi drivers (rideshares), not to exceed fifteen percent (15%) of the fare.
  - ii. Detailed receipts and documentation must be provided for all incidental transportation expenses.
2. Ferry Fares; and bridge, road, and tunnel tolls. Receipts are required.
3. Storage or Parking Fees. Receipts are required.
  - i. Mandatory valet parking will be reimbursed when incurred in the performance of public business.
  - ii. Storage/parking fees shall not be allowed on a weekly or monthly basis for privately owned vehicles unless it can be established that such method results in savings to the County.
4. Communication Expenses. When authorized travelers are on travel status, they generally use cell phones to maintain timely communications. If additional communication expenses are required for a valid business purpose, they are reimbursable. Receipts are required.
  - i. The travel voucher reimbursement form shall include a statement that communication expenses being claimed were for official County business.
  - ii. Communication expenses to contact the traveler's family or other nonbusiness purposes are not eligible for reimbursement.
  - iii. In advance of international travel, authorized travelers should ensure their cell phone carrier coverage for the destination country.
5. Registration Fees. Registration fees for a convention, conference, travel/trade show, etc., to which the traveler is authorized to attend are allowed. A receipt is required.

6. Laundry and Pressing. If travel extends past seven (7) days, the traveler may be reimbursed for the laundry and cleaning costs for a sufficient amount required to complete the trip. Itemized laundry receipt is required.
7. Portage. Actual portage charges paid, which shall not exceed \$1 per bag, not to exceed \$5 per incident.
8. Passport and Visa Fees. Actual passport and visa fees that are required for official travel. Receipts are required.
9. Traveler's Checks. Actual and necessary fees charged to purchase traveler's checks for official travel expenses.
10. Currency Exchange Fees. Actual and necessary fees charged to exchange currency in connection with official County tourism business. Receipts are required.
11. Maps. Actual cost of maps necessary for conducting official business. Receipts are required.
12. Other Incidental Expenses. Other actual, necessary, and reasonable costs of incidental expenses incurred by the traveler while on official business may be reimbursed. These expenses shall be subject to the TDC Managing Director, County Manager, and OMB's approval. Requests for such approval must be in writing and must demonstrate that reimbursement of such expenses is in the best interest of the County. Approval will be in writing and must be included in any expense voucher submitted for such reimbursement. Receipts are required.

G. NON-REIMBURSABLE TRAVEL EXPENSES

Non-reimbursable expenses are those which do not serve a direct public purpose to the County. These expenditures, if made, are the responsibility of the traveler. Such expenses include but are not limited to the following:

1. Alcoholic Beverages
2. Sundries items (e.g., toothbrush, toothpaste, shampoo, deodorant, etc.)
3. Other items for the traveler's benefit or enjoyment (i.e., newspapers, magazines, books, personal phone calls, entertainment, health club fees, movies, etc.). Exceptions may be made if a newspaper/magazine purchase is related to a meeting with a media representative.

H. ENTERTAINMENT EXPENSES

Entertainment expenses shall be authorized only when meeting with Tourism Promoters per Section 125.0104(9), Florida Statutes. The only justification for incurring entertainment expenses is to create additional Amelia Island tourism business. Costs associated with entertaining may take place locally or out-of-town and are considered reimbursable expenses only when the traveler is meeting with Tourism Promoters.

If entertaining in Nassau County, all reimbursable expenses shall be conducted within the County unless advance approval is obtained from the TDC.

1. Examples of entertaining expenses can include, but are not limited to:
  - i. Meals as entertainment. Meals shall include food, beverages, and gratuity associated or in conjunction with meetings, dinners, lunches, breakfasts, brunches, promotions, cocktail parties, or similar events, whether catered or provided by the TDC, CVB, or another contracted entity.
  - ii. Non-meal-related entertainment include concerts, theatrical performances, sporting events, activities, and attractions (e.g., a zoo, museum, or other similar event or attraction).
  - iii. Reasonable transportation expenses (e.g., vans, buses, or vehicles) for the authorized traveler to transport Tourism Promoters on assignment on Amelia Island.
  - iv. Promotional items or small gifts (e.g., welcome bags, tokens of appreciation, or souvenirs) given to Tourism Promoters as authorized by the TDC Managing Director are reimbursable at actual cost, subject to a limit of \$80 per person per occasion. Cash or cash equivalent gifts (e.g., gift cards) are not permitted.
2. Limitations. Entertainment expenses shall be substantiated by paid receipts with complete and detailed justification for all expenditures, including a list of all attendees (name, organization, title, and a reason for attending), and are subject to the criteria and limitations set forth below:

- i. The attendance of authorized representatives/staff (from the County, TDC, CVB, or any other contracted entity to represent the TDC/CVB related to entertaining activities) shall be limited based on the number of Tourism Promoters in attendance as follows:

Tourism Promoters Attending	Maximum # of Representatives
5 or less	2
6 to 8	3
9 to 12	4
Every additional 4 attendees	1 additional person

- ii. Meal expenses associated with entertaining Tourism Promoters shall be reasonable and limited to \$210 per person, per day, based on the following meal-specific limitations:

Meal	Maximum Meal Cost Per Person
Breakfast	\$35
Lunch	\$50
Dinner	\$125

- iii. Non-meal activities expenses shall be limited to \$250 per person per day.
- iv. The County recognizes that tips and gratuities are customary within the tourism industry. These expenses are authorized when connected with the performance of promotional duties of this section and are limited to no more than 20% of the retail cost (exclusive of taxes or other fees).



- a) Gratuities on discounted or complimentary meals are authorized as calculated on the full fair market price of the meals up to 20% (an itemized receipt is required to substantiate calculation).
- v. An authorized TDC/CVB representative must be in attendance where any business entertainment expense is incurred.
- vi. Travelers should seek guidance on entertainment levels from the TDC Managing Director before expenses are incurred.

#### I. TRAVEL & ENTERTAINMENT REIMBURSEMENT FORM

To receive reimbursement for authorized travel and entertainment expenses, the traveler shall submit a completed and approved travel voucher form (see Attachment B) within ten (10) business days after the cost was incurred. Detailed receipts are required for all expenses.

1. Reimbursable expenses must be fully described and supported on the voucher in conformity with County requirements. The following are requirements and examples of documents that shall be included with the travel voucher reimbursement request:
  - i. Each entry must contain a clear description of the official business purpose and the names of all persons involved in the expenditure.
  - ii. A copy of the approved travel authorization.
  - iii. Printouts of schedules, agendas, itineraries, and registration (if available).
  - iv. Additional documents, i.e., printouts of maps for mileage calculation, airline ticket information, hotel bills, customer copies of credit card charge slips, detailed restaurant receipts, and other expenditures.
  - v. Requests for entertainment expenses reimbursement shall include:
    - a) Date, location, and type of entertainment.
    - b) The names of ALL attendees (name, organization, title) and Business cards from those involved, if possible.
    - c) A description of the nature and circumstances requiring the expenses (business discussions or activities that took place).
    - d) Reason for entertainment or business benefit gained.
    - e) If promotional items or small gifts were included, provide the name and organization of the recipient, date, identification or description of the gift, amount of the gift, and reason for the gift.
2. Approval. The TDC Managing Director and the County's OMB department must approve travel voucher reimbursement requests before processing with the Clerk's Office. Requests made by the TDC Managing Director for reimbursable expenses must be approved by the TDC Chairman or County Manager and OMB before sending to the Clerk's Finance Department.

3. Incomplete expense reports, including those without proper documentation or mathematical errors, will be returned for completion. Reimbursement will not be processed until the voucher is considered complete.
4. Expenses not adequately described, documented, or supported will be disallowed and may require personal reimbursement to the TDC if paid with TDC funds.

Exhibit 1 – The following table is provided for reference for domestic travel.

#	Individual	Lodging	Meals	Transportation	Incidentals	Entertaining Expenses	Note
1	Public officer, employee, TDC/CVB, [in performance of promotional and other duties of the agency]  [WHEN <u>NOT</u> MEETING WITH TOURISM PROMOTERS]	Per diem for total travel; <u>or</u> Actual Lodging (based on policy)	Actual & reasonable (with receipts) (reasonable limited to GSA as max) <u>or</u> Subsistence - (without receipts)  Meal allowance based on travel times - (see policy).	ALLOWABLE See policy	ALLOWABLE See policy	<u>NOT ALLOWED</u> Per s. 125.0104(9), Florida Statutes	Administrative-related travel is not reimbursable to the CVB (see CVB contract);
2	Authorized Person (called upon to contribute time & services as consultants or advisors on behalf of the TDC) - [in performance of promotional and other duties of the agency]  [WHEN <u>NOT</u> MEETING WITH TOURISM PROMOTERS]	Per diem for total travel; <u>or</u> Actual Lodging (based on policy)	Actual & reasonable (with receipts) (reasonable limited to GSA as max) <u>or</u> Subsistence - (without receipts)  Meal allowance based on travel times - (see policy).	ALLOWABLE See policy	ALLOWABLE See policy	<u>NOT ALLOWED</u> Per s. 125.0104(9), Florida Statutes	*A <u>tourism promoter</u> called upon to contribute time and services as consultant or advisor on behalf of the TDC (or in performance of promotional & other duties of the agency) would become an "authorized person" and reimbursed accordingly, based on their separate agreement.
3	Public officer, employee, TDC/CVB, or authorized person - in performance of promotional and other duties of the agency.  [WHEN MEETING <u>WITH</u> TOURISM PROMOTERS]	This traveler only (under line #1 OR 2)	Actual with receipts Limited to Entertainment Policy	Actual with receipts Limited to Entertainment Policy	ALLOWABLE See policy	ALLOWABLE See Entertainment policy	Entertainment expenses are only authorized when physically meeting with a Tourism Promoter (must be in attendance).



#	Individual	Lodging	Meals	Transportation	Incidentals	Entertaining Expenses	Note
4	*Tourism Promoter (When <u>NOT</u> contributing time and services as consultants or advisors on behalf of the TDC) - [NOT in performance of promotional and other duties of the agency]	NOT ALLOWED (see AGO 2020-02)	NOT ALLOWED (see AGO 2020-02)	NOT ALLOWED (see AGO 2020-02)	NOT ALLOWED (see AGO 2020-02)	NOT ALLOWED Per s. 125.0104(9), Florida Statutes	No travel & entertainment authorized directly.

TRAVELER	AUTHORIZATION
TDC/CVB Employees/Authorized Persons (Other than Board Members)	TDC Managing Director
TDC Managing Director	County Manager
Public Officers, Board Members of the BOCC and TDC Board Members	BOCC or County Manager
Meeting w/ Tourism Promoters	TDC Managing Director
Foreign Travel – All Travelers	BOCC or County Manager

**Attachment A - Request for Attendance-Meeting and Conferences**

Overview to completing a Request for Attendance-Meeting & Conferences Form:

1. Employee Name: First and last name of employee traveling
2. Job Title: List the employee's job title
3. Meeting/Conference: List the name of conference, workshop, training or meeting to attend.
4. Location: List the City & State of the conference, workshop, training or meeting.
5. Sponsoring Group: List the name of the group hosting the function
6. Dates: Enter the date(s) on which travel will be performed. All receipts must correspond with travel dates
7. Purpose: List the purpose of the conferees, workshop, training or meeting.
8. Estimated Expenses: List estimated cost to the County in each of the applicable categories.
9. Account: List account numbers to be charged for each category in which cost is associated.
10. Employee Signature/Date: Traveler shall provide an original signature and date the request. No name abbreviations or initials.
11. Approved By/Date: Supervisor shall provide an original signature and date in which travel is approved. Department heads shall obtain both OMB approval and then the County Manager's signature for supervisor approval. The County Manager, County Attorney, and County Commissioners shall require approval by the County Manager's office.

**Additional Information**

- Request for attendance must include:
  - a. Copies of conference, workshop, training or meeting registration form, agenda and/or announcement.
  - b. Mileage printout
  - c. Hotel information, if applicable.
- Request for Attendance-Meeting and Conferences Form must be submitted to the County Manager's Office no less than thirty (30) days prior to the scheduled travel.
- If Class "C" travel (short or day trips) is required, but there is no cost to the County, do not submit a Request for Attendance-Meeting and Conferences Form. Such travel shall be approved by the Department Head.





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**Attachment B – Voucher for Reimbursement of Travel Expenses**

Overview of completing a Voucher for Reimbursement of Travel Expenses Form:

1. Traveler: First and last name of payee.
2. Type of Employee: Mark the traveler's employment status.
3. Agency: List agency of employment and department.
4. Headquarters: Enter the street address and city to which the traveler is currently assigned.
5. Residence (City): Enter the city of the traveler's official residence.
6. Date: Enter the date(s) on which travel was performed. All receipts must correspond with travel dates.
7. Travel Performed from Point of Origin to Destination:  
Enter the city of origin and destination that correspond with receipts and travel performed. All reimbursable mileage must be from headquarters as the point of origin and return unless the home is shorter, which must be justified on the voucher. Traveler shall submit the vehicle mileage, per trip, from point of origin to point of destination. Indicate whether a personal or county vehicle was utilized and also include the beginning and ending odometer reading.
8. Purpose and Reason (Name of Conference):  
Enter the name of the conference, convention, workshop or meeting.
9. Hours of Departure and Hour of Return:  
Time of departure and return must be entered along with a.m. or p.m. Traveler taking personal leave at the end of a trip must estimate the return time to headquarters or city of residence.
10. Class A and B Meals: Pertains to overnight travel. Meal allowance for Class A or Class B travel. Meal allowances shall be in compliance with Section IV, Meals and Incidentals
11. Actual Lodging Expenses: Enter the actual lodging expense.
12. Map Mileage Claimed: If a personal vehicle is used, map mileage may be reimbursable. If a county vehicle is driven, insert the word "County" in this column
13. Vicinity Mileage Claimed: If a personal vehicle is used, vicinity mileage- is reimbursable for miles driven (for business purposes) within the city limits of the point of destination and/or the point of origin. If the vicinity miles are of an extraordinary amount, then a justification statement should be included on the travel voucher.
14. Other Expenses: Other or incidental expenses may be reimbursed pursuant to Section VII, Incidental Expenses.
15. Amount Totals: The traveler should assure mathematical accuracy of each column by adding both down and across the travel voucher. The entire cost of the trip should be reflected on the travel voucher; therefore, the traveler shall include expenses that have been prepaid by the county (e.g. registration, hotel, etc.). These advances shall be recorded on the voucher in the appropriate column, calculated in the "Less Advance Received" field, to arrive at the "Net Amount Due Traveler".
16. Statement of Benefits: Traveler shall summarize how attendance was a benefit to Nassau County.
17. Traveler's Signature/ Title/ Date:

Traveler shall provide a legible printed name, original signature, job title, and date travel form is completed. The traveler's signature certifies that the travel claim is true and correct in the performance of official duties.

18. Supervisor's Signature / Title / Date:

Supervisor shall provide a legible printed name, original signature, job title, and date travel form is approved. Department Heads shall obtain the County Manager's signature for supervisor approval. All travel vouchers must be signed by the payee's supervisor. The County Manager, County Attorney, and County Commissioners shall require approval by the County Manager's office.

Additional Information

Requests for travel reimbursement payments must include:

- a. A completed & approved travel voucher
- b. Request for Attendance-Meetings & Conferences Form (if no form is available, the Travel Voucher shall require approval by the County Manager's office)
- c. Workshop, training, or meeting agenda, if available; and/or registration
- d. Mileage printout
- e. Itemized hotel receipts (to include mandatory incidental charges), if applicable
- f. Incidental receipts, if applicable
- g. Meal receipts if claiming in excess of the standard meal allowance, along with the GSA listing of high cost cities

Board of County Commissioner  
 Nassau County, Florida  
 Section X – Travel And Related Business Expenses Policy

Approved: November 16, 2022  
 Reviewed/Amended: July 10, 2023  
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STATE OF FLORIDA		TRAVELER		AGENCY		NASSAU COUNTY BOCC - ONIB	
VOUCHER FOR REIMBURSEMENT OF TRAVEL EXPENSES		Cheryl C. Wood		HEADQUARTERS		98135 Nassau Place, Yulee, FL	
DATE PERFORMED FROM PLACE OF ORIGIN TO DESTINATION		PURPOSE OF TRIP (NATURE OF CONVENTION)		RESIDENCE (CITY)		SPIRIT MAYS, GA	
DATE	TRIP PERFORMED FROM PLACE OF ORIGIN TO DESTINATION	PERSONAL VEHICLE OR GOVERNMENT VEHICLE	TIME OF DEPARTURE AND TIME OF RETURN	CLASS OF SERVICE	MEALS AND LODGING EXPENSES	OTHER EXPENSES	TOTAL
10/23/20	Yulee, FL - Orlando, FL	Personal Vehicle: 52-122	3:00 PM - 7:45 PM	Class A & B	\$ 19.00	\$ 200.00 Registration	\$ 219.00
11/01/20	Orlando, FL	Personal Vehicle: 52-122		Class A & B	\$ 36.00		\$ 36.00
11/02/20	Orlando, FL	Personal Vehicle: 52-122		Class A & B	\$ 36.00		\$ 36.00
11/03/20	Orlando, FL - Yulee, FL	Personal Vehicle: 52-122	7:45 PM -	Class A & B	\$ 17.00		\$ 17.00
<p>Statement of Expenses to the State: (Complement of Convention)</p> <p>Increased awareness of procedures to protect the County by implementing &amp; maintaining associated internal controls</p> <p>Approved expenses in the area of lodging, transportation &amp; per diem</p> <p>Classical education on financial reporting &amp; use changes</p>							
Reimbursed P. amt					\$ 108.00	\$ 330.00	\$ 438.00
Check No.							
Check Date							
Agency/Department							
Agency/Department No.							
Agency/Department Name							
Agency/Department Address							
Agency/Department City							
Agency/Department State							
Agency/Department Zip							
Agency/Department Phone							
Agency/Department Fax							
Agency/Department Email							
Agency/Department Website							
Agency/Department Social Media							
Agency/Department Other							
Agency/Department Notes							
Agency/Department Comments							
Agency/Department Remarks							
Agency/Department Other							
Agency/Department Total					\$ 108.00	\$ 330.00	\$ 438.00
Agency/Department Less Advance Received							
Agency/Department Net Total					\$ 108.00	\$ 330.00	\$ 438.00
Agency/Department Summary							
Agency/Department Total					\$ 108.00	\$ 330.00	\$ 438.00

IF A COUNTY VEHICLE IS USED, INSERT THE WORD "COUNTY" IN THE "MAP MILEAGE CLAIMED" COLUMN

RECORD ALL PAYMENTS MADE IN ADVANCE, ON BEHALF OF THE EMPLOYEE (i.e., hotel, conference registration, etc.)

COMPLETE THE STATEMENT OF BENEFITS.

TRAVELER'S PRINTED NAME: \_\_\_\_\_  
 TRAVELER'S SIGNATURE: \_\_\_\_\_  
 SIGNATURE DATE: \_\_\_\_\_

SUPERVISOR'S PRINTED NAME: \_\_\_\_\_  
 SUPERVISOR'S SIGNATURE: \_\_\_\_\_  
 SUPERVISOR'S TITLE: \_\_\_\_\_  
 SIGNATURE DATE: \_\_\_\_\_

Form DFS-660-15 (Rev. 07/09)



**PURPOSE:** Nassau County has a significant investment in fleet vehicles and equipment. In a continuing effort to develop and maintain a fiscally responsible program that meets the operating and financial goals of the Board of County Commissioners for both new acquisitions and replacement of its fleet and equipment, the County hereby establishes the following Fleet Policy.

**SCOPE:** The Fleet Policy provides for the planned replacement of all Nassau County Board of County Commissioners vehicles and equipment (rolling stock only), their attachments and implements with an estimated replacement cost of \$10,000 or more. The Program will be administered by the Fleet Committee. It will also consider new fleet and equipment acquisitions as an integral part of the Program. The Program excludes Constitutional Officers, other taxing authorities, not for profit agencies and any other entities not under control of the Nassau County Board of County Commissioners.

**POLICY:**

**A.** The objectives of this program are as follows:

1. Standardize replacement criteria and guidelines.
2. Provide a mechanism in which funding for fleet replacements is available, in advance of the need, through the establishment of a fleet replacement reserve.
3. Provide for Board approval through the annual budget process.
4. Provide Departments and employees with reliable, safe, and correct vehicles and equipment to assist them in meeting their responsibilities and job functions.
5. Provide for the timely acquisition and disposal of units, therefore maximizing the dollar resources available for meeting fleet needs.
6. Right size the fleet and promote standardization. Ensure the County has the optimum number and type of vehicles and equipment. Working with Departments, the Fleet Committee establishes the baseline for the types of units needed.
7. Smooth the outflow of capital funding and the rotation of incoming and outgoing units year to year to prevent spikes in cash and asset flow from one year to the next.
8. Reduce maintenance costs by eliminating old, expensive to maintain fleet.

**B.** FUNDING:

1. Annual contributions to replacement reserves will depend upon the detailed analysis of fleet units.
2. Funding for vehicle and equipment replacement and new purchases will be provided primarily by the replacement reserve or other sources as approved by the Board of County Commissioners.
3. Trade-in values and buyback programs are considered funding sources.
4. Proceeds from vehicles and equipment sold at auction will be credited to the reserve replacement fund.
5. Adopted Financial Policies will be adhered to at all times with deviations approved by the Board of County Commissioners.
- 5.6. All purchases through the "Fleet" or "FRP" project codes may be acquired directly through a purchase order in lieu of a separate contract or agreement.

**C.** REPLACEMENT/ACQUISITION PLAN

1. Fleet Committee

The Fleet Committee consists of

- Fleet Manager-Public Works Department
- Office of Management and Budget Representative
- Third member knowledgeable of fleet replacement programs
- Department Head or representatives (as needed)

- Public Works Director or designee and County Manager's office

## 2. Life Cycle

The replacement program was developed on the premise that an average life span can be established for a group (type/subclass) of equipment based on industry standards and/or analysis of the group's performance within the organization. This average life cycle (age) is used primarily to determine annual replacement funding and to provide a reference point to review the economic feasibility of retention versus replacement. Because the life expectancy is an average, it is anticipated that some vehicles and equipment will operate beyond their estimated useful life and some will be replaced early.

A unit shall be considered to have met its economical replacement point when it has reached the optimum replacement criteria in the Fleet Life Cycle. The replacement criteria to be evaluated are based on age, mileage/hours, utilization, maintenance history, projected maintenance, physical condition, obsolescence and buyback programs. The fact that a particular unit has reached an age and/or usage threshold that makes it a candidate for replacement does not mean it will automatically be replaced.

Sources of data for life cycles were industry standards, review of other governments programs, and internal discussions. Refer to TABLE 1 for Schedule of Life Cycles.

## 3. Long Term Planning

A five (5) year replacement plan will be maintained by Fleet Management and the Office of Management and Budget based on the average life for each unit and its expected replacement cost. Planning is used for long range budgeting and replacement decisions.

## 4. Short Term Planning

The replacement plan will be updated annually by reviewing the historical performance of individual units against the established replacement standards. Annual replacement amounts for each operating fund will be calculated by the Office of Management and Budget based upon the Replacement Plan.

## 5. Replacement Criteria

Various factors determine the estimated replacement time for units with each unit reviewed annually to determine status. Selection criteria shall be based on the following factors:

- Age- the age of unit meets projected life for the asset's class type, the historical point where the cost of ownership for this class of goods would exceed its market value.
- Usage - miles driven/hours of operation meets projected miles/hours of operation for the asset's class type, the historical point where maintenance costs begin to escalate significantly.
- Condition of unit - evaluate body condition, rust, interior condition, anticipated repairs, accident history.
- Reliability - frequency and type of repairs to date and needed repairs other than preventive maintenance.
- Maximum Cost to Repair -if cost to repair exceeds 50% of replacement cost.
- Maximum Total Repairs -if total of cumulative repair costs plus cost to repair exceeds 75% of replacement value.
- User Department evaluation - team meets with user department to determine if the unit continues to meet their operational needs.
- Funding availability.



6. Annual Process

- Fleet request forms will be distributed to departments annually for review and update.
- The Fleet Committee will review, propose update, and recommend new acquisitions/replacements for the upcoming budget, and up to 5 years.
- After review and approval, a final Fleet -Plan will be provided to OMB prior to budget preparation and will include annual new acquisitions/replacement amounts.
- The Board of County Commissioners has the ultimate approval for the Fleet Replacement Plan with the adoption of the annual County budget.

7. Acquisition Process

- The Fleet Replacement Plan will be followed and only scheduled replacements purchased.
- Requisitions must be reviewed by the ~~Fleet Committee~~ OMB Director to verify consistency with approved Plan prior to other required approvals.
- The adopted Purchasing Policy will be followed. Fleet vehicles and equipment may be purchased through a purchase order executed by the County Manager when purchased through a state agreement, piggyback, cooperative agreement, or other similar process.
- A special replacement request may be initiated by a department during the year to the Fleet Committee. All requests will clearly identify why a fleet unit should be replaced earlier than the plan scheduled date.

8. User Department Responsibilities

- Maintain vehicles and equipment in good working condition.
- Follow recommended preventive maintenance schedules.
- Maintain repair and maintenance summary records for each unit for the life of the unit.
- Review and update fleet request forms distributed by OMB providing repair and maintenance summary data and replacement data documentation.

D. ADDITIONS AND EXPANSION TO EXISTING FLEET

Fleet additions and expansion requests will be considered concurrently with the Fleet Replacement Plan, to assure a comprehensive review of all fleet and equipment.



SCHEDULE OF LIFE CYCLES

Category	Sub Category New	Sub Category Old	Unit Class	Miles	Hours	Years	
1	100	602	Auto Vehicle	20000 0	N/A	12	Vehicles
1	110	604	Van Passenger	20000 0	N/A	10	
1	120	604	Van Service	20000 0	N/A	8	
1	130	613	SUV	20000 0	N/A	12	
2	200	601	Pick-Up Truck Administration	20000 0	N/A	12	Light Duty Pick-Trucks
2	210	601	Pick-Up Truck Standard Cab	20000 0	N/A	10	
2	215	625	Pick-Up Truck Crew Cab	20000 0	N/A	10	
3	300	601	Pick-Up Truck Service Body	25000 0	N/A	15	Light Duty Specialized Trucks
3	310	611	Pick-Up Truck Flat Bed	25000 0	N/A	15	
3	320	620	Pick-Up Truck Fab Body	25000 0	N/A	15	
3	330	625	Pick-Up Truck Animal Care	25000 0	N/A	15	
3	340	611	Pick-Up Truck Landscape Body	25000 0	N/A	15	
3	350	603	Pick-Up Truck Dump Body	25000 0	N/A	15	
3	360	707	Pick-Up Truck Bucket Lift	25000 0	N/A	15	
3	370	620	Pick-Up Truck Scissors Lift	25000 0	N/A	15	
3	380	601	Misc Light Duty Pick-Up Truck	25000 0	N/A	15	
4	400	620	Chipper Box Truck	20000 0	N/A	15	
4	410	707	Bucket Truck Large	20000 0	N/A	15	
4	420	617	Roll Off Truck	30000 0	N/A	10	
4	430	709	Vactor Truck	20000 0	N/A	15	
4	440	619	Simi Tractor Truck	30000 0	N/A	10	
4	450	603	Tandem Dump Truck	40000 0	N/A	12	
4	460	611	Water Tank Truck	20000 0	N/A	15	
4	470	611	Fuel Truck	20000 0	N/A	15	
4	475	611	Lube Truck	20000 0	N/A	15	
4	480	611	Flat Bed Truck Large	20000 0	N/A	10	
4	490	641	Sweeper Street Truck	5000	N/A	15	
4	495	709	Misc Heavy Duty Specialized Trucks	N/A	N/A	N/A	

5	500	576	Back-Hoe with Attachments	N/A	7500	15	Heavy Equipment	
5	510	712	Skid Steer With Attachments	N/A	5000	10		
5	520	562	Wheeled Loader with Attachment	N/A	7500	15		
5	530	570	Bulldozer	N/A	7500	15		
5	540	701	Grader	N/A	7500	10		
5	550	578	Excavator Large	N/A	7500	15		
5	555	578	Excavator Small	N/A	7500	15		
5	560	579	Gradall	N/A	5000	10		
5	570	708	Roller Steel Drum	N/A	4000	15		
5	580	702	Mowing Tractor Base Unit	N/A	7500	10		
5	581	704	Mowing Tractor with Sidearm Attachment	N/A	5000	7		
5	582	704	Slope Mower	N/A	5000	7		
5	590	703	Mowing Decks Wing Large	N/A	N/A	5		
5	595	703	Mowing Decks Brush Hog	N/A	N/A	5		
5	598	709	Misc Heavy Equipment	N/A	N/A	N/A		
6	600	637	Trailer Transport 5th Wheel	N/A	N/A	15		Trailers
6	610	622	Trailer Equipment	N/A	N/A	15		
6	620	622	Trailer Utility Open Deck	N/A	N/A	15		
6	630	622	Trailer Closed Cargo	N/A	N/A	15		
6	640	622	Misc Trailer	N/A	N/A	N/A		
7	700	576	Telescopic Manlift Self Propelled	N/A	N/A	15	Light Equipment	
7	705	576	Scissors Personnel Lift	N/A	N/A	15		
7	710	510	Mobile Pressure Washer Trailer Mounted	N/A	N/A	10		
7	720	520	Mower Self Propelled	N/A	N/A	5		
7	730	558	Shredder Chipper	N/A	4000	10		
7	740	558	Stump Grinder	N/A	4000	10		
7	750	616	Utility Vehicle	N/A	5000	7		
7	760	616	ATV	N/A	5000	7		
7	770	572	Forklift All Terrain	N/A	N/A	15		
7	775	572	Forklift Hard Surface	N/A	N/A	15		
7	780	709	Hydro Seeder	N/A	3000	10		
7	790	709	Misc Light Equipment	N/A	N/A	N/A		
8	800	607	Aerial Ladder Fire Apparatus	10000 0	N/A	11	Fire	
8	810	607	Pumper Fire Apparatus	10000 0	N/A	9		
8	820	607	Quint Fire Apparatus	10000 0	N/A	11		
8	830	607	Brush Fire Apparatus	12500 0	N/A	9		
8	840	606	Rescue Unit Medium Chassis	20000 0	N/A	4		
8	850	606	Rescue Unit Light Chassis	12000 0	N/A	3		

8	860	601	Staff Emergency Vehicles	17500 0	N/A	6	
8	870	601	Staff Support Vehicles	20000 0	N/A	12	
8	880	601	Staff Non Emergency Vehicles	20000 0	N/A	12	
8	890	606	Misc Fire Equipment	N/A	N/A	N/A	
9	900	709	Generator Skid Mounted	N/A	8000	15	Generators
9	910	709	Generator Trailer Mounted	N/A	8000	15	



**PURPOSE:** The donation program provides those in the community with various philanthropic interests the opportunity to give through memorials, gifts and donations. It is not intended to compete with other non-profits or friend groups with which the County works, but rather to provide those that specifically are interested in County projects the opportunity to give. Additionally, this policy shall address the donation of certain lands and assets from developers and/or property owners.

**OBJECTIVE:** Facilitate the acceptance of donations in the form of land, facilities, cash, services and/or equipment to Nassau County by establishing clear guidelines for giving.

Ensure that donations are consistent with the aesthetic and functional integrity of the County’s existing and proposed facilities and goals.

Ensure that donations do not cause unbudgeted expenditures or significant ongoing maintenance responsibility for the County.

Ensure that donations do not create liability for the County with regard to the health and safety of facility users.

Ensure gifts made in memory of or in recognition of a person, event or other phenomenon do not conflict with the County’s goals or standards.

**DEFINITIONS:**

Cash Donation	all donations made in the form of currency, personal or cashier’s check or money order.
County	Nassau County Board of County Commissioners (BOCC).
Donation	making of a free gift to a charity or public institution.
Donor	person giving a free gift to someone.
Material/Equipment	all non-real property; this includes all personal property (i.e. food and other items for the animal shelter, books for library, computers, etc.).
Restricted Donation	any donation made to the BOCC that specifies a particular use or restricted use of the donation.
Unrestricted Donation	any donation made to the BOCC that does not specify or restrict its use.
Real Property	land or buildings
Tax Deduction	Donations made to the County may be tax deductible expenses.

**POLICY:**

- 1 The County reserves the right to deny any donation.
- 2 The County may accept donations meeting the objectives of the policy.
- 3 Donations to the County programs must be consistent with established goals and objectives for the individual program, and/or the County as a whole.

- 4 All donations, other than cash, shall be considered "gifts for public improvements" to the County for the enjoyment of the County's citizens. They will not be considered private or proprietary assets.
- 5 Items that are vandalized will be repaired or replaced as feasible, but the County does not guarantee replacement of any items damaged beyond repair or where the cost to do so is not considered cost effective.

#### **GENERAL GUIDELINES:**

The following guidelines will apply to all donations:

Upon request, potential donors will be provided with the County's Donation policy.

Unrestricted cash donations (currency, personal check, cashier's check, or money order) may be accepted by the County without prior approval in accordance with the cash handling policy/procedures of the County. Cash donations will be deposited with the Nassau County Clerk.

Restricted cash donations greater than \$500 cannot be accepted without prior approval of the County Manager or designee (up to \$25,000) and/or the BOCC (over \$25,000). The County's policy is to receive the cash donation before the restricted purpose expenditure is approved. Cash donations will be deposited with the Nassau County Clerk.

Donations of land and/or assets shall be processed through additional legal agreements as deemed necessary by the County Attorney's Office. Where certain impact fee credits may be eligible, the separate agreement shall discuss the calculation of credits, timing of land or asset transfers, and other terms as necessary. The recording of the lands on the county's financial by the Nassau County Clerk shall occur following the recorded transfer of title. The recording of land improvements and structures shall either occur at the same time as the land or for work in process or under construction, such assets shall be recorded by the Nassau County Clerk following the final payment and written acceptance by the County.

#### **Receipt of Donations**

The County is able to accept donations of land, materials and cash. Donations of real property require BOCC approval and shall be consistent with other County policies. All donors of real property, materials, and cash may be issued a receipt incorporating specific information. The receipt shall include information and a form as outlined in this policy. Additionally, "Thank You" cards may be provided to the donors.

#### **Cash Donations**

All non-currency cash donations shall be made payable to "Nassau County BOCC". Cash donations must be in the form of currency, personal check, cashier's check or money order.



The donor has two options:

- Allow the County to specify best use of the funds, or
- Restrict the use of funds in a manner consistent with the objectives of this policy.

Items typically purchased using cash donations include basic amenities such as animal care items, library books, equipment, landscaped areas, recreation facilities, etc. Donors are not limited to these items, as any improvements or items that are consistent with amenity standards may be considered.

### **Materials / Equipment Donations**

The County may accept materials and/or equipment donations under the following conditions:

- Criteria for approval of materials and equipment not contained in adopted standards and specifications or policies and plans shall include:
  - Consistency with adopted design, character, and use at proposed location;
  - Consistency with national, state and local health and safety standards;
  - Compatibility with current County maintenance practices;
  - Does not cause unbudgeted expenditure or significant ongoing maintenance responsibility for the County and;
  - Consistency with adopted long-range goals for specified facilities or programs as contained in the existing County comprehensive plan, Master Plans or Land Plans.
- Unrestricted materials and/or equipment donations shown on the material item list do not require approval prior to acceptance by the County.
- Material/equipment donation will be added as an asset into the Nassau County fixed asset system in compliance with county policies.

### **Receipt Guidelines**

After any donation is received, the receiving Department may complete a "Receipt for Donated Goods Form", with a copy provided to the Office of Management & Budget (OMB). The receipt must include:

- A statement verifying that no goods or services were provided in exchange, in whole or in part, for the donation.
- The cash receipt should reflect the amount of the cash donation.
- The land, material and services receipt shall include a clear description of the real property, goods or services donated. Do NOT affix a value to the land, materials or services donated. It is incumbent upon the donor to provide the proper justification and fair market value of the donation. The IRS has regulations that determine the value for donated items; i.e., the donor might need to provide an appraisal to the IRS to declare the full deduction.
- A statement indicating donation is tax deductible to the extent allowed by law and



it is the responsibility of the donor to determine the fair market value of the contribution.

- If donated for a restricted purpose, do not accept the donation. Direct the donor to specify in writing the desired donation and any specific restrictions they desire to set. Forward the document to the County Administrator.
- The County will retain a copy of all donation receipts.

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**Nassau County Donation Receipt Form**

Date: \_\_\_\_\_  
Donor's Name: \_\_\_\_\_  
Donor's Address: \_\_\_\_\_  
Donor's Phone: \_\_\_\_\_  
Donation Amount: \_\_\_\_\_

If land, goods, or services, describe land, goods or services donated:  
\_\_\_\_\_  
\_\_\_\_\_

Please check where appropriate:

- This donation is unrestricted in its use.
- This donation is restricted for the following purpose

\_\_\_\_\_

Please respect my privacy, I do not wish to be recognized for my contribution.

Person completing this form:

Signature of Donor: \_\_\_\_\_

Signature of County Employee receiving donation: \_\_\_\_\_

Note: Donation is tax deductible to the extent allowable by law. It is the responsibility of the donor to determine fair market value of this donation.

**No goods or services were provided in exchange, in whole or in part, for the donation.**

\$500 - \$25,000

Over \$25,000

Approved By: \_\_\_\_\_

\_\_\_\_\_

County Administrator

Board of County Commissioners

**I. SCOPE:**

This Investment Policy applies to all funds (excluding pension funds) held by or for the benefit of Nassau County, Florida (the County). The investment guidelines were updated and codified in Nassau County, Florida - Code of Ordinances Chapter 1 - Administration, Article I. - In General Sec. 1-15 - Investment of surplus public funds with the adoption of Ordinance 2023-036 on September 25, 2023.

**II. INVESTMENT OBJECTIVES**

The following investment objectives will be applied in the management of the County's funds.

- A. The primary objective of the investment activities is the protection of County Funds.
- B. The investment strategy will provide sufficient liquidity to meet the County's operating, payroll, and capital requirements.
- C. When investing public funds, the Clerk of the Circuit Court and Comptroller (Clerk) will strive to maximize the return on the portfolio while minimizing investment risk.
- D. The Clerk will set procedures to properly diversify the investment portfolio and minimize the inherent risk associated with investment portfolios.

**III. PRUDENCE AND ETHICAL STANDARDS**

The County shall use the “prudent person” standard in the management of the overall investment portfolio.

The "prudent person" standard is herewith understood to mean:

Investments shall be made with judgment and care, under the circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The Clerk, or designee, acting as a “prudent person” in accordance with these written policies and procedures and exercising due diligence, shall not be responsible for a security's credit risk or market price changes provided that appropriate monitoring efforts are performed.

**IV. INVESTMENT PERFORMANCE AND REPORTING**

A portfolio report shall be provided quarterly to the County Commission. The reports shall include a breakdown of the portfolio and its overall performance during that period.

**V. DELEGATION OF AUTHORITY**

Responsibility for the administration of the investment program pursuant to Florida Statutes Section 28.33 and 218.415 is hereby delegated to the Clerk who shall establish investment



procedures based on these policies. The Clerk shall be responsible for implementing internal controls and monitoring the activities of subordinate staff.

## VI. AUTHORIZED INSTRUMENTS

The Clerk or designee, shall purchase or sell investment securities at prevailing market rates. Authorized instruments are as follows:

- A. Intergovernmental pools authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Section 163.01, Florida Statutes.
- B. Negotiable direct obligation or obligations, the principal and interest of which are unconditionally guaranteed by the United States government. Such securities will include, but not be limited to, the following:
  1. Series (SLGS)
  2. Treasury Bills
  3. Treasury Notes
  4. Treasury Bonds
- C. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by United States agencies provided such obligations are back by the full faith and credit of the United States Government. Such securities will include, but not be limited to, the following:
  1. Farmers Home Administration Certificates of beneficial ownership
  2. Federal Housing Administration Debentures
  3. Government National Mortgage Association(GNMA)  
GNMA-guaranteed mortgage-back bonds  
GNMA-guaranteed pass-through obligations
- D. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by United States Government agencies (Federal Instrumentalities) which are non-full faith credit agencies limited to the following:
  1. Federal Farm Credit Bank (FFCB)
  2. Federal Home Loan Bank or its district banks (FHLB)
  3. Federal National Mortgage Association (FNMA)  
FNMA - guaranteed pass-through obligations
  4. Federal Home Loan Mortgage Corporation (Freddie-Macs) including Federal Home Loan Mortgage Corporation participation certificates  
FHLMC - guaranteed pass-through obligations
- E. Non-negotiable interest.-bearing time certificates of deposit or savings accounts in banks or savings associations organized under the laws of the United States and doing business and situated in this state, provided that any such deposits are secured pursuant to the Florida Security of Public Deposits Act, Chapter 280, Florida Statutes, and provided that the bank or savings association is not listed with any recognized credit watch information service. The Money Manager shall be responsible for reviewing credit watch status.
- F. Repurchase agreements comprised of only those investments as authorized in Sections B, C, and D and having a maturity of 180 days or less.

- G. Derivative securities, defined as a financial instrument the value of which depends on or is derived from the value of one or more underlying assets or index of asset values. Securities of this type which are prohibited investments include:
1. Reverse repurchase agreements.
  2. Floating rate securities whose coupon floats inversely to an index or whose coupon is determined based upon more than one index.
  3. Tranches of Collateralized Mortgage Obligations (CMOs) with the following characteristics: receives only the interest or principal from the underlying mortgage securities, commonly referred to as "IO's" and "PO's".
  4. Securities whose future coupon may be suspended because of the movement of interest rates or an index.

Investment in these securities shall be limited to those types previously authorized herein and will only be utilized if recommended by the Clerk's Money Manager.

The County will not use leverage in its investment portfolio.

- H. Securities and Exchange registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- I. Corporate Obligations or Corporate Notes of U.S. Corporations with at least two of the following three minimum ratings: "A" by Standard & Poor's, "A3" by Moody's, or "A" by Fitch.
- J. Commercial Paper denominated in United States dollars that are rated, at the time of purchase, Prime-1 by Moody's and A-1 by Standard & Poor's (Prime Commercial Paper). If the Commercial Paper is backed by a letter of credit (LOC), the long-term debt of the LOC provider must be rated A or better by at least two nationally recognized statistical rating organizations (NRSRO's).
- K. Any investment authorized or permitted by Florida Statutes or any other law of the State of Florida controlling the investment of a public funds of a County.

## **VII. PORTFOLIO COMPOSITION**

The guidelines for investments and limits on security issues, issuers, and maturities as established by the County are addressed herein. Purchases of investments based on bond covenant requirements shall not be included in the portfolio's composition calculations.



Authorized Investments	Portfolio Maximum	Per Issuer Maximum	Maturity	Rating Requirement (Minimum)
Local Government Investment Pools (LGIP's) Stable NAV Floating NAV	100%	n/a	n/a	Stable NAV "AAA", \$in/\$out "AAAF", Floating NAV "AAA" (S&P or equivalent by another NRSRO)
Money Market Deposit Accounts	100%	n/a	n/a	
Money Market Funds - Registered Investment Companies	75%	50%	n/a	
U. S. Government Securities	75%	n/a	5 yrs	
U.S. Government Agencies	75%	25%	3 yrs	
Federal Instrumentalities	75%	40%	3 yrs	Secured by the FL Security for Public Deposits Act, F.S. Chapter 280
Interest Bearing Certificates of Deposit or Savings Accounts/Qualified Public Depositories	100%	50%	n/a	
Repurchase Agreements	50%	25%	≤180 days	Secured by the FL Security for Public Deposits Act, F.S. Chapter 280
Commercial Paper	50%	15%	270 days	P-1 by Moody's and A-1 by S&P. If backed by LOC /I debt must be rated "A" or better by (2) NRSRO's
Corporate Obligations or Corporate Notes	25%	10%	3 yrs	"A" by (2) NRSRO's
Any investment authorized or permitted by FL statutes				

**VIII. INVESTMENT MATURITY AND LIQUIDITY**

To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than twelve (12) months. Investments of bond reserves, construction funds, and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The maturities of the underlying securities of a repurchase agreement will follow the requirements of Master Repurchase Agreement in the form approved by the Public Securities Association.

**IX. BID POLICY**

After the Clerk or designee, has determined the approximate maturity date based on cash flow needs and market conditions, a minimum of three (3) banks and or dealers must be contacted and asked to provide bids. To the extent permitted by law, bids will be held in confidence until the highest bid is determined and awarded. If the maturing investment is a certificate of deposit, then one of the contracts shall be the present holder of the funds. Due to the cost of safekeeping, one business day repurchase agreements and overnight sweep repurchase agreements will not be bid, but may be placed with the depository bank relating to the demand account for which the repurchase agreement was purchased. This bid policy shall not apply to investments authorized in Section VI-A.

**X. RISK AND DIVERSIFICATION**

The investment portfolio goal shall be to diversify or minimize the risk of loss resulting from the overconcentration of assets in a specific maturity, issuer, instrument, dealer, or



bank through which these instruments are bought and sold. The appropriate management staff shall review and revise periodically as necessary the diversification strategies within the established guidelines.

**XI. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS**

The Clerk shall only purchase securities from financial institutions that are qualified as public depositories by the Treasurer of the State of Florida, or securities dealers that are members of the National Association of Securities Dealers (NASD) and the Securities Investors Protection Corporation (SIPC) with a physical presence: in Florida and having minimum net capital as required by Rule 15c3-1 of the Securities and Exchange Commission (SEC) of ten million (\$10,000,000), or primary securities dealers as designated by the Federal Reserve Bank of New York. Repurchase agreements shall only be entered into with primary securities dealers and financial institutions that are state-qualified public depositories.

**XII. THIRD PARTY CUSTODIAL AGREEMENTS**

The Clerk may execute a Third-Party Custodial Safekeeping Agreement with a commercial bank having a trust company chartered by the United States Government or the State of Florida. All securities purchased or collateral obtained by the County shall be properly designated as an asset of the County and held in safekeeping by the trust department or trust company. No withdrawal of such securities, in whole or in part, shall be made from safekeeping except by the Clerk or designee.

The Third-Party Custodial Safekeeping Agreement shall include letters of authority from the County, detail of each party's responsibilities, notification of security purchases, sales, delivery, repurchase agreements, wire transfers, safe-keeping and transactions costs, procedures in case of wire failure, or other unforeseen mishaps including liability of each party.

**XIII. MASTER REPURCHASE AGREEMENT**

The Clerk will require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions will adhere to the requirements of the Master Repurchase Agreement.

**XIV. INTERNAL CONTROLS**

The Clerk shall establish and monitor a system of internal controls designed to protect the County's funds and ensure proper accounting and reporting of the securities transactions.

- A. The Clerk is authorized to accept on behalf of and in the name of Nassau County, bank trust receipts or confirmation as evidence of actual delivery of the obligations or securities in return for investment of funds. All securities purchased or sold will be transferred only under the "deliver versus payment" (D.V.P.) method to ensure that

funds or securities are not released until all criteria relating to the specific transaction are met.

- B. Trust receipts or confirmations shall fully describe the various obligations or securities held. The receipt or confirmation shall state that the investment is held in the name of Nassau County, Florida.
- C. The actual obligations or securities, whether in book-entry or physical form, on which trust receipts or confirmations are issued may be held by a third-party custodial bank and/or institution or designated correspondent bank with a correspondent relationship to the County's third-party custodian.
- D. Other internal controls such as:
  - 1. Written documentation transactions of telephone
  - 2. Adequate separation of duties
  - 3. Custodial safekeeping
  - 4. Supervisory control of employee actions and operations review
  - 5. Performance evaluations and interim reporting
- E. The Clerk will coordinate all daily investment activity. The Clerk shall designate specific employee positions as those with authority to initiate investment activities; other positions may be designated as the Clerk deems necessary.

#### **XV. MONEY MANAGERS**

The Clerk may contract with an outside money manager for the investment of County funds.

#### **XVI. STANDARD OF ETHICS**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or other activities that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Clerk any material financial interests in financial institutions that conduct business with the County and shall further disclose any large personal financial or investment positions that could be related to the performance of the County's portfolio. Employees and investment officers shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

#### **XVII. REPORTING**

The Clerk shall submit annually to the County Commission an investment report outlining the County's investment transactions for the preceding year and describing the County's investment position as of the date of the report. Earnings on investments shall be compared to the Florida Local Government Surplus Trust Fund (SBA) or its predecessor relative to portfolio performance. In addition to the required annual report, quarterly reports will also be provided. Such quarterly reports will show a breakdown of the portfolio and performance during the month.

#### **XVIII. AUDITING**

The annual audit of the County's financial records will include a review of all investment activity for the year for compliance with these investment procedures.

**XIX. INDEMNITY**

The Clerk and designees authorized to invest County funds shall be personally indemnified in the event of investment loss provided investments are made in full compliance with these policies.



**POLICY:** This policy sets forth the guidelines and categories governing requests for grant funds from municipalities within Nassau County. Requests for grants of General Fund ad valorem taxes may be accepted from eligible municipal organizations that plan to invest in Public Facilities within the County. The term "Public Facilities" means capital improvements that have a life expectancy of five (5) or more years, which meet a public purpose and will be available for use by the general public.

Grant funding for programs is limited and based upon available budgeted resources as approved by the Board of County Commissioners (BOCC). No expenditures made prior to the final approval of the BOCC will be reimbursed.

## **I. ELIGIBLE ORGANIZATIONS**

Municipalities located within Nassau County, (Town of Callahan, Town of Hilliard and the City of Fernandina Beach) may request grants for projects for the development of Public Facilities which meet a public purpose for the benefit of the general public. The municipality may alternatively utilize a portion of their requested allocation to sponsor a Not-for-profit organization incorporated under federal and state laws as 501(c) corporations to receive grant funding for eligible public facilities.

## **II. GRANT FUNDING PROCESS**

A written request from the governing body of each municipality is required. The request shall describe the use of the funds, how any other funding needs shall be met, and how this Public Facility shall meet the definition of a Public Facility. Additionally, if the municipality is to partner with a non-profit they shall also provide general information on the purpose of the non-profit and their support of the County citizens.

Each municipality requesting support shall be required to submit a written request within the fiscal year for which the funds shall be used. The written request must be submitted to the County Manager's office for review and consideration. Any approval of a grant funding request by the Board of County Commissioners shall be restricted by the following items:

1. The County shall reserve the right to request additional information, as needed, prior to approval or funding.
2. Funds will not be available until after October 1 of the fiscal year for which they are requested.
3. The total budget funded for Municipal Grant Funding awards shall not exceed \$50,000 per municipality each fiscal year.
4. The grant funds may only be expended on Public Facilities as defined above.
5. Grant funds shall be committed within the fiscal year for which funds are authorized.
6. The Public Facilities shall be substantially completed within the fiscal year of the award.
7. Any funds granted shall be subject to an audit by the Nassau County Clerk of Court and Comptroller or their authorized representative.
8. Following completion of the project, the municipality shall provide a project summary to the County Manager's office. Such information may be used for a press release as

determined by the County.

9. Grant funds may only be issued by the County directly to the municipality requesting support.
10. The BOCC reserves the right to approve or deny any request under this policy.

**POLICY:** This policy sets forth the guidelines and categories for recognizing employees of Nassau County. The Board of County Commissioners recognizes the contributions made by employees who have invested in a career working for the Board of County Commissioners. Employee recognition is important in increasing employee morale, creating a positive culture within the organization, and reinforcing the Board's gratitude to those who have served the residents of Nassau County.

## **I. EMPLOYMENT RECOGNITION**

### **A. Employee(s) of the Quarter**

Nassau County shall quarterly recognize one (1) employee or team of employees as the Employee(s) of the Quarter. The employee(s) must have clearly demonstrated Nassau County's Customer Care Standards and/or had exceptional performance beyond the established duties and responsibilities of the individual's position. The program structure and implementation shall be developed by the County Manager and Human Resources Department.

### **B. Service Year Awards**

County employees are recognized for achieving cumulative years of service. The milestone recognitions shall occur upon successful completion of their probation and every five years of cumulative service. With 20 years of service or more, the awards are presented at Board of County Commission committee meetings. The final program structure and implementation shall be developed by the County Manager and Human Resources Department. The following provides a sample list of proposed award items which may be presented.

1 year - County branded merchandise

5/10/15 years - Challenge coin, lapel pin/tie tack, County branded merchandise

20/25 years - Challenge coin, lapel pin/tie tack, County branded merchandise; plaque or acrylic award; County Manager recognition

30/35+ years - Challenge coin, lapel pin/tie tack, County branded merchandise; plaque or acrylic award; Board Proclamation

## **II. RETIREMENT RECOGNITION**

### **A. Eligibility Requirements/Tiers of Recognition**

It shall be the purpose of this policy to recognize employees who dedicated 20 or more years of service to the Board of County Commissioners upon their retirement. Eligibility Requirements/Tiers of Recognition: This section reflects the qualifying criteria required to be formally recognized by the Board of County Commissioners.

1. Employees with 20-24 years of service upon retirement are eligible to receive a Resolution at a regular meeting of the Board of County Commissioners, prior to their retirement date. The Resolution will be prepared by the County Manager's Office.
2. Employees with 25 or more years of service upon retirement are eligible to receive a Resolution and a retirement plaque at a regular meeting of the Board of County Commissioners meeting, prior to their retirement date. The plaque will be ordered by the County Manager's Office with the invoice sent to the Department for payment at the department's expense.



Should the employee be unable to attend the Board of County Commissioner's meeting, other arrangements can be made by the County Manager to provide the Resolution and/or plaque. Employees with less than 20 years of service are not eligible for recognition by the Board of County Commissioners. However, a Department Head and/or immediate supervisor may recognize the retiree at their discretion within the department. Said recognition shall have no financial impact/cost to the County.

**B. Responsibility of Notifying the County Manager**

It shall be the responsibility of the Department Head to notify the County Manager's Office, a minimum of 60 days or upon notice of their retirement if less than 60 days, prior to the employee's retirement date of the employee(s) with 20 or more years of service retiring, subject to the following:

1. The employee must be formally retiring from the County and the Florida Retirement System (FRS). Individuals "resigning" will not be formally recognized by the Board of County Commissioners.
2. The Department Head, in notifying the County Manager's Office, shall utilize the Retirement Recognition Form, attached as "Exhibit A".
3. Recognition of the retiree shall occur prior to their final date of employment.

**III. Expenditures:**

All costs associated with Service Awards shall be budgeted within the Human Resources Department budget. All costs associated with Retirement Recognitions shall be the responsibility of the department. During adoption of the annual budget, department heads shall determine the number of employees eligible during the following fiscal year and budget accordingly. Each employee recognition shall be limited to \$100 or less.

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Exhibit A

**RETIREMENT RECOGNITION FORM**

Name of Employee Retiring: \_\_\_\_\_

Last Date of Employment: \_\_\_\_\_

Original Hire Date: \_\_\_\_\_

Total Years of Employment: \_\_\_\_\_

Department Head making nomination: \_\_\_\_\_

Employee Desires to be Recognized at Board Meeting:  Yes  No

Proposed Meeting Date: \_\_\_\_\_

Positions Served and Associated Dates: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any special attributes and/or achievements to mention in the Resolution: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COUNTY MANAGER'S USE ONLY BELOW LINE

Date Received by County Manager's Office: \_\_\_\_\_

Scheduled BOCC Meeting: \_\_\_\_\_

Retiree Eligibility (check all that apply):  Resolution  Plaque - Plaque Ordered (if applicable) \_\_\_\_\_