

Client Agency Policy & Operations Manual

SECTION: 10 Overview

NUMBER: SCS-10-020

TITLE: Policy Development

EFFECTIVE DATE: 6-6-02

APPROVED: Signatures on file with the State Controller's Division.

PURPOSE and/or RESULTS DESIRED: This policy establishes guidelines for the development and revision of policies and procedures supporting client agencies' financial operations.

AUTHORITY: [ORS 184.305](#) Oregon Department of Administrative Services.
[ORS 291.015](#) Fiscal responsibilities of department; delegation of fiscal functions.

APPLICABILITY: Client agencies assigned and/or contracting for accounting, budgeting, and financial reporting services with the State Controller's Division, DAS.

POLICY: Shared Client Services policies for client agencies are established, in part, to ensure state resources are managed in a responsible manner. However, Client Agencies have unique roles and structures and a variation from an established policy may improve the management of state resources. A request for a variance from established SCS policy must meet the same stringent requirements of any financial transaction and withstand public scrutiny. A variance request must demonstrate an established policy's effect runs contrary to the interests of the State, and the new policy will achieve the desired results in a more cost-effective manner.

GUIDELINES:

I. Shared Client Services (SCS) Policy Development

- A. SCS Manager is responsible for maintaining and reviewing policies that support client agencies' accounting, financial planning, budgeting, and compliance with state and federal policies, rules, and laws.
- B. Proposed and revised policies will be made available to client agencies and all other interested parties for review.
- C. Client agencies and all other interested parties are encouraged to review proposed and revised policies and submit comments and recommendations to the SCS Manager.
- D. The SCS Manager will take into consideration all comments and recommendations and will revise the policy as appropriate. Policies with significant edits will be made available for further review.

- E. Policies with a significant impact on the overall management of state resources may require approval by the State Controller.
- F. Approved policies will be assigned a policy number and a date the policy becomes effective; and will be made available to client agencies and other interested parties.
- G. All SCS policies for client agencies will be reviewed at least biennially.

II. SCS Policy Variance

- A. A client agency may determine that a specific policy and/or its procedures produce results contrary to public interest.
- B. The Client Agency Head may request a policy variance from the SCS Manager and/or the State Controller. Such a request must include a statement of justification that demonstrates:
 - 1. Following the existing state policy will produce results contrary to public interest,
 - i. A more cost-effective approach is evident, or
 - ii. Higher quality service can be delivered at no further cost.
 - 2. How the client agency's policy will achieve the desired results,
 - 3. The implemented policy will meet all applicable state and federal policies, rules, and laws, and
 - 4. The policy will not cause additional state resources to be consumed.

III. SCS Policy Variance Requests

- A. All proposed SCS policy variances and justification must be submitted to SCS Manager and/or State Controller for review and approval.
- B. Until and unless such signed approval is obtained, client agencies are responsible for following all applicable state policies.
- C. All signed SCS policy variances will be effective for one year, unless otherwise designated or rescinded by SCS and/or State Controller.

IV. SCS Policy Variance Review

- A. All SCS policy variances must be reviewed at least annually to determine if such variation from existing state policy is necessary, and if the policy variance is, in fact, achieving the desired results.
- B. Policy variances must be submitted to SCS and/or State Controller for re-approval annually, unless otherwise directed by SCS Manager and/or State Controller.

PROCEDURES: Shared Client Services Policy Development

<u>Step</u>	<u>Responsible Party</u>	<u>Action</u>
1.	SCS Manager	Maintain and review Client Agency Policy and Operations Manual. Post proposed and revised policies for review and recommendations. Facilitate review by soliciting comments, resolving issues, and building consensus.

2. Client Agency Head / Other Interested Parties Review proposed and revised policies, submit recommendations to SCS Manager.
3. SCS Manager Review client agency recommendations.
Policies will be approved as drafted, approved with minor changes, or resubmitted for review with significant changes.
4. State Controller Policies with a significant impact on the overall management of State resources will require the approval of the State Controller.
5. SCS Manager Make approved policies available to client agencies and other interested parties.

PROCEDURES: Client Agency Policy Variance Request

<u>Step</u>	<u>Responsible Party</u>	<u>Action</u>
1.	Client Agency Head	Ensure all statewide policies, rules, and laws are implemented and followed within client agency. Develop and implement client agency-specific policies consistent with statewide policies, rules, and laws.
2.	Client Agency Head and Shared Client Services	If an SCS policy is determined to produce undesirable results, meet with Shared Client Services Manager and staff to determine if policy variation is necessary, or if desired results can be achieved through other appropriate means.
3.	Client Agency Head	If a policy variance is necessary, submit a policy draft and justification for variance to SCS Manager and State Controller for review and approval.
4.	SCS Manager and/or State Controller	Review proposed policy variance to ensure compliance with state and federal policies, rules and laws; and determine if proposed policy variance will likely achieve desired results and result in no further cost to the State.
4.	Client Agency Head	Review all approved policy variances at least annually to determine necessity and effectiveness. Submit policy variances to SCS Manager and State Controller for annual re-approval unless directed otherwise.