



Florida's Dynamic  
Waterfront Community


# RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY

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## MEMORANDUM

**TO:** Honorable Chair and Members, CRA Board of Commissioners  
City of Riviera Beach, Florida

**FROM:**  Scott Evans, Interim Executive Director

**DATE:** December 6, 2017

**SUBJECT:** Staff Recommendations on Changes to the Agency's Comprehensive Policies and Procedures Manual

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The City of Riviera Beach has provided certain administrative support services to the Agency over the past several years. Most recently, the Agency's Board of Commissioners authorized the Interim Executive Director to work with the City's Director of Finance and Administrative Services to transition the Agency to the City's accounting and financial reporting system. Additionally, the City's Director of Finance and Administrative Services is to provide direct oversight of the Agency's finance department and serve as the Agency's "Finance Manager." It is anticipated that this major change in the Agency's financial operations will give Agency management and the Board of Commissioners the senior level financial management needed to insure the effective and efficient financial operations of the Agency.

As the Agency continues its reliance on the City to provide more of its administrative support services, it becomes imperative that the Agency's policies and procedures are more aligned with those of the City. In an effort to start that process, the Agency has identified some policy and procedural changes for immediate implementation. The policies and procedures which are the subject of this memorandum do not reflect a comprehensive review of all of the changes that should be undertaken. However, such a comprehensive review will be proposed at a later date. Staff recommends that the following policies and associated procedures be approved by the Board of Commissioners.

The proposed changes to the Agency's Comprehensive Policies and Procedures Manual are summarized below. The recommendations are identified in two categories. "Category A" are those policies and procedures that are the result of the Agency's recent 2016 external audit and serve to clear findings raised by the Agency's external auditor. "Category B" recommendations are those policies and associated procedures initially identified by Agency management for immediate consideration.

The proposed wording of the new or revised policy and procedure(s), the existing Agency policy and procedure(s), and the City's current policy and procedure(s) are included in the respective "Exhibits" referenced in each summary. Unless otherwise noted, the proposed changes will replace the existing policy and procedures in their entirety. The exhibits contain the following attachments.

- The proposed policy and associated procedure(s)
- The existing Agency policy and associated procedure(s)
- The City's policy and associated procedure(s)

"Category A" recommendations include the following policy and procedural areas.

- Audit Finding #2016-001 - Reconciliation of inter-agency and intra-agency receivable and payable balances with related City account balances. This is a new policy and procedure. (Exhibit A)
- Audit Finding #2016-004 - Cancellation of long-outstanding checks and their reporting as unclaimed property. This is a new policy and procedure. (Exhibit B)

"Category B" recommendations include the following policy and procedural areas.

- Annual Leave - Revised policy and procedure(s) (Exhibits C-1, C-2, and C-3)
- Sick Leave - Revised policy and procedure(s) (Exhibits D-1, D-2, and D-3)
- Travel - Revised policy and procedure(s) (Exhibits E-1, E-2, and E-3)
- Small Purchases Procedure - Revised policy and procedure(s) (Exhibits F-1, F-2, and F3)
- Purchasing Cards - Revision to recently revised policy and procedure(s) (Exhibits G-1, G-2, and G-3)

Summaries of the "Category A" and "Category B" policy and procedural areas follow.

#### **"Category A" Recommendations**

The Agency's external auditors identified two deficiencies in their audit report of the Agency for the fiscal year ended September 30, 2016.

1. Finding #2016-001 was a repeat finding from the Agency's 2015 audit. The deficiency noted was the Agency's inability to regularly reconcile inter-agency and intra-agency receivable and payable balances with related City account balances. The auditors recommended, and the Agency agreed, that the City and the Agency should reconcile such balances on a regular and systematic basis. To that end, the policy and related procedure documented at "Exhibit A" is proposed.
2. Finding #2016-004 identified a procedural deficiency where the Agency did not cancel and return long-outstanding checks to cash and report the amounts to the State of Florida as unclaimed property. The Agency agreed with the finding and resolved to implement the appropriate procedure to address the deficiency. The policy and related procedure to implement the recommendation is included at "Exhibit B."

## “Category B” Recommendations

1. Annual Leave - The CRA’s current Annual Leave policy and associated procedures are being aligned with the Annual Leave policy and procedure(s) used by the City. Refer to “Exhibit C-1.”
2. Sick Leave - The CRA’s current Sick Leave policy and associated procedures are being aligned with the Sick Leave policy and procedure(s) used by the City. Refer to “Exhibit D-1.”
3. Travel - The CRA’s current Travel policy and associated procedures are being aligned with the Travel policy and procedure(s) used by the City. Refer to “Exhibit E-1.”
4. Small Purchases Procedure - The CRA’s current Small Purchases Procedure is being aligned with the Small Purchases Procedure used by the City. Small purchases are defined as purchases of \$25,000 and under. The existing procedure is being changed to clarify the Agency purchasing policy for purchases of \$2,500.00 and under. The revised policy provides that three business quotations from vendors for purchases up to and including \$2,500.00 will no longer be required in accordance with the City’s approved language. However, the Agency must document its determination of a fair and reasonable price for the item purchased and it must include the documentation with other support documentation for the purchase. Refer to “Exhibit F-1.”
5. Purchasing Cards - Purchasing Cards (credit cards) are issued to City Council members by the City of Riviera Beach. Based on revised procedures established by the Riviera Beach City Manager and monitored by the City Finance Department, Purchasing Cards are no longer issued by the Community Redevelopment Agency to its Commissioners, who are elected officials serving as City Council members. Agency Commissioners use their City issued Purchasing Cards to pay for appropriate Agency expenses, primarily travel expenses. The travel funds for the CRA Commissioners, as approved in the annual budget will continue to be available for those purposes.

The Agency’s “Procurement Card Program” policies and procedures are proposed to be revised to reflect this change in City procedures. Once approved, the Agency’s policies and procedures regarding Purchasing Cards will only apply to employees of the Agency. Refer to “Exhibit G-1.”