

CHAPTER 15

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Accounting Systems and Policies

15.010 Definitions. For the purposes of sections 15.010 to 15.050, inclusive, the words and terms defined in this section shall have the meanings respectively ascribed to them.

1. "Capital assets" defined. Consistent with NRS 354.499, "capital assets" means assets of a long-term character which are intended to continue to be held or used such as land, buildings, machinery, furniture and other equipment and which are not accounted for within a proprietary fund or a fiduciary fund.

2. "Capital projects fund" defined. Consistent with NRS 354.4995, "capital projects fund" means a fund used to account for resources used for the acquisition or construction of designated capital assets by the county except those accounted for in proprietary or trust funds.

3. "Debt service fund" defined. Consistent with NRS 354.510, "debt service fund" means a fund used to account for the accumulation of resources for and the payment of principal or interest on any general long-term debt or medium term obligation.

4. "Enterprise fund" defined. Consistent with NRS 354.517, "enterprise fund" means a fund used to account for operations:

(a) Which are financed and conducted in a manner similar to the operations of private business enterprises, where the intent of the county is to have the expenses (including depreciation) of providing goods or services on a continuing basis to the general public, financed or recovered primarily through charges to the users; or

(b) For which the county has decided that a periodic determination of revenues earned, expenses incurred and net income is consistent with public policy and is appropriate for capital maintenance, management control, accountability or other purposes.

5. "Fiduciary fund" defined. Consistent with NRS 354.5237, "fiduciary fund" means a fund used to account for assets held by the county as a trustee or an agent for persons, private organizations, other governmental units, other funds or any combination of them. The term includes an expendable trust fund, a nonexpendable trust fund, a pension trust fund or an agency fund.

6. "Fund" defined. "Fund" means a fiscal and accounting entity having a self-balancing set of accounts, recording cash and other financial resources together with all related liabilities and residual equities or balances, or changes therein, which are

segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

7. "General fund" defined. Consistent with NRS 354.534, "general fund" means the fund used to account for all financial resources except those required to be accounted for in another fund.

8. "General long-term debt" defined. Consistent with NRS 354.535 the "general long-term debt" is debt which is legally payable from general revenues and is backed by the full faith and credit of the county. The term includes obligations issued by a local government pursuant to chapter 350 of NRS and other long-term liabilities including, without limitation, accrued compensated absences and claims for workers compensation.

9. "Generally accepted accounting principles" defined. "Generally accepted accounting principles" means the specific accounting principles designated as generally accepted by the American Institute of Certified Public Accountants.

10. "Internal service fund" defined. Consistent with NRS 354.543, "internal service fund" means a fund used to account for the financing of goods or services furnished by a designated department or agency to units within the county or to other departments or agencies on the basis of reimbursement for costs.

11. "Permanent fund" defined. "Permanent fund" means a fiduciary fund type used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government=s programs, that is, for the benefit of the government or its citizenry.

12. "Proprietary fund" defined. Consistent with NRS 354.553, "proprietary fund" means an internal service fund or enterprise fund.

13. "Special revenue fund" defined. Consistent with NRS 354.570, "special revenue fund" means a fund used to account for specific revenue sources, other than sources for major capital projects, which are restricted by law to expenditure for specified purposes.

[ '2, Ord. No. 1177]

15.020 County fund types and account groups. In accordance with the requirements of section 15.050 and as authorized by NRS 354.604, the county may create:

1. The following kinds of governmental funds:

- (a) General fund;
- (b) Special revenue fund;
- (c) Capital projects fund;
- (d) Debt service fund; and
- (e) Permanent fund.

2. The following kinds of proprietary funds:

- (a) Enterprise fund; and
- (b) Internal service fund.

3. The following kinds of fiduciary funds:
- (a) Pension and other employee benefits funds;
  - (b) Investment trust funds;
  - (c) Private-purpose trust funds; and
  - (d) Agency funds.
- ['3, Ord. No. 1177]

15.030 Basis of accounting for governmental, expendable trust, agency funds and permanent funds. The county shall maintain its accounting records for governmental, expendable trust and agency funds on the modified accrual method of accounting in accordance with NRS 354.550 and in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

['4, Ord. No. 1177]

15.040 Basis of accounting for proprietary funds and nonexpendable trust funds. The county shall maintain its accounting records for proprietary funds and nonexpendable trust funds on the accrual method of accounting in accordance with NRS 354.479 and in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

['5, Ord. No. 1177]

### County Funds

15.050 Funds: Policy, creation and abolishment.

1. It is the policy of the board of county commissioners to minimize the number of funds and to establish and maintain only those funds required by law, regulation or sound financial administration. All of the county's financial activities should be accounted for in the general fund unless there is a compelling reason as determined by the board, to report them in some other fund type.

2. In those instances where a new fund is deemed necessary the board of county commissioners shall by resolution, upon a recommendation from the county comptroller and the director of finance, create such funds as needed or abolish such funds as no longer needed. The resolution creating a fund shall set forth in detail:

- (a) The object or purpose of the fund.
- (b) The reason for creating the fund, including any legal or regulatory requirements(s) to establish the fund.
- (c) The resource or resources to be used to finance the operations accounted for in the fund.
- (d) A declaration as to whether or not the fund should be credited with the interest earnings on investment of the funds excess cash balance.

(e) The amount of reserve deemed reasonable and necessary to carry out the purposes for which the fund is created in accordance with the requirements set forth in paragraph (c) of subsection 1 of NRS 354.6241.

(f) Any additional information required by NRS Chapter 354 or Nevada Administrative Code Chapter 354.

['6, Ord. No. 1177]

15.060 Account for the Acquisition and Improvement of Technology in the Office of the County Assessor. There is hereby created in the county general fund a separate account to be designated as the Account for the Acquisition and Improvement of Technology in the Office of the County Assessor, into which the funds collected in accordance with NRS 361.530 shall be deposited.

The account shall exist for the receipt of those funds and disbursement pursuant to NRS 250.085.

['1, Ord. No. 1300 eff. 6-23-06]

#### Property Control Ordinance

15.090 Short title. Sections 15.090 to 15.130, inclusive, enacted in accordance with the authority contained in NRS 354.625, shall be known as the Property Control Ordinance.

['1, Ord. No. 231; A Ord. No. 1177]

15.100 Definitions. As used in the Property Control Ordinance:

1. "Consumable supplies" means tangible personal property which has a useful life of less than 1 year, but does not include property determined to be a high risk item.

2. "Capital assets" means tangible real or personal property which has a useful life of 1 year or more, and includes all property determined to be a high risk item. Examples of real property are land, buildings, improvements to land, buildings or leaseholds, and buildings or improvements under construction. Examples of personal property are furniture and equipment.

3. "Generally accepted accounting principles" has the meaning ascribed to it in sections 15.010 to 15.050, inclusive.

4. "High risk items" means property which is designated by the purchasing and contracts manager as being subject to a high incidence of loss.

5. "Proprietary funds" has the meaning ascribed to it in sections 15.010 to 15.050, inclusive.

['2, Ord. No. 231; A Ord. Nos. 425, 563, 879, 984, 1177, 1423]

15.110 Purposes. The board of county commissioners declares that the purposes of the Property Control Ordinance are to:

1. Maximize the usefulness of all capital assets purchased or

obtained by the county.

2. Minimize the risk of loss from casualty, theft, misplacement or improper use.

3. Maintain adequate property and equipment records and, where appropriate, adequate inventory controls.

4. Ensure adherence to pertinent sections of NRS and to laws and regulations of local government.

5. Accumulate all desired data pertaining to capital assets, to be used for insurance purposes.

6. Encourage the development and refinement of procedures for controlling and accounting for capital assets in accordance with generally accepted accounting principles.

[ '3, Ord. No. 231; A Ord. Nos. 563, 1177]

#### 15.120 Policies.

1. An annual inventory must be taken by each department of all capital assets (other than real property) which are in the department's possession in that calendar year. The inventory must be completed and a certificate signed by the responsible department head must be submitted to the purchasing and contracts manager before the start of the next calendar year.

2. The comptroller shall annually account for all capital assets not included within the inventories required by each department.

3. Every addition to the capital asset inventory must be recorded and labeled as soon as is practicable after being placed into services.

4. Any transfers of a capital asset from one department to another must be documented by the responsible department heads or their designees and reported promptly to the purchasing and contracts manager.

5. Any capital asset which no longer is useful to a department must be transferred to the purchasing division. Authorization of the purchasing and contracts manager must be obtained before the sale or other disposition of surplus personal property.

6. An inventory of all capital assets within the department must be taken upon a change in the responsible department head. Such inventory must be forwarded to the purchasing and contracts manager after the new department head accepts responsibility for the department.

7. Capital assets may be deleted from a department's inventory only after a memorandum to the purchasing and contracts manager or designated employee. The memorandum must be from the department head or a designated employee. The asset may then be deleted from the active file and moved to the inactive history file of the computer-oriented system.

8. The purchasing and contracts manager has authority to establish control over inventories of consumable supplies.

9. The comptroller and the purchasing and contracts manager will



establish policies to carry out provisions of sections 15.100 and 15.120 which policies may differentiate between capital assets reported for inventory purposes and capital assets for financial reporting purposes. All policies must meet the requirements of state law, but may be more stringent than those required by state law. Policies established by the comptroller and purchasing and contracts manager shall be submitted to the board of county commissioners for review and approval.

['4, Ord. No. 231; A Ord. Nos. 377, 563, 879, 984, 1177, 1423]

15.130 Responsibilities: Department heads; county comptroller; purchasing and contract manager; director of human resources.

1. It is the duty of each department head to insure that his department is in full compliance with the Property Control Ordinance. Nothing in this ordinance relieves a department head from responsibility for controlling all assets in the department's custody, regardless of cost.

2. The county comptroller shall:

(a) Insure that documented procedures are in effect to implement the provisions of sections 15.110 and 15.120;

(b) Notify the county manager of any noncompliance with the Property Control Ordinance;

(c) Establish a general capital asset account group in accordance with generally accepted accounting principles; and

(d) Maintain detailed depreciation schedules for all capital assets accounted for within a proprietary fund.

3. The county manager may, when deemed necessary, appoint a county department or employee to conduct a review of the implementation and effectiveness of the Property Control Ordinance and make a report covering the review to the manager. Such review shall concentrate on the purposes of the Property Control Ordinance, as set forth in section 15.110.

4. The purchasing and contract manager shall maintain a computer-oriented system to account for property and issue reports. The system must include a means of labeling all capital assets other than real property.

5. The director of human resources shall notify the purchasing and contract manager promptly whenever any change in department heads takes place.

['5, Ord. No. 231; A Ord. Nos. 377, 425, 563, 660, 1177, 1423]

#### Money Grants From Private and Public Sources

15.140 Findings and declaration. The board of county commissioners finds and declares that:

1. The board of county commissioners:

(a) Is charged with the control of county revenues and expenditures

in order to promote prudence and efficiency in the expenditure of public funds.

(b) Shall not for any purpose contract debts or liabilities except those expressly authorized by law.

(c) Has sole authority to receive, by donation for the use and benefit of the county all real property.

(d) Has sole authority to receive donations of personal property where the personal property has a value, singly or in the aggregate, of \$3,000 or greater from a contributor during a fiscal year.

(e) Except as otherwise provided herein, has sole authority to accept grants and cash contributions from private and public sources or other financial assistance from the federal government or any agency or instrumentality thereof and to comply with such conditions as may be necessary.

2. Grant funding is inherently unstable; therefore, it is the policy of the board of county commissioners:

(a) To discourage grant funding for mandated or other programs except in those instances where local funds would otherwise be utilized to provide the same service if the grant were not available and/or the elimination of the program at the end of the grant funding period is assured.

(b) To encourage grant funding for special projects that strengthen a program, have definable starting and ending dates, and do not expend the service in such a way as to require the substitution of local funds to continue part or all of the service once grant funding ends.

3. To prevent unwarranted and confusing adjustments to county financial records, county grant recipients need to advise the county comptroller, who has the ultimate responsibility for accounting for all aspects of the county's financial operations.

['1, Ord. No. 366; A Ord. No. 1177]

15.150 Purpose. The purpose of sections 15.140 to 15.160, inclusive, is to provide procedural guidelines for uniformly handling grants, cash contributions and donations of money or property.

['2, Ord. No. 366; A Ord. No. 1177]

15.160 Grant and contribution application approval process; approval of grants and contributions by the board of county commissioners; duties of employee or officer administering grants or contributions received by county; duties of comptroller.

1. An officer or employee of a department or agency of the county shall not submit an application for a grant, an amendment or supplement of a grant, a request for contribution of money or property, without approval from the director of finance or the county manager and, if applicable, the governing/managing board of the department or agency. The officer or employee making the application shall advise the county grants administrator of the

application on a form prescribed by the grants administrator.

2. An officer or employee of a department or agency of the county shall not accept a grant, an amendment or supplement of a grant, and except as otherwise provided in subsections 4 or 5, a contribution of money or property without approval by the board of county commissioners.

3. Upon award of a grant, the officer or employee shall communicate the fact to the director of finance and the board of county commissioners and shall forward to the county comptroller all pertinent grant details so that the accounting records of the county can clearly reflect grant activity.

4. An officer or employee of a department or agency of the county may accept personal property for the use and benefit of the county where the value singly or in the aggregate is less than \$3,000 from a contributor during a fiscal year. In such event, the officer or employee will notify the board in writing of the acceptance.

5. Except as otherwise provided herein, all cash donations must be reported to the board and expenditure authorization obtained. This requirement does not apply to:

(a) An officer or employee of a department or agency of the county that has included within the budget expenditure authority for anticipated cash donations may accept cash donations of less than \$3,000 from a contributor in a fiscal year and expend money from such sources in accordance with the approved department or agency budget. In such event, the officer or employee will notify the board in writing of the acceptance of the cash donation;

(b) An officer or employee of a department or agency of the county with statutory authority over an account may accept cash donations to that account and make expenditures therefrom as provided in such statutes; and

(c) An officer or employee of a department or agency of the county authorized by statute to establish and maintain a specific gift fund, may accept cash donations to that fund and make expenditure therefrom as provided by statute.

6. All money received from grants and contributions shall be transmitted by the officer or employee applying for the grant or contribution to the county treasurer for deposit in the appropriate account. The officer or employee must complete the appropriate forms designated by the comptroller and must submit those forms along with the deposit. All property received must be identified on forms prescribed by the comptroller and distributed, as appropriate, for inventory control, recording in the financial records and ongoing maintenance.

7. The county comptroller shall maintain all grant and contribution information in such a way that the information is readily available for review. The Comprehensive Annual Financial Report shall include a schedule of federal awards and provide details of all federal grant activity in the county for the fiscal year

reported.

8. Details concerning state grants, deferred revenues and private contributions shall be maintained in the financial records for review upon request.

['14, Ord. No. 1177]

#### Procedures for Lost or Abandoned Property

15.161 Purpose and scope. The provisions of sections 15.161 to 15.169 are intended to provide a procedure for storing and disposing of lost or abandoned property. The provisions shall not apply to property that has an apparent value less than the reasonably anticipated costs of removing and storing it. Nothing in those sections relieves or affects the obligations of property owners or users to prevent and abate nuisances or the remedies available to the county to abate nuisances. Application of sections 15.161 to 15.169, inclusive, shall not conflict with the general laws and regulations of the State of Nevada, including but not limited to the Uniform Disposition of Unclaimed Property Act, Chapter 120A, Nevada Revised Statutes.

['2, Ord. No. 602; A Ord. No. 1177]

15.162 Definitions. As used in sections 15.161 to 15.169, the words and terms defined in this section shall have the following meanings unless the context otherwise requires.

1. "Custodian" means the sheriff, county purchasing division, private towing or storage company or any other person which has actual custody of the found property.

2. "Finder" means any person who delivers found property to the sheriff or who directs the sheriff to the location of such property.

3. "Found property" means any property of value other than real property or fixtures thereon, which is abandoned, lost or left unattended in a public place including, without limitation, a street, alley or parking lot.

['3, Ord. No. 602, A Ord. No. 1423]

15.163 Delivery to sheriff.

1. Any person finding found property may turn such property over to the sheriff or may direct the sheriff to the location thereof.

2. If the property has an apparent value in excess of the costs of removing and storing it, the sheriff shall take possession of the property and issue a receipt to the finder acknowledging the name of the finder and the date, location and circumstances of the finding and a description of the property.

3. The sheriff may place the property in his storage facility, deliver it to the county purchasing division or deliver it to a private towing or storage company. Delivery to such a private

company shall relieve the county of any further responsibility for or claim to the property except that it shall remain on the record of found property as provided in section 15.167.

['4, Ord. No. 602, A Ord. No. 1423]

15.167 Record of found property, notice to owner and disposition of property.

1. The sheriff shall keep a record of all found property which contains a description of the property, the location where it was found and the name and address of the person who found and reported it. Any person claiming to have lost property may inquire to the sheriff whether or not his property has been found by or delivered to the sheriff. The sheriff need not respond to such inquiry unless it is made with detailed identification of the property and the approximate time and location where it was lost.

2. If the identity of the owner of the property is not ascertainable from the property itself and if the owner has not claimed and identified it, the sheriff or the purchasing division, whichever has actual custody, shall attempt to locate the owner. If the property has a serial or other identifying number, the attempt shall include an inquiry of any person or agency having a record of ownership. If the owner is identified, the custodian shall attempt to notify the owner by mailing the owner a notice. The notice shall inform the owner that the property may be claimed within 30 days after mailing of the notice upon payment of any costs and expenses incurred in removing, moving and storing and that if the owner does not claim the property within the 30-day period the property may be released to the finder. The notice shall also inform the owner that failure to claim the property will not relieve the owner of liability for expenses in removing, moving and storing the property.

3. If the owner is identified and does not claim the property and pay the expenses of removing, moving and storing it within 30 days after mailing of the notice, the finder may claim the property upon payment of the expenses.

4. If the owner cannot be identified or located within 90 days after receipt of the property by the sheriff, the finder may claim the property upon payment of costs and expenses.

5. If neither the owner nor the finder claim the property and secure its release within the times specified in this section, it becomes the property of the county.

['5, Ord. No. 602; A Ord. No. 1177, 1423]

15.169 Disposition of unclaimed property. All unclaimed found property which becomes the property of the county shall be disposed of as provided in this section.

1. Vehicles as defined in NRS 482.135 which have not been delivered to a private company shall first be appraised by a person familiar with the value thereof. The sheriff or person in actual

possession shall notify the department of motor vehicles as provided in NRS 487.250.

(a) If the vehicle is appraised at less than the amount allowed in accordance with NRS 487.250 and after complying with that statute, the county may secure a salvage title or certificate of ownership from the department of motor vehicles and keep, sell or junk the vehicle without further action.

(b) If the vehicle is appraised at more than the amount allowed in accordance with NRS 487.260 and after complying with that statute, the county may apply to the department of motor vehicles for a title and keep it for county use or sell it at public sale in conjunction with the sale of surplus county property.

2. Property other than vehicles may be kept for county use or sold at public sale in conjunction with the sale of surplus county property.

3. Property for which no bid or offers are received at public sale may be removed to a disposal facility.

['6, Ord. No. 602; A Ord. No. 1177]

#### Central Receiving and Disbursing System

15.170 Short title. Sections 15.170 to 15.220, inclusive, enacted in accordance with the authority contained in subsection 1 of NRS 244.207 shall be known and may be cited as the Central Receiving and Disbursing Ordinance.

['1, Ord. No. 217; A Ord. Nos. 235, 560, 1177]

15.180 Purposes. The board of county commissioners declares that the purposes of the Central Receiving and Disbursing Ordinance are to:

1. Properly account for county money and money held in trust and other financial resources together with all related liabilities and residual equities or balances by the county or by any of its elected or appointed officers.

2. Maximize the revenue accruing to the county through the prompt collection and deposit of funds, prudent disbursement of funds and the investment of county funds and trust moneys to the extent allowed by law, ordinance and contract and in accordance with approved financial policies.

3. Minimize the clerical efforts required to handle, process and account for all moneys received and disbursed.

4. Maximize the accountability for moneys received and disbursed.

5. Centralize billing and collection to ensure that money due and owing is accounted for and collected.

6. Centralize payments to ensure that obligations are accounted for and paid.

7. Ensure that fiscal controls established by county code as well

as state and federal laws and regulations are being applied.

8. Ensure that financial activities are accounted for in compliance with generally accepted accounting principles.

[ '3, Ord. No. 217; A Ord. Nos. 560, 850, 1177]

15.190 General policies.

1. All cash or negotiable instruments received by the offices of the county must be deposited into the banking system on or before the next regular working day following the day of receipt.

Exceptions may be granted:

(a) When receipts are nominal in amount; or

(b) When the volume of transactions is extraordinarily large and received over a short period of time making it impracticable to comply with the provisions required herein;

and will be permitted only upon written approval of the county treasurer or the treasurer's designee.

2. All cash or negotiable instruments received in a day must be deposited in the form in which they were received. Cash or negotiable instruments received must not be used to pay bills, cash personal checks, or be used in any other type of transaction.

3. Each department shall prepare and maintain a fully documented procedure manual concerning all aspects of its cash handling policies and procedures. The manual should be maintained in an up-to-date manner and readily available to all personnel. All county personnel who may be involved in the handling of moneys shall sign a statement that they have read and understand the Central Receiving and Disbursing Ordinance and, where applicable, the procedure manual of the department in which the person is employed.

4. Officers and employees must advise persons making payment to make checks payable to the office and not to the person currently holding the office. Persons making payment shall be issued a receipt for such payment or, alternatively, the department shall otherwise prepare sufficient documentation of the receipt of such payment.

5. Every bank or other account maintained by a department or office of the county must be established in accordance with section 15.195, 15.200 or 15.205 and must be formally reconciled each month, no later than the end of the month next succeeding the month of the bank statement. The reconciliation shall be:

(a) In a form approved by the county treasurer or his designee;

(b) Dated and signed by the preparer;

(c) Reviewed and approved by the department head; and

(d) Retained, along with documentation supporting the account transactions, and made available for inspection for a period required by the applicable records' retention schedule.

6. Upon termination, resignation or expiration of the term of office of an elected official or appointed department head, that official or department head shall count and reconcile all cash on hand and in checking or other accounts of the office or department,

and shall prepare a written report thereon. The report must be signed by the person who is leaving the office or position and the person who is assuming the office or position, and shall be submitted to the county treasurer within 30 days after the newly-elected official or newly-appointed head of a department accepts the office or position.

7. Every department or office of the county that maintains an account separate from the county treasurer shall keep accurate books and records of that account in accordance with generally accepted accounting principles for the money held and other financial resources together with all related liabilities and residual equities or balances and submit reports of these books and records to the county comptroller in accordance with the requirements established by the county comptroller.

['4, Ord. No. 217; A Ord. Nos. 560, 1177]

### Collections Division

#### 15.191 Billing and collection.

1. The board of county commissioners designates the comptroller's office as the county division responsible for the centralized billing and collection of money owed or due the county except as otherwise required by state or federal laws and regulations or county code.

2. The system may include:

(a) Centralization of part or all of billing and collection aspects of business licenses, personal property and any other activity of any of the offices of the county that involves billing for services, taxes or fees imposed by statute or ordinance, or the collection of money in payment of such billings; and

(b) Centralization of part or all of billing and collection aspects of any fine, fee, bail or forfeiture imposed by a court and any payment ordered by a court in accordance with NRS 178.3975.

3. The system shall include procedures for billing and collection. Such procedures may include all legal means and methods of billing and collection including, but not limited to:

(a) Standardized billing methods.

(b) Establishment of time periods for notice for overdue accounts.

(c) The referral of delinquent accounts receivable to credit reporting agencies.

4. All elected or appointed officers shall provide all necessary information to the comptroller's office and cooperate in all other respects with the billing and collection efforts of the comptroller's office to carry out the provisions of this section.

5. The comptroller may bill and collect for money due other state or local governmental agencies if allowed by law and upon execution of an appropriate agreement between that state or local government



agency and the board of county commissioners which agreement must be conditioned upon payment to the county of the collections division's cost for billing and collection.

['2, Ord. No. 850; A Ord. No. 1177, 1423]

### Money Received by County Officers

#### 15.195 Moneys held in trust.

1. All moneys received by elected and appointed county officers to be held in trust shall be deposited with the county treasurer in accordance with NRS 245.125.

2. Exceptions to subsection 1 shall only be permitted in accordance with state law and upon written approval of the county treasurer or his designee.

3. New trust accounts shall be established only after the following actions have been taken:

(a) The requesting department must submit a letter to the county treasurer explaining the need for the new account, with a copy of the request sent to the county comptroller.

(b) Review and recommendation for approval by the county comptroller, including the use of a facsimile signature as set forth in section 15.400.

(c) Review and recommendation for approval by the county treasurer. In reviewing the request, the treasurer must consider the recommendation from the comptroller and whether the request meets the purpose of section 15.180.

(d) Review and approval by the board of county commissioners after consideration of the recommendations of the county comptroller and the county treasurer. Approval by the board of county commissioners must be by formal resolution prepared by the county treasurer. The resolution shall specify, among other things:

(1) The purpose of such account;

(2) The source of money to be used to establish and maintain such account;

(3) The method of controlling expenditures from such account; and

(4) The requirement to comply with sections 15.180 and 15.190.

['10, Ord. No. 560; A Ord. No. 1177]

15.200 Establishment of imprest bank accounts; petty cash accounts; and change drawer funds. New accounts established in accordance with NRS 354.609 shall be established only after the following actions have been taken:

1. The requesting department must submit a letter to the county treasurer explaining the need for the new account, with a copy of the request sent to the county comptroller.

2. Review and recommendation for approval by the county

comptroller, including the use of a facsimile signature as set forth in section 15.400.

3. Review and recommendation for approval by the county treasurer. In reviewing the request, the treasurer must consider the recommendation from the comptroller and whether the request meets the purpose of section 15.180.

4. Review and approval by the board of county commissioners after consideration of the recommendations of the county comptroller and the county treasurer. Approval by the board of county commissioners must be by formal resolution prepared by the county treasurer in accordance with the provision of NRS 354.609. The resolution shall specify, among other things:

- (a) The purpose of such account;
- (b) The source of money to be used to establish and maintain such account;
- (c) The method of controlling expenditures from such account;
- (d) The maximum dollar amount of any single expenditure; and
- (e) The requirement to comply with sections 15.180 and 15.190 and NRS 354.609.

['5, Ord. No. 217; A Ord. Nos. 560, 1177]

15.205 Establishment of accounts in banks or savings and loan associations. New accounts established in accordance with NRS 356.200 shall be established only after the following actions have been taken:

1. The requesting department must submit a letter to the county treasurer explaining the need for the new account, with a copy of the request sent to the county comptroller.

2. Review and recommendation for approval by the county comptroller, including the use of a facsimile signature as set for in section 15.400.

3. Review and recommendation for approval by the county treasurer. In reviewing the request, the treasurer must consider the recommendation from the comptroller and whether the request meets the purpose of section 15.180.

4. Review and approval by the board of county commissioners after consideration of the recommendations of the county comptroller and the county treasurer. Approval by the board of county commissioners must be by formal resolution prepared by the county treasurer. The resolution shall specify, among other things:

- (a) The purpose of such account;
- (b) The source of money to be used to establish and maintain such account;
- (c) The method of controlling expenditures from such account; and
- (d) The requirement to comply with sections 15.180 and 15.190 and NRS 356.200.

['24, Ord. No. 1177]

15.210 Annual review.

1. The county treasurer shall maintain formal records on all accounts established in accordance with sections 15.195, 15.200 and 15.205, including but not limited to reasons for establishment, authorized signatures, and statistics covering the activity in the account.

2. At least once a year, the county treasurer shall cause to be made a formal review of cash-handling procedures in each office handling money. Such review shall determine whether the provisions of NRS 245.125, 354.609 and 356.200 and the policies and procedures set forth in the Central Receiving and Disbursing Ordinance are being followed and whether accounts should be added or closed. The county treasurer shall recommend procedural changes as needed, and shall provide the county manager, comptroller and external auditors with a formal report of each review.

['6, Ord. No. 217; A Ord. Nos. 560, 660, 1177]

15.220 Investments: Composition, responsibilities of investment committee.

1. An investment committee consisting of two county commissioners, including the chairman, the county manager, the director of finance, the county comptroller and the county treasurer is hereby created. The chairman of the board of county commissioners shall be the chairman of the investment committee and shall appoint the remaining commission member of the investment committee.

2. The investment committee shall develop investment policies for review and approval by the board of county commissioners.

3. The investment committee shall develop an investment management plan consistent with the policies developed in accordance with subsection 2. The investment management plan will address the county's administration of its investment portfolio, which includes, but is not limited to:

(a) Establishing the types of investments considered proper for the county, within the framework of the statutes of the State of Nevada regarding investment media acceptable for counties, while recognizing the conflicting desires for maximum safety and maximum yield.

(b) Determining both the criteria for selecting and the specific banks, investment houses, brokerage firms and other financial institutions which should be used in pursuing the county's investment program.

(c) Determining the fees or levels of compensating balances which the county should maintain to reimburse the depositories for services rendered, if any.

(d) Determining the reporting requirements desired to evaluate past performance and to highlight possible additional opportunities to enhance the portfolio (which includes, but is not limited to increasing investment income, enhancing yield position, adjusting

average maturity, increasing or decreasing liquidity, and adjusting average maturity).

(e) Requiring the county treasurer to submit an annual report to the board setting forth information on the investments made by the county during the preceding year.

4. Nothing in this ordinance limits the right of a local government, as defined in NRS 354.474 (but not including the county), whose moneys are held in trust by the county to direct the receipt, disbursement and investment of its money independently of the system provided for in this ordinance, where such independent direction is otherwise authorized by law.

['7, Ord. No. 217; A Ord. Nos. 235, 560, 660; Rev. Supp. No. 3; A Ord. Nos. 1055, 1058, 1177]

### County Budget

#### 15.330 Procedures, responsibility for county budget development.

1. The board of county commissioners declares that the purposes of this section are to:

(a) Establish methods and procedures for the development, presentation, adoption, administration and evaluation of departmental budget requests and the county budget.

(b) Enable the county to make financial plans for both current and capital expenditure programs and to establish program priorities for the expenditure of public funds.

(c) Provide for estimation and determination of revenues, expenditures and tax levies.

(d) Provide for the control of revenues and expenditures in order to promote prudence and efficiency in the expenditure of public funds.

(e) Enable the citizens of the county to be apprised of the financial preparations, plans, policies and administration of the county.

2. The county manager is authorized and directed to:

(a) Develop the annual budget for approval by the board of county commissioners in accordance with the provisions of chapter 354 of NRS.

(b) Obtain the information in such form as the county manager may deem necessary or desirable for the budget preparation and development.

3. The county manager or his designees shall meet with representatives of the several county departments for the purpose of formulating the county manager's budget recommendations to the board of county commissioners.

4. Prior to the adoption of a final budget, the board of county commissioners shall hold one or more public hearings for the purpose of obtaining information and recommendations from department heads

and other interested persons regarding departmental programs and budget proposals.

5. Each department head shall insure that his representatives furnish, in a timely fashion, such information as the county manager may deem necessary to achieve the purposes of this section.

['2, Ord. No. 358] + ['3, Ord. No. 358; A Ord. No. 1177]

15.340 Approval of construction projects in budget.

1. The adoption of the budget shall constitute approval of each construction project reflected therein. The board of county commissioners, however, reserves the right to cancel or substitute construction projects throughout the fiscal year. Change orders not requiring specific prior board approval shall be made in accordance with board-established procedure.

2. Any department wishing to initiate a new project, not authorized in the budget as the same may be amended from time to time, shall first obtain board approval for such project prior to its commencement.

[73-428]

Rates for Services Provided by County

15.370 Purpose.

1. The purpose of sections 15.370 to 15.390, inclusive, is to establish the process and criteria used to establish the rates charged for miscellaneous services provided by the county, which are not otherwise established by federal or state law or other county ordinances and agreements, and to insure that:

(a) Rates established for miscellaneous services provided by the county are adequate to cover the costs incurred in providing such services;

(b) A review procedure is in effect to insure that rates are adjusted periodically; and

(c) Charges for similar services are uniform throughout a county department.

2. Exceptions to this policy may be approved by the board of county commissioners due to different costs.

['2, Ord. No. 359; A Ord. No. 1177]

15.380 General policy; materials, labor charges and services; exceptions.

1. It is the policy of the board of county commissioners to recover all costs incurred in providing services to others not required by statute or ordinance, except to the extent that services are provided free of charge to other governmental entities. Such charges are to be reviewed in accordance with section 15.390 to insure that the county is recovering the appropriate number of dollars in a

businesslike manner.

2. Charges established by the department of regional parks and open space for various activities will be reviewed by the county park commission.

3. Charges not otherwise provided for in federal and state statutes, other county ordinances and agreements will be structured as follows:

(a) Materials. All materials ultimately to be billed to others shall be charged at cost.

(b) Labor charges. All charges for labor shall be billed based on actual pay rates or, alternatively, the standard pay rate for the job classification required as well as the employee benefits incurred based on the rates used.

(c) Overhead. A surcharge for overhead associated with providing the service will be billed at the most current indirect cost allocation rate of direct labor costs.

(d) Mileage. Mileage shall be charged at the rate currently in effect to reimburse county employees for their travel.

4. Other rates may be adopted by the board of county commissioners for providing recurring services if, in light of all the circumstances, it appears to be in the best interests of the county to approve rates that do not conform to the general policies.

['3, Ord. No. 359; Rev. Supp. No. 3; A Ord. Nos. 1072, 1077, 1177, 1251]

#### 15.390 Review procedures.

At least every two years the director of finance shall request a report from each department head as to all rates being charged that are not specified by law, contract or ordinance. The reports shall be reviewed by the finance director or the director's designee who will determine the extent of compliance with the policy of sections 15.370 to 15.390, inclusive, and after consultation with the department heads involved, make recommendations to the board of county commissioners concerning any modifications of rates to be charged.

['4, Ord. No. 359; A Ord. Nos. 733, 1055, 1058, 1177]

### Miscellaneous Financial Provisions

#### 15.400 Use of facsimile signatures by county officers.

1. Subject to the conditions contained in NRS 249.050 and 251.020, the board of county commissioners authorizes the county treasurer and the county comptroller to use facsimile signatures produced through mechanical devices.

2. The board of county commissioners authorizes the use of facsimile signatures produced through mechanical devise by county officers upon written approval of and in a manner prescribed by the

county comptroller.

[Book "S", p. 9, County Commissioners' Minutes, 5-20-1955] [A Ord. No. 1177]

15.420 Cashing of personal checks from public funds unlawful.

1. It is unlawful for an officer or employee of the county to cash from public funds, and an officer or employee shall refuse to cash from public funds, any check drawn by a county officer or employee or by a private individual, whether or not there is reason to doubt that such check will be honored.

2. This section does not preclude the acceptance of personal checks in payment of exact amounts of obligations due the county, but in no event shall such a check be accepted in an amount which requires the return to the drawer or endorser of cash constituting the difference between the amount owed the county and the face value of the check.

['1, Ord. No. 203; A Ord. No. 1177]

15.430 Deposit of fines, forfeitures in county general fund. All fines and forfeitures for violations of the county code shall be deposited in the general fund of the county.

['1, Ord. No. 185; A Ord. No. 1177]

15.435 Overpayments to county: Refunds. When an amount paid to any county officer exceeds the amount due by less than \$5, the officer shall deposit such excess in the cash short and over account of the county treasurer. Refunds of less than \$5 shall be made only upon request to the board of county commissioners in accordance with NRS 354.220 to 354.240, inclusive, from the person who originated the overpayment.

['9, Ord. No. 560; A Ord. No. 1177]

15.440 Reimbursement of county for expenses of temporary detention of children; actions against parents, guardians.

1. When a child is detained, other than in accordance with a court order, in a facility for the temporary detention of children or other commitment facilities administered or financed by the county for the detention of children, the board of county commissioners may collect from the parent, parents or guardian of such child all sums of money expended by the county for the care and support of the child during the period of his detention.

2. If the parent, parents or guardian fails or refuses so to reimburse the county, the board of county commissioners may recover from such parent, parents or guardian, by appropriate legal action, all sums of money due together with interest thereon at the rate of 7 percent per annum.

['1, Ord. No. 374] + ['2, Ord. No. 374; A Ord. No. 1177]

Department of Finance

15.460 Department of finance: Creation.

1. The department of finance is hereby created.
2. The department is responsible for the functions and administration of all programs relating to finance, budget, risk management, and purchasing, and to the degree allowed by law, administrative oversight of the functions of the comptroller.

['1, Ord. No. 448; A Ord. No. 733; repealed Ord. No. 1055; reenacted and amended Ord. No. 1058, 1423]

15.465 Divisions of the department of finance. The department of finance shall consist of:

1. The budget division.
2. The purchasing division.
3. The risk management division.
4. The comptroller's office.

['4, Ord. No. 1058, A Ord. No 1423]

15.470 Creation of position of director of finance.

1. The position of director of finance is hereby created.
2. The director shall be appointed by the county manager and shall serve at the pleasure of the county manager. The director shall be the executive head of the department and shall:

(a) Possess such qualifications as are determined by the county manager.

(b) Be in the unclassified service of the county.

(c) Perform such other duties as are imposed by the county manager and the board of county commissioners.

(d) Report to the county manager.

3. To the extent allowed by law with respect to the comptroller and with respect to the other divisions, the director shall direct and supervise all administrative, technical, and operational activities of the department. The director shall perform such other assignments as the board of county commissioners and county manager may direct.

4. The director of finance shall administer the pre-funded retiree health benefits fund.

5. The director of finance shall oversee and administer the funding of the health benefits program described in section 5.068 and 5.069.

6. The director's salary shall be fixed by the county manager within the range approved by the board of county commissioners.

['2, Ord. No. 448; A Ord. No. 733; repealed Ord. No. 1055; reenacted and amended Ord. No. 1058, 1374 eff. 6-20-08]

15.480 Comptroller: Appointment; salary; duties.

1. The position of comptroller is hereby created. The



comptroller, with the confirmation of the board of county commissioners, shall be appointed by the county manager. The comptroller shall be in the unclassified service of the county. The comptroller serves at the pleasure of the board.

2. The comptroller shall be the chief fiscal officer of the county and perform all the duties required of county auditors and comptrollers under chapter 251 of NRS, or any other applicable law of the State of Nevada, including the Washoe County Code.

3. The comptroller shall oversee the centralized billing and collections system as provided in section 15.191.

4. The comptroller shall be under the day-to-day management and administrative oversight of the county manager through the director of finance, to the extent allowed by law.

5. The comptroller's salary shall be fixed by the board of county commissioners within the range approved by the board and upon recommendation of the county manager.

['7, Ord. No. 1058, A Ord. No. 1423]

15.485 Manager of budget division: Position created; appointment; powers and duties; salary.

1. The position of manager of the budget division is hereby created. The manager of the budget division shall be appointed by the county manager upon recommendation of the director of finance and serves at the pleasure of the county manager. The manager shall be appointed into the unclassified service of the county.

2. Pursuant to chapter 354 of the NRS, the manager shall be the person designated by Washoe County to administer the budget. The manager shall oversee all functions of the budget division and shall supervise employees whom the county manager authorizes to be employed by the county and assigned to the division. The manager shall report to the director of finance.

3. The manager's salary shall be fixed by the county manager within the range approved by the board of county commissioners.

['8, Ord. No. 1058]

15.490 Purchasing and contracts manager: creation; appointment; term; staff.

1. The position of purchasing and contracts manager is hereby created. The purchasing manager shall be appointed by the county manager upon recommendation of the director of finance and serves at the pleasure of the county manager. The manager shall be appointed into the unclassified service of the county.

2. The purchasing and contracts manager is the head of the division of purchasing and shall appoint, in accordance with any applicable provisions of law regulating county personnel, such technical, clerical and operating staff as required.

[\$2, Ord. No. 1423]

15.495 Duties of purchasing and contracts manager. The purchasing and contracts manager shall, subject to the provisions of Washoe County Code and applicable provisions of state law:

1. Purchase all supplies, materials, equipment and contractual services required by the agencies in annual amounts or estimated annual amounts of \$100,000 or less, and submit to the board of county commissioners for award all purchases of supplies, materials, equipment and contractual services in annual amounts or estimated annual amounts in excess of \$100,000 in accordance with the provisions of the Local Government Purchasing Act.

2. Execute non-exclusive emergency child protective shelter care agreements with individual foster homes and with organizations which provide foster homes, if the daily rate contained in the agreement does not exceed the board approved rate.

3. Use standard specifications wherever they are applicable to purchase orders and contracts, and insure compliance with such specifications through adequate inspection of deliveries.

4. Transfer between agencies supplies, materials and equipment which are no longer needed by a holding agency but which can be used by the receiving agency.

5. Sell personal property in compliance with NRS and the Local Government Purchasing Act.

6. Develop, with the approval of the district attorney as to legal sufficiency, standard forms and conditions to invitations to bid and purchase orders and contracts, develop and prescribe the use by agencies of other forms required in carrying out the provisions of sections 15.460 to 15.505, inclusive, and amend or eliminate such forms.

7. Prepare and propose to the board of county commissioners rules and regulations regarding purchasing policies, practices and procedures not in conflict with or inconsistent with the Local Government Purchasing Act or other applicable state statutes. Such rules and regulations and amendments thereto upon approval by the board of county commissioners shall be in full force and effect and shall be adhered to by every employee and officer of the county.

8. Be responsible for administration of the county's capital assets inventory as required by sections 15.090 to 15.130, inclusive.

[§3, Ord. No. 1423, A Ord. No. 1440]

15.500 Purpose. The purpose of sections 15.460 to 15.505, inclusive, is to secure for the county taxpayers the advantages and economies which will result from centralized control over the expenditures of county funds for supplies, equipment and contractual services, from the application of modern businesslike methods to such expenditures, and from better utilization of the articles procured at public expense.

[§4, Ord. No. 1423]

15.505 "Agency" defined. As used in sections 15.460 to 15.505, inclusive, "agency" means any of the departments, offices or other organizational units of the county government, and any special district whose affairs and funds are under the supervision and control of the board of county commissioners and for which the board of county commissioners are ex officio the governing body.

[S5, Ord. No. 1423]

### Audits

15.530 Duties of Purchasing and Contracts Administrator. The Purchasing and Contracts Administrator shall, subject to the provisions of section 15.510 to 15.530, inclusive, and applicable provisions of state law, purchase all supplies, materials, equipment and contractual services required by the agencies in annual amounts or estimated annual amounts of \$100,000 or less, and submit to the board of county commissioners for award all purchases of supplies, materials, equipment and contractual services in annual amounts or estimated annual amounts in excess of \$100,000 in accordance with the provisions of the Local Government Purchasing Act.

[Added Ord. No. 656 eff. date. 7-29-85; A Ord. No. 1415]

15.540 County manager may contract for audits; board required to make annual appropriation for audits.

1. The county manager may, when deemed necessary, enter into contracts with private accountants or accounting firms for the performance of an audit of any appointed office, agency or department of Washoe County subject to approval of the audit committee. For departments headed by elected officials, audits may only be performed at the direction of the board of county commissioners. Those contracts shall provide for payment to the accountant or accounting firm to be made for work performed on an hourly basis. Audits performed pursuant to those contracts may include but are not limited to the following:

(a) A review and appraisal of the soundness, adequacy and application of accounting, financial and other operating controls related to financial management presently in use.

(b) The extent of compliance with established laws, regulations, policies and procedures related to financial management.

(c) The extent to which assets of the county are accounted for and safeguarded from losses of all kinds.

(d) Recommendations of methods to revise or correct any deficiencies in the accounting, financial, or other operating controls related to financial management of the office, agency or department.

2. The board of county commissioners shall annually appropriate to the office of the county manager an amount of money estimated by

the county manager to be sufficient to pay for audits performed pursuant to subsection 1.

3. The audit committee will review the performance of all contracted accountants and accounting firms on an annual basis. ['2, Ord. No. 660; A Ord. Nos. 1177, 1222]

15.545 Establishment of audit committee.

1. An audit committee is hereby established. The committee shall consist of at least three voting members and one non-voting advisory member. Voting members are appointed by the board of county commissioners.

(a) One member will be appointed from the board of county commissioners for a one-year term. An alternate member will also be selected to serve in the absence of the primary appointee.

(b) Additional members with appropriate expertise will be appointed from at-large with staggering two-year terms (for the first appointment, one member will serve for one-year and the other members will serve for two-years. Each subsequent appointment thereafter will be for two years).

(c) The county manager, or designee, will serve as a non-voting advisory member. The internal auditor will provide staff assistance to the audit committee.

2. The audit committee shall elect one member of the audit committee to be the chairperson and one member to be the vice-chairperson. It will be the responsibility of the chairperson to schedule all meetings of the committee and to provide the committee members with a written agenda for each meeting.

3. At least one voting member of the audit committee shall be a financial expert with understanding and experience in generally accepted accounting principles, financial statements, internal accounting controls, auditing of financial statements, and audit committee functions. At-large audit committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the county and shall not be an affiliated person with the county or any subsidiary thereof.

4. The county manager will be responsible for ensuring that the audit committee receives appropriate and necessary briefings and training relative to internal controls, preparation of financial reports, internal audit processes, governmental regulations, and other pertinent information relative to this appointment.

5. The audit committee shall adopt a code of ethics that promotes honest and ethical conduct; full, fair, accurate, timely, and understandable disclosure in periodic reports; and compliance with applicable governmental rules and regulations.

6. The audit committee shall adopt a charter, subject to the board of county commissioner=s approval, establishing the purpose, scope, organization, and responsibilities of the committee. As a minimum, the audit committee shall provide oversight for financial reporting,

internal controls, and the work of the internal auditor and external auditors. The charter shall be reviewed annually and all updates shall be brought before the board of county commissioners for approval.

7. The audit committee shall meet at least four times a year or more frequently as circumstances require.

['2, Ord. No. 1222; A Ord. No. 1283 eff. 1-20-06]

15.550 Cooperation of county officers, employees and others receiving county funds. Every appointed county officer or employee and every department, agency, organization, association or individual receiving money appropriated by the board of county commissioners, shall cooperate with and assist the internal auditor and any accountant or accounting firm performing an audit under contract with the county. Elected officials may choose for their respective departments whether to be audited in those areas that impact statutory duties and responsibilities. Such cooperation and assistance includes, but is not limited to, the furnishing of all information deemed necessary or desirable by the internal auditor and accountant or accounting firm in performing the audit. The internal auditor and any accountant or accounting firm under contract with the county shall provide department heads, both elected and appointed, with a written plan of audit to include scope and methodology. Audits that infringe on the statutory duties and responsibilities of elected officials shall not be conducted without the consent and approval of the elected official.

['3, Ord. No. 660; A Ord. Nos. 1177, 1222]

15.560 Audit schedule.

1. At the beginning of each fiscal year, the internal auditor shall submit a three-year audit schedule to the audit committee for review prior to submission to the board of county commissioners for review and comment. The schedule shall include the departments, offices, boards, activities, business processes, subcontractors and agencies subject to audit for the period after review with the board of county commissioners. Business processes include all administrative procedures that affect the efficient and effective use of county resources for the purpose of conducting the day-to-day business of the county and are common to all operating departments and have a financial impact. Examples include, but are not limited to, purchasing practices, contract administration, workers= compensation, and similar type of functions. Not included are those processes and procedures specific to the statutory functions of elected officials that are required for them to carry out their duties and responsibilities. This schedule may be amended during the period after review with the board of county commissioners. The internal auditor may initiate audits not included in the audit schedule, upon approval by the county manager and the audit

committee.

2. In the selection of audit areas, the determination of the priority of the departments, offices, boards, activities, business processes, subcontractors and agencies to be audited shall be based upon but not limited to the potential for savings or service improvements, evidence of or substantive allegations of problems or wrongdoing, or exposure to loss of county resources due to large expenditures or inherent program risk.

['6, Ord. No. 1071; A Ord. No. 1222]

15.562 Special audits and studies. Subject to the provisions of section 15.550 of this chapter the county manager may direct the internal auditor to perform special audits or studies that are not included in the annual audit schedule. After approval by the audit committee or the board of county commissioners, a special audit requested by the county manager may become an amendment to the annual audit schedule.

['7, Ord. No. 1071; A Ord. No. 1222]

15.566 Access to records and property. All officers and employees of Washoe County shall furnish the internal auditor and any accountant or accounting firm under contract with the county access to requested information and records within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts and methods of business required to conduct an audit or otherwise perform audit duties and permit the auditor to inspect all property or assets under their control.

['9, Ord. No. 1071; A Ord. No. 1222]

15.568 Agency response and auditor review of compliance.

1. A preliminary draft of the audit report will be forwarded to the audited department, office, board, activity, subcontractor or agency and then the county manager for review, discussion, clarification, and comment regarding factual content and alternative solutions to conflicts. The final draft of the audit report will include these clarifications and resolutions when applicable. Audit reports from the internal auditor will not include findings and recommendations regarding the specific statutory duties and responsibilities of elected department heads. The audited department, office, board, activity, subcontractor or agency must respond in writing specifying agreement with audit findings and recommendations or reasons for disagreement with findings or recommendations. The response must be forwarded to the auditor within thirty calendar days. The internal auditor will include the full text of the response in the final report to the board. If no response is received, the internal auditor will note that fact in the transmittal letter and will release the audit report. In the case of contracted audits, audit reports may be released without

inclusion of a response. Any subsequent responses shall be distributed to those who received the audit report. The final audit report with the departmental responses will be presented to the board with the recommendation to accept the report with the provision that an implementation plan will follow. An implementation plan will be submitted to the board within 90 days or as soon as practical after the board accepts the audit report. The implementation plan will be jointly drafted by internal audit and the affected departments and will include the department=s approach to resolving the identified problems and the timetable to complete such activities.

2. The internal auditor shall follow-up on audit recommendations insofar as practical to determine if corrective action has been implemented.

3. The internal auditor may request periodic reports from audited entities regarding actions taken to address reported deficiencies and the status of the audit recommendations.

['10, Ord. No. 1071; A Ord. No. 1222]

15.569 Reports and records.

1. Each audit conducted pursuant to this chapter will result in a written report.

2. The internal auditor shall submit each audit report to the audit committee for review prior to submission to the board of county commissioners and shall retain a copy in his office as a permanent record. A copy shall be filed with the county clerk.

3. The internal auditor shall retain for at least three years, a complete file of each audit report and each report of other examinations, investigations, surveys and reviews made under the authority of the board of county commissioners. The file shall include audit work-papers and other supportive material directly pertaining to the audit report.

4. The internal auditor shall submit an annual report to the audit committee for review prior to submission to the board of county commissioners within thirty calendar days after the fiscal year is completed indicating audits completed, major findings, corrective actions taken, and significant findings which have not been fully addressed.

['3, Ord. No. 1222]

15.570 Report of irregularities. If during an audit, the internal auditor becomes aware of abuse or illegal acts or indications of such acts, the internal auditor shall report the illegal acts or irregularities to the district attorney and appropriate law enforcement agencies.

['11, Ord. No. 1071; A Ord. No. 1222]

15.572 Contract auditors, consultants and experts. Upon approval of the audit committee or the board of county commissioners,

the internal auditor may obtain the services of public accountants, qualified management consultants, or other professional experts necessary to assist the internal auditor in the discharge of his responsibilities. An audit that is performed by contract must be conducted by persons who have no financial interests in the affairs of the governmental unit or its offices. The internal auditor will coordinate and monitor auditing performed under contract.

['12, Ord. No. 1071; A Ord. No. 1222]

#### Washoe County Bond Bank Ordinance.

15.600. Definitions. Except where the context otherwise requires, for the purposes of sections 15.600 to 15.670, inclusive, have the meanings respectively ascribed to them.

1. "Acquisition" defined. "Acquisition" or "acquire" means the opening, laying out, establishment, purchase, construction, securing, installation, reconstruction, lease, gift, grant from the United States of America, any agency, instrumentality or corporation thereof, any public body or any person, endowment, bequest, devise, condemnation, transfer, assignment, option to purchase, other contract, or other acquirement (or any combination thereof) of any project, or an interest therein, herein authorized

2. "Board" defined. "Board" means the Board of County Commissioners.

3. "County" defined. "County" means Washoe County.

4. "Cost of the Project" defined. "Cost of Project" means all or any part designated by the Board of the cost of any project, or interest therein, being acquired, which cost, at the option of the Board may include all or any part of the incidental costs pertaining to the Project, including without limitation:

(a) Preliminary expenses advanced by the County from funds available for use therefor in the making of surveys, preliminary plans, estimates of costs and other preliminaries;

(b) The costs of appraising, printing, contracting for the services of engineers, architects, financial consultants, attorneys at law, clerical help, other agents or employees;

(c) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project, the taking of options, the issuance of bonds and other securities, the capitalization with bond proceeds of any sale discount and of interest on the bonds for any period not exceeding 1 year and the filing or recordation of instruments; and

(d) All other expenses necessary or desirable and appertaining to any project, as estimated or otherwise ascertained by the Board.

5. "Equipment" and "equip" defined. "Equipment" or "equip" means the furnishing of all necessary or desirable, related or appurtenant, facilities, or any combination thereof, appertaining



to any project, or interest therein, herein authorized.

6. "Improvement" and "improve" defined. "Improvement" or "improve" means the extension, widening, lengthening, betterment, alteration, reconstruction, repair or other Improvement, or any combination thereof, of any project, or an interest therein, herein authorized.

7. "Infrastructure Project" defined. "Infrastructure Project" means a capital improvement for a water system that the Municipality is authorized to improve, acquire or equip pursuant to a law other than the County Bond Law.

8. "Lending Project" defined. "Lending Project" means the acquisition of municipal securities issued by a water authority located wholly or partially within the county acquiring the municipal securities for one or more infrastructure projects which consist of capital improvements for a water system or for the refunding of municipal securities issued on or after October 1, 1999, for one or more infrastructure projects which consist of capital improvements for a water system or any combination thereof.

9. "Municipal Securities" defined. "Municipal Securities" means notes, warrants, interim debentures, bonds and temporary bonds issued by a Municipality pursuant to a law other than the County Bond Law which are revenue obligations of a Water Authority that are payable from revenues of the water system of the Water Authority.

10. "Municipality" defined. "Municipality" means a Water Authority organized as a political subdivision created by cooperative agreement.

11. "Revenues of a Lending Project" defined. "Revenues of a Lending Project" means any money, except the proceeds of taxes levied by the County, received by the County pursuant to any Lending Project, including, without limitation:

(a) Money derived from any source of revenue connected with a Lending Project, including, without limitation, payments by a Municipality of the principal, interest or redemption premium of any Municipal Security, and any other income derived from the operation or administration of a Lending Project or the sale or other disposal of Municipal Securities or other assets acquired in connection with a Lending Project;

(b) Loans, grants or contributions to the County from the Federal Government for the payment of the principal, interest and redemption premiums of County securities;

(c) Fees or charges paid by a Municipality in connection with a Lending Project; and

(d) Money derived from the investment and reinvestment of the money described in paragraph (a), (b) or (c).

12. "Water Authority" defined. "Water Authority" means any entity that is created by cooperative agreement pursuant to chapter 277 of NRS, the functions of which include the Acquisition, construction, Improvement, operation and maintenance of a water

system.

['2, Ord. No. 1478, eff. date 12-23-11]

15.620. Debt Limit for the Bond Bank. The County shall not become indebted by the issuance of general obligation indebtedness to fund the cost of Lending Projects in an amount exceeding 15 percent of the total assessed valuation of the taxable property of the County as of the time of issuance of any such general obligation indebtedness.

['2, Ord. No. 1478, eff. date 12-23-11]

15.630. Payment of bonds additionally secured by pledge of certain revenues. The payment of any bonds issued hereunder may be additionally secured by a pledge of all or part of any revenues derived from:

1. The operation of any project herein authorized and from any other income-producing project of the County; or
2. Any license or other excise taxes levied for revenue and available for such a pledge, or any combination thereof.

['2, Ord. No. 1478, eff. date 12-23-11]

15.640. General Powers. In connection with any Lending Project, the County may:

1. Require additional security or credit enhancement for payment of Municipal Securities acquired as it deems prudent.
2. Make contracts and execute all necessary or desirable instruments or documents not in conflict with the requirements of the County Bond Law.
3. Acquire and hold Municipal Securities and execute the rights of the holder of those Municipal Securities.
4. Sell or otherwise dispose of Municipal Securities unless the County is limited by any agreement that is related to those Securities.
5. Refund any Municipal Securities issued after October 1, 1999 for one or more Infrastructure Projects if the County and the Municipality agree to the disposition of any savings resulting from the refunding.
6. Require payment by a Municipality that participates in a Lending Project of the fees and expenses of the County in connection with the Lending Project.
7. Secure the payment of County general obligations issued for a Lending Project with a pledge of revenues of the Lending Project. If the Municipality are formally pledged to the County bonds issued to finance a Lending Project, the Board may treat the revenues of the Lending Project financed by an issue of County general obligation bonds as pledged revenues pursuant to subsection (3) of NRS 350.020.

['2, Ord. No. 1478, eff. date 12-23-11]

15.650. Policies.

1. It is the policy of the County to assist in financing any Lending Project in which the County can provide to a Municipality a lower rate of interest or more efficient borrowing, provided that the project does not expose the County to any significant financial risk, as determined by the Board in approving the Lending Project. It is further the policy of the Board to consider any Lending Project requested by a Municipality and to direct staff to use its best effort to provide timely, helpful and material assistance to any Municipality in the County that seeks financing through the County Bond Bank. The County is not by this policy statement or any other act, however, committing to the funding of any particular Lending Project.

2. It is the County's policy that all County general obligations issued for a Lending Project shall pledge the revenues received from the Lending Project and that those bonds shall be issued as general obligation bonds additionally secured with pledged revenues pursuant to the procedures established in subsection (3) of NRS §350.020, as further described in subsection (8) of NRS §244A.064.

3. It is the County's policy that the County Bond Bank shall be self sufficient in that the revenues of Lending Projects shall be sufficient to pay other expenses of the County Bond Bank, including debt service on County bonds issued to fund the Lending Project.

[12, Ord. No. 1478, eff. date 12-23-11]

15.660. Procedures for Funding Lending Project. Lending Projects shall be funded in accordance with the following procedures:

1. Funding for Lending Project shall be initiated by the Municipality requesting financing for a Lending Project through the Washoe County Department of Finance. The Municipality shall furnish to the Department of Finance such information as the County's Director of Finance requests concerning the Lending Project, the Infrastructure Project to be financed thereby, the proposed Municipal Securities, and the security for those Municipality Securities. If the Director of Finance determines that the Lending Project is one which the County should fund in accordance with the policies, procedures and standards in sections 15.600 to 15.670, the Director of Finance shall forward a recommendation to the Board to that effect.

2. Upon receipt of the recommendation from the Director of Finance, the Board shall proceed to consider the Lending Project. If the Board agrees to fund the Lending Project, it shall commence the procedures for issuing County general obligation bonds by adopting a debt management request resolution, or if that has already been adopted, by adopting the appropriate resolution or ordinance to continue the bond process under Nevada Revised Statutes.

3. The County shall then follow the steps required under Nevada Revised Statutes to issue general obligation bonds, including

without limitation, adoption of a resolution of intent pursuant to subsection (3) of NRS §350.020, publication of a notice of intent to issue bonds and notices of hearing in accordance with that section of Nevada Revised Statutes.

4. If after all preliminary procedures have been followed, the Municipality and the Director of Finance agree to a financing, the Municipality shall provide to the Director of Finance any limitation on the terms of the bonds which, if exceeded, would cause the Municipality to determine not to proceed with the financing. The Director of Finance shall then schedule a sale of the bonds. Prior to or after the time of sale of the bonds, the Board shall consider and may adopt a bond ordinance authorizing the final issuance of the bonds upon the terms approved by the Director of Finance.

5. If the County adopts the bond ordinance, and the bonds are sold, on the date of delivery of the bonds, the County shall deliver the proceeds thereof, less any amount retained by County for expenses in connection with the Lending Project, to the Municipality that is participating in the Lending Project in exchange for the Municipal Securities to be delivered by the Municipality. The Municipal Securities must be accompanied by an opinion of bond counsel acceptable to the County in the form and substance acceptable to the Director of Finance, to the effect that the Municipal Securities are valid and binding obligations of the Municipalities and, unless waived by the Director of Finance, that interest on the Municipal Security is excluded from gross taxable income and alternative minimum taxable income for federal income tax purposes.

6. Until the delivery of the County bonds and exchange thereof for the Municipal Securities, the County is not committed to funding the Lending Project, and the County may, at any time prior to such delivery, determine not to fund the Lending Project, for any reason.

7. Payments made by the Municipality on the Municipal Securities must be sufficient to pay the debt service on the County's bonds and must be scheduled to be received in sufficient time to make those debt service payments. The County will require that the Municipality make payments on its Municipal Securities while the County is the holder of those Municipal Securities at the time the corresponding debt service funding requirement is due on the County bonds, as is agreed upon by the Director of Finance and the Municipality. All payments made by the Municipality shall be made by wire transfer in immediately available funds. Any payments made after the agreed upon due date shall be accompanied by interest on the amount not paid on time at a rate per annum equal to the sum of the prime rate as quoted in the Wall Street Journal, or average thereof, if more than one Prime Rate is quoted, plus 1%.

8. The Director of Finance shall require that the Municipality pay directly, or reimburse the County for paying, all of the County's out of pocket expenses in connection with the Lending Project, or provide that the County may retain sufficient monies to pay the

reimbursed out-of-pocket expenses from proceeds of County bonds before delivering the proceeds thereof to the Municipality or a combination thereof. In addition the Municipality shall pay to the County or provide that the County may retain from the proceeds of the County bonds, an administrative fee to cover County expenses that are not reimbursed out-of-pocket expenses. The amount of this administrative fee shall be determined by mutual agreement of the Director of Finance and an appropriate representative of the Municipality.

['2, Ord. No. 1478, eff. date 12-23-11]

15.670. Standards. Revenue obligations as discussed in the definition of Municipal Securities generally will be accepted for the County Bond Bank if the Director of Finance determines that:

1. That there is a rate maintenance covenant contained in the Municipal Securities to be delivered by the Municipality pursuant to which the Municipality is required to establish and maintain rates and charges that will be sufficient to make payments on the Municipal Securities;

2. That the revenue obligations do not otherwise pose significant credit risks to the County.

3. Whether any additional security should be required from the Municipality;

4. Whether the size of the borrowing is appropriate based on the credit worthiness of the Municipality; and

5. Whether the County should proceed with the financing.

['2, Ord. No. 1478, eff. date 12-23-11]

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