

## **February 2020 – Topic(s) of the Month – Agency Policies and Forms; Urgent Exception Requests**

### **Prolegomenon**

Topic of the Month provides agencies and employees with resources to assist in understanding the requirements, responsibilities and expectations that come with certain processes, positions, and functions. The goal is to ensure that agencies have the knowledge to consistently comply with State and Federal law, regulations and guidelines, while reducing the risk of fraud, waste and abuse. Each month, GAO will address a new topic that includes specific information such as applicable policies, procedures, forms, best practices, and where this information can be located. This month's topics include agency policies, agency forms and (a matter recently added) urgent exception requests.

### **Introduction**

The State of Arizona is a large and complex organization. More than one hundred agencies. More than thirty thousand employees. Any number of different programs and operations. The GAO has the responsibility—and, through the Arizona Department of Administration, has the authority—to issue statewide policies, procedures and forms. We at the GAO realize, however, that agencies, for any number of reasons, need to produce policies and, especially, procedures that are specific and unique to them. Because of this, we permit, within reason and with the review and approval of the GAO, agencies to produce their own policies, procedures and forms.

### **Agency-specific Policies Based upon SAAM**

SAAM 0025, *Agency-specific Policies Based upon SAAM*, allows an agency to draft its own policies and procedures based upon some section of SAAM. Agencies have all sorts of other policies and procedures that are not based upon some SAAM section—procedures for collecting crime scene evidence, policies related to the proper use of navigable streams, etc. It is not required that agencies to submit their policies and procedures not based upon SAAM to the GAO. Many of these publications are procedural and detailed. The GAO couldn't produce a set of procedures that mirrors every agency's operations. The GAO doesn't know the titles of various personnel who are referenced in an agency's procedures; it doesn't know how certain documents are exchanged between assorted agency staff.

However, when an agency policy contains subject matter dealt with by SAAM, GAO Policy must receive a copy for review before it is implemented. Why? To prevent unauthorized conflicts with what is contained in SAAM. To prevent possibly illegal contents in the agency's proposed policies. GAO Policy reviews an agency's policies based upon SAAM to prevent these sorts of problems. Not much attention is paid to style, grammar, punctuation and the like unless those items would tend to mislead the reader.

In a relatively recent example of what can go wrong, an agency, during a period of economic stress, adopted a policy that would prohibit employees from being reimbursed for lunch unless they were traveling out-of-State. All of the agency's employees signed an agreement accepting the foregoing of lunch reimbursements as a condition of employment. The policy was certainly well intentioned and produced the desired savings, and everyone had agreed to it. The only problem was that it violated A.R.S. §§ 38-624.B. and 38-624.D.

Agency policies may be more restrictive (though not more generous or lenient) than statewide policies. However, care must be taken so as not to violate State or Federal laws, rules, regulations, etc., as was the case in the example. The types of restrictions that may be adopted might be requiring receipts, when we do not, tighter time frames and such. These are all nothing more than changes to certain administrative practices.

Agency policies must be submitted for review at least sixty (60) days before intended implementation.

Sometimes there are such good ideas in a proposed agency policy that we "borrow" an idea and incorporate it into SAAM.

### **Agency-specific Forms Based upon Official GAO Forms**

Agencies occasionally have very specific needs when it comes to forms derived from GAO forms: badge numbers, locations, extra signatures, etc. These forms, and their additions, help meet the needs of the State and the agency. Notice, that additions, not changes are allowed.

SAAM 0008, *Standardized Input Required by the General Accounting Office*, requires the pre-approval of agency forms that are used to take the place of official GAO Forms. Currently, forms have to be submitted to the GAO ten business (10) days before agency implementation. Because of a shortage of GAO staff and because the forms under consideration are now electronic rather than paper, this is likely to be soon changed to thirty (30) business days.

In addition to systematizing operations, standardizing input ensures that the information collected and submitted to the GAO or otherwise used in accounting and accounting-related processes is complete and properly formatted.

Recently an agency designed a few GAO-based forms for its own use. While the GAO forms had three separate fields for an employee's name (first, middle, last), the agency consolidated these into a single field. All the agency's other forms followed this formatting standard. The agency's proposed forms had to be rejected and redone. What the agency did not realize was that these forms collect information initially transmitted to banks and ultimately to the Office of Foreign Asset Control (OFAC) and that the three field format was required by the U.S. Treasury Department.

There may be elements and formats of those elements that might not be known or understood by the agency creating new forms but are necessary to meet the needs of the State or other authorities.

We work with agencies on some of the bigger projects of automating certain forms to make sure they comply with the law as well as operational and internal control requirements.

### **URGENT Requests for Travel and Other Exceptions**

SAAM 0015, *Exceptions to Policy*, states that, if practicable, requests for exceptions should be made ten (10) or more business days in advance of the situation that might require an exception.

This period is necessary to review, evaluate and respond to the request. It allows the agency to gather and submit additional information that may be required by the GAO. It allows the GAO to see whether there are ways in which the exception can be made unnecessary (a nearby hotel room can be found that is within State reimbursement rates; the schedule of an event can be rearranged giving participants enough time to depart the premises for lunch, etc.).

Lately, an increase in the number of “urgent” requests has been on the rise. Frankly, the GAO does not have the personnel to evaluate ten or twenty urgent requests in a day. Moreover, upon investigation, more than 90% of the “urgent” requests need not have been urgent had the agency planned its work appropriately. The agency knew about the conference for six months earlier, etc.

“Urgent” requests, of necessity, have to be treated on a first-in, first-out basis. Tacit approval does not exist. If the GAO staff cannot respond favorably to a request to accommodate the urgency, the exception cannot be granted.

SAAM 5006, *Reducing State Travel Costs*, states that advance planning is a key factor affecting the cost of travel. All agencies should strive to reduce travel costs and, hence, plan their travel as early and well as possible. This will have the effect not only of reducing travel costs but also the costs involved in travel exceptions and the number of urgent requests.

### **Questions and (Possibly) Answers**