TAB 2
**City of Palmetto**  
**Meeting Date**  
**11/1/10**  

**Presenter:** Karen Simpson  
**Department:** Finance  

**Title:** Finance Re-Organization

**PROBLEM:** The last two years have resulted in several positions in Finance assuming greater responsibilities over and above their job descriptions as well as obtaining vital certifications. A vacancy exists that will enable a much needed reorganization of the Finance Cost Center while remaining inside the current budget.

**BACKGROUND:** The proposed reorganization is fully outlined in the attached documentation. In summary, this plan reorganizes Finance to improve the work flow, create a more efficient use of staff time, and reassign staff to purchasing duties to allow sufficient time to process multiple RFPs etc. To accomplish this we propose to reduce the vacant Accountant position to a part-time Payroll Clerk 30 hours per week, upgrade the Account Clerk to a Purchasing Clerk with a one grade increase, rearrange the duties of current staff and create a new part-time Account Clerk. Each position assuming greater responsibilities would receive one step and employees who have achieved a certification/degree in their field would receive a step. The Sr. Accounting Analyst’s title would change to Sr. Accountant and the Warehouse Operator’s title would change to Warehouse/Data Entry Clerk. The Deputy Clerk - Finance received the CGFO certification in June, 2006 but would receive no increase in pay.

This proposal would be accomplished within the FY2011 budget and would not require additional funds in FY2012 to maintain the staffing level (Attachment B). If it becomes apparent that the part-time plan is not feasible, a full time payroll clerk would be hired and the part-time account clerk would not be hired. This plan would also be accomplished within the FY2011 budget (Attachment C).

Attachments included:  
Attachment A - Outline of the steps to the reorganization  
Attachment B - Detailed financial outline of the reorganization  
Attachment C - Detailed financial outline of the reorganization with a full-time payroll clerk.

<table>
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<th>Budgeted Amount:</th>
<th>$458,871 .00</th>
<th>Budget Page No(s):</th>
<th>34 - 35</th>
<th>Available Amount:</th>
<th>$458,871 .00</th>
<th>Expenditure Amount:</th>
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**Additional Budgetary Information:**

**Funding Source(s):**  
FY2011 budget  

**Sufficient Funds Available:** Yes  
**Budget Amendment Required:** No  
**Source:**

**City Attorney Reviewed:**  
Yes  
**Advisory Board Recommendation:** For  
**Consistent With:** Yes  

**Potential Motion/ Direction Requested:**  
To approve the reorganization of Finance as outlined effective November 1, 2010.

**Staff Contact:** Karen Simpson  
**Finance**

**Attachments:** Attachment A and Attachment B and Attachment C
ATTACHMENT A

FINANCE REORGANIZATION

The Finance Department has experienced many changes since the beginning of FY2006. Management comments as a result of the FY2006 audit indicated that the Finance Department needed to establish stronger internal controls, adhere to due date requirements and increase training for Finance staff. Since that time, four of the seven staff members (3 accounting and 1 purchasing) have received professional certifications and another has received an Associate's Degree in business. Four new financial policies, the purchasing ordinance and numerous new regulations and standards have been implemented in the accounting and purchasing areas since FY2006. The FY2009 audit received no audit comments and was completed in February, a full month earlier than in prior years. In addition, the FY2010 budget was the first to receive the GFOA Budget Award.

This new accountability in the Finance Department has come through training, teamwork, greater attention to details and the assumption of additional responsibilities. For example, the Purchasing Agent is now required to take a greater role in the processing of RFPs, ITBs, RFQs and contracts. This process can take 2 – 6 months to fully process and during FY2010 ten were completed. These were all completed while processing the requisitions that created the 900 purchase orders which were issued during FY2010. The Sr. Accounting Analyst has assumed the duties of grants coordinator. During FY2010 alone, the City received three new labor intensive stimulus grants and processed $1.1 million in grant expenditures, an increase of 864% over FY2009.

Currently the Accountant position (Grade 110) is vacant and needs to be filled. The full cost of this position is currently budgeted at $61,593. This vacancy presents a unique opportunity to reorganize and redistribute duties within the Finance Department to enable a better workflow, greater efficiencies, increased internal controls and greater concentration to details and new standards.

Step 1 – Reduce the Accountant position to a Payroll Clerk (Grade 106). Research has revealed that payroll is being processed by Clerks in most governments in Florida. The following duties would be removed and absorbed by other Finance members: Budget liaison to City Hall and PD; Pension reporting; Annual PD reporting. The lower level duty of gathering grant information and assisting the Sr. Accountant would be added. This is a task currently done by the Sr. Accountant and would free time for higher level grant and accounting functions. This Payroll Clerk position would be posted as a part-time, 30 hr per week, position thus saving benefit dollars. The total projected cost of this position would be $25,608 as a part-time and $50,154 as a full-time. It is anticipated that this part-time position would appeal to parents with school-age children or “empty nest” parents needing a job for college funds or to return to the job market.

Step 2 – Upgrade the Account Clerk (Grade 105) to Purchasing Clerk (Grade 106) for the duties already assumed and those the position will assume as a result of this reorganization. Currently this position has been assisting the Purchasing Agent in the processing of new vendors, invoices, receipting reports and distribution of PO’s. These lower level responsibilities are within the current job description. This reorganization would increase the level of responsibility by including the processing, sourcing and
issuing of requisitions and purchase orders, compiling and maintaining certificates of insurance, and assisting the Purchasing Agent with RFP, ITB, etc., and coordination and administration of the records retention of all finance documents. The following current duties would be passed to a new Account Clerk position (part-time – discussed below): AP check processing, back up data entry, mailing accounts receivable statements for Sr. Accountant. This removal allows for another layer of internal control.

Step 3 – Increase the Purchasing Agent a total of two steps. One step for the increased responsibility of the organization, issuing, processing, and compliance to new standards for all RFP, ITB, RFQ, and contracts that have been placed upon that position over the past two years from inside and outside the City. Currently this position is tasked with the increased responsibility as cited above along with the daily routine duties that will be passed to the Purchasing Clerk, freeing up badly needed time to concentrate on the upper level duty of purchasing goods and services for the City on the best terms possible.

The second step is due to the Purchasing Agent receiving her Certified Professional Public Buyer (CPPB) certification in public procurement in May, 2009. This is a vital tool for governments to maximize value of the taxpayer’s dollars and is a formally recognized certification nationwide. This certification has enabled the Purchasing Agent to increase the efficiencies and financial savings for the city.

Step 4 – Change the title of Sr. Accounting Analyst to Sr. Accountant and increase the position a total of two steps. One step is for the increased responsibility of coordinating and managing grants and the second for receiving her Certified Government Finance Officer (CGFO) certification in November, 2009. Over the past four years, the City has averaged less than $200,000 per year in federal grant expenses and has not required a single audit during that time. Over the last year, the City has had a minimum of $700,000 in federal grant expenses and will require a single audit of at least three stimulus grants. This illustrates the increased volume of grant dollars the City has received over the past year. The knowledge and time involved in administering these grants have also increased.

Step 5 – Increase the remaining Accountant a total of two steps. The first is for the increased responsibility of administering budgeting standards for the entire City, CIP accounting and administration, compiling the quarterly reviews and analysis for City Commission and the constant analysis of the City’s cash and investment position. These increases have been the Accountant’s responsibility over the past year and were further increased with the assumption of the City Hall and PD budget liaison duties and the quarterly reviews. This employee also received his CGFO certification in November, 2009 and would be awarded the second step for this accomplishment.

Step 6 – Create a part time Account Clerk position (Grade 105) for 24 hours per week and assign the following duties: Processing liens; Accounts Receivable statements and scanning; Assist with tagging fixed assets; AP check printing and backup data entry; processing mail; scanning cash receipts; other clerical duties. These duties would relieve the Purchasing Clerk of AP duties, assist Sr. Accountant with low level A/R and fixed asset duties and add another layer of internal controls by separating the duties of matching invoices for payment and then printing the checks for those payments.
Step 7 – The Warehouse Operator’s title will be changed to Warehouse/Data Entry Clerk and will be awarded one step for achieving an Associate Degree in May, 2007. No additional responsibilities assigned due to the absence of available time allotted to manage the current warehouse and data entry duties.

This plan does not increase current budgeted funds for FY2011 or future years. In fact, a minimum surplus of $5,000 is projected from the vacant position. It is anticipated that the part-time Payroll Clerk will be first to be advertised. If a suitable applicant is not found for the part-time Payroll Clerk position, it can be changed to a full-time position and remain within the budget. If this situation occurs, the part-time Account Clerk will not be filled.
FINANCE REORGANIZATION

CURRENT ORGANIZATION

Deputy Clerk – Finance
Grade 120 Step 7

Sr. Accounting Analyst
Grade 115 Step 4

Accountant-Vacant
Grade 110 Step 6

Senior Accountant
Grade 115 Step 6

Accountant
Grade 110 Step 1

Purchasing Agent
Grade 111 Step 9

Account Clerk
Grade 105 Step 1

Payroll Clerk
Grade 106 Step 0

Warehouse Operator
Grade 103 Step 9

Deputy Clerk Finance Account Clerk Part Time
Grade 120 Step 7

Purchasing Clerk
Grade 106 Step 2

Trade/Quantity Clerk
Grade 105 Step 0

Purchasing Agent
Grade 111 Step 11

Warehouse/Data Entry Clerk
Grade 103 Step 10

ATTACHMENT B ORGANIZATION

Deputy Clerk – Finance
Grade 120 Step 7

Senior Accountant
Grade 115 Step 6

Accountant
Grade 110 Step 3

Purchasing Agent
Grade 111 Step 11

Payroll Clerk – Part Time
Grade 106 Step 0

Account Clerk – Part Time
Grade 105 Step 0

Warehouse/Date Entry Clerk
Grade 103 Step 10

ATTACHMENT C ORGANIZATION

Deputy Clerk – Finance
Grade 120 Step 7

Senior Accountant
Grade 115 Step 6

Accountant
Grade 110 Step 3

Purchasing Agent
Grade 111 Step 11

Payroll Clerk – Full Time
Grade 106 Step 0

Purchasing Clerk
Grade 106 Step 2

Warehouse/Date Entry Clerk
Grade 103 Step 10