



PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY

Subject: Departmental Bank Accounts

Policy Number

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Purpose

To establish Pima County policy to review, authorize and maintain departmental bank accounts.

Background

In July, 1983, the Pima County Board of Supervisors ("the Board") adopted a policy document entitled "Pima County Departmental Bank Account Policy" that addressed the establishment and authorization of departmental bank accounts and set guidelines for the maintenance of departmental bank accounts. Since that date, sections in both the Arizona Revised Statutes ("ARS") and the Uniform Accounting Manual for Arizona Counties providing for these departmental bank accounts, have been amended.

Departmental bank accounts may be established under two circumstances. The first circumstance is that the money to be deposited into the departmental account is not public money under ARS §35-302. The second instance is that ARS stipulate the establishment of a bank account. The Board continues to recognize the need for County departments to effectively manage certain cash receipts by the use of departmental bank accounts.

While acknowledging the necessity for these accounts, additional Board objectives include minimizing costs, reducing risk exposure and facilitating the review process associated with departmental accounts. To achieve these goals, this policy establishes these accounts within the structure of Pima County's Servicing Bank ("Servicing Bank"). Maintaining these accounts at the Servicing Bank will, in part, allow for enhanced control and review by auditing authorities and County financial personnel. Additional benefits include reduced costs and fees and the assurance of proper collateralization of accounts over \$100,000.

Policy

It is the policy of the Pima County Board of Supervisors that:

1. Departmental bank accounts may be established under two circumstances. The first circumstance is that the money to be deposited in the departmental account is not public money. The second instance is that establishment of the departmental bank account is authorized by Arizona Revised Statutes.
2. The County Administrator, upon the recommendation of the Finance Director, will authorize all departmental bank accounts.
3. All departmental bank accounts will be maintained at the Servicing Bank.
4. Departmental bank accounts not housed at the Servicing Bank will require written justification by the Department Director or designee and authorization from the County Administrator.
5. After approval from the County Administrator, the Finance Department - Financial Control & Reporting Division, will be responsible for opening all departmental bank accounts and retaining the account authorization form.

6. Whenever possible, departmental bank accounts will be interest bearing accounts.
7. Monthly reconciliations of departmental bank accounts will be performed by each department maintaining an account and, for review and reporting purposes, forwarded to the Finance Department - Financial Control & Reporting Division, no later than 30 days after receipt of the bank statement.
8. If a departmental bank account has not been properly authorized or is being used for purposes deemed inappropriate by the Finance Director, the County Administrator will be notified and corrective action taken.

Responsible Department

The Finance Department and Pima County Departments with bank accounts

Reference

Pima County Administrative Procedure on Departmental Bank Accounts (22-7)

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