

Compensation Board
Minimum Criteria for Treasurers'
Career Development Programs

Frank Drew, Chairman
Adopted by the
Compensation Board
September 28, 1999

Amended:
October 23, 2001
November 27, 2001
March 23, 2005
May 24, 2006
July 1, 2010

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Executive Summary

The 1999 General Assembly directed the Compensation Board to develop a career development plan (CDP) for Treasurers. A task force comprised of Compensation Board staff and Treasurers was formed to develop the criteria for participation in the plan and to determine costs for the plan. The recommended plan sets the following criteria for participation in the career development program: the Treasurer must achieve Level II certification as a Certified Governmental Treasurer from the Weldon Cooper Center for Public Service at the University of Virginia; a minimum number of the Treasurer's employees must be enrolled in the Certified Governmental Deputy Treasurer program; the Treasurer must certify the adoption of certain administrative policies; the locality's most recent audit report must contain no findings of material financial weakness under the direction of the Treasurer; the Treasurer must have a written Delinquent Collection Policy and maintain a collection rate for real estate greater than or equal to 95% and 90% for personal property as measured twelve months after the due date and adjusted for the locality's unemployment rate (i.e.; ¼% reduction in acceptable collection rate for 1% unemployment rate. A locality with 10% unemployment would receive a 2.5% adjustment to 92.5% for real estate and 87.5% for personal property); and the Treasurer must have a written Customer Service Policy and a written Investment Policy.

If the General Assembly wishes to make the CDP available to all Treasurer positions, the estimated salary and fringe benefits costs necessary to provide a 9.3% salary increase is \$846,152 (GF) each year.

Based upon the input of the Treasurers' Association of Virginia approximately 25% of Treasurers will be eligible to participate the first year and 40% the second year at an estimated salary and fringe benefits cost of \$157,619 in FY01 and \$402,622 in FY02.

Study Background and Participants

Background:

Since the mid-1970's, the Compensation Board has played no role in setting the salary of an elected Constitutional Officer. Instead, the salaries of the officers have been set out annually in the Appropriation Act. With the exception of Commonwealth's Attorneys who are required to be members of the Virginia State Bar (VSB), no minimum criteria exist to hold office, and no state funded salary incentives exist for officers once they are elected as a result of performance or longevity.

Analysis

The 1999 General Assembly required the Compensation Board to draft criteria for career development plans for Treasurers and Deputy Treasurers. At the request of the General Assembly, the Compensation Board has developed career development plans for Deputy Sheriffs and Assistant Commonwealth's Attorneys, which were subsequently funded by the General Assembly. The action of the 1999 General Assembly session is the first time that the General Assembly has directed the Compensation Board to recommend career development plans for elected officials. With that perspective in mind, the Compensation Board makes the following recommendations for minimum criteria for Treasurers' Career Development Plans.

This study addresses a career development program for Treasurers. A separate study addresses the career development program for Deputy Treasurers. The Compensation Board also developed a procedure by which Treasurers could certify their participation in a Career Development Program which met the Compensation Board's minimum criteria. Further, the Compensation Board developed a model plan for use by the Treasurers.

Study Participants:

Bruce W. Haynes, Executive Secretary, Compensation Board
James W. Matthews, Assistant Executive Secretary, Compensation Board
Charlotte W. Luck, Senior Fiscal Technician, Compensation Board
Honorable Stephen L. Moloney, President, Treasurers' Association of Virginia
Honorable Phyllis M. Yancey, Treasurer, Orange County
Honorable Alfred C. Anderson, Treasurer, Roanoke County
Honorable Betsy N. Long, Treasurer, Lunenburg County
Honorable Ellen V. Booker, Treasurer, Northumberland County
Honorable Fred W. Parker, Treasurer, Washington County
Honorable Ronald H. Williams, Treasurer, City of Suffolk
Honorable M. Scott Miller, Treasurer, Hanover County
Honorable Richard A. Cordle, Treasurer, Chesterfield County
Honorable Fields R. Young, Jr., Treasurer, Grayson County
Honorable Darlene B. Giles, Treasurer, Charles City County
Honorable Larry K. Pritchett, Treasurer, Spotsylvania County
Honorable Francis X. O'Leary, Arlington County
W. Forrest Matthews, Jr., Director of Finance, Henrico County
Al Spengler, Weldon Cooper Center for Public Service, University of Virginia

CAREER DEVELOPMENT PLANS
FOR CONSTITUTIONAL OFFICERS IN THE COMMONWEALTH OF
VIRGINIA OTHER THAN COMMISSIONERS OF THE REVENUE

Historically, the Constitutional Officers of Virginia have improved their skills and overall performance through ongoing regional and state educational seminars and meetings. In the absence of a formalized Career Development Plan, Commissioners of the Revenue and other Virginia Constitutional Officers benefited from ongoing educational programs offered and supported by state and national organizations. These organizations included: The Virginia Bar Association, the Government Finance Officers Association, Virginia Association of Local Elected Constitutional Officers (VALECO), International Association of Assessing Officers (IAAO), Virginia Association of Assessing Officers (VAAO), the Virginia State Police, the American Institute for Certified Public Accountants (AICPA), Virginia Polytechnic and State University, University of Virginia, the Internal Revenue Service, the Virginia Department of Taxation, the Virginia State Compensation Board and the Weldon Cooper Center for Public Service.

In recent years, local government has become more sophisticated and technology has enabled more citizens and taxpayers to have access to more governmental information. In order to ensure greater accountability with the citizenry and improved uniformity with respect to office procedures, Constitutional Officers throughout the Commonwealth (which includes Commissioners of the Revenue, Treasurers, Commonwealth Attorneys, Sheriffs, and Clerks of the Circuit Court) have moved toward a more formalized CDP.

In 1997, the Virginia General Assembly directed the Compensation Board, in cooperation with the Commonwealth's Attorneys Services Council, to create a task force that would develop criteria for a formal training program for Assistant Commonwealth's Attorneys. Part of the impetus for the development of this program was to offer it as a vehicle to encourage educational improvement, plus provide salary supplements to those completing the program. The following year the General Assembly approved the proposals in the interest of maintaining stability in the workforce in these offices and improving the service provided by these offices.

While Sheriff's deputies had long attended special police schools and firearms training, they too received assistance and support from the Virginia General Assembly and the Compensation Board through the authorization of a formal career development program. The plan is designed to encourage Sheriff Deputies to improve their skills, which enhances job performance. This program not only benefits the deputies but also the localities for which they work.

In 2000 the Virginia General Assembly approved a Career Development Plan for Treasurers and Deputy Treasurers. This plan requires the successful completion of certain educational courses as well as the maintenance of certain standards of accountability. Salary compensation for Treasurers successfully mastering the plan's requirements is available. Compensation was approved by the 2004 General Assembly for Treasurer Deputies.

The Virginia Court Clerk's Association began a certification program in 1991 for Clerks and in 1993 for Deputy Clerks. This plan has not been certified by the Virginia General Assembly and does not provide for salary supplements. However, certification criteria include eligibility, standards of accountability, review, and professional designation.

Compensation Board Minimum Criteria for Treasurers' Career Development Programs

Treasurer

Treasurer shall mean, for the purposes of this study, any Treasurer of a city or county and Compensation Board funded Directors of Finance.

Training and Development

The Treasurer must achieve and maintain Certification in the Master Governmental Treasurer program administered by the Weldon Cooper Center for Public Service at the University of Virginia.

Staff Development and Training

The minimum number of Treasurers/Finance Director's employees enrolled and participating in the Certified Government Deputy Treasurer program administered by the Weldon Cooper Center for Public Service at the University of Virginia shall be as follows:

<u>Locality Population</u> *	<u>Required Minimum Number of Employees Enrolled and Participating</u>
Less than 19,999	1
20,000 – 39,999	2
40,000 – 69,999	3
70,000 – 99,999	4
100,000 – 174,999	5
175,000 – 249,999	6
250,000 and over	7

*Population shall be determined by using the most recent U.S. Census data or population estimate provided by the Weldon Cooper Center for Public Service.

Employee shall mean for the purpose of this study, any full-time position reimbursed by the Compensation Board in a Treasurer or Director of Finance's office or, any full-time position that is 100% funded by the locality.

Enrolled and participating shall mean for the purpose of this study, that the employee must be officially registered with the Weldon Cooper Center in the Deputy Treasurer Career program and annually reported as such to the Compensation Board. Effective February 1, 2002, the employee must attain four points or attend at least one of the

approved certification classes during the calendar year prior to the Treasurer/Director of Finance application for Career Development.

Administrative Policies

The Treasurer must develop and implement written policies consistent with applicable state and federal law addressing the following topics:

- leave and attendance
- equal opportunity
- sexual harassment
- recruitment and selection
- employee disciplinary procedures

In lieu of developing and implementing the above policies, the Treasurer may by written agreement adopt the local governing body's policies on these matters.

The Treasurer has adopted the Compensation Board's minimum Criteria for employee evaluation plans and Deputy Treasurer career development plans.

Financial Management

The Treasurer must certify to the Compensation Board that:

- the most recent audit by the Auditor of Public Accounts and the local government auditor reported no findings of material financial weakness under the direction of the Treasurer and that no internal control shortcomings identified in the prior year management letter were repeated in the most recent audit. The Treasurer must have two consecutive audits, from the APA and an independent audit firm, with the same time period covered by all audits being completely within the Treasurer's term of office.
- the Treasurer has a written Delinquent Collections Policy and has achieved a collection rate for real estate greater than or equal to 95% and for personal property greater than or equal to 90% as measured twelve months after the due date and adjusted for the locality's unemployment rate (i.e.; ¼% reduction in acceptable collection rate for 1% unemployment rate; a locality with 10% unemployment would receive a 2.5% adjustment to 92.5% real estate and 87.5% for personal property). Computation of the collection rate will be as follows:

$$\frac{\text{(Payments+abatements+tax relief+bankruptcies)*}}{\text{Tax assessed (levy) by principal due date unemployment}} = \text{Collection rate on 1}^{\text{st}} \text{ anniversary of principal due date (adjusted rate)}$$

* applied through the first anniversary of the principal due date

Customer Service

The Treasurer must have a written Customer Service Policy that addresses customer expectations and the Treasurer's method of meeting those expectations.

Investment Policy

The Treasurer must have a written Investment Policy that includes the following elements: Purpose and Scope; Objectives (Safety, Liquidity, Yield); Standards of Care (Prudence, Ethics and Conflicts of Interest, Delegation of Authority); Safekeeping and Custody (Authorized Financial Dealers and Institutions, Internal Controls, Delivery vs. Payment); Suitable and Authorized Investments; Investment Parameters; Reporting Requirements.

- I have a written Customer Service Policy.
- I have a written Investment Policy.

I understand that I must submit this certification as part of my annual budget request to the Compensation Board by February 1 of each year in order to be considered for a 9.3% pay raise effective the following July 1st.

I agree to provide such documentation as necessary to substantiate this certification upon request of the Compensation Board, my governing body or any individual or organization covered under the Virginia Freedom of Information Act. I understand that I will have seven calendar days to respond to Compensation Board requests, and that failure to respond within the time limit will result in my application for certification being denied for that year. I have provided a copy of this certification to my governing body.

Signature of Treasurer

Date

Appendix A

Appropriation Act Language

Item 65

C.1 Subject to appropriations by the General Assembly for this purpose, the Treasurers' Career Development Program shall be made available by the Compensation Board to appointed officers who hold the combined office of the city or county treasurer and commissioner of the revenue subject to the provisions § 15.2-1636.17, Code of Virginia.

C.2. The Compensation Board may increase the annual salary in paragraph A1 of the Item following receipt of the Treasurer's certification, that the minimum requirements of the Treasurers' Career Development Program have been met, provided that such certifications are submitted by Treasurers' as part of their annual budget request to the Compensation Board on February 1 of each year.

Appendix B

Treasurer Audit Plan

Policy: It is the policy of the Compensation Board to selectively audit Treasurers participating in the Career Development Program.

Purpose: The purpose of the policy is to ensure that the intent of the Treasurer's Career Development Program, as authorized by Item 69 Paragraph D, of the Appropriation Act and adopted by the Compensation Board on September 28, 1999, is being met by all Treasurers who certify their compliance with the provisions of the plan, and to successfully audit all certified Treasurers within a three year period

Procedure:

- A. By action of October 23, 2001, the Compensation Board has directed that all Treasurers who submit a request for certification shall be subject to audit. The Compensation Board staff will randomly select the Treasurers to be audited no later than March 1 of each year.
- B. Upon selection, the Compensation Board will notify the Treasurer by fax or e-mail that they must provide the following information within seven calendar days from notification:

Policies

- A copy of the office's leave and attendance policy, equal opportunity, sexual harassment policy, recruitment and selection policy and employee disciplinary procedures.
- A copy of the office's Employee Performance Evaluation Plan. This must include (1) copies of job descriptions for each position, (2) a written performance plan for each position, (3) evidence that the performance plan and evaluation expectations have been discussed with each employee during the calendar year, (4) signed by both the employee and the employee's supervisor. For offices with eleven or more employees, limit the number of job descriptions and performance plans to ten.
- A copy of the Deputy Treasurers' Career Development Plan.

Financial Management

- Copies of the two most recent audit reports from the Auditor of Public Accounts and the local government auditor.
- Copies of the two most recent Management Letters from the local government auditor.
- A copy of the office's Delinquent Collections Policy.

Customer Service

- A copy of the office's Customer Service Policy.

Investment Policy

- A copy of the office's Investment Policy.

Collections Rates

- Documentation to support the collection rate percentages.

- C. The Compensation Board has asked the Treasurers' Association of Virginia to form an Audit Committee to review the materials, and make such recommendations to the Compensation Board as it deems appropriate not later than five business days prior to the March Board meeting each year.
- D. The Compensation Board will address any recommendations the Audit Committee wishes to make regarding the approval of career development increase to any Treasurer/Director of Finance at its March meeting.
- E. The Compensation Board has also requested that the Treasurers' Association of Virginia Audit Committee make any recommendations for amendments to the Career Development Plan to the Compensation Board by September 15 of each year.

Effective
Date:

The above audit policy and procedures are effective October 23, 2001 and shall remain in effect unless further amended by the Compensation Board. The above audit policy and procedures are hereby made a part of the Compensation Board's Minimum Criteria for CDP's in Treasurer's offices.

Appendix C

Amendment Summary

On October 23, 2001 the Compensation Board concurred with TAV recommendations for audit requirements and calculation of collection rates.

On November 27, 2001 the Compensation Board approved recommended staff audit procedures for the Treasurers' Career Development Program.

On March 23, 2005 the Compensation Board approved an amendment to the Treasurer Career Development Program.

1.) The TAV Board has adopted a cumulative point requirement for re-certification for Treasurers and Deputy Treasurers

The Schedule for Treasurers is:	Year 1	12 points
	Year 2	24 points
	Year 3	36 points
	Year 4	60 points

This schedule allows flexibility in scheduling but maintains the original requirements of 60 points over 4 years for Treasurers and 40 points over 4 years for deputies. Individuals not meeting the requirements would be suspended from certification and would not be eligible for CDP.

2.) The TAV Board has approved allowing individuals to earn both class credit and points credit for taking a class (up to 4 points per class). Class credit would still only be given upon successful completion of the exam.

3.) The TAV Board has approved offering points for service to the TAV- up to 3 points per year and a maximum of 10 points during the 4 years.

On May 24, 2006 the Compensation Board approved an amendment to the Treasurers' Audit Plan. The updated verbiage states "An officer may not be audited more than once during a three year period, thereby ensuring a more fair and accurate audit of all certified officers. The Audit Committee will reserve the right to re-audit a Treasurer that has been rejected for any reason in a previous audit."

On July 28, 2010 the TAV Board has amended the cumulative point requirements to the Treasurer Career Development Program.

The Schedule for Treasurers is:	Year 1	12 Points
	Year 2	24 Points
	Year 3	40 Points
	Year 4	80 Points

This schedule eliminates the credits for association membership and previously attained educational level and increased the initial certification educational and examination requirements.

The changes also increase point requirements for ongoing education courses and participation in seminars and conferences for program recertification during the same four year recertification time period.

Appendix D

Educational Credits

Information on credit requirements to obtain and maintain certification, to include but not limited to; Weldon Cooper classes and Service to the Association may be accessed from the website of the Treasurers Association at [http://www.vatreas.com/docs/EducationHandbook\(2005\).pdf](http://www.vatreas.com/docs/EducationHandbook(2005).pdf)