LOCAL GOVERNMENT MANAGEMENT ASSESSMENT OVERVIEW AND QUESTIONNAIRE

The Comptroller's Economic Development and Analysis (EDA) Division provides education and direct assistance to local governments, helping them to operate more effectively and efficiently. EDA aids local economic development efforts and promotes best practices and the exchange of ideas among cities, counties, economic development officials and other entities. In addition to answering questions and providing information, EDA also offers Local Government Management Assessments (LGMA) to help local officials improve their operational efficiency and effectiveness. As part of the Local Government Management Assessment, a trained team of Comptroller staff conducts a series of independent interviews (remotely) with local governments to constructively review and analyze the effectiveness of procedures and operating systems.. This assessment is not an audit; rather, it is an informal review of operating processes and procedures with suggestions and recommendations.

How to Request the LGMA

1. First, a local government completes a self-assessment tool provided by the Comptroller's Economic Development and Analysis Division (EDA). The self assessment tool evaluates the effectiveness of a local government's procedures and operations by using a series of strategic concepts, related to the eight assessment areas listed on this page and their subtopics. Call 1-800-531-5441, ext. 6-9231 or email econ.dev@cpa.state.tx.us for a copy of the self-assessment tool with instructions.
2. After completing the self-assessment tool and if the tool ratings indicate an LGMA is appropriate, an elected official (or other authorized local government official) formally submits a completed questionnaire and a letter of request for the LGMA.

Questionnaire

Please fill out the contact information below and rank the assessment areas 1-8, in order of critical importance: General Administration; Financial Management; Budget and Strategic Planning; Purchasing; Tax Administration; Collection of Fees, Fines and Revenues; Asset and Risk Management; and Facilities Management. Also, place a check next to the specific subtopics that need special attention or may be an area of critical need. If a subtopic is not a concern, please write N/A in the space provided. A description of each assessment area subtopic is provided on pages 3-6. If you have additional questions, please call EDA at 1-800-531-5441, ext. 6-9231 or email econ.dev@cpa.state.tx.us.

Name of Governmental Unit: _____

Name of Local Contact: _____

Local Contact Telephone Number: _____

Local Contact Email Address: _____

Government Mailing Address: _____

____ **I. GENERAL ADMINISTRATION**

- ____ Governance
- ____ Governing body meetings
- ____ Policies and procedures
- ____ Organization and management
- ____ Travel and expense reimbursement
- ____ Legal services
- ____ Recruitment, hiring and retention
- ____ Staff development/training

____ **II. FINANCIAL MANAGEMENT**

- ____ Organization, management and staffing
- ____ Administrative technology
- ____ Accounting and payroll
- ____ External audit
- ____ Internal audit

____ **III. BUDGET AND STRATEGIC PLANNING**

- ____ Organization and staffing
- ____ Policies and procedures
- ____ Budget process
- ____ Planning and evaluation
- ____ Financial performance

____ **IV. PURCHASING**

- ____ Organization, staffing and budgeting
- ____ Policies and procedures
- ____ Travel expenditures and reimbursements
- ____ Operations
- ____ Purchasing technology
- ____ Warehouse operations
- ____ Contracting process

____ **V. TAX ADMINISTRATION**

- ____ Taxing sources and revenue administration
- ____ Organization and management
- ____ Technology and record management
- ____ County appraisal district
- ____ Property tax collection
- ____ Administering state taxes
- ____ Review and evaluation of contracting processes

____ **VI. COLLECTION OF FEES, FINES AND REVENUES**

- ____ Fees, fines and other revenues
- ____ Organization and staffing
- ____ Recording and accounting
- ____ Collection techniques
- ____ Policies and procedures
- ____ Technology
- ____ Contracted services

____ **VII. ASSET AND RISK MANAGEMENT**

- ____ Cash management and operations
- ____ Cash management policies and procedures
- ____ Investment policies and procedures
- ____ Cash flow forecasting
- ____ Risk management organization
- ____ Insurance coverage
- ____ Disaster and recovery planning

____ **VIII. FACILITIES MANAGEMENT**

- ____ Facilities management and organization
- ____ Facility conditions
- ____ Overall building utilization rates
- ____ Plans, policies and procedures
- ____ Construction management
- ____ Custodial operations
- ____ Energy management

Please mail the completed questionnaire and a letter requesting a Local Government Management Assessment to:

Texas Comptroller of Public Accounts
ATTN: LGMA Coordinator
Economic Development and Analysis Division
P.O. Box 13528
Austin, Texas 78711-3528

or fax to: (512) 475-0664
or email to: econ.dev@cpa.state.tx.us

ASSESSMENT AREA DESCRIPTIONS

I. GENERAL ADMINISTRATION

Governance: Separation of the role of the governing body from administrators; conducting effective meetings; open communications; and the timely transfer of information by the governing body. Areas for review include ethics policies, codes of conduct and governing body operating procedures.

Governing body meetings: State guidelines (particularly in regards to compliance with open meeting requirements); orderly meetings; adequate information in sufficient time to make sound decisions; and opportunity for public input and suggestions. Areas for review include meeting agendas and minutes, information packets for members, executive sessions and posting notice of meetings.

Policies and procedures: Formal documentation; cross-references to laws, rules and regulations. Areas for review include governing body written policies, procedure for changes and areas not covered by written policies and procedures.

Organization and management: Lines of authority and duties of key administrators. Areas for review include organization and staffing charts, job descriptions, terms of employment and evaluations concerning central organization.

Travel and expense reimbursement: Policies and procedures and internal control to prevent abuse. Areas for review include written policies and procedures, budgets, travel approvals and credit card use.

Legal services: Representation on compliance with laws, rules and regulations; bond issues, collections; and other legal matters. Areas for review include administrative procedures, litigation history, errors and omissions and other liability insurance, fees paid and selection of staff or outside counsel.

Recruitment, hiring and retention: Obtaining and maintaining qualified and experienced staff to positively impact productivity and performance. Areas for review include job postings, application forms, new hire packet, policies and procedures manual, employee handbook, annual employee reviews, exit interviews and forms of advertising used to conduct recruitment.

Staff development/training: Using staff development as a training tool to improve productivity and customer service. Areas for review include types of internal or external training; staff development; and if the training is individualized or compliance related.

II. FINANCIAL MANAGEMENT

Organization, management and staffing: Staff reporting structure and responsibilities. Areas for review include finance staff organization chart and job descriptions, and consideration of business services functions.

Administrative technology: Manual and automated accounting systems. Areas for review include hardware and software, system users and interfaces between systems.

Accounting and payroll: Internal controls and safeguards, timely reporting and management of funds balances. Areas for review include segregation of duties, integration of a central accounting system and use of hardware and software systems.

External audit: Annual financial and compliance reports; examination of federal funds; and report to management on internal accounting controls. Areas for review include audit reports, including management letters and the organization's response; the contract for services; and the process for selecting an external auditor.

Internal audit: Performance of internal audits and coordination with external audit. Areas for review include staffing, independence, audit planning and internal audit reports.

III. BUDGET AND STRATEGIC PLANNING

Organization and staffing: Hiring and retaining a qualified and well-trained staff; staff organization and duties; adequate resources. Areas for review include organization charts, job descriptions, training history and budget reports.

Policies and procedures: Policies that establish budgeting authority and responsibilities and procedures to implement policies. Areas for review include local laws that pertain to budgeting; budgeting policies, procedures, manuals and handbooks; and internal and external audit findings that pertain to budgeting.

Budget process: Documented method for budget development, adoption and administration; controls over expenditures; and involvement from outside the department in developing the budget. Areas for review include budget planning documentation, budget preparation instructions, software and other planning tools, staffing standards and allocation formulas.

Planning and evaluation: Strategic plan development, goals and objectives, measuring results and cost/benefit analysis. Areas for review include mission statement, strategic plan, goals, planning process and program evaluation schedule.

Financial performance: Support of governmental responsibilities including expenditure control, debt and fund balance management. Areas for review include current and prior years' budgets, budget planning documents, debt history and policies and procedures.

IV. PURCHASING

Organization, staffing and budgeting: Staff organization and qualifications, training, budgeting and workload. Areas for review include organization structure, job descriptions and delegation.

Policies and procedures: Purchasing authority, purchase methods authorized and used, written procedures and conflicts of interest. Areas for review include laws, policies and guidelines that pertain to purchasing and written policies, procedures, manuals and handbooks.

Travel expenditures/reimbursements: Participation in state contracts, grant limitations and government credit cards. Areas for review include travel policy and guidelines, budgets, credit card records and audit findings.

Operations: Quality, timeliness, purchasing methods used and best value. Areas for review include data on purchase orders, turnaround time, vendor lists, contracts for services and construction; and procurement card records.

Purchasing technology: Using technology to improve response time, control costs and improve accountability and record keeping. Areas for review include inventory of hardware and software, plans for new systems and comments from audit reports.

Warehouse operations: Complete and timely delivery to departments, effective inventory levels, internal controls and disposition of surplus property. Areas for review include local policies, rules and regulations; inventory and equipment lists; and management reports.

Contracting process: Cost benefit analysis of obtaining services from the private sector, contract negotiation process and contract monitoring. Areas for review include existing contracts, status reports, feasibility studies and agreements.

V. TAX ADMINISTRATION

Taxing sources and revenue administration: Understanding the types of taxes that can be assessed for various purposes, how taxes interact and how each tax can affect revenues and the community's economic potential. Areas for review include taxes currently being assessed, taxes being assessed by peers, actual and budgeted revenues by type of tax, projected revenues from all other sources and tax abatements and exemptions.

Organization and management: Analysis of how departments work together to ensure revenues are determined, collected and spent properly and efficiently. Areas for review include organization and staffing of tax administration functions; memoranda of understanding and interlocal agreements with other service providers and agencies; and staff training.

Technology and record management: Accounting for immediate and anticipated revenues, including cash management, tracking and monitoring system and a computer system that supports accounting and collection. Areas for review include internal controls and safeguards, accounting policies and procedures, integration with the central accounting system and the use of hardware and software.

County appraisal district: The relationship and communications with the appraisal district. Areas for review include staffing and leadership of the appraisal district, policies, procedures and budgets. Also included are appraisal review board membership, policies and procedures and other documents.

Property tax collection: Components of the rate and collection efforts, including contracts with other entities or attorneys for collection of delinquent taxes. Areas for review include tax rate history, current and delinquent tax collection efforts and property values.

Administering state taxes: Notification of boundary changes, verification of reported data and allocation, and accounting for funds received from the state. Areas for review include state tax allocation, taxing boundaries and policies and procedures for funds received from the state.

Review and evaluation of contracting processes: Contracts with private companies or interlocal agreements on the property appraisal process and tax collection and billing. Areas for review include contracts and agreements and the procurement process for services.

VI. COLLECTION OF FEES, FINES AND REVENUES

Fees, fines and other revenues: Identify local and state fees collected and the legal basis for the fees, and compare with possible fees. Areas for review include authority for current fees and comparison with fees in other jurisdictions.

Organization and staffing: Communication and reporting relationships among those collecting fees. Areas for review include identifying officials collecting fees, organization structure and staffing patterns.

Recording and accounting: Cash management, tracking and monitoring systems. Areas for review include status of funds collected, receivables recognized, fines pending in courts, segregation of duties, integration of funds into central accounting system, use of hardware and software and staff training.

Collection techniques: Collection rates, dealing with delinquencies and alternative methods of payment. Areas for review include revenues generated from each source, aging of delinquencies, collection procedures and staffing.

Policies and procedures: Consistency of the accounting, tracking and collection policies and procedures for fines, fees and other revenue. Areas for review include policies and guidelines covering the assessment, accounting, tracking and collecting of fines, fees and other revenues.

Technology: Efficient automation to improve response time, control costs and enhance accountability and recordkeeping. Areas for review include data on current and proposed systems and inventory of hardware and software.

Contracted services: Contracts with private companies or interlocal agreements to perform services. Areas for review include contracts, memoranda of understanding and interlocal agreements. Request for Proposals and cost studies will also be considered.

VII. ASSET AND RISK MANAGEMENT

Cash management and operations: Developing an effective cash management program to provide additional revenues. Areas for review include return on invested funds, investment policy, depository contract and staff training.

Cash management policies and procedures: Written policies and procedures to establish a system of internal control to prevent or reduce the likelihood of errors and fraud. Areas for review include policies and procedures for accounting office cash handling as well as tax collection, fine and fee receipts and other cash handling activities.

Investment policies and procedures: Investment policies and strategies balancing safety, liquidity, diversification, yield and maturity. Areas for review include written procedures, administrative controls, investment portfolio and investment reports.

Cash flow forecasting: Identifying the amount of money available, expected revenues and expenditures. Areas for review include cash flow forecasts and data on short-term borrowing.

Risk management organization: Risk management practices and insurance cost containment. Areas for review include policies and procedures, insurance policies, organization charts, job descriptions and risk management reports.

Insurance coverage: The types of insurance policies the entity has; what is available to the entity; how much liability the entity is exposed to and if that exposure is mitigated. Areas for review include a complete list of all insurance coverage; worker's compensation, deductibles and how they are determined; nature of the coverage; limits on the coverage; request for proposals for annual premiums; stop-loss coverage; employee benefit coverages such as health and dental; the entity's contribution to the premiums versus the employee's contribution; coverage for the employee's spouse and dependent children; when was the last employee survey and what were the results; and what fringe benefits are provided to employees.

Disaster and recovery planning: Disaster recovery plan and other documents related to disaster planning. Areas for review include the disaster recovery plan, test results and evaluations of the plan, observation of data storage site and back up provisions, viewing safeguards in place, frequency of backing up data and where back-ups are saved.

VIII. FACILITIES MANAGEMENT

Facilities management and organization: Management of construction and maintenance functions. Areas for review include organization, staffing, budgeting and outsourcing.

Facility conditions: Safety, productivity and morale. Areas for review include facility inventory, condition report, maintenance budgets, schedule of deferred maintenance, facility master plan and inspection reports.

Overall building utilization rates: Right number and type of facilities. Areas for review include facility inventory, occupancy and capacity rates, projected facility needs, five-year history and planned construction and major renovation.

Plans, policies and procedures: Policies governing facility operations and procedures to carry out the policies. Areas for review include written policies and procedures, facility master plan, population projections, facility inventory and contracts.

Construction management: Effective management to minimize delays and controversies. Areas for review include facilities master plan, construction progress reports, contracts, change orders, warranties, plans and drawings.

Maintenance operations: Repair and renovation services, equipment installation, grounds and custodial. Areas for review include policies and procedures, organization charts, job descriptions, maintenance records and management reports.

Custodial operations: Cleaning services, minor maintenance and special tasks. Areas for review include policies and procedures, organization charts, job descriptions, budgets, management reports, purchase orders and invoices.

Energy management: Reducing operating costs while maintaining a safe and comfortable environment for staff and the public. Areas for review include policies and procedures, map of meters and cutoffs, organization charts, job descriptions, utility bills and reports.