	Jefferson County Policies & Procedures		
Policy Name:	Capital Outlay Fund	Approved:	1-9-2014
Policy Number:	Finance – 307	Author:	Keyser/Stanton
Associated:	Capital Outlay Project Package/Forms		

All funds expended from the County Commission Capital Outlay Fund #246 must have prior approval of the Jefferson County Commission. Funds expended from #246 must have a unanimous vote from the Commissioners to move monies to the operating funds. Funds expended from #246 for capital improvement projects, to be paid from #246, only requires a majority approval of the Commissioners.

To be approved, a "Project Cost Sheet Packet" must be completed and submitted in the agenda packet as part of the presentation to the Commission for their consideration for an approval or denial. The packet must contain a description of the general scope of the project including expected service and financial benefits; a description and quantification of any impact the project will have on the current or future operating budget; estimated cost of the project; identification of all funding sources; and a method provided to measure the financial or service outcomes of the project. (There is a capital outlay fund number as part of each department's budget. This policy is in reference to the County Commission Capital Outlay fund (#246) only and NOT each department's individual budget)

Minimum Reserve: The County shall strive to maintain a minimum reserve of $2,000,000 in the Capital Fund to be used in the event of a national disaster or operating emergency. In addition to the emergency reserve, the Capital budget shall be linked to a multi-year capital improvement plan. Funding for a specific project will only be provided in the Capital Fund after the Commissioners have approved the project.

Project Manager - Upon approval, the County Commission will appoint a project manager for oversight of the project.

Accounts Payable Responsibility - The Accounts Payable Department will assign a project number for which all invoices for the project must be coded for payment. All costs associated with a project will be considered "Construction/Work in Progress". Construction-in-Progress represents the cost of buildings or other capital projects that are under construction as of the balance sheet date. Construction-in-Progress represents a temporary capitalization of labor, material and equipment of a project. When the project is completed or substantially completed, when the structure or project is ready for the purpose intended, then depreciation will start on the asset. When the project is completed, the project manager must notify Accounts Payable the project is complete. Accounts Payable will then transfer the total cost of the project to the proper "Asset Category" of the Capital Outlay Fund.

Investment Limit - All projects less than $10,000 cannot be charged to this fund without special approval of County Commission (with a recommendation from the Finance Director), as the

intent of Capital Outlay is to accommodate large invoice items with a life expectancy of one year or more and a value of $10,000 or more.

Capital assets of the County include tangible personal property, real property, and software having a useful life of one year or more and an acquisition cost of $10,000 or more per unit. A group of assets (e.g. 10 desks at $1,000 each) are not capitalized. Acquisition cost includes the net invoice price of the equipment including cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment operable. Other costs such as installation, professional services, freight, and taxes, are also included in the acquisition cost.

Software - Software is considered intangible property and is not included in this policy. Software that has been preloaded with the purchase of equipment should be included as part of the acquisition cost of the equipment. Major software systems are to be capitalized as separate items.

Repairs, Replacements, and Upgrades - Equipment repair, replacement, and upgrades will be capitalized only when these costs are $10,000 or more and extend the useful life of the original asset by one year or more. When these costs are capitalized, the asset value and useful life of the original piece of equipment will be updated to reflect the new value and remaining useful life of the asset.

No funds shall be expended in excess of the approved "Project Cost Packet". Should it become apparent the total cost of the project will exceed the original estimate approved, a revised cost sheet must be approved by the County Commission, before costs are incurred.

Capital Project Evaluation and Cost Sheet Packet

Project Name; _____

Planning:

This packet is intended to provide a basic format for the initial steps that need to be taken to plan and evaluate a potential Capital Project and provide information related to the cost and benefit of the proposed Capital Project.

Various Considerations:

For each consideration list (4) brief topics to be considered in the Evaluation. If you need to change a topic to better fit the Evaluation of your proposed project, feel free to make changes.

Cost Sheet:

Each project submitted for consideration must have a Cost Sheet attached. Please try to make the cost estimates as accurate as possible.

Narrative:

The narrative should explain the various consideration you want the commission to make in their evaluation of the project. The narrative should also address the cost and benefits of the project if approved.

Capital Project Narrative

Project Name: _____

Benefits of this project;

Cost verses Benefit of this Project:

Project Cost Sheet
Jefferson County, West Virginia

Project Name:

Note: Use only this page if all costs can be presented on one page. Otherwise use the tabs at the bottom of the page to access a full page to list Planning Cost, In house labor cost, Contract Labor Cost, and Hardware and Material Cost. The cost from those pages will carry forward to this page. This worksheet has a total of (5) pages for listing various cost.

Planning Cost:

	Activity:	Hourly rate	Hours req	Cost
1				
2				
3				
4				
5				
6				
	Total from Planning Cost Page:			0

In house labor cost:

	Position	Hourly rate	Hours req	Cost
1				
2				
3				
4				
5				
6				
	Total from In House Labor Page:			0

Contract Labor Cost:

	Company Name:			Cost
1				
2				
3				
4				
5				
6				
	Total from Contract Labor Page:			0

Hardware & Materials Cost:

	Item description:	Item cost	Items Req'd	Cost
1				
2				
3				
4				
5				
6				
	Total from Contract Labor Page:			0
	Total Project Cost		$	0

Project Cost Sheet
Jefferson County, West Virginia

	Total Planning Cost:	$	0

Planning Cost:

	Activity:	Hourly rate	Hours req	Cost
1				
2				
3				
4				
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8				
9				
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37				
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39				
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Project Cost Sheet
Jefferson County, West Virginia

	Total In House Labor Cost				$	0

In house labor cost:

	Position	Hourly rate	Hours req	Cost
1				
2				
3				
4				
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8				
9				
10				
11				
12				
13				
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38				
39				
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Project Cost Sheet
Jefferson County, West Virginia

	Total Contract Labor Cost				$	0
Contract Labor Cost:						
	Company Name:					Cost
1						
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39						
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Project Cost Sheet
Jefferson County, West Virginia

	Total cost Hardware & Materials				$	0

Hardware & Materials Cost:

	Item description:	Item cost	Items Req'd	Cost
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
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Capital Projects Evaluation Sheet

Project Name:

This worksheet list various considerations to be made in the process of approving expenditures from the Capital Outlay Fund. Any part of a consideration used to rate the capital project request submitted will be assigned a point value between (0) and (5) for rating the value of the project. The total value of the various consideration rated will be a consideration in the approval of all Capital Projects. Rating should be supported by the attached narrative. This form is formatted in Excel Software, if you need to change the wording in any cell of a Consideration to make a better point about your propose project, please free to change this form.

Consideration #1: Cost Reduction of Current Operations:

The cost of this project would be recovered in cost savings in (2) years?	The cost of this project would be recovered in cost savings in (3) years?	The cost of this project would be recovered in cost savings in (4) years?	The cost of this project would be recovered in cost savings in (5) years?		
Rating by submitter					Total
					0
Rating by Commission				Total	
				0	

Consideration #2: Needed replacement for a current capital asset:

Asset has been in service for (3) years, served it's useful life, and needs replaced.	Asset has been in service for (4) years, served it's useful life, and needs replaced.	Asset has been in service for (5) years, served it's useful life, and needs replaced.	Asset has been in service more than (5) years, served it's useful life, and needs replaced.		
Rating by submitter					Total
					0
Rating by Commission				Total	
				0	

Consideration #3: New technology to better serve the public.

This project would provide better access to county records for the public through computer technology.	This project would allow for quicker service to the public through computer technology.	This project would provide for a larger data base of information for public access.	This project is would reduce the time required to access and evaluate data.		
Rating by submitter					Total
					0
Rating by Commission				Total	
				0	

Project Name:

Consideration #4: Capital Improvement Project-Office Space:

Additional office space is needed due to additional Staff requirements.	Changes are needed in current office space to provide for more service contact points with the public.	Changes are needed in current office space to provide better traffic flow for the public "in" and "out" of the office service area.	Volume of work handled by the department has increased to the point additional space is needed.		
Rating by submitter					Total
					0
Rating by Commission				Total	
				0	

Consideration #5: Additional Office Space needed due to county growth:

Additional office space in needed to relocate Complete departments	Consolidated departments in one location would provide better service to the public.	Some reduction in operation cost could be realized in a consolidated office complex.	Smaller office building could be sold to cover part of the cost of a larger office complex.		
Rating by submitter					Total
					0
Rating by Commission				Total	
				0	

Consideration #6: New Capital Asset needed due to county growth, Equipment:

Additional equipment is needed to service additional buildings and real property	Additional equipment will allow department to provide quicker service to our customers.	Assets needed at two locations.	Increase departmental activity requires the addition of an additional asset.		
Rating by submitter					Total
					0
Rating by Commission				Total	
				0	