How to Draft Compliant Policies and Procedures

Division of Compliance & Assistance
Special Education Fiscal Monitoring

Why?

• Audits and Monitoring
• Changes and Transition of Staff
• Uniform Grants Guidance
  – Emphasis on internal controls
  – Written policies and procedures required

“Must”…”Should”…”Best Practices”

• Must:
  – Requirements created by statute or regulation; no discretion.
• Should:
  – Expectations identified in Guidelines; discretion as to how you accomplish effectiveness.
• Best Practices:
  – Procedures that work well for some; may not work for all.
How to Draft Policies and Procedures

Difference Between a Policy and Procedure

• Policy
  – A plan or course of action, as of a government, political party, or business, intended to influence and determine decisions, actions, and other matters: School Board Code of Conduct; Equal Employment Opportunity Policy, etc.
  – Generally passive voice using will, shall or must.
  – Tells who, what, where, when and possibly why
  – Does not tell how, but why.

• Procedure
  – A procedure is a specified series of actions, acts or operations which have to be executed in the same manner in order to always obtain the same result under the same circumstances.
    ▪ A written Procedure will indicate a sequence of activities, tasks, steps, decisions, calculations and processes, that when undertaken in the sequence laid down produces the described result, product or outcome.
  – Uses active, imperative voice.
  – Does not tell why, but how.

Documenting Policies

• Articulate commitment to comply with Federal and State standards
• Describe compliance expectations
• Implement operation of compliance programs
• Provide guidance on dealing with compliance issues
• Identify how to communicate compliance issues

Documenting Procedures

• Procedures should be consistent and detailed
• Represent a consistent & logical framework for action
• Generate a sense of ownership among users
• They are made readily available to staff and their authority is clear
Random Policy Generator = Bad Idea

Policy Format
- Policy Title and Number
- Purpose
- Policy Statement
- Authority
- Definitions
- Responsibilities [Accountability/Reporting]
- Related Documents
  - Regulations
  - Procedures
  - Guidelines
- Effective and Revised Dates

Procedure Format
- Procedure Title and Number
- Purpose
- Scope
- Responsibility
- Definitions
- Procedure
- References
- Attachments
- Version Control
General Steps in Procedure Development

1. Define scope
2. Develop flowchart, if needed
3. Document (write) steps
4. Responsible person test steps
5. Outside person test steps
6. Refine
7. Publish
8. Train

Step 1. Define Scope

- Determine layout of manual or procedures
  - Life cycle of property
  - Various activities
  - By work group
- Possible layouts
  - General to specific
  - Sequential
- Who is audience?

Step 2. Develop Flowcharts

- Initial start – brainstorm, walk through existing process
- Use sticky notes or whiteboard
- Normally yes or no decision, but initially can be any type of question
- Flowcharts can loop back and forth
  - Need to consider all of the exceptions
  - Good tool for discovering weaknesses in process
Flowchart Options
Sequential
Step 1. Planning 1. Employee/Director
Step 2. Preparation 2. Buyer
Step 5. Decision 5. Business Manager/Account Clerk
Step 6. Deliver 6. Vendor/Shipping Clerk
Step 7. Payment 7. Business Office Clerk/Accounts Payable

Sequential Flowchart Style Example
Step 1. Plan a shopping trip.
Step 2. Prepare a shopping list
Step 3. Identify different shops that sell the required items
Step 4. Compare prices and quality
Step 5. Decide where to buy item
Step 6. Purchase item
Step 7. Take item home

Responsible Area Flowchart Example
Step 1. Employee determines Braille book is needed
Step 2. Director reviews and approves request.
Step 3. Buyer researches and finds best price and generates purchase order.
Step 4. Business Manager approves purchase order.
Step 5. Account Clerk mails original purchase order and files copy
Step 7. Shipping Clerk receives item. Packing slip is signed and sent with invoice to Business Office. Book is sent to employee.
Step 8. Business Office Clerk matches invoice, packing slip to purchase order.
Step 9. Accounts Payable Clerk issues payment and files the documentation.
How to Draft Policies and Procedures

Step 3. Document (Write) Steps

1. Choose your format
   a) Simple steps
   b) Hierarchical steps
   c) Flowchart format

2. Consider your audience
   a) Your audience’s prior knowledge
   b) Your audience language abilities
   c) The size of your audience

3. Consider your knowledge

4. Keep the purpose in mind

Describe Each Task in Detail

• Include the following
  – Specific order in which activities are done
  – Timing sequences and time allowed
  – Materials or tools used and how they are used
  – Safety or health considerations
  – References to policies and other procedures

• Define terms and concepts when needed

• Identify responsible parties

Appendixes or Appendices

• Definitions
• Acronyms
• Memorandum of Agreements
• Forms
• Reference Materials
• Flow charts
General Rules

Who is Bob?
I think he was the temporary accountant who worked here two years ago.

Step 4. Responsible Person Tests Steps

• Have the procedure reviewed by those who actually do the procedure.
• Have the supervisor review the procedure and test the steps.
• Even if the formatting is perfect, steps may be missed.

Step 5. Outside Person Tests Steps

• Have someone with limited knowledge of the process (or a person representative of the average reader) test the procedure.
• Have someone who has never done it before test the procedure.
• What issues did they run across?
6. Refine

- Arrange the procedures in accordance with the process.
- Use simple, plain language.
- Write all action steps. Don’t skip anything.
- Make information easy to find.
- Include a table of contents for procedures over 10 pages in length.
- Ensure that your procedure is in compliance with data privacy, accessibility and security guidelines.

7. Publish

- Paper Manuals
- Website
- Email Announcements
- Bulletin Board
- Newsletters

8. Train

- Employee orientation and training
- Refresher training
- Advanced training
- Work site reminders
- Cross training
- Performance appraisal
- Process improvement
- Quality control
- Job description development
Transitioning to the new requirements of the Uniform Grant Guidance (UGG)

- Must have written policies and procedures for
  - Financial Management §200.302
  - Allowable Costs §200.302
  - Cash management §200.305
  - Equipment Management §200.313
  - Conflict of Interest §200.318
  - Procurement §200.320
  - Record retention §200.333
  - Compensation §200.430 & §200.431
  - Travel §200.474

Steps for UGG Implementation

1. Assign a champion
2. Create implementation team
3. Hold a kick off meeting
4. Assign responsibilities
5. Obtain approval for organization policy changes as needed
6. Roll out entity-wide communication and training plan
7. Monitor and adjust policies and procedures as necessary

Model School and District Policies

- Model Crisis Management Policy
- Model Harassment and Violence Prohibition Policy
- Model Hazing Policy
- State Model Student Bullying Prohibition Policy

education.state.mn.us/MDE/Welcome/Policies/
Summary

- Definitions
  - Policy vs General Procedure vs Detailed Procedures
- General steps in procedure development
  - Scope, flowchart, write steps, test yourself, someone else test, refine, publish, and train
- Test procedures against desired outcomes