



Metropolitan Government of Nashville and Davidson County - Finance Dept. Policy: Policy Review Committee

Effective Date: November 1, 2021
Revision Date: September 16, 2025
Policy Number: 2.5
Sponsor: Office of Management and Budget

Purpose

The purpose of this policy statement is to establish the Policy Review Committee (PRC) and to formalize its role for policy financial oversight within Metro Government.

Definitions

Financial Policy: Guidelines for making operational financial decisions; identifying acceptable and unacceptable courses of action; establishing parameters in which the government can operate; and providing a standard for comparison of the government's financial performance.

Financial policies shall cover the following areas, but are not limited to those listed:

- Cash Management
- Financial Budgeting
- Treasury Management
- Debt Management
- Accounting
- Purchasing
- Grants
- Payroll
- Miscellaneous categories as identified and required

General Policies

The Policy Review Committee (PRC) shall be comprised of the Budget Officer, Chief Accountant, Director of Grants and Accountability, the Chief Impact Officer, and the Deputy Finance Director(s) of the Department of Finance. The Metro Internal Auditor shall serve in an advisory role to the PRC when needed.

The PRC shall review and approve new and amended financial policies prior to issuance.

All new or amended financial policies shall be prepared in accordance with the approved PRC format.

At a minimum, the PRC shall meet on a quarterly basis to review existing financial policies and to consider new policy recommendations.

Financial policies shall be in compliance with Generally Accepted Accounting Principles (GAAP) as well as other applicable local, state, and federal laws, rules and guidelines.

All proposed financial policies shall be forwarded to the Finance Director, as well as other necessary parties, by the PRC for approval prior to release.

The PRC shall maintain all financial policies and make them available to all parties in accordance with Metro Charter regulations.



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The Budget Officer shall be responsible for notifying department and agency heads, as well as departmental finance and accounting staff regarding new and updated financial policies via email.

The PRC shall document periodic policy reviews and develop an annual report of its activities to the Finance Director by September 1st of each year.

The PRC establishes a regular cadence to meet with Policy Owners to assess required updates and at a minimum, the committee shall meet quarterly to review policies. The PRC shall establish the timing, form and content of this requirement.

In coordination with Policy Owners, the PRC shall maintain a regular training schedule and other tools to assist departments with complying with established policies.

On an annual basis, the PRC shall make recommendations to Internal Audit and Grants and Accountability for their annual work plans related to any financial policies as deemed necessary.

The PRC, in coordination with Policy Owners, shall maintain a training and communication strategy for policies.

At beginning of a new Mayoral administration, the PRC shall provide a summary of policies to the Finance Director to confirm their reissuance or to determine updated requirements. This shall be done within the first six months of a new Mayoral term. As such, all policies shall be reviewed not less than every four years. Exceptions may be provided for this requirement in the event of extenuating circumstances. Any exceptions shall be documented and approved by the PRC in writing.

Applicable Local, State or Federal Regulations

Metro. Charter § 8.103: The director of finance shall be responsible to the mayor for the administration of the financial affairs of the metropolitan government.

Metro. Charter art. 8, § 8.104: The budget officer, with the advice and assistance of the chief accountant, shall write, revise and maintain a proper standard procedure instruction manual to be followed by all officers, departments, boards and other agencies of the government to ensure uniform accounting and budgetary procedures.

Metro. Charter art. 8, § 8.105: The chief accountant shall maintain a general accounting system and such cost accounting records as shall be required by the director of finance.

Compliance Reporting

Notices may be issued to the mayor, departmental officials, boards, commissions, Internal Audit and/or state of Tennessee officials regarding departmental non-compliance with Metro financial policies.

All Metro departments/agencies are subject to periodic audit and/or monitoring reviews for compliance with financial policies.

Associated Policies

None.

Effective Date

This Policy Statement shall become effective upon issuance and shall be applied to all Metro agencies and departments.



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Approvals

Approval of the Director of Finance

I hereby approve this Policy Statement of the Department of Finance and as such agree with and authorize the actions necessary to implement its requirements.

Jenneen Reed

Director of Finance

Date: September 16, 2025