

WEST PALM BEACH POLICE DEPARTMENT

II-1 FISCAL MANAGEMENT

EFFECTIVE 01/01/2005

CALEA Standards: 17.1.1, 17.2.1, 17.2.2, 17.3.1d, 17.4.1, 17.4.2, 17.4.3

CFA Standards: 7.01, 7.02, 7.03, 7.05

I. POLICY: The purpose of this procedure is to establish guidelines for the fiscal management of the West Palm Beach Police Department. Financial records of the West Palm Beach Police Department will be maintained in accordance with all City regulations and generally accepted accounting principles and auditing procedures.

II. DEFINITIONS:

A. Budget Preparation Forms - Various forms used by City Departments, including the Police Department, for documenting estimates of Personal Services, Operating Expenses, Capital Outlay and Revenue for the upcoming fiscal year.

B. Encumbrance Authority - Authority delegated by the Chief of Police to Bureau or Division Commanders or their designees to encumber budgeted funds for authorized purchases of supplies, services and capital equipment.

C. Fiscal Year - A financial period to which revenues, appropriations and expenditures are related for accounting purposes. The fiscal year for the City begins October 01 and ends September 30 of the following calendar year.

D. Generally Accepted Accounting Principles - Accounting principles developed and documented by nationally recognized professional organizations in order to conduct, measure and report financial and related activities in a consistent manner.

E. Support Services Division Commander - A designee of the Support Services Bureau Commander, and delegated by the Chief of Police to supervise and participate in records management, maintenance of building and supplies, Department mail, equipment repair and replacement, confiscations and forfeiture, personnel and payroll records, property and evidence control, and other duties assigned by the Support Services Bureau Commander or by the Chief of Police.

F. Fiscal Services Supervisor - A designee of the Support Services Division Commander who is responsible for the direction and supervision of budget preparation, monitoring the budget, accounting, and the procurement monitoring of all Department expenditures.

G. Capital Outlay - Tangible personal property of a non-consumable nature costing more than \$750.00 or having "significant value" as defined by Florida State Statutes, with a life expectancy of more than one year and not repair, parts or supply items.

III. CHIEF OF POLICE FISCAL AUTHORITY AND RESPONSIBILITIES:

A. The Chief of Police, as Department Director, is the final authority pending Commission approval, when needed, in all fiscal and budget matters and decisions for the City of West Palm Beach Police Department.

B. The Chief of Police delegates, under the control and direction of the Support Services Bureau Commander, the fiscal management functions to the Fiscal Services Supervisor through the Support Services Division Commander. It is the primary responsibility of the Fiscal Services Supervisor to report all fiscal matters via the chain of command to the Chief of Police.

IV. COMMAND FISCAL RESPONSIBILITIES:

A. Whenever notified by the Fiscal Services Supervisor, all Bureau, Division, Section, or Specialized Unit Commanders or their designees will participate in the preparation of their assigned budgets.

B. Based on operational and activity analysis of the previous year, each Commander or a designee will prepare written recommendations for use in the development of the Department's budget.

C. All Bureau and Division Commanders are responsible for attending budgetary meetings to receive all necessary budget materials which may include, but is not limited to, budget data, cost estimates, and historical information provided by the City Finance Department, Research and Budget Division. Each Bureau and/or Division Commander should utilize this information to document and develop their budgetary requests. Historical information should be gathered and documented continuously to assist in budget preparations.

D. The Fiscal Services Supervisor will be charged with coordinating all budget preparations and monitoring each division's budget.

V. BUDGET RESPONSIBILITY:

A. Under the direction and control of the Support Services Division Commander through the Fiscal Services Supervisor, the Fiscal Services Section will be charged with:

1. Accounting;
2. Budget management;
3. Cost control and analysis;
4. Monitoring of Department expenditures; and
5. Other related functions designated by the Division Commander or Chief of Police.

VI. BUDGET PROCEDURE:

A. The Police Department's budget will be prepared and presented to the City Commission each year in accordance with City Charter and the schedule established by the City Administrator and the City Finance Department.

1. Upon receipt of the City Administrator's directive, the Chief of Police or a designee will notify the Bureau Commanders to begin preparation of the following year's budget.
2. Specific instructions and guidelines for the particular budget year preparation will be issued by the City Administrator's Office or the Finance Department.
3. The Bureau Commanders will request input from Bureau supervisors and personnel regarding programs and projected expenditures for the new budget.
4. Each budget proposal will include a detailed justification, including all anticipated costs, benefits, support, equipment, maintenance and/or purchase costs, and related items.
5. Line item increases will require clarification on the narrative portion of the City budget form.

B. A budget schedule, the Budget Preparation Manual and budget forms will be sent to the Police Department by the City Finance Department, Research and Budget Office.

1. The Budget Preparation Manual will be used as a guide by the Police Department to reference procedures, requirements and guidelines to be followed in the preparation of the fiscal year budget.
2. The Support Services Division Fiscal Services Section will disseminate the budget forms provided by the Finance Department and other information received to all affected Divisions.

C. A budget review will be scheduled for each Bureau or Division with the Chief of Police. The Division Commander or a designee will prepare his or her divisional budget.

D. When adjustments have been made and tabulated, the budget will be reviewed and approved by the Chief of Police. The budget will be assembled in final form for presentation to the City Administrator's Office through the

City Finance Department, Research and Budget Office.

VII. ACCOUNTING SYSTEM:

A. The City Finance Department provides all account numbers and the accounting structure to be utilized by all City departments based on generally accepted accounting principles, City ordinance, and Florida State Statutes.

B. The City of West Palm Beach Police Department prepares and monitors its budget utilizing generally accepted accounting principles.

VIII. INTERNAL MONITORING:

A. All City departmental budgets, including the Police Department's, are routinely monitored by the Finance Department.

B. Internal monitoring of the Department's budget provides a means to determine whether established internal control procedures are being administered effectively and for staff to evaluate each division's performance in their budgetary responsibilities.

C. The Police Department monitors its overall budget on a continuous basis. The City Finance Department provides a monthly Statement of Encumbrance and Expenditure of Accounts to the Assistant Chief of Support Services and a Detail Distribution Sheet which he or she uses to monitor the Department's expenditures. The statement contains:

1. Appropriations for each account;
2. Balances at the commencement of the monthly period;
3. Expenditures and encumbrances made during the period;
4. Unencumbered balances; and
5. Remaining balance by line.

D. Monitoring of expenditures is reported by the Budget Section via the chain of command to the Chief of Police.

E. Internal Control Procedures are established as follows:

1. The requesting bureau initiates a penciled copy of a "Request for Purchase" form for items they wish to have purchased. The Bureau Commander must approve this request prior to submitting the form to the Support Services Division, Fiscal Services Section.
2. Upon receipt by the Fiscal Services Section, an Accounting Clerk will type the request on the computer on the "Budget Program" and then generate the official "Request for Purchase" and forward it to the Fiscal Services Supervisor. This updates the Budget Program at the same time.
3. The Fiscal Services Supervisor checks to see the appropriate account number was used, the funds have been budgeted, and there are sufficient funds available. The Fiscal Services Supervisor then initials the paperwork and forwards it to the originating Division or Bureau Commander or the Support Services Division Commander.
4. The Division or Bureau Commander checks the request, signs it and returns the documents to the Fiscal Services Section for distribution.

F. The City of West Palm Beach Purchasing Card:

1. System simplifies the procurement/ disbursement process.
2. May be used for allowable, non-capital outlay purchases.

3. Must be used in accordance with the City of West Palm Beach Purchasing Card Policies and Procedures, as prepared by the City of West Palm Beach Purchasing Department.

IX. INDEPENDENT AND INTERNAL AUDIT:

A. An annual audit will be conducted of varied funds to ensure the integrity of the entire accounting system.

1. All City of West Palm Beach departmental budgets, including the Police Department's, are audited on an annual basis by auditors approved by the City Commission.

2. Copies of all audit reports are maintained by the City Finance Department.

3. The Staff Inspections Unit, at the direction of the Support Services Bureau Commander or the Chief of Police, will inspect the procedures and operations of the Support Services Division Fiscal Services Section, including the petty cash funds, and the Property and Evidence Section monies.

B. The City Internal Auditor may audit all books, records, and accounts each fiscal year as mandated by the City Commission.

C. Intra-department audits will be conducted by the Fiscal Service Supervisor of varied funds to ensure the integrity of the entire accounting system. Any discrepancies are handled with a special audit by the Finance Department. These funds include, but are not limited to:

1. Grant funds;

2. Resolution accounts; and

3. General fund accounts.

D. The City Finance Department may also conduct audits in accordance with generally accepted accounting principles, policies, and state law.

E. A copy of any audit report will be forwarded to the Chief of Police through the Support Services Bureau Commander.

X. PAYROLL AND PERSONNEL:

A. Each personnel file maintained for members will contain records necessary to substantiate the date of initial employment, assigned unit, duty title, pay grade and/or step, step increases, promotions, overtime payments, special payments, annual evaluations, letters of commendation, and disciplinary action.

B. Payroll transactions - Regular pay, pay increases, salary incentive pay, and other related disbursements will be made only upon receipt of proper authorization. Authorizations flow from the Staff Services Division to the City Human Resources Department. Payroll deductions, including income tax withholdings, will be handled by the Human Resources Department on a personal basis with the individual concerned.

XI. EMERGENCY PURCHASES OR RENTAL AGREEMENTS:

A. Situations may occur which require an emergency purchase or rental agreement of certain items. An example of this could occur at a crime scene or major incident. Supplies, materials, fuel, etc., may be required that are otherwise unavailable from City sources.

B. Emergency purchases or rental agreements will be curtailed as much as possible by anticipating needs in time for the use of regular purchasing procedures.

C. When emergency purchases are necessary, they are to be made only when the normal function and operation of the Department/ Division would be hampered by submitting a requisition in the usual manner to such an extent it may affect the life, health or convenience of citizens.

D. Emergency purchases or rental agreements may be made directly by the user Department with the approval of the Purchasing Agent where the cost does not exceed \$1,000.00 or by the City Administrator when the cost exceeds \$1,000.00.

E. Prior approval must be obtained before any emergency purchase or rental agreement order can be issued.

1. To initiate an emergency purchase or rental agreement, the Department will either hand-deliver the requisition to purchasing, or if necessary, approval may be secured by phone.

2. The Purchasing Department will be notified of the nature of the emergency and, upon approval, will assign a purchase order number.

3. A regular requisition form will be used where the emergency purchase or rental agreement procedure is necessary.

4. The requisition with any sales ticket or invoice will be forwarded to the Purchasing Department no later than the following work day.

F. When emergency purchases or rental agreements are necessary, the Department will make the purchase at the best possible price.

XII. FUNDS HANDLED BY THE SUPPORT SERVICES DIVISION:

A. The Support Services Division, Fiscal Services Section will be the centralized location to receive, collect, and verify transactions, and issue receipts to persons submitting monies or checks to the Department.

B. Designated Support Services Division personnel, the Support Services Bureau Commander, Support Services Division Commander, and the Property/Evidence Supervisor, will be authorized and permitted to receive monies for services provided within the scope of their responsibilities.

1. A cash drawer with \$50.00 cash for change is retained in the Records Section, secured in a locked drawer or cash register.

2. Access is limited to authorized personnel assigned to Fiscal Services or Records.

C. A cash-register receipt or a City of West Palm Beach Official Receipt is issued for all monies or checks received by authorized Department personnel.

1. A cash-register receipt will be issued where possible for petty cash payments, primarily for copies of public records issued by the Records Section.

2. Any cash-register receipt will contain, at the minimum, the name of the City, the words "Official Receipt", the date the payment was received and the receipt issued, and the total amount paid.

D. Completing a City of West Palm Beach Official Receipt:

1. Each Official Receipt is completed either by hand or by typewriter and records:

a. The name of the payer;

b. The amount and type of service received;

c. Designation of account to credit payment to; and

d. The signature of the receiving person.

2. One copy of the receipt is given to the person making payment, one is kept by the Department in the "Daily Cash Report", and the third copy is sent with the revenue to the Cashier's Office, Cash Management

Division, City Finance Department.

E. Each day, a Support Services Division designee will balance the revenue received with the amount on the receipts.

1. The revenue and receipts are forwarded to the Fiscal Services Section to be forwarded to the Cash Management Division in the City Finance Department with the daily cash report for final accounting and disposition.

XIII. PETTY CASH REIMBURSEMENTS

A. Petty Cash reimbursements are intended for emergency purchases and small, nonrecurring payments that require cash disbursements. There should be minimal petty cash reimbursements, since Purchasing Cards are the preferred method for payment of such purchases.

B. An original receipt with a detail of item(s) purchased must be approved and signed off by a Division Commander.

1. Food, hotel, gas, tolls, mileage, medical expenses, and tuition or registration fees cannot be paid from petty cash. A check request must be done.

2. Refreshments, such as donuts, bagels, juice, etc., for a seminar or meeting that we host for attendees from outside agencies or citizens may be purchased when properly authorized by the appropriate Division Commander.

a. These purchases must have a flyer or sign-in sheet showing the public purpose.

b. If the meeting is strictly City personnel, refreshments cannot be provided at City expense.

C. The original receipt and any additional documentation must be presented to the authorized Fiscal Services person for payment.

1. A petty cash slip (FN039) will be completed indicating the amount, purpose, case number, etc., and the proper account number to be charged.

2. The person receiving the cash and the authorized Fiscal Services person will sign each slip.

XIV. REFERENCE:

- F.S.S. Ch. 274 Tangible Personal Property Owned by Local Governments.
- City of West Palm Beach Purchasing Card Policies and Procedures.
- SOP # II-2 Property Acquisition and Control
- SOP # IV-8 Informants.

Delsa R. Bush, Chief of Police

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Old SOP # 7.01, 6.230.001 Fiscal Management, 6.230.003 Petty Cash and Emergency purchases/Budget Transfers, 6.230.006 Collection, Disbursement, and Audit of Funds, Funds Handled by Records Personnel 6.230.019
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Job Title Task Files: