Peoria Police Department
Policy and Procedure Manual

Policy 2.07	Fiscal Management

I. POLICY

A. It is the policy of the Peoria Police Department to manage its fiscal resources in accordance with the procedures established by the City's Finance Department. In accordance with Article VI, Section I, of the Charter of the City of Peoria, the City Manager has delegated the authority for overseeing the City's fiscal resources to the Finance Director. The City Manager has further delegated the authority, responsibility and accountability for management of the individual department funds to the respective department managers.

B. The Chief of Police, through the position's job description, is designated by the City Manager as having the authority and responsibility for management of the fiscal resources of the Peoria Police Department.

C. Fiscal accountability includes: (17.1.1)

1. Monitoring expenditures to prevent over-expending the agency's allocated budget,
2. Reviewing purchases to ensure they are encumbered and expended from the appropriate line item categories and
3. Allowing for the processing of appropriate transfer of funds to cover emergency or other unforeseen expenses.

D. Fiscal resources include: (17.1.1)

1. Monies appropriated in the agency budget,
2. Monies awarded by grants,
3. Bond fund monies and
4. State and federal forfeiture funds.

E. The Finance Department maintains all original records and is subject to financial audit in accordance with City, State and Federal laws, and rules and regulations. The Peoria Police Department's copies of these fiscal records are intended for use in internal management of its fiscal resources and not to supersede the official financial records maintained by the Finance Department.

II. PROCEDURE

A. The City of Peoria Finance Department is responsible for developing the forms and format, time frames for submission and computerized programs for management and tracking of the Departmental budgets that comprise the City's budget. (17.2.1)

B. Budget

1. The Department prepares its annual budget requests in a line item format in accordance with the guidelines that are provided by the Finance Department.

   a. Each Bureau prepares its individual budget requests in accordance with the goals and objectives that have been established at the Bureau and Divisional level.

   b. The Bureau requests are reviewed with the Deputy Chiefs/Commander and forwarded to the Chief of Police for approval and sent to the Budget Unit of the Finance Department for evaluation by the City Manager.

c. Once approved at the City Manager level, Finance incorporates the Departmental budgets into a City budget, which is submitted to the City Council for review and approval. (17.2.2)

2. The Department's fiscal year budget allocation is maintained in a computer based program designed and controlled by the Finance Department.

a. The City's departmental budgets are loaded into the computer system, in approved line item accounts format, by the Finance Department.

b. Revenues and expenditures are processed through the Finance Department by the Bureaus and recorded into the City's computerized accounting system.

C. Accounting

1. Real-time Status Reports. Monthly status reports of each budget unit (Bureau) are available via computer from the Finance Department indicating:

a. The initial appropriation for each line item account/program. (17.4.1.a)

b. Transactions that have occurred during the monthly reporting period.

c. Balances at the commencement of the monthly period. (17.4.1.b)

d. Expenditures and encumbrances made during the period. (17.4.1.c)

e. Unencumbered balance. (17.4.1.d)

2. The Management Analyst assigned to the Financial Services Section (FSS) has real-time access to financial information and monthly status reports are disseminated to the appropriate individuals for reconciliation.

3. Adjustments. Adjustments to the budget must be made in accordance with the guidelines, forms, and approvals established by the Finance Department.

a. New line item categories may be established by completion of a Request for New Account Form.

(1) This form indicates the account category number and name requested.

(2) It must be signed by the appropriate budgetary signature authority and processed to Finance.

(3) The line item account will be established for the budgetary unit in the City's accounting system.

b. Transfer of monies within Division or Bureau budgets may be accomplished by completing a Budget Transfer Form.

(1) This form indicates the amount of monies requested to be transferred from a particular budget and line item to another account category line item either within the same budget unit or to another budget unit.

(2) It must be signed by the appropriate budgetary signature authority and processed to Finance.

(3) The transfer of funds from one line item account to another will be accomplished for the budgetary unit in the City's accounting system. (17.3.1.e)

c. Requisition and Purchase of Equipment and Supplies (17.3.1.a & b & c)

(1) Expenditures, which can be made via purchase requisition/purchase order, check request, supplies and forms order and petty cash, are entered into the system under the appropriate budgetary unit's account category line item. All procedures regarding the specifications for items requiring standardized purchases, bidding procedures and criteria for the selection of vendors and bidders are governed by the City's Procurement Code.

(2) The Materials Management Division of the Finance Department processes all Police Department requests in accordance with this Code. The Police Department has established minimum internal processing guidelines in accordance with the City's Procurement Code.

(3) Signature Authority, each level of management has an established budgetary signature authority.

d. All Purchase Requisitions and Check Request for amounts less than $5,000 must be approved and signed by a Manager prior to processing.

e. All Purchase Requisitions and Check Request for amounts $5,001-$25,000 must be approved and signed by the Deputy Chief/Commander prior to processing.

f. All Purchase Requisitions and Check Request for amounts over $25,000 must also be approved and signed by the Chief of Police or the designee prior to processing.

g. Purchase Requisition/Purchase Order. This is the document normally used to acquire goods and services. There are certain purchases, which are excluded from this document and procured by use of the check request and procurement cards (refer to Section B. 3. e and f regarding check requests and procurement cards.)

(1) A Purchase Requisition form copy should be completed by the employee requesting the materials. The request must contain:

(a) The vendor's name, street address, and telephone number (fax number should be included, if known);

(b) A description of the item or service requested;

(c) Quantity being requested;

(d) Cost of the item or service requested, including applicable freight charge or tax amount/percentage;

(e) The correct chartfield and current known account balance.

(2) The Purchase Requisition form must be signed by the appropriate manager with signature authority for the budget account so that the purchase will be charged.

(a) If the Purchase Requisition amount is to be divided between two (2) or more budgets, each budgetary signature authority must sign the form.

(b) If the Purchase Requisition amount more budgets, each budgetary signature authority must sign the form.

(3) The signed Purchase Requisition copy is forwarded to the FSS Administrative Assistant for inputting into the system.

(4) Purchases for goods or services totaling between $5,000 and $24,999 must have three documented quotes. The Purchase Requisition must be signed by the Chief of Police and forwarded to the Administrative Assistant assigned to FSS for inputting into the system. The documented quotes are forwarded to Materials Management for review.

(5) Purchases for goods or services totaling between $25,000 and $49,999 must have three written quotes on company letterhead. The Purchase Requisition must be signed by the Chief of Police and forwarded to the Administrative Assistance assigned to FSS for inputting into the system. The written quotes are forwarded to Materials Management for review.

(6) Purchases for goods or services $50,000 and up must be processed by Materials Management and go out for formal process and City Council award.

(7) Capital accounts can only be used for purchases of over $5,000, or for items associated with pre-approved budgeted items (i.e. related equipment for new vehicles or computers).

h. Check Request. A check request is prepared for payments for items not obtained on a purchase order.

(1) A Check Request Form is utilized for payment to vendors for items not under contract, such as seminar registrations, tuition reimbursements, hotel accommodations, meals, air transportation, membership dues, publications and mileage. It is also used to reimburse employees for approved business related purchases of supplies, etc.

(2) The difference between a Check Request Form and a Purchase Request form is that a Check Request generates a check and a Purchase Request generates a purchase order.

(a) A Check Request is typed to include the vendor name, number, description of item or service to be paid, invoice or receipt number of document requesting payment and amount to be paid. The account number to be charged is indicated in the lower portion of the form.

(b) The Check Request form must be signed by the employee and the appropriate manager with signature authority, for the budget account to which the expense is being charged.

(c) All check requests generated for training and travel are processed in Staff Services by the Administrative Assistant and he/she assigns a check request number and sends it to Finance for payment.

(d) In all other cases, the original invoice is stapled to the white, top sheet of the request and forwarded to the FSS Administrative Assistant to assign a check request number and send to Finance for payment.

(e) If the check is to be sent to someone other than the vendor to whom it is addressed, this should be noted in the "Ship To" block of the form.

(f) A hardcopy of the form, and a copy of the invoice, is retained for the file.

i. Procurement Cards

(1) Bank issued procurement cards may be issued to employees (as authorized by the Chief of Police) to make purchases up to $1,000 per month, or their designated limit. The list of authorized credit card holders is maintained by the Finance Department and the Management Analyst assigned to FSS.

(2) Procurement cards used for the purchase of commodities shall follow guidelines specified in the City of Peoria Procurement Card Guidelines and Procedures.

(3) It is the responsibility of the card holder to ensure that 1099 reporting information has been obtained by registering unincorporated suppliers/vendors with Materials Management before purchases are made with the City Procurement Card.

(4) Procurement Cards will be reconciled monthly in accordance with the City of Peoria Abacus (Peoplesoft) Procurement Reconciliation Process/Manual.

(5) Procurement Card reconciliation form and receipts are to be sent up to the FSS Administrative Assistant for audit and filing.

j. Supply and Form Orders: The procedures and processes for ordering office supplies and forms for the Police Department are established by the Finance Department.

k. Petty Cash (17.4.2.b & c & d)

(1) Purchases must have the prior approval of the employee’s direct supervisor.

(2) Petty cash reimbursements are processed through the City's accounting system and are controlled and distributed through the Utility Billing Clerk's office.

(a) Petty cash expenditures are tracked by the Finance Department’s financial system to account for monies expended from budgeted funds.

(b) Petty cash is issued to reimburse employees, or pay for purchases of business related expenses for costs up to $50.00.

(c) To obtain a petty cash reimbursement, employees must complete the City of Peoria Petty Cash Voucher, indicating the date, amount, reason for reimbursement, the account and line item to which the reimbursement is to be charged, and the employee's signature.

(d) The employee must obtain the signature of their direct supervisor prior to processing the voucher.

(e) The Petty Cash Voucher and original receipt for purchase is then taken to the FSS Administrative Assistant to process and send to the City's Utility Billing Office where the clerk will issue cash payment for the indicated amount.

(f) A copy of the petty cash voucher and invoice is retained by the Police Department FSS to record the expense.

l. Audit of Fiscal Activities (17.4.3): Independent audits of the City's official fiscal records are conducted annually in accordance with the standards set forth for financial audits in the General Accounting Office's Government Auditing Standards (1988), the provisions of the Federal Single Audit Act of 1984 and the Office of Management and Budget Circular A-128, Audits of State and Local Governments, as well as the requirements of the State of Arizona.

D. Revenues Collected – See Policy 8.02 Records Management

E. Inventory and Procurement

1. All procedures governing the purchase and rental of goods and supplies are governed by the Procurement Codes of both the City and the State.

2. Emergency Purchases and Rental Agreements (17.3.1.d):

a. All procedures governing the specifications for emergency purchases and rental agreements are governed by the City's Procurement Code.

b. The Materials Management Division processes all Police Department requests in accordance with this Code.

3. Inventory Management (17.5.1)

a. All "Capital Items," or those items that have been determined by the Finance Department to be inventoried, shall be tagged with a City inventory number and recorded in the City's inventory tracking system when received in Materials Management. The item is then forwarded to the Police Department's Property and Evidence Section.

b. The Equipment and Supply Police Clerk assigned to the Property and Evidence Section is responsible for the unofficial property listing used for reference. The Police Clerk shall also add/delete items from the Police Department's inventory list that have been transferred or sent for destruction after the appropriate paperwork has been processed.

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