

CHAPTER 17
FISCAL MANAGEMENT AND AGENCY OWNED PROPERTY

DISCUSSION: This chapter relates to administration, budgeting, purchasing, accounting and procedures for the control of inventory and property. The City of Hattiesburg uses a "Line Item" budget system that is intended to prevent budget discrepancies and to ensure that the projected flow of funds are proceeding as planned. These provisions/guidelines are designed to control the purchasing process in accordance with generally accepted accounting practices, The City of Hattiesburg Purchasing Manual and Title 21 Chapter 35 of the Mississippi State Code. The fiscal year shall be the period beginning October 1 and ending September 30 of each year as established by MS 21-35-3. The Chief of Police shall be responsible to ensure the sound fiscal management of the Department.

17.1 FISCAL MANAGEMENT

17.1.1 Authority and Responsibility

- A In section 2-36 of the City Ordinance, various Departments are created and management functions assigned to directors who are appointed by the Mayor and affirmed by the Council.
- B. City Ordinance, Section 2-39.2, specifically assigns the responsibilities of the Police Department. In essence the Chief of Police is responsible for the management and function of the police department.

17.2 BUDGET

17.2.1 Agency's Budget Process

- A The Comptroller will send out to each department director, a budget work sheet and a manpower document. At this time the comptroller also will notify each director in writing the dollar amount initially allocated to their cost center.
- B. Each budget work sheet is to be returned to the accounting department as determined by the city Comptroller (usually Mayor June). The budget requests cannot exceed the allocated amount.
- C. The manpower list reflects all personnel referenced by a number that corresponds to the job title, employee name and salary to include all anticipated overtime wages. Manpower allocations are determined during budget preparation.
- D. Supplies, services and charges will be compared with the previous year to see if they need increases. Excess funds can be allocated to capital outlay.

- E If the initial allocation amount prohibits the director from budgeting for any items felt critical to operations, then these items and amounts should be listed for review during the budget process
- F The budget process involves the Mayor, Department Directors, Comptroller and accounting personnel who review the budget proposal. Budgets are subject to amendment due to available funds and allocation priorities. If more funds are available, the critical allocations will be reviewed and discussed to see if some of the items may be obtained.

17.2.2 Budget Recommendations

All Division Commanders and Division Managers submit their budget requests to the Chief of Police based on their needs for manpower, supplies, training or capital outlay. The recommendations may be requested by the Chief of Police at his discretion any time during the year. This process is normally completed in the last quarter of the fiscal year in preparation for budget negotiations with other city departments.

17.3 PURCHASING

17.3.1 Purchase of Equipment and Supplies

The purchase of equipment and supplies by the Department shall be handled IAW polices and procedures established by the City of Hattiesburg Purchasing Manual, The Department of Finance and Administration of the State of Mississippi and the laws in Title 21 of the Mississippi Code.

17.4 ACCOUNTING

17.4.1 Petty Cash

- A The use of petty cash funds is encouraged on purchases not exceeding thirty (30) dollars. No commodity or services shall be purchased or paid from petty cash funds which would be in violation of any law of the State of Mississippi.
- B. The Accountant shall be responsible for maintaining petty cash. The Accountant shall retain a record of petty cash expenditures and reimbursements. The following rules shall be followed relative to any petty cash expenditures:
 - 1. Prior approval from the Bureau Commander or a higher authority may authorize the use of petty cash on any expenditure(s).
 - 2. Petty cash shall not be used for expenditures in excess of thirty (30) dollars where circumstances require a conventional purchase order to be used to make the purchase.

- C. The Accountant shall maintain a voucher for reimbursement of petty cash expenses. The voucher for reimbursement of petty cash shall be processed monthly or on an as needed basis to replenish petty cash funds.
- D Petty cash reimbursement requests shall be accomplished by copies of receipts or documentation for cash expenditures. All receipts shall reflect the signature of the authorizing individual.
- E. Reimbursement of all petty cash funds shall be required to reflect records, documentation, or invoices for all expenditures.
- F. Only the Accountant is authorized to disburse or accept cash to the petty cash fund.

17.4.2 Front Desk and Court Accounting Procedures

- A Normal cash intake transactions for the daily business of the Police Department are handled through the front desk. Except as outlined below, Officers or other personnel are not allowed to take any payments for the department.
 - 1. Officers assigned to prisoner transport will be allowed to take Cashiers Checks or Money Orders when:
 - a. The defendant is arrested in another jurisdiction.
 - b. A fine only has been assessed (mittimus or bench warrant) and does not involve a sentence of jail time.
 - 2. A receipt will be issued, a copy of the receipt and payment will be turned in to the front desk upon returning to the City of Hattiesburg.
- B. Fines collected in the court room are handled as a separate accounting report.
- C. A receipt shall be issued for all transactions.
- D Cash drawers (court and front desk) begin with a balance of one hundred (100) dollars.
- E. At the end of each shift the front desk clerk shall utilize the AS 400 to run a report to reflect the receipts for transactions that occurred during the shift. The same report format is used by the court clerk at the end of the court session. This report will list all transactions by receipt number to show individual transaction amounts, totals and other information.
- F. In the event that a cash drawer does not balance:
 - 1. The clerk responsible shall make the deposit drop and note that it is not in balance.

2. The Accountant will pull the deposit and meet with that clerk the next business day to determine the discrepancy
 3. Should the result be a loss, the clerk on duty during that time period is held responsible for reimbursement.
 4. Overages are noted IAW accepted accounting principles and included as part of the deposit.
- G Each day (Monday-Friday) accounting will generate a daily deposit listing report to reflect the intake transaction for the previous twenty four (24) hours. This report is used to match receipts with deposits to show a balance. Monday reports are reflective of transactions for Friday through Sunday with a daily report for each of the three (3) days. The same is done for extended holidays.
- H. Deposits are placed in the drop box at the end of front desk shift or court session after balancing with the deposit report. Accounting retrieves the deposit and checks for accuracy and balance, and then prepares a daily report to be sent with the total deposit to City Hall. An Outstanding Transaction Report is run as a secondary check of the process to prove balance. In addition, City Hall issues a receipt which is returned to accounting at the Police Department to be attached to the daily report and filed.
- I. Receipt of Counterfeit money is always a concern. The Department will supply detection devices to reduce the chance of acceptance of such money. Persons receiving money will be instructed in the use of the detections devise(s). All bills in denominations of \$20 and greater will be checked. Other denominations may be checked when such check is deemed necessary and ordered by the Department. Employees will be held responsible and accountable for counterfeit money that is accepted and is not checked for authenticity. (022505)

17.4.3 Cash Reports

Accounting procedures for the Police Department are overseen by the City of Hattiesburg Accounting Department. Reports are prepared as follows to reflect the operation of cash accounting functions performed by the Department.

A. Cash Intake Reports

These reports are compiled electronically by the AS 400 computer and represent the cash intake of the Department through fines, payments on account, report fees, bonds, and other accounts receivable funds. The accountant shall print an end-of-the-month report on or about the last business day of the month.

B Petty Cash

Petty Cash expenditures are reported monthly on a Petty Cash voucher Report. This report contains a listing of cash expenses to include the item, amount, account code and total. A copy of this report shall be sent to City Hall and Budget/Purchasing Manager. The City of Hattiesburg Accounting Department provides reimbursement to the account.

C. Informant Funds

The Commander of any unit or division that disperses informant funds shall prepare a quarterly report to the Chief of Police. This report reflects the activity of the Informant funds from one quarter to the next. (C082003)

17.4.4 Audits

- A. In accordance with MS Code 21-8-13, the City Council shall cause a full and complete examination of all the books accounts and vouchers of the municipality to be made by a competent, independent accountant(s) appointed by the City Council.
- B. Petty Cash shall be audited internally on a random unannounced schedule that equates to quarterly or as determined by the Chief of Police. Petty Cash audit will occur whenever personnel changes cause control of petty cash to change. Audits will be performed by the Supply/purchasing manager or other person as directed by the Chief of Police. (C082003)

17.5 AGENCY-OWNED PROPERTY

17.5.1 Responsibility

- A. The Department of Administration Accounting is responsible for inventory of all city owned capital outlay equipment. All purchases are kept on the computer as to description, cost, date purchased, department issued to and inventory control number.
- B. When the equipment is purchased it is assigned an inventory number which is attached to the equipment. In the event that the equipment is broken, wrecked, etc., it is reported on a fixed assets maintenance request form and forwarded to the accounting department. The city will hold a public auction to retire equipment not disposed of by destruction, scrap or other write-off methods.
- C. Members are responsible for the reasonable care, treatment and maintenance of all equipment issued and entrusted to them. Equipment is not to be exchanged between members without routing the change through the proper chain of command and inventory control systems. Issued equipment shall not be exchanged without prior approval of the member's Division Head/Section Commander and accounted for on inventory control forms.

- D. Each Division/Section Commander is responsible for equipment issued to that Division/Section. Inventory control shall be established within each Division/Section receiving any such equipment to ensure accountability. Each Division/Section shall maintain a record of any Division/Section equipment further assigned to individuals. A “master” list of division equipment shall be maintained by Purchasing/Supply
- E. When equipment is acquired through the courts by forfeiture it is assigned an inventory number which is attached to the equipment. Equipment after transfer of forfeited property to inventory is treated the same as purchased equipment.

17.5.2 Equipment

- A. The Budget/Purchasing manager issues uniforms, web gear, handcuffs, flashlights, portable radios and other related equipment. The Training Division issues weapons, ammunition and self protection equipment(i.e. asp batons, freeze pepper spray, etc).
- B. Equipment issued is kept on an inventory sheet by the officer’s names and in the AS400. In the event that the equipment is broken, it is turned in for repair or replacement.
- C. Uniforms will be issued as needed. Supervisors will inspect the officers regularly and if some part of the equipment or uniform needs to be replaced, will fill out a requisition form and forward to Purchasing/Supply for replacement.
- D. When employment with the department has been terminated, all issued equipment must be accounted for prior to the dispersal of final payroll. The department requires reimbursement for unaccounted equipment.

17.5.3 Operational Readiness

- A. It is the responsibility of the Division Commander or the officer that is issued this a agency's equipment to keep it in "operational readiness" condition. This includes care and cleaning, maintenance, repair, workability and responsiveness. The operational readiness of all equipment including equipment stored should be inspected at regular intervals to be determined by the Division Commander.
- B. Annually, under the direction of the Chief of Police, an operational readiness inspection will occur. This inspection will encompass personnel and equipment.