



SOUTH MIAMI POLICE DEPARTMENT

GENERAL ORDER NUMBER: 7.4	DATE OF ISSUE: July 31, 2011	EFFECTIVE DATE: May 30, 2014	NUMBER OF PAGES: 05
CFA STANDARD: 5 SUBJECT: Fiscal Management & Agency-Owned Property-ACCOUNTING	NEW () RESCINDS () AMENDS (x) OTHER ()	By Order Of:  Rene Landa , CHIEF OF POLICE	

CFA STANDARDS: 5.01, 5.02M, 5.03, 5.04M, 5.05, 5.06M

SECTIONS:

- 7.4.1 Agency Accounting System**
- 7.4.2 Maintenance of Cash Funds or Accounts**
- 7.4.3 Independent Audit**

RESCINDS: All existing orders in conflict.

PURPOSE: To establish departmental policy and provide guidelines for the department's accounting system; to establish a maintenance system for the use of cash funds or accounts; to establish procedures for an independent audit.

SCOPE: All departmental personnel.

POLICY: It is the policy of this department to abide by the accounting and cash management policies and practices set forth by the City of South Miami Finance Department, which is responsible for the establishment and maintenance of internal controls designed to ensure that the assets of the police department are protected from loss, theft or misuse, and for ensuring that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

NOTE: Employees will obtain and use the departmental state sales tax exemption identification certificate when making purchases on behalf of the department.

DEFINITIONS:

Law Enforcement Trust Fund (LETF): Florida Statutes (FS) provide that cash, property, and money from the sale of certain properties forfeited in accordance with law, shall be deposited in a Law Enforcement Trust Fund. The City of South Miami will maintain a LETF under the provisions of FSS, Chapter 932, 932.7055, Disposition of Liens and Forfeited Property, to

administer proceeds and interest earned there from. The funds may be used for School Resource Officers, crime prevention, safe neighborhood programs, drug abuse education and prevention programs, and other phases of law enforcement; e.g., initiating new programs, providing additional equipment or expertise, and providing matching funds to obtain federal grants. The proceeds may not be used to defray normal operating expenses of the department.

Line Item: An accounting term used to describe the separation of appropriations and expenditures by function, organizational component, activity, object, or program.

Petty Cash: A cash fund established for the purpose of making minor purchases (generally, not over twenty five dollars [\$25.00]), and making change for cash receipts at the front desk. Receipts are periodically submitted directly to the City Finance Department.

PROCEDURES:

7.4.1 Agency Accounting System

- A. The department's budget and accounting system is monitored by the Chief of Police. The City of South Miami Finance Department maintains departmental account records and provides monthly summaries of expenditures and balances to the Chief of Police.
- B. This system provides for a monthly status report on the following: {CFA 5.01M}
 - 1. Initial appropriation for each line item; {CFA 5.01M(a)}
 - 2. Expenditures and encumbrances made during the period; {CFA 5.01M(b)}
 - 3. Unencumbered balance; {CFA 5.01M(c)}
 - 4. Present encumbrances;
 - 5. Year to date expenditures; and
 - 6. Percent of funds expended to date.

7.4.2 Maintenance of Cash Funds or Accounts

It will be the policy of this Department that the maintenance of all cash funds or accounts, excluding confidential funds, where agency personnel are permitted to receive, maintain, or disburse cash and includes procedures used for collecting, safeguarding, and disbursing cash to include, at a minimum: [CFA 5.02M]

- 1. A balance sheet, ledger, or other system that identifies initial balance, credits (cash income received), debits (cash disbursed), and the balance on hand[CFA 5.02M (a)]
- 2. Receipts or documentation for cash received[CFA 5.02M (b)]

3. Authorization for cash disbursement, including authorization by the Chief of Police or his appropriate designee for expenses in excess of a given amount (\$200.00) [CFA 5.02M (c)]
4. Records, documentation, or invoice requirements for cash expenditures[CFA 5.02M (d)]
5. A limitation on persons or positions authorized to disburse or accept cash[CFA 5.02M (e)]. This duty shall fall under the duties of the Communications Manager or whomever the Chief of Police designates in the Communications Manager's absence.
6. Quarterly accounting of agency cash activities [CFA 5.02M (f)].

The South Miami Police Department has a Petty Cash Fund. The Petty Cash Fund provides a means to pay for incidental and emergency items less than twenty five dollars (\$25.00). Petty cash may be used to reimburse an employee for pre-approved expenditure(s) of funds. Petty cash may also be used as an advance prior to the pre-approved purchase.

The Communications Supervisor will be the primary custodian of the petty cash box. The petty cash will be maintained and secured at the end of each day.

- A. When requesting reimbursement, the employee must supply a receipt of purchase.
- B. When requesting an advance, the employee must supply the amount of the advance and a description of the item. This must be approved by the Chief of Police or the Operations Major.
- C. The Procedure for Petty Cash Reconciliation will be in the following manner:
 1. The amount of petty cash allotted is two hundred dollars (\$200.00). When the amount of petty cash reaches \$100.00 or less, a check request will be made out to the Finance Department.
 2. Calculating the amount needed to replenish the petty cash box. Under the comments section of the Check Request Form, indicate the account number from the cash receipts along with the amount. Add all receipts. The grand total is the amount needed to replenish the petty cash box. When submitting the check request form, the following must be attached to the request:
 - a. Petty Cash Reconciliation Form;
 - b. Petty Cash receipts along with store receipts.

3. All store receipts are to be stored in the box until the time of replenishment.
 4. Receipts are retained by the City Finance Department for auditing purposes.
- D. Victims of crimes committed within the jurisdiction of the City of South Miami, reporters of non-criminal incidents and parties involved in traffic crashes within the City of South Miami will not be charged for copies of reports. Other requesting parties, such as Insurance Companies, attorneys, etc. will be charged by the following procedure and fees.

Records Revenue Collection:

1. The fee for copies of a police report (for applicable parties) is as follows:
 - a. Single-side (front only) copy is fifteen cents (15¢) per page.
 - b. Special services, described as services requiring extensive use of information technology or extensive clerical or supervisory assistance will be subject to reasonable additional fees. These services include, but are not limited to large volume of public records needing inspection and/or copying as well as tape transcribing or copying.

End of the Period Balancing:

1. Balancing shall be done when petty cash is exhausted or falls below \$100.
2. Count and verify receipts for the period's transactions.
3. Count and verify cash for the period.
4. Purchaser shall have exact change.
5. Take the envelope and Revenue Receipt Form to the Account Clerk at the Finance Department.
6. Turn in the Revenue Receipt Form to Finance Department and have the Account Clerk verify all of the revenue collected for that week.
7. Have the Account Clerk sign the "Revenue Receipt Form" and return the form to the Records Department for filing.

NOTE: While the money envelope is in the Records Department possession it should be kept out of plain view. The only personnel with access to the envelope will be the Dispatchers and Communications Supervisor.

- F. Law Enforcement Trust Fund (LETf): These proceeds obtained from seizures and forfeitures are used, at the discretion of the Chief of Police, in support of law enforcement purposes. The proceeds may not be used to defray normal operating expenses of the department. When such funds are received from any source, e.g., other agencies, they are transmitted to the City Manager and Finance Department with an explanation of their source.
1. When expenditures are to be made, a requisition is submitted to the City Finance Department. When appropriate, the expenditure is submitted to the City Commission for prior approval. After approval, the City Finance Department issues a check for the expenditure.
 2. The City Finance Department includes the LETf account on monthly accounting reports. Annually, the Finance Department prepares an LETf status report covering receipts and expenditures of state funds to FDLE, who may audit the account at any time.

7.4.3 Independent Audit

It is the requirement of the State of Florida and the policy of this Department that there be an annual independent audit of the accounts and financial transactions of the City government and the South Miami Police Department. This audit will be conducted by independent certified public accountants. [CFA5.03] This annual audit will be completed in conjunction with the audit of all City departments. Additionally, the City Finance Department will periodically conduct an independent audit of the Petty Cash and Records Request funds to ensure financial integrity of the each fund.