

DEPARTMENT GENERAL ORDER 03-17

OFFICE of the CHIEF OF POLICE
REPLACES: General Order 99-22/99-22A
SOP 403.01.00

DATE: October 16, 2003

BUDGETARY PROCESS

I. PURPOSE.

To ensure the financial management of the Police Department is conducted in accordance with City policy and procedures, and that the responsibility for budgetary planning and/or expenditures is clearly defined.

II. DEFINITIONS.

Audit - A formal inspection of financial records.

Budget - A plan outlining anticipated revenue and expenditure.

Fiscal Year - An accounting period of twelve months.

III. FISCAL YEAR.

The fiscal year for the City of Clayton shall run from October 1st of each calendar year to September 30th of the following calendar year.

IV. FISCAL MANAGEMENT.

The Chief of Police shall have full authority and responsibility for the fiscal management of the Police Department in accordance with the Charter and Code of Ordinances of the City of Clayton. The appropriate legal sections are listed as follows:

City of Clayton Charter, Article IV, Section 3, Department Heads

“At the head of each department there shall be a director who shall be an officer of the City and who shall have supervision and control of the department, subject to the authority of the City Manager.”

City of Clayton Charter, Article IV, Section 5, Police Department

“The Director of the Police Department shall be the Chief of Police. He shall be appointed on the basis of his administrative abilities and his qualifications for the office.”

City of Clayton Code of Ordinances, Section 2-97, Custody of Property

“The Chief of Police shall have custody of all the books, records, property, weapons, badges, furniture, vehicles, equipment, supplies and merchandise of the Police Department.”

V. ANNUAL BUDGETARY PROCESS.

The budgetary process utilized by the City is based upon the authority granted City officials by the City of Clayton Charter and Code of Ordinances, which reads as follows:

City of Clayton Charter, Article VII, Section 5, Preparation of the Budget

“The City Manager shall present to the Board of Aldermen an annual budget and long-range capital budgets prepared in such a manner as may be provided by ordinance and in accordance with accepted principles of municipal budgeting. The time for the presentation of the annual budget shall be set by the Board of Aldermen in consultation with the City Manager, and if not so set, the budget shall be presented not less than thirty days prior to the beginning of the fiscal year.”

City of Clayton Code of Ordinances, Section 9-2, Budget

“The Board of Aldermen shall consider and adopt a budget for each fiscal year prior to the beginning thereof. The budget shall contain the estimated receipts from taxes, licenses, fees, and other probable sources of revenue, any surplus or balance on hand from the preceding year and the total of such balance and anticipated revenue for such year. The budget shall also show the estimated expenses for each department of the City for such year and the total anticipated expense or cost of maintaining and operating city government. It shall be the duty of the City Manager to restrict the expenditures of each department to within the amount budgeted for such year for such office or department.”

As such, the following procedures have been established to provide budgetary data for each specific fiscal year and to assist in the process of multiyear fiscal planning:

- A. On or about the first of April of each calendar year, the Chief of Police will begin initial budgetary planning for the next fiscal year, which will commence some six months later on October 1st. The Chief of Police, who shall be responsible for final budget preparation and the subsequent management of same, will review the budget recommendations made by various bureau and unit commanders, and in his considered judgment, accept, reject, or amend the proposed expenditures. Should the Chief of Police deem a recommendation to have merit, he may also elect to defer a submitted proposal to a later fiscal year.
- B. The Chief of Police shall meet with the City Manager and other department heads to discuss the budget, and obtain approval of their proposed budgetary expenditures. The City Manager may reduce or eliminate budgetary items or amounts as deemed necessary to retain an overall balanced City budget .
- C. Prior to September 1, the City Manager will submit to the Board of Aldermen a proposed operating budget for all City funds for the new fiscal year. The operating budget will contain proposed expenditures and the means of financing them.
- D. Public hearings and open Board of Aldermen meetings are held to obtain taxpayer comments.
- E. Prior to October 1, the budget shall be adopted by the Board of Aldermen.

Since the City's budgetary system is organized and operated on a category and line-item basis, wherein each category is a distinct and separate entity, budgetary control is primarily maintained at the department level. Encumbrances are utilized as necessary to control levels of expenditures so that budgeted appropriations may not be overspent without proper approval.

The department budget shall be prepared utilizing computerized forms and spreadsheets which have been developed for use by the various department heads. Entries onto the forms will closely adhere to budget preparation instructions issued by the Director of the Finance Department. Changes or alterations in proposed expenditures shall be entered onto the computerized worksheets.

VI. INTERNAL BUDGET RECOMMENDATIONS.

Each bureau commander shall, in the first quarter of each calendar year, solicit input and budgetary recommendations from subordinate commanders and units. Proposed expenditures for inclusion into the department budget shall be then be tabulated and submitted to the Chief of Police in written form. The Chief Executive shall be the final authority in regard to which recommendations are included in the overall department budget proposal.

VII. ACCOUNTING SYSTEM.

The department shall operate under the general accounting system established by the City, and will comply with the various requirements established by same. This will include the approval of specific budgetary accounts which the department is required to utilize in regard to the expenditure of funds, initial budgetary appropriations allotted to fund the department's operations or programs throughout the fiscal year, and a method to track the documentation of the flow of funds.

In regard to the latter, the Finance Department will issue computerized statements to each City department on a monthly basis, listing each separate budgetary account, the total amount of funds allotted to the account, the year-to-date expenditure of funds, encumbrances in each account, and the available monetary balance for each account.

Budget entries/expenditures are currently entered into a city-wide computerized system to provide a continuous and up-to-date numerical record of expenditures and existing balance per each department account numb

The secretary assigned to the Office of the Chief of Police shall be responsible to enter purchase orders into the computer to reflect expenditures by the Police Department and its associated personnel. Once the data has been entered into the system, the Finance Department shall be responsible for ensuring that accurate financial records are maintained, and that the figures contained therein are current and balanced.

VIII. INDEPENDENT AUDIT.

In accordance with existing City policy, an independent certified public accounting firm shall be retained on an annual basis to conduct an audit of all general purpose financial statements of the City. The general budgetary records of the Police Department shall be included in this audit, at the conclusion of which, the auditor shall then submit a report to the Director of Finance, the City Manager, and the Board of Aldermen.

Cash funds which are maintained by the department will be audited by the Director of the Finance Department on an annual basis. Such audit shall generally be conducted at the request of the Chief of Police and will be independent of the general City audit. The findings of this audit will be submitted to the Chief of Police and City Manager.

BY ORDER OF:

THOMAS J. BYRNE
Chief of Police

TJB:dld

CALEA Reference: 17.1.1/17.2.1/17.2.2
17.4.1/17.4.3