



Approved:  
*Chief Marcia Harnden*

Subject:

# 125. Fiscal Management

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Page:  
1

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## 125.1: PURPOSE AND SCOPE

The purpose of this policy is to define the fiscal management functions of the Albany Police Department.

## 125.2: POLICY

**It is the policy of the Albany Police Department to establish guidelines for developing financial goals and objectives, making financial decisions, reporting the financial status of the department, and managing the department's funds.**

## 125.3: FISCAL AUTHORITY AND RESPONSIBILITY

The City of Albany Municipal Code Chapter 2.66 designates the City Manager as the City's "Contracting Agency" as that term is defined in [ORS 279 A.010 \(1b\)](#). With the authorization of the City Manager, the Chief Financial Officer/Assistant City Manager or any other Department Director may be delegated the power and authority of the "Contracting Agency." The Chief of Police, who reports directly to the City Manager, is charged with:

- a. Achieving the themes, goals, and objectives adopted by the City Council in the City's Strategic Plan.
- b. Planning, coordinating, managing, and evaluating Police Department operations.
- c. Directing and coordinating the preparation, presentation, and implementation of realistic and fiscally sound biennial budgets to enable the department to achieve its objectives including special activities assigned by the City Council; ensuring that the department functions within budget appropriations.
- d. Establishing overall department goals and objectives.
- e. Developing and analyzing the department's organizational structure and organizing major accountabilities and functions into effective and measurable units within this structure; ensuring that personnel are deployed in shifts or working units that efficiently meet the community needs for police protection.

- f. Developing, preparing, and updating short- and long-range plans that address community and department priorities, and contributing to the city's overall plans and strategies. Reviewing department performance and effectiveness; formulating programs or policies to alleviate deficiencies.

#### **125.4: FISCAL MANAGEMENT RESPONSIBILITY**

Albany Police Department fiscal management activities are coordinated by the Police Business Manager, with support from unit supervisors and include, but are not limited to:

- a. Coordination of the biennial budget process.
- b. Performing planning, research, and tracking of financial trends.
- c. Preparing monthly budget reports and monitoring for trends and accuracy and providing financial information to the Chief of Police for evaluation.
- d. Reviewing areas of concern and alerting management.
- e. Preparing solutions for discussion and decision by the Chief of Police.
- f. Reviewing and approving expenditures.
- g. Serving as a liaison with the City of Albany Finance Department and fiscal officers.
- h. Reviewing and forecasting equipment replacement needs and associated funds.

#### **125.5: BUDGET PREPARATION PARTICIPATION**

The City of Albany budget cycle runs from July 1 to June 30 for a two-year cycle. Formal budget preparation activity generally begins in **December** for the next budget cycle. The Albany Police Department's biennial budget is developed according to guidelines set forth by the Albany City Council and the Albany Finance Department.

The biennial budget process is designed by the City of Albany Finance Department and coordinated by the Albany Police Department Police Business Manager at the direction of the Chief of Police. The process includes:

- a. Formulation of annual goals and objectives.
- b. Reporting of budget highlights for the preceding fiscal year.
- c. Preparing proposed and historical expenditures and revenues by category.
- d. Projecting personnel resource requirements and assignments.
- e. **Projecting capital purchases and capital replacement requirements.**

The Chief of Police shall present the overall Police Department budget to the City Manager and Finance for review and approval. Upon approval, the Police Department budget is considered by the City of Albany Budget Committee, which makes recommendations to the City Council. The Albany Council votes on and approves the final City of Albany budget prior to June 30, biennially, in accordance with Oregon budget law.

### **125.5.1 DEVELOPMENT OF BUDGET RECOMMENDATIONS**

As part of the biennial budget process, command staff will evaluate personnel and resource deployment against service demands and departmental requirements. Budget recommendations regarding any proposed staffing changes to the existing resources will be clearly and thoroughly justified in writing.

### **125.6: ACCOUNTING SYSTEM ELEMENTS**

The City of Albany utilizes an in-house accounting system, managed by the Albany Finance Department, which is utilized to track appropriations and accurately represent expenditures, encumbrances, and remaining balances at each monthly closing.

### **125.7: CASH HANDLING PROCEDURES**

#### **Cash Drawers**

The Records Unit maintains a cash drawer for receiving payments for licenses, fees, alarm permits and payments, and miscellaneous transactions. This cash balance is maintained at \$200.00; however, no payments or disbursements are made from this account. A receipt will be provided for all fees received by records personnel. A balance sheet, ledger, or other system that identifies initial balance, monies received, and the balance on hand will be utilized to track this fund. Cash drawers should be cashed out daily and two staff members must verify the total amount of actual receipts, verify the cash on hand fund, verify that the deposit amount on the cash management report matches the amount written on the deposit slip and deposit bag. Both staff members must initial the deposit slip and management report. A copy of the cash management report and deposit slip is kept in the department for one year. Each quarter, the Records and Systems Supervisor will review all activity during this timeframe and provide a report to the Police Business Manager.

#### **Petty Cash Funds**

The Administrative Unit maintains a petty cash fund with a maximum balance of \$400 to make small dollar purchases and reimbursements of less than \$100.

The Patrol Unit maintains a Toto Program petty cash fund with a maximum balance of \$200 to make small transportation-related purchases to assist individuals who are stranded in Albany get back to where they have a support system.

The following procedures apply to both petty cash funds:

- a. All petty cash purchases/reimbursements must be documented on a petty cash disbursement form.
- b. The supervisor must approve the expense prior to the employee receiving a petty cash disbursement.

- c. All petty cash disbursement forms must be signed by the employee requesting the reimbursement or making the purchase and signed by the employee handing out the cash.
- d. Original receipts are required for use of petty cash. No personal purchases should be included.
- e. Petty cash advances are allowed but require an employee signature and supervisor authorization prior to the purchase. Cash advances should be closed within two business days or two work shift days.
- f. Mileage reimbursements must be documented on a mileage reimbursement/statement of expense form and reflect mileage for no more than the past 30 calendar days. Any transactions prior to the past 30 days must be reimbursed through accounts payable.
- g. Petty cash is reconciled monthly, at a minimum, even if not replenished.
- h. Reconciliation: The cash on hand should equal the total cash assigned to the location less the total value of the receipts. The check request for replenishment of petty cash should equal the total value of the receipts attached to the request, plus/minus adjustments for amounts over or short of the authorized department cash limits.
- i. The petty cash funds are reconciled by the Administrative Assistant I (confidential) and reviewed by the Police Business Manager.

#### **Linn County Interagency Narcotics Enforcement (LINE) Task Force Unit**

The LINE Unit maintains a special investigative fund for expenditures necessary to conduct investigations of criminal activity. A detailed description of the fund and its use may be found in the LINE Task Force Administrative Plan.

### **125.8: INDEPENDENT AUDIT**

The City of Albany Finance department coordinates an independent audit annually, which is completed by an outside accounting firm. The audit is an independent review of the City of Albany's financial integrity and fiscal control procedures.

### **125.9: REQUISITIONING AND PURCHASING PROCEDURES**

The City of Albany requisitioning and purchasing procedures are specifically described on the City's Finance/Purchasing intranet site. The Albany Police Department requires all purchase requests to be approved by an employee's direct supervisor, and purchases over \$300 must be approved by a Division Captain. A [Uniform Equipment: Form A55b](#) must be completed for purchase requests.

### **125.10: EMERGENCY PURCHASING PROCEDURES**

An emergency purchase may be warranted in circumstances that could not have been reasonably foreseen that create a substantial risk of loss, damage, interruption of services or threat to property, public health, safety, or welfare.

In the event an emergency purchase is required, authorization to proceed with an emergency procurement by direct acquisition must be obtained from the City Manager, Chief Financial Officer, or Public Works Director. Within 24 hours of the emergency purchase, the supervisor making the purchase must prepare and submit written documentation to the Chief of Police noting the nature of the emergency, description of the goods or services, the procedures followed to obtain the goods or services, the vendor, and the account number to be used.

The written request for an emergency purchase must be approved in writing by the Chief of Police, or designee, and attached to the invoice prior to payment.

In the event of a declared emergency or disaster, procedures outlined in the Albany Emergency Operations Plan shall be followed.

#### **125.11: INVENTORY CONTROL**

The Albany Finance Department maintains inventory records of City-owned capital assets and coordinates an annual inventory audit of those items. The Police Department inventory review is coordinated by the Police Business Manager.

The Police Business Manager tracks all Albany Police fleet assets, the Records and Systems Supervisor tracks all Albany Police computer-related assets, and the firearms coordinator tracks all weapons-related assets.

#### **125.12: SUPPLEMENTAL BUDGET REQUESTS**

Supplemental budget requests must be approved and submitted by the Chief of Police to the City Manager with review and concurrence of the Finance Director by early June of each year. The request will be considered by the Albany City Council for appropriation upon approval of the City Manager, according to Oregon budget law.