

 Kinston Police Department	<u>POLICY: Fiscal Management and Agency Owned Equipment</u>						POLICY #: 100-5
	<u>NCLEA Standards: 1.06; 1.07; 1.08; 1.09; 6.07</u>						
	<u>CALEA Standards: 17.4.2</u>						
	<u>NCLM Standards:</u>						
<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised	Revision Dates:	01/01/21					Effective Date: 07-01-2019
Approval: Chief of Police							

I. PURPOSE

The purpose of this policy is to establish guidelines for the fiscal management of the Kinston Police Department to include administration, budgeting, purchasing, accounting, and procedures for the inventory and control of agency owned property. This policy shall also establish authorized procedures for the receipt and disbursement of monies within the department.

II. DEFINITIONS

- A. **Administrative Manager:** Person who is assigned responsibility for the procurement, issuance and maintenance of departmental owned property.
- B. **Sundry Funds:** Special fund allocated for the purchase of contraband and payment of informants.
- C. **Petty Cash:** Funds used to purchase small miscellaneous items and travel expenses not to exceed a specific amount designated by the Chief of Police.

III. POLICY

- A. It is the policy of the Kinston Police Department to maintain a viable accounting and maintenance system for the purchase and control of department owned equipment.
 - 1. In accordance with City Ordinance, 18-4, the Chief of Police shall have the supervision and control of the Law Enforcement force under the regulations of the department prescribed by the City Manager.
 - 2. The City of Kinston Finance Director is ultimately responsible for supervising the fiscal management of all city departments and for maintaining accurate and thorough records of all financial transactions.
 - 3. The Chief of Police is responsible for the fiscal management of the Department. The Chief of Police will be responsible for preparation of internal expenditures and coordination of the department's fiscal activities with the City Finance Director.
- B. All fiscal management activities of the Department shall conform to the accounting procedures adopted by the City and implemented through the City's Department of Financial Services and City Finance Director.

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C. The department's budget will be prepared on an annual basis using time lines established by the City Manager which varies from year to year. The Department will follow the mandates as issued annually by the City Manager. The budget is prepared and developed by the Kinston Police Department and the Division Majors.

1. Division Majors shall make written recommendations and budget requests for their respective divisions. The Division Major's recommendations and requests shall be forwarded to the Chief of Police at an established date. Recommendations and requests shall be based on operational and activity analysis, future needs and an assessment of personnel and equipment resources.

D. Department employees will adhere to the ordinances, policies, guidelines, and procedures established by the City Council of the City of Kinston and/or the City Manager when making purchases regardless of value.

1. All department requests for requisitions and purchases of supplies, equipment, and other operating expenses shall be submitted on a requisition form to the Chief of Police for review and purchase authorization.

Requisition forms are generated by computer, once the information has been entered into the system. Purchase orders are completed by the City Manager's Office.

2. Bidding procedures, specifications, and bidder/vendor selection criteria for all capital equipment purchases are developed and implemented by the City Purchasing Coordinator under the supervision of the Director of Financial Services and in accordance with North Carolina General Statute 143-129.

3. The City Manager may authorize any purchase contracts or fund transfers necessary to place the City of Kinston in a position to protect the public health and safety, effectively protect property, and provide emergency assistance to victims in the event of any man-made or natural disaster.

4. The City of Kinston maintains a computerized accounting system of all departments including the Kinston Police Department. The computerized system, known as the "Banner System", includes provisions for monthly, quarterly or annual status reports to the department showing initial appropriations for each account, balances at the commencement of the report period, expenditures and encumbrances made during the

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period and unencumbered balances.

5. Department personnel authorized by the Chief of Police have daily access to the “Banner System” in addition to the standard periodical reports.

E. Petty cash is available for small miscellaneous purchases and travel expenses that do not exceed \$50.00 except in extraordinary circumstances. The Chief of Police’s Administrative Manager is designated as the custodian of the petty cash fund and is responsible for the receipt, distribution and accounting of all petty cash funds. The Chief of Police’s Administrative Manager is responsible for:

1. Maintaining a spreadsheet that identifies the initial balance, credits or returned (unused) funds, debits or expenses, and the current balance on hand; receipts or documentation of cash received; and receipts or documentation of transactions or expenses including invoices or other proofs of purchase.
2. The Chief of Police’s Administrative Manager is authorized to reimburse all petty cash expenses approved by the Chief of Police. Petty cash advances must be pre-approved by the Chief of Police or a designee.
3. The Investigation Division’s Data Support Assistant also has access to petty cash and follows the same guidelines as the Chief of Police’s Administrative Manager.
4. All petty cash shall be secured in a lockbox and locked in an additional locking mechanism, such as file cabinet, desk, closet, etc.
5. Petty cash is managed, collected, and processed shall be subject to periodic audit by the Director of Finance or designee on a quarterly basis.

F. The Narcotics Unit Supervisor is responsible for requesting, receiving, maintaining, distributing and accounting for all Sundries Funds. Sundry funds are authorized for the following activities: Informant operations; Purchase of narcotics and associated costs related to the purchase of narcotics; Enforcement of liquor and gambling laws; vice investigations; for “flash money”; and Operational funds for supplies and equipment.

1. Expenditures exceeding \$3,000.00 must have prior approval of the Major over the Investigations Division

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2. The Supervisor of the Narcotics Unit is responsible for: maintaining a reporting system that identifies the initial balance, credits or returned (unused) funds, debits or expenses, and the current balance on hand; receipts or documentation of cash received; and receipts or documentation of transactions or expenses including invoices or other proofs of purchase.
3. Sundry funds will be audited internally on a quarterly basis by the Division Major. The quarterly audit and findings will be forwarded to the Chief of Police.
- G. Property auctions are held as necessary by the City of Kinston Purchasing Department. Monies are receipted and turned over to the City Financial Department for the use and benefit of the General Fund or appropriate Utility Fund less expenses incurred for costs directly related to the auction or sale of the property.
- H. The funds managed, collected, and processed by department personnel shall be subject to periodic audit by the Director of Finance, Chief of Police or their designee. The audit process will include a review and evaluation of the fiscal control procedures and practices utilized.
 1. The Director of Finance and the Chief of Police retain the right and authority to make announced and/or unannounced audits of the sundries fund to ensure proper fiscal control measures are being followed and preparation of financial statements.
- I. The department's fiscal activities are subject to the City of Kinston's annual audit which is conducted between July 1st and October 30th of each year pursuant to the North Carolina General Statute 159-34 herein referenced and incorporated.
- J. The Chief of Police or a designee is charged with the responsibility for procurement of Department-owned property. Department-owned property shall include installed property, uninstalled property, general equipment, vehicle, munitions and expendable items.
 1. Accountability for Department-owned property is a responsibility of the property management function under the authority of the Chief of Police or designee.
 2. All fixed assets maintained that are over \$5,000 (i.e. police vehicles, large property, etc.) are assigned an asset number for purposes of inventory control by the Financial



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3. At least once annually, each Division Major or their designee will account for these items to the Chief of Police by performing a physical inventory of the fixed and unfixed assets and reconciling actual fixed assets to the asset register maintained by the City of Kinston Finance Department. Upon approval of the Chief of Police this documentation shall be forwarded to the City's Finance Department.
4. The Administrative Manager shall be responsible for conducting internal monitoring of the following: department non-cash fiscal activities, travel, meal, and incidental expense reports, training expense reports and other open accounts.
5. The appropriate Division Major shall advise the Chief of Police, as necessary, regarding the status of non-cash fiscal activities in their areas of responsibility.

K. The Division Major or a designee shall be responsible for the issuance and distribution of approved department property to authorized users and for the maintenance of all records relative to that distribution. Initial issue of all department approved property shall be accomplished during the orientation process of the newly appointed employee. The items issued shall be documented on the Department Clothing/Equipment Inventory.

1. Items issued as replacement for agency property that has become worn, damaged, or is lost will be made at the request of the employee in need. The employee shall submit a form (supply/equipment/uniform request form) to the respective Division Major through the chain of command.
2. The request for reissue of department approved equipment shall include an explanation of the need for replacement of the items requested. When available, the items to be replaced shall be returned to the Division Major for repair or disposal.
3. It shall be the responsibility of the each Division Major or designee to ensure that stored department property is maintained in a state of operational readiness and in sufficient quantity to meet the on-going needs of the department.
4. Maintaining operational readiness of stored equipment includes: care and cleaning; preventive maintenance; repair; work-ability; availability.