



MILWAUKEE POLICE DEPARTMENT

STANDARD OPERATING PROCEDURE

267 – BUDGET AND FINANCE

GENERAL ORDER: 2022-XX
ISSUED: March 15, 2022

EFFECTIVE: March 15, 2022

REVIEWED/APPROVED BY:
Assistant Chief Nicole Waldner
DATE: February 21, 2022

ACTION: Amends General Order 2015-16 (May 11, 2015)

WILEAG STANDARD(S): 1.5.1, 1.5.2, 1.5.3,
1.5.4, 1.5.5

267.00 PURPOSE (WILEAG 1.5.1)

The purpose of this standard operating instruction is to establish the following:

- A. Procedures for the requisition and purchase of equipment, supplies, and services.
- B. Written directive that governs all financial records and documentation of all cash transactions or accounts involving agency personnel who receive, disburse, or maintain cash.
- C. Written directive requires that the fiscal activities of the agency are monitored and subject to periodic audit.
- D. Written directive governs the systems and procedures for control of agency property, equipment, and other assets.

267.05 POLICY

It is the policy of the Milwaukee Police Department that sound business practices are followed within the fiscal management of the department. Therefore, to ensure the financial integrity and accountability of the department's financial operations, all personnel shall follow the protocols set forth in this standard operating policy and procedure.

267.10 DEFINITIONS

A. APPROPRIATION

Money allotted for a specific purpose.

B. ENCUMBRANCE

A commitment in the form of a purchase order, contract, or similar item that will become payable when goods are delivered or services are rendered.

C. PRE-ENCUMBRANCE

Money reserved on a requisition for the purchase of goods or services. Once purchase is complete, it becomes an encumbrance.

D. REMAINING BUDGET

Part of an appropriation that has not been committed and is thus available for expenditure.

E. PROJECT MANAGER

Police department supervisor authorizing a purchase of goods or services.

267.15 PROCEDURES (WILEAG 1.5.1, 1.5.2, 1.5.3, 1.5.4, 1.5.5)

A. The following procedures shall be followed for the requisition and purchase of equipment, supplies, and services:

1. All purchases are to be made in accordance with [Chapter 16](#) of the Milwaukee City Charter, [Chapter 310](#) of the Milwaukee Code of Ordinances, and the Department of Administration (DOA) - [Purchasing Liaison Manual](#) (last updated on February 7, 2020).
2. When any single or related group purchase is \$5,000 or less, the project manager may authorize the purchase without DOA - Purchasing approval. If available, the project manager shall use their department-issued procurement card for such purchase. Otherwise, vendor invoice is to be approved and submitted to Budget and Finance for processing. When possible, a city-certified SBE vendor should be used.
3. When any single or related group purchase is between \$5,001 and \$10,000, the project manager shall obtain 3 quotes (if possible) using DOA - Purchasing's "Jumpstart" *Request for Pricing* form. The project manager should attempt to receive a quote from a city of Milwaukee certified SBE vendor when possible. Forms should be submitted to Budget and Finance where a requisition will be completed and submitted to DOA - Purchasing for processing.
4. When any single or related group purchase exceeds \$10,000, the project manager will communicate their needs to Budget and Finance. Budget and Finance will create all necessary forms and submit them to DOA - Purchasing for processing. Necessary forms include a requisition, [Request for Exception to Bid](#) form (sole and single source procurements), specifications, [IT Procurement Questionnaire](#) (IT purchases), [Contract Amendment Request](#) form, vendor quotations, and any other information required by DOA - Purchasing.
5. All professional services contracts, regardless of dollar amount, must be processed through DOA - Purchasing. For any purchase of service contracts, the project manager will communicate their needs to Budget and Finance. Budget and Finance will create all necessary forms and submit them to DOA - Purchasing for processing. The required forms include the same as referenced above in subsection 4.
6. When the need for immediate (emergency) purchase is needed, department personnel shall follow all applicable policies contained in the DOA - Purchasing

Liaison Manual.

B. ACCOUNTING SYSTEM AND STATUS REPORTS

1. The department utilizes a variety of programs and projects which are budgeted and expended through the city of Milwaukee's PeopleSoft Financial Management Information Systems (FMIS). Appropriate accounts and program numbers are to be charged for salaries and operating expenditures to ensure accurate reporting and tracking of budget.

Valid account and program numbers are available through the FMIS program or upon request from Budget and Finance.

2. Appropriations and expenditures are posted by the city of Milwaukee Comptroller's Office for all expenditures and encumbrances as they are incurred.
3. Reports are available as needed to review beginning and ending balances and expenditure/encumbrance activity. Any additional summaries, quarterly reports, and periodic reports, as requested by the city's Mayor, Department of Administration, Comptroller's Office, or auditors will be prepared in an accurate and timely fashion. Any necessary status reports will be maintained by Budget and Finance (e.g., salaries, operating budget, overtime).
(WILEAG 1.5.2.1, 1.5.2.2, 1.5.2.3, 1.5.2.4)

C. FINANCIAL RECORDS AND DOCUMENTATION OF CASH TRANSACTIONS

1. Reconciliation of permit sales and other miscellaneous revenues received by the district stations.
 - a. Budget and Finance shall receive and audit all cash deposit forms related to the sale of parking permits, witness fees, bails, and fingerprint services by the districts stations. Only sworn work location supervisors, the desk sergeant, or acting desk sergeant shall be allowed to disburse or accept cash at district stations. Forms that are to be submitted by the districts include:
 1. *Daily Departmental Report - Cash Receipts* (form PD-5)
 2. *Deposit Transmittal to the City Treasurer's Office* (form PD-23)
 3. Validated teletype(s) for transactions collected for outside jurisdictions.
 4. Copies of validated computer printouts of municipal writs.
 5. *Bails for Other Jurisdictions* (form PB-14)
(WILEAG 1.5.3.5)
 - b. Forms are to be submitted for each business day unless otherwise instructed by Budget and Finance.

2. Reconciliation of record and copying fees and other miscellaneous revenues received by Open Records.
 - a. Budget and Finance shall receive and audit all cash deposit forms related to record and copying fees. Any member assigned to Open Records shall be allowed to disburse or accept cash. Forms that are to be submitted by Open Records include:
 1. *Daily Departmental Report - Cash Receipts* (form PD-5)
 2. *Deposit Transmittal to the City Treasurer's Office* (form PD-23) (WILEAG 1.5.3.5)
3. Milwaukee Police Department Draw Fund
 - a. The Special Investigations Division police lieutenant shall authorize all transactions and maintain the cash fund for the purposes of investigating drug and gang-related crimes.
 - b. An *Expense Voucher* form (form PE-12), which includes the following information: type of investigation, date and amount of money received, amount spent, and the date and amount of money returned shall be completed upon conclusion of the investigation. This form shall be signed by the person who received the money and the person who the money was returned to.
 - c. At the time a cash draw is given for an investigation, a receipt (form PC-2) shall be completed, which includes the date, amount given, and draw number. This form shall be signed by the authorizing supervisor, the person who gave out the money, and the person receiving the money.
 - d. Reconciliation reports shall be submitted to Budget and Finance when these draw funds need to be replenished.
4. Authorization of Petty Cash Disbursements
 - a. All petty cash disbursements shall go through Budget and Finance and will be processed by an Accountant I (Petty Cash Custodian). Petty cash requests can be processed up to \$100.00.
 - b. Upon receipt of a petty cash request, the Accountant I shall:
 1. Receive the receipt from an individual.
 2. Petty cash custodian reviews the receipt for:
 - a. Date of the transaction.
 - b. Specific description of item(s) purchased.

- c. Dollar amount to be reimbursed (not to include sales tax).
 - d. Any written information is legible and only blue or black ink is used.
3. Tape the receipt to an 8-1/2" x 11" piece of paper.
4. Complete a *Petty Cash Sub-Voucher* form. The form should include:
- a. Purpose of expense that is clearly documented (e.g., it should be clear that the expense was for city of Milwaukee business).
 - b. If the reimbursement is for a service, a *Statement of Expenses Incurred* form (form C-211) is to be completed. This form can be found on the city's MINT on the "Employee Resources" site.
 - c. If the items purchased were for a meeting, the following items must be documented:
 - i. Date of meeting.
 - ii. Place of meeting.
 - iii. Purpose of meeting.
 - iv. List of individuals in attendance.
 - v. Title/department or corporate representative for each individual in attendance.
 - vi. Copy of brochure and/or meeting invitational flyer (if applicable).
 - d. The accounts to be charged are added to the *Petty Cash Sub-Voucher* form.
 - e. Form shall be signed by the individual being reimbursed. Individual is then reimbursed.
 - f. Petty Cash Custodian signs the form and retains for reconciliation.
(WILEAG 1.5.3.1, 1.5.3.2, 1.5.3.3, 1.5.3.4, 1.5.3.5)

D. MONITORING AND AUDIT OF DEPARTMENT'S FISCAL ACTIVITIES

- 1. Monthly financial reports are to be created by Budget and Finance to monitor all expenditures of the department.
- 2. All fiscal activities shall be monitored by the managing personnel responsible for such activity. All fiscal activities shall be audited annually by an external accounting firm through the city of Milwaukee's Comptroller Office (per city policy).
(WILEAG 1.5.3.6)

- E. The systems and procedures for control of agency property, equipment, and other assets are as follows:
1. Department-wide equipment – All locations shall maintain a complete list of all city property purchased with equipment funds valued over \$5,000 (threshold for fixed asset designation) that are under their care and custody and with which they are chargeable. Each location is to submit a copy of such list on an annual basis at the beginning of each calendar year to their respective bureau commander.
 2. Each officer shall be responsible for the safe return in good condition or a proper and satisfactory accounting therefore at the expiration of his term of office.
 3. Each location shall conduct a complete and accurate physical inventory of fixed assets at least once every 7 years. Any fixed assets purchased with federal grants/monies shall be inventoried biannually. The purpose of the physical inventory would be to verify the *Fixed Asset Report* accurately identifies fixed assets in the field.
 4. Each work location shall annually conduct a complete and accurate physical inventory of items requiring a high degree of control assigned to the respective work location. This inventory shall include, but is not limited to, an inventory of all handguns, shotguns, rifles, and electronic control devices assigned to the respective work location. Members shall refer to the Internal Affairs Division Inspection Areas, Standards, and Tools SharePoint page for a complete list of inventories that shall be conducted on an annual basis. Commanding officers of each work location shall document the results of the inventory and submit the report to their respective bureau commander for review.



JEFFREY B. NORMAN
CHIEF OF POLICE