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	SUBJECT		EFFECTIVE DATE
	Virginia Beach Police Department General Order Chapter 4 - Reporting and Fiscal Management		02/22/2021
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ALL			
BY THE AUTHORITY OF THE CHIEF OF POLICE: PWN			

Purpose

The purpose of this general order is to describe the department’s budget process, fiscal management process, and purchasing procedures.

Policy

Members will follow the procedures outlined in this order and all related City of Virginia Beach and Police Department fiscal, budget, and property management policies. Related City of Virginia Beach policies include and can be found at:

Chapter 5 of the City of Virginia Beach Charter
 Administrative Directive [4.01](#) (Petty Cash Funds)
 Administrative Directive [7.01](#) (Resource Administration)
 Administrative Directive [6.01](#) (Asset Management)
 City of Virginia Beach, Finance Department, Purchasing Division, [Purchasing Manual](#)
 City Travel and Procurement Card Manual Procedures Manual
 Financial Services (Beachnet)
 Department of Finance Asset Management Manual

Definitions

Appropriation: Legal authorization from City Council to make expenditures and incur financial obligations on behalf of the City. Appropriations for each program area are outlined and approved by City Council each fiscal year in the Adopted Operating Budget and Adopted Capital Improvement Program.

Audit: An examination and verification of an individual’s or entity’s financial records, accounting records, and supporting documentation to verify its accuracy.

Beachnet: The City’s internal Intranet site

Capital Asset: Capital assets are land, improvements to land, buildings, building improvements, vehicles, machinery & equipment, information technology hardware, works of art and historical treasures, and infrastructure assets that are used in operations and that have initial useful lives extending beyond a single reporting period of one year. These items have significant value and will be capitalized and are maintained in the Comptroller Division’s capital asset system (InSITE). Capital assets have an acquisition cost that is equal to or greater than \$5,000. It can be tangible in nature, retaining its original form and appearance with use and is not consumed in operational activities (supplies). Or it can be intangible in nature, such as computer software with a combination of consulting/design, purchase, and testing and implementation costs in excess of \$50,000. The historical cost of a capital asset includes, the acquisition or construction

costs and ancillary charges required to place the asset in its intended location, service capacity and condition for use.

Controlled Accounts: The aggregate total of these types of accounts must balance on their own. These are Personal Services (City financial account codes 601s and 602s must balance in aggregate), Capital Purchases (607s must balance in aggregate), and Land Structures and Improvements (609s must balance in aggregate).

Controlled Asset: Tangible property that has an expected useful life of more than one year with an acquisition cost of less than \$5,000 may be classified as a controlled asset. In addition, controlled assets are items that require special attention to protect public safety, avoid potential liability, or require higher than ordinary levels of accountability including items acquired by grant or items with other source funding provisions. Controlled assets while useful and valuable to the City are not capitalized or tracked in the Comptrollers Division asset application and are not captured in financial reports. Classifying, tagging, and managing property as a controlled asset is determined at the departmental level. Examples of controlled assets are items, such as laptops, microcomputers, and weapons.

GOVMAX: City of Virginia Beach centralized budgeting system

Department Director: Person in charge of a City department, such as Chief of Police

Department of Budget and Management Services: The City department responsible for budget and capital program policy development

Encumbrances: Funds that have been obligated for goods or services, but not yet expended

Fiscal Year: City's fiscal year begins July 1 and ends June 30

Grant: Funding awarded to an individual or entity by another level of government or by an outside agency or organization, which meets the following requirements:

- The funding supports a public purpose.
- The funding is for a specified period of time.
- An application process is required to obtain the funds.
- Acquiring the funds is generally the result of a competitive process.
- Periodic reports are required to be submitted to the granting agency.
- The grant is subject to audit by the granting agency.

Grantee: The individual or agency receiving a grant

InSite: Centralized financial system used by the City of Virginia Beach

Non-Controlled Accounts: City financial object codes numbered 630s, 640s, 650s, and 660s. These accounts must balance in total.

Purchase Requisition: The City's official form to requisition goods and services.

Purchase Order: An official and binding purchasing agreement between the seller and the buyer.

Target Budget: Initial total funding amount allocated to a department when preparing their fiscal year budget

Unencumbered Funds: Funds available for use

VB Procurement Card: A corporate credit card issued for the purpose of enabling departments and offices to acquire and pay for needed materials in a timely and efficient manner.

Vendor: One who sells something; a “seller”

WORKS: Bank of America’s transactional system which allows workflow approval and monitoring of procurement card transactions by all who have access.

Fiscal Management Authority (CALEA 17.1.1)

Chapter 5 of the City of Virginia Beach Charter provides City departments with their main responsibilities regarding budget management and control. Section 5.03 designates each City Department Director as having authority and responsibility for fiscal management of their respective City department. Chapter 5 and City Administrative Directive 7.01 outline additional responsibilities of the Department Directors, including the responsibility to maintain a balanced budget at the end of the fiscal year. The Chief of Police, the Police Department’s department director, has the authority and responsibility for fiscal management of the Police Department.

Requisition and Purchase of Equipment and Supplies (CALEA 17.3.1)

The City of Virginia Beach strives to assist city agencies in the procurement of quality goods and services, at the proper place and time and in the appropriate quantity to meet their needs while promoting maximum competition and fairness, complying with legal and budgetary requirements, and maintaining a reputation for fairness and integrity.

Methods of Procurement

There are five methods of procurement. The City’s Finance Department, Purchasing Division, can provide further guidance on their use.

- 1) Small purchases involving the procurement of goods and services under \$100,000. This is the most common method for most day-to-day items.
- 2) Competitive Sealed Bids. Purchasing solicits competitive sealed bids for goods and services with a dollar value of \$100,000 or more.
- 3) Competitive Negotiations. Services or insurance may be procured by competitive negotiations upon a written determination by Purchasing that competitive sealed bidding is neither practical nor fiscally advantageous.
- 4) Sole Source. Upon a determination in writing that there is only one source practically available for what is to be procured, a contract may be negotiated and awarded to the source without competitive sealed bidding.
- 5) Emergency Purchases. An emergency service is a situation in which the immediate public health, safety, or welfare is involved, or the purchase is required to protect or preserve public properties without delay.

Standardized Purchases (CALEA 17.3.1 A)

In general, the Purchasing Agent has delegated to all Using Agencies the authority to purchase goods or services under \$5,000 as specifically identified in City Code Section 2-214.1, Purchasing Authority. The Virginia Public Procurement Act 11-35 Code of Virginia 1950 as amended, City Administrative Directive 6.01, and City Administrative Directive [6.09](#) to provide further guidance on public policies pertaining to

governmental procurement from non-governmental sources. Examples of items purchased under this process include, but are not limited to, ammunition, paper range targets and veterinarian supplies. The City Finance Department's Basic Procurement Manual can be accessed through Beachnet (City's Financial Services Purchasing) and should be consulted for all purchasing related issues.

Capital Outlay Asset Management

This section provides a guide for capital outlay purchases, inventory, disposition, and other documentation to assure compliance to City Administrative Directive 6.01 and the Finance Asset Management Manual. The Police Department must ensure proper stewardship and accountability of public funds and property under its ownership.

Policies regarding inspections and inventories of non-capital controlled items owned by the Department are found in General Order 1.08 Inspectional Services and 4.04 Uniform and Supply/Department Inventory.

Requisition and purchase order descriptions must accurately identify the asset purchased. Descriptions must identify the supply, equipment, good or other type of purchase in particular order so that these purchases can be accurately identified and categorized in the City's capital asset application (InSITE). Requisitions for capital outlay items will be done using a 607XXX object code. An example can be found in the City's Asset Management Manual.

The Police Department's Financial Specialist or the Police Accountant in the Support Division will be responsible for coordinating the purchase of all capital assets other than those purchased through the Asset Forfeiture Program. The Police Department's Special Investigations Bureau is responsible for purchasing, tracking, and controlling assets obtained through the Asset Forfeiture Program, including vehicles.

Upon receipt of new or replacement capital assets, the Financial Specialist or Police Accountant in the Support Division or the Special Investigation's Administrative Technician, as appropriate, will ensure that a DF-26 City Asset Inventory Transaction Form is completed and forwarded to Finance Accounts Payable with the payment voucher.

The command physically possessing the capital asset will attach the City of Virginia Beach six digit identification tag (ID Tag) to the recorded asset. The ID Tag will be used as the asset inventory number when the asset is added to the City's capital asset system (InSITE) and on all capital asset forms and reports.

Note that Public Works/Fleet Management is accountable for the physical inventory and asset management of rolling stock and ComIT is responsible for the physical inventory and asset management of all technology hardware and software assets.

Each capital item should include the following at a minimum in InSITE:

- Asset Number
- City Tag Number (all capital items and other applicable items)
- Asset Description and Location
- Model and Serial Numbers
- Asset Purchase Value and Date of Receipt
- Asset Owner such as budget unit

Capital items will be inventoried every even numbered calendar year. With the exception of capital items obtained through the Asset Forfeiture Program, the Support Division's Accountant will be responsible for conducting this inventory, maintaining the inventory list, and reporting findings to the Chief of Police. The

inventory of capital items obtained through the Asset Forfeiture Program will be conducted and maintained by Special Investigations.

When transferring assets to other departments, complete DF-26 and send to the Finance Comptroller's Capital Asset Unit.

When disposing of an asset, departments must complete a DF-26 form and submit to the Finance Purchasing Division for direction. The disposal section of the Asset Management Manual will replace AD 6.01, Asset Disposition.

City employees are not permitted to convert any City owned asset to personal use.

The purpose of conducting a physical inventory of assets include:

1. To verify and ensure the accuracy of the (InSITE) asset list for the Police Department.
2. To verify the physical count, condition, and location of an inventory item and to ensure that it is properly documented.
3. To identify and add assets that are on hand and qualify to be a capital asset, but are not included in the Finance fixed asset system (InSITE).
4. To ensure that legitimately transferred or disposed assets are removed from our inventory listing.
5. To reconcile the physical verification with the Finance (InSite) asset system records.

Inventory Steps

1. Run the Asset Inventory Report from InSITE.
2. Visually verify the existence of each item on the asset list
3. Verify the accuracy of the asset details:
 - a. City ID Tag
 - b. Make, model and serial number (if visible)
 - c. Asset description
 - d. If applicable – building, floor and room number
4. Identify surplus assets for possible transfer or disposal
 - a. If not visually identified note that it was not found on the inventory list (complete form to remove asset, step 8 below)
5. Reconcile and resolve all discrepancies to asset list
 - a. Research items that were transferred and not documented
 - b. Research items that were disposed and not documented

- c. Research items that are on-hand but not on the asset list
6. Apply new asset ID tags to all assets missing ID Tags – update asset list and list corrections on asset reconciliation form. Lost or destroyed ID numbers cannot be reassigned.
7. Complete the Departmental Asset Physical Inventory Reconciliation Form for all asset discrepancies, obtain required approval and forward to Finance Comptroller
8. Run an updated Asset Inventory Report from InSITE.
9. Review inventory process and internal controls and revise as needed.
10. Make adjustments to the process as needed.

When possible the employee(s) conducting the inventory should not have had a role in the purchase, receipt, payment or record keeping of the asset.

Bidding Procedures (CALEA 17.3.1 B)

Small purchases, competitive sealed bids, and competitive negotiations that appear under methods of procurement require bids from vendors. Virginia Beach Police Department personnel utilizing delegated procurement authority must seek bids in the form of price quotes from vendors to insure fairness in competition.

City of Virginia Beach Finance Department will coordinate purchases on behalf of the Virginia Beach Police Department utilizing competitive sealed bids or competitive negotiations. For information on the bidding procedure and the criteria of selection of bidders and vendors refer to City of Virginia Beach Finance Department, Purchasing Division and Purchasing Manual.

Criteria for the Selection of Vendors and Bidders (CALEA 17.3.1 C)

All selections will be made following the fundamental principle for competitive procurement.

- All procurement procedures will be conducted in a fair and impartial manner and with avoidance of any impropriety or the appearance of impropriety.
- All qualified vendors will have access to public business.
- No bidder will be arbitrarily or capriciously excluded.
- Competition will be sought to the maximum feasible degree.
- Rules governing contract awards will be made clear in advance of the competition.
- Specifications will reflect the procurement needs of the City rather than being drawn to favor a particular vendor.
- The City and vendors will freely exchange information concerning what is sought to be procured and what is offered.

Emergency Purchases/Rentals (CALEA 17.3.1 D)

Emergency purchases with a cost of \$5,000 or less may be made directly from the open market to resolve an emergency. The procedures for acquiring items under emergency conditions with a cost of more than \$5,000 fall into two separate categories – during normal working hours and not within normal working hours.

- Emergency During Normal Working Hours

The City's Purchasing Agent has authority to secure, by open market procedure, at lowest obtainable price, any supplies or contractual services, regardless of the amount. The Deputy Chief of Police, or designee, will be advised of the nature of the emergency and the goods or services required and approve that purchase. To the extent possible during an emergency, the department should assure that they are obtaining the goods or services at the lowest possible price and contact multiple sources and contact the City's Purchasing Agent/Division with that information prior to the purchase. Records should be maintained on who was contacted and prices quoted. Once the supplies or services are obtained, the Deputy Chief of Police, or designee, will subsequently file a requisition and copy of the delivery records, together with a written report of the circumstances of the emergency, signed by the Chief of Police, with the City's Purchasing Department. A copy of these records will also be forwarded to the Support Division's Financial Specialist.

- Emergency Not Within Normal Working Hours

The Deputy Chief of Police, or designee, will be advised of the nature of the emergency and the goods or services required and approve that purchase. To the extent possible during an emergency, the department should assure that they are obtaining the goods or services at the lowest possible price and contact multiple sources. Records should be maintained on who was contacted and prices quoted. Once the supplies or services are obtained, the Deputy Chief of Police, or designee, will subsequently file a requisition and copy of the delivery records, together with a written report of the circumstances of the emergency, signed by the Chief of Police, with the City's Purchasing Department. A copy of these records will also be forwarded to the Support Division's Financial Specialist.

The primary difference between emergency purchases during normal working hours and not within normal working hours is the prior notification of the Finance Department's Purchasing Division of the need to make the purchase.

Supplemental Appropriations and Funds Transfers (CALEA 17.3.1 E)

The Chief of Police, or designee, must send a transfer request to Management Services if the transfer affects the controlled accounts of personnel (601's), fringe benefits (602's), capital outlay (607's); transfers of funds between departments; transfers of appropriations across appropriation units, transfers of appropriations from Reserve for Contingencies; or transfers that affect capital project accounts. These transfer requests must be equal to or less than \$100,000. The Budget Adjustment Request form can be accessed on the Financial Services Budget tab on Beachnet.

All transfers above \$100,000 must be approved by the City Council. To request a City Council transfer, download the Agenda Request Form and Ordinance Journal Voucher Form and information requirements on the forms from Management Services' site on Beachnet, and submit one copy of each electronically via email and one signed hard copy of each form to Management Services.

Small Purchase/Travel Card (VB Procurement Card)

The City has established a procurement card program to streamline the acquisition and payment process for low-dollar-value goods and for employees' city business travel costs to reduce paperwork and administrative costs. The City's Finance Department administers this program. The card may be used to make any authorized payment purchase up to the delegated procurement authority established by the City's Purchasing Agent. Neither a small purchase nor a travel transaction may exceed \$5,000.00. Each card is limited to \$15,000 in charges per billing cycle. All rules governing small purchases apply to procurement card purchases.

The Financial Specialist assigned to the Police Support Division is the designated program manager for the Police Department's use of the VB Pro Card. To avoid a conflict of interest, the program manager will not have an issued VB Procurement Card. All requests for the VB Procurement Card will be made through the Police Department's program manager. The program manager will also review all of the Police Department's VB Procurement Card transactions by the closing of the City's monthly billing cycle.

Each card holder and the card holder's commanding officer will receive a copy and abide by the procedures set forth in the Virginia Beach Procurement Card Internal Control Procedures – Department of Police. Failure to abide by these procedures can result in the forfeiture of the VB Procurement Card and could also result in personal reimbursement of non allowable expenditures.

The City of Virginia Beach does not authorize the use of any other credit card for City business.

Specific guidelines and procedures of the VB Procurement Card program are available on the Financial Services Procurement Card tab on Beachnet (City Travel and Procurement Card Procedures Manual).

Travel and Training Reimbursements (CALEA 33.1.3)

Travel must be shown to be a benefit to the public, support confidence in our decisions and actions, and represent stewardship of the public's funds. Detailed guidelines and instructions are defined in the City's travel procedures (Administrative Directive [4.06](#) available on Beachnet). Costs eligible for reimbursement include mileage, meals, housing, fees, books, and materials. Personal expenses are not reimbursable. These include, but are not limited to, personal entertainment, toiletry items, loss of funds or damage to personal belongings, trip insurance, childcare, and personal vehicle repairs or towing.

Travel Authorization

The Chief of Police, or designees, may grant authorization for business travel, travel advances, and travel reimbursements. Estimated travel costs exceeding \$1,000.00, including the cost of the training tuition, must be approved by the Chief of Police via the employee's chain of command. The appropriate Deputy Chief of Police, or designee, or manager may approve estimated travel costs of up to \$1,000.00.

Reimbursement Requirements

All claims for reimbursement must be recorded on the City's standard Travel Expense Voucher form (DF 8-4) and should include all signatures, mileage charts (if applicable), copy of training brochure, course syllabus (if available) and receipts. All expenses must be reasonable and are subject to review and adjustment. According to City Policy, these claims must be settled within 20 days from the return date of travel. All reimbursement claims must be sent to the Support Division's Financial Specialist via the chain of command within 15 days from the travel return date prior to its delivery to the Finance Department. The Financial Specialist will review the paperwork and log its receipt.

Housing, transportation, tuitions, books or materials for training can be paid in advance through the normal billing process or at the sight of training provided a receipt is obtained and included within the travel expense voucher.

Accounting System (CALEA 17.4.1)

The City of Virginia Beach utilizes an accounting system that records all financial transactions made by each department within the City. At a minimum, the system is updated on a daily basis and reports can be accessed by authorized personnel upon request, but at least monthly by budget unit directors.

The City of Virginia Beach's centralized accounting system InSite designates specific budget unit numbers that are used to record the Police Departments' financial transactions. All budget units will have at least one person trained to use this system. The Deputy Chief of Police, or designee, and/or budget unit managers will utilize this system to regularly monitor expenditures, encumbrances, and balances. Multiple budget units and object codes (subsets of budget units) will be used within the Police Department to reflect the financial appropriations and transactions in different areas of the department. The Support Division Manager will have the ability to authorize the use of the accounting system to designated personnel within the department.

The accounting system allows authorized users to access reports reflecting financial activity within the Police Department's budget units. The reports include:

- The initial appropriation for each account
- Balances at the beginning of a specified period (Monthly)
- Expenditures during a specified period (Monthly)
- Encumbrances during a specified period (Monthly)
- Unencumbered and unexpended balances following a specified period (Monthly)

The initial appropriation of each budget unit will be formally authorized by City Council prior to the beginning of the budget year.

Cash Funds (CALEA 17.4.2)

Cash funds and accounts allow authorized department personnel to receive, maintain, or disburse cash, and a comprehensive list of these funds is maintained by the Police Department's Support Division and is listed in Appendix I of this order. Each of these funds and accounts must maintain at a minimum:

- A ledger or financial report that identifies initial balance, debits, credits, and the balance on hand
- Receipts or documentation of cash received
- Documentation, receipts or invoices for each cash disbursement
- Authorization for personnel to accept or disburse cash
- Quarterly accounting of agency cash activities
- Quarterly reconciliation reports submitted to the Support Division Financial Specialist.

The purpose and procedure to establish petty cash funds to be maintained by department personnel is outlined in City Administrative Directive 4.01, and procedure is described in the Police Department's Petty Cash Procedure (PD-127P). Cash funds within the department must be authorized by the Department Director or Support Division Manager.

Virginia Beach Police Department personnel entrusted with cash accounts are permitted to disperse up to \$500.00 per item without the approval of the Chief of Police. Purchases up to \$1,000.00 can be made with petty cash, but requires prior approval by the Chief of Police or Division Commander or Manager. The use of petty cash is not appropriate for purchases of \$1,000.00 or more.

Virginia Beach Police Department personnel responsible for cash accounts or tills will submit a quarterly reconciliation report (PD-127) along with the required documentation of expenditures to the Financial Specialist in the Support Division within 30 days of the end of each quarter. When requesting funds to reimburse the account for expenditures, custodians of cash accounts will make a request to the City of Virginia Beach Finance Department utilizing the Petty Cash / Change Fund Reconciliation and Replenishment

Form. The Financial Specialist will retain the quarterly reconciliation reports (PD-127) for a period of three years at which time they may be properly destroyed.

Budget Process (CALEA 17.2.1)

The Support Division Manager and designated fiscal staff will assist the Chief of Police by coordinating the preparation and management of the fiscal year operating and capital improvement budgets.

In general, the following schedule will be used in preparing the fiscal year operating budget. Specific deadlines, forms, and instructions will be forthcoming at the beginning of each annual budget cycle as those procedures may be changed each year by the City's Department of Budget and Management Services. Management Services posts detailed instructions and deadlines on their Intranet site (Beachnet).

- The fiscal year runs from July 1 through June 30.
- August – September: Department divisions and bureaus begin to prepare a listing of needs for the upcoming fiscal year. Capital Improvement Program requests are submitted to the appropriate City department.
- October – November Budget and Management Services provides “target budget” figures to City departments; command staff and/or executive team members discuss budget needs with the Chief of Police; departments prepare proposed line-item budgets for each individual budget unit including requests for new or expanded programs.
- January: Department Directors meet with the City Manager and City's Management Leadership Team to discuss their department's proposed budget.
- February – March: The City Manager makes final decisions on the City's proposed budget to City Council with submission in late March.
- April – May: Individual department budget meetings held with City Council; public hearings are held; final budget adoption in early May.

Budget Responsibilities of Command Staff (CALEA 17.2.2)

Each Division of the Virginia Beach Police Department will have a method of gathering input regarding the needs of each command as they relate to the budget process for each upcoming budget cycle.

Division and bureau commanding officers will prepare written budget recommendations specific to their assigned function to the Chief of Police as part of the operating budget process. These recommendations will be completed in the form designated by the City's Department of Management Services – typically in the specific form of program proposals or the use of the City's automated budget system (GovMax). Management Services' Intranet site on Beachnet provides budget instructions and forms. Only approved users of GovMax have access to that system through the City's wide area network.

Division and bureau commanding officers will be responsible for assuring, on a continuous basis, that the expenditures and encumbrances within their assigned budget units do not exceed the total department appropriation. They will also assure that the budget unit's controlled accounts remain in balance, and that the aggregate total of expenditures and encumbrances for non-controlled accounts (630s, 640s, 650s, and 660s) does not exceed the aggregate total appropriated for those accounts for the budget unit. The City's automated financial tracking system (InSite) provides a continuous balance of funds available.

The Support Division's financial and budget staff will meet periodically (as determined by the Chief of Police) with the Chief of Police, Deputy Chiefs, and budget unit managers to review current balances, projected expenditures, and discuss potential future budget needs and issues. If deficits are detected or

projected for a budget unit's salaries and fringe benefits accounts in aggregate or operating accounts in aggregate, the Chief of Police and appropriate Deputy Chief will be notified by Support Division staff.

Division and bureau commanding officers will be responsible for ensuring that no new, enhanced, or expanded program creates a fiscal liability to the department beyond the funds approved for that program.

Grant Management

Grant funds aid the Police Department by using funding from State, Federal, and other agencies to further its goals stated in the mission statement. City Administrative Directive 1.05 describes the responsibilities of Management Services, the Finance Department, Department of Human Resources, and the grantee department in the grant management process. In order for the Police Department to be compliant with City Administrative Directive 1.05, the following procedures have been established.

- 1) Identify the grant funding opportunity and ensure the funding will further the Police Department's mission.
- 2) Contact the Police Department's Accountant
- 3) Police Accountant will notify the chain-of-command of the opportunity, cost, time, and guidelines of the grant
- 4) If the grant is approved by the chain-of-command and Management Services, the application will be completed, signed by the City Manager, or designee, and sent with the proper paperwork to Management Services and the granting agency.
- 5) If the grant is fully or partially awarded to the Police Department, it will be submitted to the Chief of Police and Management Services for approval, and City Council if deemed necessary.
- 6) If approved, the Police Department's Accountant will work with the proper personnel to ensure the grant is being administered according to all grant guidelines.
- 7) Each grant will be assigned a point-of-contact who represents the precinct/bureau on all grant matters and assists the accountant on operational issues.
- 8) The Police Accountant will have the ultimate responsibility to assure that all grant conditions are being met, required financial and operational reports are being submitted within their deadlines, and that expenditures do not exceed appropriations for the grant. However, the precinct/bureau that is operating the grant will provide appropriate documentation and other information as needed within the timelines communicated by the Police Accountant.

Asset Forfeiture (CALEA 84.1.8)

The Police Department has designated Special Investigations with responsibility to record and account for the receipt of funds or property and the expenditure of funds from seizures and forfeitures. Expenditures occur based on the direction provided by the Chief of Police. Funds are held in the Forfeiture Asset Sharing Fund until expenditures occur.

The Department's Property and Evidence Unit maintains and uses the "holding account" in which all monies that are seized are held until the court issues an order directing the distribution of funds.

When the court adjudicates seizures, court personnel provide Special Investigations with the court order. If the seizure meets the Virginia Department of Criminal Justice Services guidelines, DCJS distributes the funds in accordance with the court order. Otherwise, funds are distributed by Special Investigations.

If the federal government shares forfeitures with the Police Department, Special Investigations insures that the funds are deposited into the Forfeited Asset Sharing Fund.

The Chief of Police determines how forfeited funds for property will be expended in accordance with the law. Special Investigations maintains a ledger of all revenues and expenditures so that the Chief of Police can always be aware of balances. Requests for expenditures are reviewed by Special Investigations to insure that all comply with the governing statutes and are then forwarded to the Chief of Police. An ordinance is submitted to City Council for final approval and appropriation.

Audit of Fiscal Activities (CALEA 17.4.3)

In accordance with Virginia Code, an independent citywide financial audit is mandatory on a yearly basis. Other fiscal audits are performed to minimize the risk of theft within the department and are encouraged under City Administrative Directive 4.01. They are most effective when they are carried out on areas of the department where cash or valuables are most readily assessable to personnel. These audits ensure all cash, property, and other valuables are accurately accounted for and deter illegal activities within the Police Department.

Petty Cash Audits

An audit of all petty cash funds in the Police Department will be carried out on an annual basis during the department's inspection process. The petty cash audits will be carried out as follows:

- The Police Accountant will meet with each person responsible for petty cash during the annual inspection process.
- The Police Accountant will mark **Satisfactory or Unsatisfactory** on each of the following points:
 1. The Petty Cash Ledger (PD-127) is being maintained and updated with each transaction
 2. Original receipts are sent to Finance for reimbursement and copies of receipts are retained on site
 3. Petty cash fund is being replenished at a minimum of once per calendar month for each month where activity has occurred.
 4. Petty cash is being reconciled on a quarterly basis using the Quarterly Reconciliation Report (PD-127).
 5. Cash on hand is equal to the total petty cash account less any outstanding receipts and outstanding reconciliation requests.
 6. All expenditures are appropriate and allowable under City policy.

Any material discrepancies will be reported to the Police Department's Support Manager immediately. If the petty cash holder receives an unsatisfactory mark, a follow-up audit will take place within 90 days to ensure proper changes are made. Any further discrepancies will be reported to the Support Manager.

An audit will also be performed prior to any Police Department employee responsible for petty cash being transferred, terminated, retired, or leaving his/her current job.

Prisoner Transportation Program Audits

The Prisoner Transportation Program accounts for expenditures incurred to carry out extraditions for the State of Virginia and the reimbursement of those funds. The Police Department's Accountant will review all paperwork and financial transactions related to the fund on a continuing basis. Any discrepancies found during the review will be reported directly to the Support Division Manager immediately.

Other Audits

Audits and inspections within the Police Department can take place at any time at the direction of the Chief of Police, Deputy Chief of Police, Division Manager, or Commanding Officer of Professional Standards. All findings during the audit will be reported to the command staff within ten days.

Confidential Fund Audits (CALEA 43.1.3)

Any confidential funds maintained by commands will be audited at least quarterly by the commanding officer of the organizational component, or designee that controls the fund. Reports of such audits will be forwarded to the Support Division Accountant.

Military Surplus Property/Defense Reutilization and Marketing Office (DRMO)

The Military Surplus Property/Defense Reutilization and Marketing Office (DRMO-1033 Program), offers a wide variety of military surplus items no longer maintained by the government to participating law enforcement agencies. Authorized screeners from participating agencies may select property at any Defense Reutilization and Marketing Office (DRMO) for law enforcement purposes. Authorized Virginia Beach Police Department screener(s) will determine if the property being assessed is suitable for our organization's needs and if it requires a waiver from the Criminal Justice Service Board. Property may be located by the screener from various military sources including; on site evaluation, Internet inquiry and any other available government inventory sources.

Equipment Accountability

Authorized department screeners shall be appointed by the Chief of Police, or designee, and shall sustain knowledge of all terms, conditions and legal standards outlined in the DRMO-1033 Program. With the majority of DRMO properties being assigned to Special Operations, the DRMO Coordinator will be assigned to Special Operations and appointed by the Commanding Officer of Special Operations. The DRMO Coordinator shall maintain a current inventory of DRMO properties for the Department, which includes:

- The date of acquisition
- The item's location
- An assessment of the item's condition and the feasibility of maintaining the item.
- How the item is being utilized
- Any waivers associated with the equipment

Any lost, stolen or illegally diverted property will be reported to the appropriate department Commander. A prudent criminal and/or internal investigation should determine proper accountability of these items. The State Police Coordinator should be promptly advised of these circumstances.

Authorized department screeners will be responsible for the acquisition, distribution, tracking and disposal of military surplus property obtained through the DRMO-1033 Program.

Authorized department screeners shall deliver all weapons including: any firearms, tasers, less than lethal weapons and weapons designed to discharge a missile or chemical agent to Police Services prior to any use for inclusion in the Virginia Beach Police Department weapons inventory. Weapons included in the Virginia Beach Police Department weapons inventory shall not be duplicated in the DRMO inventory.

Donations:

The commanding officer of the Professional Standards Division is the Police Department's designee to oversee all donations to the department and to serve as the liaison to Management Services regarding all donation issues. This designation shall remain personally with the commanding officer of PSD and shall not be delegated.

Although City Administrative Directive 1.18, in Section 2.0, Process (6) states that donations with an estimated value of less than \$5,000.00 are not required to be tracked or reported, all donations to the police department shall be reported to the department designee who shall maintain documentation of all such donations. Donations made by current members of the department with an estimated value of less than \$100.00 are not required to be documented. The department designee shall create and distribute a standard format for documenting donations. Such reporting/documentation shall include: the date the donation was received, a general description of what was donated, the estimated value of the donation, the department entity that would benefit from the donation, the authorizing supervisor (normally the Chief of Police, unless such authority is delegated by the Chief), and the City or department inventory number for the item, if assigned. Other than those items listed below, no donations received shall be placed into use by department personnel until the acceptance of the item(s) is formally indicated by the Chief's signature on the form noted above.

Below is a list of commonly donated items received by the department. As indicated by the list, authority to accept such items, without the signature of the Chief of Police, is delegated to the person filling the role as indicated. Those items which are commonly donated may change from time to time, and the below list may be updated periodically. Delegation of this accepting authority does not imply that any and all such donations should be accepted, regardless of the nature of the item, the estimated value or source. Those delegated accepting authority should use good judgment when determining what is appropriate to accept, always ensuring that receipt of the donations will not diminish the stature of the department or the members benefitting from the donation in the eyes of the public.

Items Commonly Donated to the Police Department and Authorized Accepting Authority

Authorized Accepting Supervisor – Shelter Manager

- Newspaper
- Animal bedding of various types
- Cat litter
- Food for animals in the shelter
- Animal toys
- Services (i.e., grooming, training, veterinary, etc.)
- Pet carriers, crates, cages and aquariums

Authorized Accepting Supervisor – Commanding Officer of Command Receiving the Donation

- Food and drink items for musters, holiday parties, conferences and other special events
- Small quantities of toys and/or stuffed animals to be given to children at crash or crime scenes
- Safety and crime prevention brochures from insurance companies and other appropriate partners
- Give-aways of nominal value (per item) for use at conferences we host and special events

Appendix I

Agency Cash Accounts

1st Precinct
2nd Precinct
3rd Precinct
4th Precinct
Special Operations
Special Investigations
Detective Bureau
LETA
Support Division (Extraditions)
Support Division (Administration)
Animal Control
PD&T Range
Animal Control
Support Division