



Lexington Police Department

Lexington, Kentucky

GENERAL ORDER

BY THE AUTHORITY OF THE CHIEF OF POLICE

G.O. 1978-03C Fiscal Management - Purchasing Procedure

Rescinds: GO 1978-03B

References: CALEA Chapter(s)

Effective Date: 12/23/13

Distribution Code: B | All Department Employees

Originally Issued: 1978

I. PURPOSE

The purpose of this order is to establish Division procedures for purchasing, budgeting, accounting and fiscal control.

II. POLICY

It shall be Division policy to comply with all applicable sections of the LFUCG Code of Ordinances (RCO), and other directives of the Lexington-Fayette Urban County Government pertaining to purchasing, budgeting, accounting and fiscal control.

III. PROCEDURES

A. Fiscal Management Responsibilities

1. The Chief of Police is responsible for the fiscal management of the Division.
2. The Fiscal Officer for the Division of Police is assigned to the Chief's Staff.
 - a. The Fiscal Officer is responsible for annual budget development, supervision of internal expenditures and related controls, and to liaison with the LFUCG's fiscal officers from various government divisions.
 - b. The Fiscal Officer shall be responsible for oversight of procurement and requisitioning agency owned property.
3. All bureau commanders and/or their designees shall be involved in the development of the Division's annual budget.
4. The Division of Police utilizes the LFUCG PeopleSoft Financial System.
 - a. Each appropriation must show complete documentation of the flow of funds.
 - b. Each expenditure shall be classified according to function, organizational component, activity, object and program.

B. Audits

1. The Fiscal Officer assists with obtaining a Monthly Budget Expenditures report that includes the initial appropriation for each account, balance at the beginning of the monthly period, expenditures and encumbrances made during the period and the remaining unencumbered balance as requested.
2. The Fiscal Officer conducts internal audits of the following funds;
 - a. Bureau of Investigation undercover funds.
 - b. Bureau of Special Operations, Emergency Response Unit (ERU) fund.
 - c. Bureau of Administration, Central Records Unit fund.
3. The Fiscal Officer also receives and reviews the funds from the Bureau of Administration Technical Services Unit vehicle tow and storage fees.
4. The Fiscal Office and bureaus that maintain accounts are responsible for documentation and receipts for funds expended or received.
5. The Fiscal Office is responsible for conducting quarterly audits and monitoring of all fiscal activities of the Division of Police.
 - a. Recommendations regarding account procedures are provided to appropriate personnel as needed.
6. An independent audit of all Division fiscal activities shall be conducted annually in accordance with RCO 8.08. The audit will coincide with the annual audit of the Urban County Government.

C. Requisitions and Purchases

1. The procedure for requisitions and purchases of Division equipment and supplies shall be governed by the LFUCG's Division of Central Purchasing- Purchasing Manual.
2. All requests for purchases must be approved by the Bureau Commander or designee and the Chief of Police or designee.
3. All purchase requisitions shall be submitted electronically by designated requesters via the PeopleSoft Financial System.
4. Once a Purchase Order (PO) has been approved by Central Purchasing, it is mailed directly to the vendor.
5. Once the items/products have been received, the requester is responsible to indicate receipt via PeopleSoft and direct the invoice to the Division of Accounting.
6. No Division of Police employee is authorized to make any purchase or charge

without a Purchase Order first being issued.

D. Bidding Procedure

1. Criteria: All purchases over \$20,000.00, with the exception of the items or services specifically exempted in the Purchasing Manual, are required by law to be purchased by competitively sealed bids.
2. The bidding procedure requires public advertising of the Invitation of Bids, notification of all potential bidders known to be interested in the purchase, submission of sealed offers by vendors, and acceptance of one offer by the Urban County Council.
3. Competitive bid process requires the development of specifications which establish the level of quality required for the goods or services to be purchased. While specifications must be drafted to assure that the items purchased will conform to the level of quality required, care must be taken to assure that the specifications do not unduly restrict competition. Types of specifications used by the LFUCG include:
 - a. Design specification to describe precisely how an item is built or the construction of an item.
 - b. Performance specification evaluates how an item of equipment performs a task.
 - c. A combination of design and performance specifications.
 - d. Brand names are used (infrequent). Specific requirements for use of these specifications are established in the Urban County Government Procurement Regulations.
4. The Division of Central Purchasing handles the criteria for selection of vendors and bidders prior to Council approval. An award of a bid may be based on one of two conditions:
 - a. The bid may be awarded to the bidder who submits the lowest bid that meets the requirements.
 - b. The bid may be awarded to the bidder who submits the lowest evaluated bid that meets the requirements.

E. Emergency Purchases or Emergency Rental Agreements

1. Emergency purchases or emergency rental agreements for equipment shall be governed by the regulations in the LFUCG's Division of Central Purchasing-Purchasing Manual.
2. To purchase an item or service needed immediately in order to complete a repair or to prevent disruption of a job or activity costing less than \$20,000:

- a. The Fiscal Office or fiscal officer, with the approval of the Chief of Police, may request assignment of a purchase order.
- b. The fiscal officer enters the purchase order number assigned to the purchase on the Purchase Requisition.
- c. The Division of Central Purchasing shall issue the purchase order and mark “Confirming” to prevent duplication of purchase.

3. To purchase an item or service needed immediately in order to complete a repair or to prevent disruption of a job or activity costing more than \$20,000:

- a. The Chief of Police or his/her designee shall contact the Division of Budgeting to assure that funds are available for the purchase or service.
- b. The Mayor declares that an emergency exists.
- c. The Mayor may authorize the purchase of goods or services without competitive bidding by approving a Certificate of Emergency.

F. Requesting Supplemental Funds, Emergency Appropriations and Budget Amendments

- 1. Supplemental funds, emergency appropriations and budget amendment requests shall be forwarded by the Bureau Commander or designee to the Chief of Police or designee for approval.
- 2. Once approved, the Fiscal Officer shall electronically process the request.

G. Inventory Control

- 1. Inventory control of Division property, equipment and other assets will be coordinated by the Fiscal Officer.

H. Asset Forfeiture Accounts

- 1. Expenditures from the asset forfeiture accounts are overseen and maintained by the Fiscal Officer.