

**410.2 SUBJECT: FINANCIAL REPORTING OPERATIONS**

:1 OBJECTIVE:

To provide policy and procedures governing the recording of financial transactions, financial reporting, and accounting for property, plant, and equipment.

:2 AUTHORITY:

This policy adopted by City Council, July 23, 2007, Item A-4.

:3 DIRECTION:

The Chief Financial Officer, as an appointed official, serves at the pleasure of, and receives direction from the Mayor of the Mayor's Designee.

:4 FUNCTIONS:

A. Introduction

City government, as an institution, has multiple partners including citizens, taxpayers, businesses, visitors, employees, and other governments. As a major institutional, economic, and service force in the region, it is important that the City strengthen relationships with its partners by adopting clear and comprehensive financial policies.

Furthermore the financial integrity of the City of Orlando is of utmost importance, and adopting a set of financial policies is a key element to maintain this integrity. The purpose of this policy is to provide policy guidance for duties that fall under the City's financial reporting section.

B. Recording Financial Transactions

1. Financial accounting transactions (exclusive of budget) are entered into the General Ledger of the City by personnel authorized by the Chief Financial Officer or their designee and must be approved by an authorized employee of the Finance Department before it is posted. Any subsidiary system designed to interface with the City's accounting system must be reviewed and approved by the Chief Financial Officer.

2. All requests for adjustment to an accounting record must:

a. Be approved by the submitting department;

b. Comply with generally accepted accounting principles; and

- c. Be substantiated with such sufficient evidential documentation as may be required by the Finance Department. The Controller shall designate a member of the Financial Reporting Section as a fund manager for each City fund and shall periodically distribute a list of those assignments for Department Directors/Office Heads/Division Managers.
  3. Financial transactions will be properly classified and reported to ensure adequate and meaningful disclosure of City operations.
  4. All requests for additions or deletions from the official Chart of Accounts must be submitted in writing to the Chief Accountant and must be approved by the Department Director or Division Manager in the department making the request.
- C. Financial Reports
  1. The Financial Reporting Section is responsible for the preparation and distribution of financial reports at year-end.
  2. Financial reports for revenue and expenditure transactions shall be made available to all authorized users of the City's accounting system.
  3. The comprehensive annual financial report shall be submitted to the City's independent certified public accountant for examination in order to receive an opinion on:
    - a. The fair presentation of the City's financial position and results of operation in conformity with generally accepted governmental accounting principles, and
    - b. Whether operations were conducted in accordance with legal, regulatory, and bond ordinance requirements.
  4. Pursuant to Florida Statutes, the City will submit a copy of a financial report covering its operation during the preceding fiscal year in the applicable format and following all related rules.
- D. Reporting of Property, Plant and Equipment
  1. Financial Reporting shall identify all financial transactions for capital expenditures of at least \$1,000 which have a normal life expectancy in excess of one year or which extend the useful life of an

existing asset by at least one year.

2. All financial transactions affecting fixed assets, including acquisitions, dispositions, retirements, and transfers, shall be recorded on a timely basis and in accordance with generally accepted accounting principles.
3. Detailed fixed asset records shall be made available to the Property Control Section of the General Administration Department.
4. Generally accepted governmental accounting principles shall be followed for recording and depreciating fixed assets.
5. The following table of estimated useful life (in years) shall be used for depreciation purposes:

a.	Buildings	4-50
b.	Equipment	2-20
c.	Improvements	7-25
d.	Sewer Lines and Pump Stations	10-50
e.	Vehicles	2-15

:5 FORMS:

None.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCES:

This policy adopted by City Council July 23, 2007, Item A-4.

:8 EFFECTIVE DATE:

This procedure effective July 23, 2007.