

2310.2 SUBJECT: FINANCIAL REPORTING

:1 OBJECTIVE:

The City shall establish accounting practices that conform to Generally Accepted Accounting Principles (GAAP) and submit required financial reports in a timely and accurate manner.

:2 AUTHORITY:

This policy amended by City Council September 6, 2017, Item A-1.

:3 DIRECTION:

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

: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 a clear and comprehensive set of policies and procedures.

Furthermore, the integrity of the City of Orlando is of utmost importance, and adopting a set of 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. Policy

The City shall maintain clear, accurate, and understandable financial reporting that provides accountability and transparency for all components of the City's financial affairs and ensures compliance with applicable statutory and other regulatory requirements. The City's financial reports must meet requirements established by any applicable governmental regulatory oversight organizations such as the Governmental Accounting Standards Board (GASB).

The Chief Financial Officer shall also maintain a system of financial monitoring, internal controls, and reporting for all operations, funds, and agencies to provide an effective means of ensuring that overall City goals and objectives are met, as well as to provide Orlando's citizens, residents, businesses, contractors, partners, and investors with accurate and timely financial information that communicates the City of Orlando's economic condition and financial status.

C. Annual Financial Audit

Section 218.39, Florida Statutes requires that local governments that meet specific criteria outlined in section 218.39 shall have an annual financial audit of its accounts and records completed within twelve (12) months after the end of its fiscal year.

An annual audit for the City shall be performed by an independent certified public accounting firm. An official comprehensive annual financial report (CAFR) shall be issued no later than 6 months following year-end. The CAFR shall contain the independent auditor's report and financial statements of the City, along with operating results, statistical and demographic information about the City. This report shall be prepared under the guidelines of accounting principles generally accepted in the United States of America (GAAP) and the Government Finance Officer Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting Program. A management letter shall be provided by the independent certified public accounting firm in conjunction with the annual audit.

D. State Annual Financial Report

Section 218.32, Florida Statutes requires each local government that is determined to be a reporting entity, as defined by GAAP, to submit to the Florida Department of Financial Services (FDFS) an annual financial report. The FDFS-prescribed annual financial report and the local government's annual audit report must be sent to the FDFS within forty-five (45) days after the completion of the audit report but no later than twelve (12) months after the end of the fiscal year. In the event that the local government is not required to have an annual audit in accordance with Section 218.39, Florida Statutes, the annual financial report must be submitted to the FDFS no later than April 30 of each year.

E. Other City Financial Reports

In order to ensure transparency and consistency Citywide, all other financial reports issued by the City should use the best available data as the basis for reporting, which in most cases should be consistent with audited information as presented in the CAFR. City financial reports should identify the source of the data.

F. Availability of Reports to the Public

The City's CAFR, annual financial audit, and other financial reports will be made available for public inspection and, to the extent practicable, be posted on the City's web site.

G. 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 designee, and must be approved by an authorized employee of the Office of Business and Financial Services 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, or designee.
2. All requests for adjustment to an accounting record must:
 - a) Be approved by the submitting department;
 - b) Comply with GAAP; and
 - c) Be substantiated with such sufficient evidential documentation as may be required by the Office of Business and Financial Services. 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 to 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 Controller and must be approved by the Department Director or Division Manager in the department making the request.

:5 FORMS:

None.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCE:

Section 218.32, Florida Statutes; Section 218.39 Florida Statutes. This policy adopted by City Council July 23, 2007, Item A-4; amended April 11, 2011; amended September 6, 2017, Item A-1.

:8 EFFECTIVE DATE:

This policy is effective October 1, 2017.