



KANSAS CITY, MO. POLICE DEPARTMENT

DATE OF ISSUE

EFFECTIVE DATE

NO.

**PROCEDURAL INSTRUCTION**

1-05-06

1-05-06

04-3B

SUBJECT

**Fiscal Procedures**

AMENDS

Procedural Instruction 04-3

REFERENCE

RESCINDS

**I. PURPOSE**

To amend Procedural Instruction 04-3 entitled, "Fiscal Procedures."

**II. PROCEDURE**

- A. Members will remove pages A-1 through B-1 from Procedural Instruction 04-3 entitled, "Fiscal Procedures."
- B. Members will insert amended pages A-1 through B-1 of Procedural Instruction 04-3 entitled, "Fiscal Procedures."

James D. Corwin  
Chief of Police

Adopted by the Board of Police Commissioners this \_\_\_\_\_ of \_\_\_\_\_ 2005.

Angela Wasson-Hunt  
President

**DISTRIBUTION:** Law Enforcement Personnel  
Department Elements  
Post on all bulletin boards for two weeks.

## PURCHASING APPROVAL

As a public entity, the department always strives to establish a competitive climate for purchases, which will be addressed elsewhere in this document, **at least three** vendors will be solicited when purchasing a product or service that exceeds \$1,000.00. This is designed to allow for fair and equitable participation by all qualified vendors.

The following procedures have been established regarding purchases. All elements should be cognizant of these procedures so as to include sufficient information in their Interdepartment Communication, Form 191 P.D., or Memorandum, and Purchasing Requisition, Form 295 P.D., when requesting the purchase of products or services. If an element does not have sufficient information to complete a Purchasing Requisition, Form 295 P.D., the Purchasing Section will complete a Form 295 P.D.; however, an Interdepartment Communication, Form 191 P.D., or Memorandum, must be completed by the requesting element.

The term "element" refers to any of the organizationally recognized subdivisions of the police department (e.g., bureau, division, unit or section).

### A. Purchasing Guidelines

#### 1. Purchases of up to \$999.99

When the expenditure is less than \$1,000.00, a single telephone quotation may be obtained. Department members will make every effort to obtain pricing in the most cost effective manner.

#### 2. Purchases from \$1,000.00 to \$9,999.99

a. Purchases in this category require **at least three telephone quotes**.

b. The following information, regarding telephone quotes, **must** be included on the back of the Purchasing Requisition, Form 295 P.D., and/or Interdepartment Communication, Form 191 P.D., or Memorandum, prior to submitting the documentation to the Financial Services Unit:

(1) Date and time quote was received.

(2) Name, street address, and telephone number of the vendor.

(3) Name of the person providing the quote.

(4) Amount of quote.

#### \*3. Purchases from \$10,000.00 to \$100,000.00.

a. Purchases in this category require **at least three written quotes** from the vendors.

- b. These quotes may be obtained via letter or facsimile machine, or electronic messaging (e-mail), and must be submitted with the Purchasing Requisition, Form 295 P.D., and/or Interdepartment Communication, Form 191 P.D., or Memorandum, to the Financial Services Unit.
- c. The written quotes may also be included on the Quotation Summary Sheet on the reverse side of the Purchasing Requisition, Form 295 P.D.

\*4. Purchases over \$100,000.00

Unless otherwise authorized by the Board of Police Commissioners, these purchases require a formal bid process and will be handled by the Financial Services Unit - Purchasing Section. The Purchasing Section may seek assistance from specific elements in establishing the applicable bid specifications.

B. Sole Source Purchases

- 1. Sole source purchase is defined as the purchase of a unique product or service from a specific vendor, regardless of the availability of similar products/services from other vendors. To qualify as a sole source purchase, documentation must be obtained from the requesting element as to why the specific product/service is the **only** one that is satisfactory to purchase. An impartial, objective evaluation must be completed, rather than one that merely cites personal preference.
- 2. Once sufficient evidence exists to justify a sole source purchase, the Purchasing Section will generate a sole source document for forwarding to the Financial Services Unit Commander for review.
- 3. The Financial Services Unit Commander will ensure the appropriate approval is obtained, depending upon the projected cost of the sole source purchase.

C. Department Credit Cards

- 1. Only those elements specified by the Executive Services Bureau, will be permitted the use of a department credit card. **Credit cards should only be used to acquire items or services that have received prior approval.** Commanders, managers, or supervisors will:
  - a. Be responsible for retaining the department credit card.
  - b. Issue the department credit card to any member of their unit when a purchase requires the use of a credit card.
  - c. Collect and submit all receipts to the Financial Services Unit. (An Interdepartment Memorandum, Form 191 P.D., or Memorandum, **does not** need to be completed.)

2. Members using credit cards as it pertains to travel will follow the procedures outlined in the Personnel Policy entitled, "Authorized Travel Expenditures."
3. Credit Cards used for reasons other than travel must be approved by the Executive Services Bureau Commander in written form prior to issuance of a credit card. The credit card and receipts must be returned, in person, to the Financial Services Unit within one day of use, unless in travel status.
4. If a credit card is lost or stolen:
  - a. The Financial Services Unit - Accounting Section **must** be notified **immediately**.
  - b. The member responsible for the credit card will document the circumstances on an Interdepartment Communication, Form 191 P.D., or Memorandum and submit it through their chain of command to the Executive Services Bureau.

\*D. Purchasing Approval Limits

|    |       |              |                                     |
|----|-------|--------------|-------------------------------------|
| 1. | Up to | \$1,000.00   | Purchasing Section Supervisor       |
| 2. | Up to | \$1,000.00   | Supply Section Supervisor           |
| 3. | Up to | \$25,000.00  | Financial Services Unit Commander   |
| 4. | Up to | \$50,000.00  | Fiscal Planning Division Commander  |
| 5. | Up to | \$75,000.00  | Executive Services Bureau Commander |
| 6. | Up to | \$100,000.00 | Chief of Police                     |
| 7. | Over  | \$100,000.00 | Board of Police Commissioners       |

E. The Chief of Police may delegate purchasing approval authority up to \$2,500.00 to the managers of the Fleet Operations Unit, Building Operations Unit, and Communications Support Unit. The Chief of Police may also delegate up to \$15,000.00 to the Commander of the Facilities Management Division and \$7,500.00 to the Commander of the Capital Improvement Unit. These units are frequently required to purchase products or services on a recurring basis to meet the day-to-day operational needs of the entire department. These units will complete and submit a Purchasing Requisition, Form 295 P.D., to the Fiscal Planning Division when requesting these products or services. The Purchasing Requisition, Form 295 P.D., must contain the following information.

1. Date
2. Name and address of the company individual, association, etc., from which the products or services are to be ordered, with this information noted under the section entitled "Vendor."

3. Name and address of the element requesting the purchase and where the products should be shipped or the services rendered if different from the requesting element, with this information noted under the section entitled "Requesting/Division Unit."
  4. The quantity, description and price of the products or services, including any shipping or handling charges. If the cost has been quoted, include the name of the individual who provided the quote.
  5. Signature and serial number of the manager in charge of the element.
- F. Purchases utilizing grant or award funds may be subject to other procurement policies and/or guidelines established by the grantor or applicable city, state or federal agencies. Any such purchases **must** adhere to these policies/guidelines even if said policies/guidelines are more restrictive than those contained hereto. Further details regarding these policies/guidelines should be available through the Financial Services Unit – Accounting Section.

## MONETARY AND PROPERTY CONTRIBUTIONS

Department members may be approached by citizens, businesses, or civic groups that want to make a donation to the department. The donation may be monetary in nature or in the form of actual physical property or as services rendered. **Any donation that has monetary value must be approved prior to acceptance of the donation.** The fair market value of the donated item will determine the approval level needed.

- \*A. The following may approve the acceptance of monetary or property contributions for the department:
  1. Up to \$25,000.00 Financial Services Unit Commander
  2. Up to \$50,000.00 Fiscal Planning Division Commander
  3. Up to \$75,000.00 Executive Services Bureau Commander
  4. Up to \$100,000.00 Chief of Police
  5. Over \$100,000.00 Board of Police Commissioners
  
- B. Prior to accepting any contribution:
  1. A member must submit an Interdepartment Communication, Form 191 P.D., or Memorandum through the chain of command to the Fiscal Planning Division Commander for review and approval.
  2. The memorandum will denote the item or service to be donated, the fair market value of the item or service, any specific department element that the donated item is intended for, and the name of the donor.
  3. The Fiscal Planning Division Commander will ensure the appropriate approval is obtained.
    - a. If the item is approved for acceptance:
      - (1) The original memorandum will be forwarded to the Financial Services Unit – Accounting Section for retention and filing.
      - (2) A copy of the memorandum will be sent to the originating member/element authorizing acceptance of the donation.
    - b. If the item is not approved for acceptance, the original memorandum will be forwarded through the chain of command to the originating member/element.

