

2310.2 SUBJECT: FINANCIAL REPORTING OPERATIONS

:1 OBJECTIVE:

~~The City shall~~To establish accounting practices that conform to Generally Accepted Accounting Principles (GAAP) ~~and submit required financial reports in a timely and accurate manner.—~~), including, but not limited to timely and accurate financial reporting
~~To provide policy and procedures governing the recording of financial transactions, financial reporting, and accounting for property, plant, and equipment.~~

:2 AUTHORITY:

This policy ~~was adopted~~ amended by City Council, ~~April 11, 2011~~September 6, 2017.

: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~~policy is to –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~~will 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. The City will have an annual audit of its accounts and report completed as required by Florida Statutes.

AnSuch 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. The City will submit an annual report to the Florida Department of Financial Services as required by Florida sStatutes.

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.

B.G. Recording Financial Transactions

1. Financial accounting transactions (exclusive of budget) are entered into the ~~G~~general ~~L~~edger of the City by personnel authorized by the Chief Financial Officer, or ~~his/her~~ 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 ~~generally accepted accounting principles~~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 ~~for~~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.

~~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. For property control purposes, detailed fixed asset records will be made available to the Property Control Section of the Purchasing Division.~~

~~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 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.](#)

:8 EFFECTIVE DATE:

This ~~procedure-policy is~~ effective ~~April 11, 2011~~[October 1, 2017.](#)