City of Montgomery
Bobby Bright, Mayor

City Ethics Policy
and
Fiscal Policy and Procedures Manual

City of Montgomery, Alabama
Office of the Mayor

Bobby N. Bright

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October 6, 2008

All Department Heads
City of Montgomery

RE: Ethics Policy and Fiscal Policy & Procedures Manual

In recent years, ethics in the workplace has been a big issue. I understand that the vast majority of our employees are hard-working and honest but we have to review, revise and update our policy to insure everyone knows we have a policy and that each employee is educated and aware of the policy.

The residents of the City of Montgomery are our customers. The community must have faith that we can do business in a fair and equitable manner. The City must have faith that we can use tax payers' dollars wisely. The City must have faith we can weed out the bad apples without cover up. It is important that everyone knows, understands and conforms to one standard. Hopefully, this policy will enhance our reputation in the community. If you have any questions about this policy at any time, please do not hesitate to contact your supervisor.

It is the policy of the City of Montgomery to conduct government business fairly and ethically. As employees of the City, each of us has an obligation to act fairly and honestly at all times. Rules cannot guarantee ethical conduct, only the individuals who follow them can.

As a fiduciary of public funds, it is also very important that the City of Montgomery be responsible and accountable for the management of taxpayers' dollars. Consequently, written standards on budgeting, revenue and receipts, expenditures and disbursements, purchasing, contracts, payroll/personnel, fixed assets, and inventory is now being provided to all department heads.

You will find enclosed a manual containing the City's Ethics Policy, the *Alabama Code of Ethics*, and the City's Fiscal Policy and Procedures. It is imperative that a copy of the ethics policies be distributed to every departmental supervisor in order for these documents to be made available to every employee. Additionally, all personnel that are involved with the operation of the accounting infrastructure in the City must have access to a copy of the City's Fiscal Policy and Procedures Manual. Please do not hesitate to contact the Office of the Finance Director if you should have any questions regarding the City's Fiscal Policy and Procedures Manual.

As Mayor of the City of Montgomery, I appreciate your cooperation regarding the aforementioned issues.

Sincerely yours,

Bobby N. Bright
Mayor

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TABLE OF CONTENTS

CITY ETHICS POLICY 1

FISCAL POLICY AND PROCEDURES MANUAL 36
CHAPTER 1 - INTRODUCTION 36
CHAPTER 2 - BUDGETING 38
CHAPTER 3 – RECEIPTS AND ACCOUNTS RECEIVABLE 50
CHAPTER 4 – PURCHASING AND CASH DISBURSEMENTS 74
CHAPTER 5 – FIXED ASSETS 95

CITY OF MONTGOMERY, ALABAMA
ETHICS POLICY

I. PURPOSE

The purpose of this policy is to provide all employees of the City of Montgomery with minimum standards of ethical conduct to help ensure that the business of government is free from improper influence, and also to help employees be aware of situations which may pose ethical problems, and give them some guidelines for resolution of these issues.

We cannot legislate the hearts of men. Our code of ethics is designed to put in place a policy to promote the prevention, detection, reporting and consequences of those who violate the policy. Consequences include disciplinary action up to and including dismissal.

II. POLICY

A. All employees are expected to maintain the highest possible ethical and moral standards and to perform within the laws of the State of Alabama and other rules and regulations as may be set forth by the City. It is important to remember that the compensation of all employees is paid through taxes and user fees. Therefore, each employee assumes the responsibility to serve the public in an honest, effective and friendly manner. The conflict of interest provisions of this policy apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the City.

While it is impossible to identify every particular activity that might give rise to a potential conflict of interest, these situations most often arise when an employee is invited to accept an invitation of travel, meals, lodging and/or expenses in connection with conferences, seminars and social events put on by private business seeking to do business or actually doing business with the City.

B. Therefore, it is the policy of the City of Montgomery that no employee, agent, consultant, officer, or elected or appointed official, shall:

1. Use their position for personal gain or engage in any transaction which is in conflict with the proper discharge of official duties.
   EXAMPLE: A city council member cannot vote on a tax abatement agreement for a company which employs him.

2. Use or disclose confidential information protected by law, unless appropriately authorized.
   EXAMPLE #1: Personal medical information cannot be disclosed.
   EXAMPLE #2: The home address of a police officer, firefighter, paramedic or other employee cannot be disclosed.
   EXAMPLE #3: Personal tax information concerning a city income taxpayer cannot be disclosed.

3. Directly or indirectly solicit or accept anything of value, for personal use or gain, whether in the form of a service, loan, item or promise from any person, firm or corporation which is interested directly or indirectly in any manner whatsoever in business dealings with the City.

4. Accept compensation, loans, entertainment of more than a nominal value, commissions, property, discounts or anything else of personal financial value from outside parties conducting transactions in which the City might have an interest, or if it is made, offered or arises because of the employee's position with the City.
   EXAMPLE: Although vendor paid lunches are discouraged, periodic business lunches not exceeding $25.00 may be accepted (unless it is paid for every week as a regular event). An all expense paid trip to the Bahamas provided by the vendor would be a conflict. Similarly, a discount from a local restaurant or retail store offered to a specific City employee would be a conflict. However, discounts offered to <u>all</u> City employees are permitted.

5. Engage in or accept private employment or render service for private interest when such employment or service is incompatible with the proper performance of the employee's official duties or would tend to impair independent judgment or action in the performance of official duties.
   EXAMPLE #1: A police officer is prohibited from living rent free in an apartment complex under the guise of being security for the complex.
   EXAMPLE #2: An employee of the City's Engineering Department is prohibited from having a pavement company doing business with the City; pave his private driveway at a cost less than the market price paid by other consumers of the paving company.

6. While an employee, or for one year thereafter, represent another person before a public agency on any matter in which the employee personally participated as an employee.
   EXAMPLE: A City attorney cannot represent a private business entity before the City Planning Commission, while employed by the City. Nor, can a City attorney represent a private business entity who initiates an action before said commission during his employment with the City for a period of twelve months after his employment ends.

7. Receive or agree to receive outside compensation for service rendered in a matter before any office or department of the City.
   EXAMPLE: An employee can receive payment for speaking or writing services through a business established before her/his

employment by the City so long as the payment is not from a party regulated by or doing or seeking to do business with the City or the speech is given as part of his/her employment.

8. Have a personal interest in a contract with the City or use their position or authority to secure approval of a public contract in which the employee, a member of the employee's family or business associate has an interest. Employment by the City is a "contract" for this purpose.
   EXAMPLE #1: An employee can operate a pet supply business but said employee cannot contract to furnish or furnish pet supplies to the City for its Police Department's Canine Unit.
   EXAMPLE #2: A City Personnel Director cannot hire or supervise as a City employee, his wife, child, brother, sister, father or mother.

C. All employees are required to comply with all criminal laws of the United States, the State of Alabama and the City of Montgomery.

D. It is the City's duty to inform its employees and its vendors of the ethics policy and it is the employees and vendors' responsibility to understand the policy and comply with the ethics policy.

E. The following policy is joined to the City of Montgomery Ethics Policy by referencing herein:

Chapter 4, Section XI Travel Procedures, Fiscal Policies and Procedures Manual

III. REPORTING POLICY VIOLATIONS OR WORKPLACE MISCONDUCT

All employees are required to report any illegal activity or policy violations. Failure to do so not only violates city policy but may be in itself a violation of the policy or law. In addition, knowingly and intentionally making a false report of a violation is cause for disciplinary action up to and including termination.

You can report ethics violations to whoever you feel most comfortable with as long as it is your supervisor, the Police Department, the Internal Affairs Office or the Mayor's Office. Every effort will be made to create a hotline for reporting of violations. If requested, every effort will be made to ensure confidentiality if possible on your disclosure of information.

IV. CONSEQUENCES OF VIOLATING POLICY

Each employee is accountable for his/her own actions. Anyone who violates this policy is subject to appropriate disciplinary action up to and including termination.

Any one convicted of violating the ethics policy will be dismissed and cannot be compensated by vendors or any other employment agency at the expense of the City.

V. RETALIATION FOR REPORTING ETHICS VIOLATIONS IS PROHIBITED

It is against City policy to retaliate against anyone for making a report of violations of ethics in good faith. It is management's responsibility to ensure adherence.

It is the responsibility of each employee to report to his/her supervisor, Police Department, the Internal Affairs Office or the Mayor's Office any abuses or suspected abuses and criminal conduct and/or suspected criminal conduct. There will not be any retaliation or intimidation of any employee who reports any misuse of the ethics policy. It is the responsibility for all employees to report misuse and those that have knowledge and do not report it will be considered part of the misuse. He/she should understand everybody has a responsibility to report suspected misuse of the ethics policy.

VI. EMPLOYEE EXPECTATIONS

All employees are required to read, understand and follow the ethics policy. Enforcement is the direct responsibility of the employees' supervisor. Not every situation can be covered by this policy and when not, common sense is expected to prevail in a manner that will bring favor to the city at large. If situations come up that are not addressed by this policy, please contact the Personnel Department.

A. Any employee in doubt as to the application of this Section or other ethics laws or regulations may seek the advice of the City Attorney and/or the Alabama Ethics Commission.

B. New employees will have access to the Alabama's Ethics Laws (Code of Alabama 1975, Sections 36-25-1 through 36-25-30) via their immediate supervisor. Please See Exhibit 1-1, Pages 5-35 for a full copy of the Alabama Code of Ethics.

C. Anyone who is found to have violated the provisions of this Section shall be subject to disciplinary action, as well as, possible criminal charges, which can range from a Class A misdemeanor to a Class B felony.

EXHIBIT 1-1 ALABAMA CODE OF ETHICS

CODE OF ALABAMA
1975

Code of Ethics for Public Officials,
Employees, etc.

Chapter 25 of Title 36
(Public Officers and Employees)

(Sections 36-25-1 through 36-25-30)

Alabama Ethics Commission
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100 North Union Street
Montgomery, Alabama 36104

Telephone 334-242-2997
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Web Site www.ethics.alaline.net

James L. Sumner, Jr., Director

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

CODE OF ALABAMA

TITLE 36.

PUBLIC OFFICERS AND EMPLOYEES

CHAPTER 25

CODE OF ETHICS FOR PUBLIC OFFICIALS, EMPLOYEES, ETC.

Section		Section	
36-25-1	Definitions.	36-25-15	Candidates Filing Statement of Economic Interests
36-25-2	Purpose of chapter.	36-25-16	Contracts and relationships
36-25-3	State Ethics Commission Details	36-25-17	Violations
36-25-4	State Ethics Commission Complaints Received	36-25-18	Registration of lobbyists
36-25-5	Personal Gain	36-25-19	Lobbyists' quarterly reports
36-25-6	Contributions	36-25-20	Lobbyist terminations
36-25-7	Receiving things of value	36-25-21	Public records availability
36-25-8	Disclosing confidential information	36-25-22	Exclusion of certain professions
		36-25-23	Former Legislators privileges
36-25-9	Service on boards	36-25-24	Supervisor discrimination
36-25-10	Representation of client	36-25-25	False accusations
36-25-11	Entering into contracts	36-25-26	False reporting
36-25-12	Offering a thing of value	36-25-27	Violation penalties
36-25-13	Revolving door	36-25-28	Citizens' constitutional rights
36-25-14	Filing Statement of Economic Interests	36-25-29	Legislative appropriations
		36-25-30	Chapter's relation to other laws

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

Section 36-25-1

Definitions.

Whenever used in this chapter, the following words and terms shall have the following meanings:

(1) BUSINESS. Any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, or any other legal entity.

(2) BUSINESS WITH WHICH THE PERSON IS ASSOCIATED. Any business of which the person or a member of his or her family is an officer, owner, partner, board of director member, employee, or holder of more than five percent of the fair market value of the business.

(3) CANDIDATE. This term as used in this chapter shall have the same meaning ascribed to it in Section 17-22A-2.

(4) COMMISSION. The State Ethics Commission.

(5) COMPLAINT. Written allegation or allegations that a violation of this chapter has occurred.

(6) COMPLAINANT. A person who alleges a violation or violations of this chapter by filing a complaint against a respondent.

(7) CONFIDENTIAL INFORMATION. A complaint filed pursuant to this chapter, together with any statement, conversations, knowledge of evidence, or information received from the complainant, witness, or other person related to such complaint.

(8) CONFLICT OF INTEREST. A conflict on the part of a public official or public employee between his or her private interests and the official responsibilities inherent in an office of public trust. A conflict of interest involves any action, inaction, or decision by a public official or public employee in the discharge of his or her official duties which would materially affect his or her financial interest or those of his or her family members or any business with which the person is associated in a manner different from the manner it affects the other members of the class to which he or she belongs. A conflict of interest shall not include any of the following:

a. A loan or financial transaction made or conducted in the ordinary course of business.

b. An occasional nonpecuniary award publicly presented by an organization for performance of public service.

c. Payment of or reimbursement for actual and necessary expenditures for travel and subsistence for the personal attendance of a public official or public employee at a convention or other meeting at which he or she is scheduled to meaningfully participate in connection with his or her official duties and for which attendance no reimbursement is made by the state.

d. Any campaign contribution, including the purchase of tickets to, or advertisements in journals, for political or testimonial dinners, if the contribution is actually used for political purposes and is not given under circumstances from which it could reasonably be inferred that the purpose of the contribution is to substantially influence a public official in the performance of his or her official

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

duties.

(9) DAY. Calendar day.

(10) DEPENDENT. Any person, regardless of his or her legal residence or domicile, who receives 50 percent or more of his or her support from the public official or public employee or his or her spouse or who resided with the public official or public employee for more than 180 days during the reporting period.

(11) FAMILY MEMBER OF THE PUBLIC EMPLOYEE. The spouse or a dependent of the public employee.

(12) FAMILY MEMBER OF THE PUBLIC OFFICIAL. The spouse, a dependent, an adult child and his or her spouse, a parent, a spouse's parents, a sibling and his or her spouse, of the public official.

(13) GOVERNMENTAL CORPORATIONS AND AUTHORITIES. Public or private corporations and authorities, including but not limited to, hospitals or other health care corporations, established pursuant to state law by state, county or municipal governments for the purpose of carrying out a specific governmental function. Notwithstanding the foregoing, all employees, including contract employees, of hospitals or other health care corporations and authorities are exempt from the provisions of this chapter.

(14) HOUSEHOLD. The public official, public employee, and his or her spouse and dependents.

(15) LAW ENFORCEMENT OFFICER. A full-time employee of a governmental unit responsible for the prevention or investigation of crime who is authorized by law to carry firearms, execute search warrants, and make arrests.

(16) LEGISLATIVE BODY. The Senate of Alabama, the House of Representatives of Alabama, a county commission, city council, city commission, town council, or municipal council or commission, and any committee or subcommittee thereof.

(17) LOBBYING. The practice of promoting, opposing, or in any manner influencing or attempting to influence the introduction, defeat, or enactment of legislation before any legislative body; opposing or in any manner influencing the executive approval, veto, or amendment of legislation; or the practice of promoting, opposing, or in any manner influencing or attempting to influence the enactment, promulgation, modification, or deletion of regulations before any regulatory body; provided, however, that providing public testimony before a legislative body or regulatory body or any committee thereof shall not be deemed lobbying.

(18) LOBBYIST.

a. The term lobbyist includes any of the following:

1. A person who receives compensation or reimbursement from another person, group, or entity to lobby.

2. A person who lobbies as a regular and usual part of employment, whether or not any

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

compensation in addition to regular salary and benefits is received.

3. A person who expends in excess of one hundred dollars ($100) for a thing of value, not including funds expended for travel, subsistence expenses, and literature, buttons, stickers, publications, or other acts of free speech, during a calendar year to lobby.

4. A consultant to the state, county, or municipal levels of government or their instrumentalities, in any manner employed to influence legislation or regulation, regardless whether the consultant is paid in whole or part from state, county, municipal, or private funds.

5. An employee, a paid consultant, or a member of the staff of a lobbyist, whether or not he or she is paid, who regularly communicates with members of a legislative body regarding pending legislation and other matters while the legislative body is in session.

b. The term lobbyist does not include any of the following:

1. A member of a legislative body on a matter which involves that person's official duties.

2. A person or attorney rendering professional services in drafting bills or in advising clients and in rendering opinions as to the construction and effect of proposed or pending legislation, executive action, or rules or regulations, where those professional services are not otherwise connected with legislative, executive, or regulatory action.

3. Reporters and editors while pursuing normal reportorial and editorial duties.

4. Any citizen not expending funds as set out above in paragraph a.3. or not lobbying for compensation who contacts a member of a legislative body, or gives public testimony on a particular issue or on particular legislation, or for the purpose of influencing legislation and who is merely exercising his or her constitutional right to communicate with members of a legislative body.

5. A person who appears before a legislative body, a regulatory body, or an executive agency to either sell or purchase goods or services.

6. A person whose primary duties or responsibilities do not include lobbying, but who may, from time to time, organize social events for members of a legislative body to meet and confer with members of professional organizations and who may have only irregular contacts with members of a legislative body when the body is not in session or when the body is in recess.

(19) MINOR VIOLATION. Any violation of this chapter in which the public official or public employee receives an economic gain in an amount less than two hundred fifty dollars ($250) or the governmental entity has an economic loss of less than two hundred fifty dollars ($250).

(20) PERSON. A business, individual, corporation, partnership, union, association, firm, committee, club, or other organization or group of persons.

(21) PRINCIPAL. A person or business which employs, hires, or otherwise retains a lobbyist. Nothing in this chapter shall be deemed to prohibit a principal from simultaneously serving as his or her own lobbyist.

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

(22) PROBABLE CAUSE. A finding that the allegations are more likely than not to have occurred.

(23) PUBLIC EMPLOYEE. Any person employed at the state, county, or municipal level of government or their instrumentalities, including governmental corporations and authorities, but excluding employees of hospitals or other health care corporations including contract employees of those hospitals or other health care corporations, who is paid in whole or in part from state, county or municipal funds. For purposes of this chapter, a public employee does not include a person employed on a part-time basis whose employment is limited to providing professional services other than lobbying, the compensation for which constitutes less than 50 percent of the part-time employee's income.

(24) PUBLIC OFFICIAL. Any person elected to public office, whether or not that person has taken office, by the vote of the people at state, county, or municipal level of government or their instrumentalities, including governmental corporations, and any person appointed to a position at the state, county, or municipal level of government or their instrumentalities, including governmental corporations. For purposes of this chapter, a public official includes the chairs and vice-chairs or the equivalent offices of each state political party as defined in Section 17-16-2.

(25) REGULATORY BODY. A state agency which issues regulations in accordance with the Alabama Administrative Procedure Act or a state, county, or municipal department, agency, board, or commission which controls, according to rule or regulation, the activities, business licensure, or functions of any group, person, or persons.

(26) REPORTING PERIOD. The reporting official's or employee's fiscal tax year as it applies to his or her United States personal income tax return.

(27) REPORTING YEAR. The reporting official's or employee's fiscal tax year as it applies to his or her United States personal income tax return.

(28) RESPONDENT. A person alleged to have violated a provision of this chapter and against whom a complaint has been filed with the commission.

(29) STATEMENT OF ECONOMIC INTERESTS. A financial disclosure form made available by the commission which shall be completed and filed with the commission prior to April 30 of each year covering the preceding calendar year by certain public officials and public employees.

(30) SUPERVISOR. Any person having authority to hire, transfer, suspend, lay off, recall, promote, discharge, assign, or discipline other public employees, or any person responsible to direct them, or to adjust their grievances, or to recommend personnel action, if, in connection with the foregoing, the exercise of the authority is not of a merely routine or clerical nature but requires the use of independent judgment.

(31) THING OF VALUE.

a. Any gift, benefit, favor, service, gratuity, tickets or passes to an entertainment, social or sporting event offered only to public officials, unsecured loan, other than those loans made in the ordinary

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

course of business, reward, promise of future employment, or honoraria.

b. The term, thing of value, does not include any of the following, provided that no particular course of action is required as a condition to the receipt thereof:

1. Campaign contribution.

2. Seasonal gifts of an insignificant economic value of less than one hundred dollars ($100) if the aggregate value of such gifts from any single donor is less than two hundred fifty dollars ($250) during any one calendar year.

3. Hospitality extended to a public official, public employee, and his or her respective household as a social occasion in the form of food and beverages where the provider is present, lodging in the continental United States and Alaska incidental to the social occasion, and tickets to social or sporting events if the hospitality does not extend beyond three consecutive days and is not continuous in nature and the aggregate value of such hospitality in excess of two hundred fifty dollars ($250) within a calendar day is reported to the commission by the provider provided that the reporting requirement contained in this section shall not apply where the expenditures are made to or on behalf of an organization to which a federal income tax deduction is permitted under subparagraph (A) of paragraph (1) of subsection (b) of Section 170 of the Internal Revenue Code of 1986, as amended, or any charitable, education or eleemosynary cause of Section 501 of Title 26 of the U.S. Code, and where the public official or public employee does not receive any direct financial benefit. The reporting shall include the name or names of the recipient or recipients, the value of the entire expenditure, the date or dates of the expenditure, and the type of expenditure.

4. Reasonable transportation, food and beverages where the provider is present, and lodging expenses in the continental United States and Alaska which are provided in conjunction with an educational or informational purpose, together with any hospitality associated therewith; provided, that such hospitality is less than 50 percent of the time spent at such event, and provided further that if the aggregate value of such transportation, lodging, food, beverages, and any hospitality provided to such public employee, public official, and his or her respective household is in excess of two hundred fifty dollars ($250) within a calendar day the total amount expended shall be reported to the commission by the provider. The reporting shall include the name or names of the recipient or recipients, the value of the entire expenditure, the date or dates of the expenditure, and the type of expenditure.

5. Payment of or reimbursement for actual and necessary expenditures for travel and subsistence of a public official or public employee in connection with an economic development research or trade mission, or for attendance at a mission or meeting in which he or she is scheduled to meaningfully participate, or regarding matters related to his or her official duties, and for which attendance no reimbursement is made by the state; provided, that any hospitality in the form of entertainment, recreation, or sporting events shall constitute less than 25% of the time spent in connection with the event. If the aggregate value of any such hospitality extended to the public employee, public official, and his or her respective household is in excess of two hundred fifty dollars ($250) within a calendar day, the total amount expended for that day shall be reported to the commission by the provider. The reporting shall include the name or names of the recipient or

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

recipients, the value of such expenditures, the date or dates of the expenditure, and the type of expenditure.

6. Promotional items commonly distributed to the general public and food or beverages of a nominal value.

c. Nothing in this chapter shall be deemed to limit, prohibit, or otherwise require the disclosure of a personal gift made to a public official or public employee from a spouse, intended spouse, dependent, adult child, sibling, parent, grandparent, uncle, aunt, nephews, nieces or cousins of the public official or public employee, except as otherwise provided by law.

d. Nothing in this chapter shall be deemed to limit, prohibit, or otherwise require the disclosure of gifts through inheritance received by a public employee or public official.

(32) VALUE. The fair market price of a like item if purchased by a private citizen.

(Acts 1973, No. 1056, p. 1699, §2; Acts 1975, No. 130, p. 603, §1; Acts 1979, No. 79-698, p. 1241; Acts 1982, No. 82-429, p. 677; Acts 1986, No. 86-321, p. 475, §1; Acts 1995, No. 95-194, p. 269, §1; Acts 1997, No. 97-651, p. 1217, §1.)

Section 36-25-2

Legislative findings and declarations; purpose of chapter.

(a) The Legislature hereby finds and declares:

(1) It is essential to the proper operation of democratic government that public officials be independent and impartial.

(2) Governmental decisions and policy should be made in the proper channels of the governmental structure.

(3) No public office should be used for private gain other than the remuneration provided by law.

(4) It is important that there be public confidence in the integrity of government.

(5) The attainment of one or more of the ends set forth in this subsection is impaired whenever there exists a conflict of interest between the private interests of a public official or a public employee and the duties of the public official or public employee.

(6) The public interest requires that the law protect against such conflicts of interest and establish appropriate ethical standards with respect to the conduct of public officials and public employees in situations where conflicts exist.

(b) It is also essential to the proper operation of government that those best qualified be encouraged to serve in government. Accordingly, legal safeguards against conflicts of interest shall be so designed as not to unnecessarily or unreasonably impede the service of those men and women who are elected or appointed to do so. An essential principle underlying the staffing of our governmental structure is that its public officials and public employees should not be denied the

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

opportunity, available to all other citizens, to acquire and retain private economic and other interests, except where conflicts with the responsibility of public officials and public employees to the public cannot be avoided.

(c) The Legislature declares that the operation of responsible democratic government requires that the fullest opportunity be afforded to the people to petition their government for the redress of grievances and to express freely to the legislative bodies and to officials of the executive branch, their opinions on legislation, on pending governmental actions, and on current issues. To preserve and maintain the integrity of the legislative and administrative processes, it is necessary that the identity, expenditures, and activities of certain persons who engage in efforts to persuade members of the legislative bodies or members of the executive branch to take specific actions, either by direct communication to these officials, or by solicitation of others to engage in such efforts, be publicly and regularly disclosed. This chapter shall be liberally construed to promote complete disclosure of all relevant information and to insure that the public interest is fully protected.

(d) It is the policy and purpose of this chapter to implement these objectives of protecting the integrity of all governmental units of this state and of facilitating the service of qualified personnel by prescribing essential restrictions against conflicts of interest in public service without creating unnecessary barriers thereto.

(Acts 1973, No. 1056, p. 1699, §§1; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-3

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

State Ethics Commission - Creation, composition, qualifications, appointment, terms of office, vacancies, officers; annual reports; compensation; applicability of chapter to members, officers, etc.; director and staff.

(a) There is hereby created a State Ethics Commission composed of five members, each of whom shall be a fair, equitable citizen of this state and of high moral character and ability. The following persons shall not be eligible to be appointed as members: (1) a public official; (2) a candidate; (3) a registered lobbyist and his or her principal; or (4) a former employee of the commission. For purposes of this section, a public official shall not be deemed to include a part-time municipal judge and a registered lobbyist shall not be deemed to include a person whose lobbying activities are limited to providing public testimony to a legislative body or regulatory body or committee thereof. No member of the commission shall be eligible for reappointment to succeed himself or herself. The members of the commission shall be appointed by the following officers: the Governor, the Lieutenant Governor, or in the absence of a Lieutenant Governor, the Presiding Officer of the Senate, and the Speaker of the House of Representatives and shall assume their duties upon confirmation by the Senate. The members of the first commission shall be appointed for terms of office expiring one, two, three, four and five years, respectively, from September 1, 1975. Successors to the members of the first commission shall serve for a term of five years beginning service on September 1 of the year appointed and serving until their successors are appointed and confirmed. If at any time there should be a vacancy on the commission, a successor member to serve for the unexpired term applicable to such vacancy shall be appointed by the Governor. The commission shall elect one member to serve as chair of the commission and one member to serve as vice chair. The vice chair shall act as chair in the absence or disability of the chair or in the event of a vacancy in that office.

Beginning with the first vacancy on the Ethics Commission after October 1, 1995, if there is not a Black member serving on the commission, that vacancy shall be filled by a Black appointee. Any vacancy thereafter occurring on the commission, shall also be filled by a Black appointee if there is no Black member serving on the commission at that time.

(b) A vacancy in the commission shall not impair the right of the remaining members to exercise all the powers of the commission, and three members thereof shall constitute a quorum.

(c) The commission shall at the close of each fiscal year, or as soon thereafter as practicable, report to the Legislature and the Governor concerning the actions it has taken, the name, salary, and duties of the director, the names and duties of all individuals in its employ, the money it has disbursed, other relevant matters within its jurisdiction, and such recommendations for legislation as the commission deems appropriate.

(d) Members of the commission shall, while serving on the business of the commission, be entitled to receive compensation at the rate of fifty dollars ($50) per day, and each member shall be paid his or her travel expenses incurred in the performance of his or her duties as a member of the commission as other state employees and officials are paid when approved by the chair. If for any reason a member of the commission wishes not to claim and accept the compensation or travel expenses, the member shall inform the director, in writing, of the refusal. The member may at any time during his or her term begin accepting compensation or travel expenses; however, the

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

member's refusal for any covered period shall act as an irrevocable waiver for that period.

(e) All members, officers, agents, attorneys, and employees of the commission shall be subject to this chapter. The director, members of the commission, and all employees of the commission shall not engage in direct partisan political activity, including the making of campaign contributions, on the state, county, and local levels. The prohibition shall in no way act to limit or restrict such persons' ability to vote in any election.

(f) The commission shall appoint a full-time director. The director shall serve at the pleasure of the commission and shall appoint such other employees as needed. All such employees, except the director, shall be employed subject to the provisions of the State Merit System Law, and their compensation shall be prescribed pursuant to such law. The employment of attorneys shall be subject to subsection (h). The compensation of the director shall be fixed by the commission, payable as the salaries of other state employees. The director shall be responsible for the administrative operations of the commission and shall administer this chapter in accordance with the commission's policies. No regulation shall be implemented by the director until adopted by the commission in accordance with Sections 41-22-1 to 41-22-27, inclusive, the Alabama Administrative Procedure Act.

(g) The director may appoint part-time stenographic reporters or certified court reporters, as needed, to take and transcribe the testimony in any formal or informal hearing or investigation before the commission or before any person authorized by the commission. The reporters shall not be full-time employees of the commission and shall not be subject to the Merit System law and may not participate in the State Retirement System.

(h) The director may, with the approval of the Attorney General, appoint a competent attorney as legal counsel for the commission. The legal counsel shall be of good moral and ethical character, licensed to practice law in this state, and a member in good standing of the Alabama Bar Association. The legal counsel shall be commissioned as an Assistant or Deputy Attorney General and shall, in addition to the powers and duties herein conferred, have the authority and duties of an Assistant or Deputy Attorney General, except, that his or her entire time shall be devoted to the commission. The attorney shall act as an attorney for the commission in actions or proceedings brought by or against the commission pursuant to any provisions of law under the commission's jurisdiction, or in which the commission joins or intervenes as to a matter within the commission's jurisdiction, or as a friend of the court or otherwise; provided however, nothing in this chapter shall be deemed as a direct grant of subpoena power to the commission.

(i) The director shall designate in writing the chief investigator, should there be one, and a maximum of six full-time investigators who shall be and are hereby constituted law enforcement officers of the State of Alabama with full and unlimited police power and jurisdiction to enforce the laws of this state pertaining to the operation and administration of the commission and this chapter. Investigators shall meet the requirements of the Alabama Peace Officers' Standards and Training Act, Sections 36-21-40 to 36-21-51, inclusive, and shall in all ways and for all purposes be considered law enforcement officers; provided however such investigators shall only exercise their power of arrest as granted under this chapter pursuant to an order issued by a court of competent jurisdiction.

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

(Acts 1973, No. 1056, p. 1699; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-4

State Ethics Commission - Duties; complaint; investigation; rights of respondent concerning hearing; collection of fees; result once violation found.

(a) The commission shall do all of the following:

(1) Prescribe forms for statements required to be filed by this chapter and make the forms available to persons required to file such statements.

(2) Prepare guidelines setting forth recommended uniform methods of reporting for use by persons required to file statements required by this chapter.

(3) Accept and file any written information voluntarily supplied that exceeds the requirements of this chapter.

(4) Develop, where practicable, a filing, coding, and cross-indexing system consistent with the purposes of this chapter.

(5) Make reports and statements filed with the commission available during regular business hours to public inquiry subject to such regulations as the commission may prescribe including, but not limited to, regulations requiring identification by name, occupation, address, and telephone number of each person examining information on file with the commission.

(6) Preserve reports and statements for a period consistent with the statute of limitations as contained in this chapter. The reports and statements, when no longer required to be retained, shall be disposed of by shredding the reports and statements and disposing of or recycling them, or otherwise disposing of the reports and statements in any other manner prescribed by law. Nothing in this section shall in any manner limit the Department of Archives and History from receiving and retaining any documents pursuant to existing law.

(7) Make investigations with respect to statements filed pursuant to this chapter, and with respect to alleged failures to file, or omissions contained therein, any statement required pursuant to this chapter and, upon complaint by any individual, with respect to alleged violation of any part of this chapter to the extent authorized by law when in its opinion a thorough audit of any person or any business should be made in order to determine whether this chapter has been violated, the commission shall direct the Examiner of Public Accounts to have an audit made and a report thereof filed with the commission. The Examiner of Public Accounts shall, upon receipt of the directive, comply therewith.

(8) Report suspected violations of law to the appropriate law-enforcement authorities.

(9) Issue and publish advisory opinions on the requirements of this chapter, based on a real or hypothetical set of circumstances. Such advisory opinions shall be adopted by a majority vote of the members of the commission present and shall be effective and deemed valid until expressly overruled or altered by the commission or a court of competent jurisdiction. The written advisory

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

opinions of the commission shall protect the person at whose request the opinion was issued and any other person reasonably relying, in good faith, on the advisory opinion in a materially like circumstance from liability to the state, a county, or a municipal subdivision of the state because of any action performed or action refrained from in reliance of the advisory opinion. Nothing in this section shall be deemed to protect any person relying on the advisory opinion if the reliance is not in good faith, is not reasonable, is not in a materially like circumstance. The commission may impose reasonable charges for publication of the advisory opinions and monies shall be collected, deposited, dispensed, or retained as provided herein. On October 1, 1995, all prior advisory opinions of the commission in conflict with this chapter, shall be ineffective and thereby deemed invalid and otherwise overruled unless there has been any action performed or action refrained from in reliance of a prior advisory opinion.

(10) Initiate and continue, where practicable, programs for the purpose of educating candidates, officials, employees, and citizens of Alabama on matters of ethics in government service.

(11) In accordance with Sections 41-22-1 to 41-22-27, inclusive, the Alabama Administrative Procedure Act, prescribe, publish, and enforce rules and regulations to carry out this chapter.

(b) A complaint filed pursuant to this chapter, together with any statement, evidence, or information received from the complainant, witnesses, or other persons shall be protected by and subject to the same restrictions relating to secrecy and nondisclosure of information, conversation, knowledge, or evidence of Sections 12-16-214 to 12-16-216, inclusive. Such restrictions shall apply to all investigatory activities taken by the director, the commission or a member thereof, staff, employees, or any person engaged by the commission in response to a complaint filed with the commission and to all proceedings relating thereto before the commission.

(c) The commission shall not take any investigatory action on a telephonic or written complaint against a respondent so long as the complainant remains anonymous. Investigatory action on a complaint from an identifiable source shall not be initiated until the true identity of the source has been ascertained and written verification of such ascertainment is in the commission's files. The complaint may only be filed by a person who has or persons who have actual knowledge of the allegations contained in the complaint. A complainant may not file a complaint for another person or persons in order to circumvent this subsection. Prior to commencing any investigation, the commission shall: (1) receive a written and signed complaint which sets forth in detail the specific charges against a respondent, and the factual allegations which support such charges and (2) the director shall conduct a preliminary inquiry in order to make an initial determination that reasonable cause exists to conduct an investigation. If the director determines reasonable cause does not exist, the charges shall be dismissed, but such action must be reported to the commission. The commission shall be entitled to authorize an investigation upon a unanimous written consent of all five (5) commission members, upon an express finding that probable cause exists that a violation or violations of this chapter have occurred. A complaint may be initiated by the unanimous vote of the commission, provided, however, that the commission shall not conduct the hearing, but rather the hearing shall be conducted by three (3) active or retired judges, who shall be appointed by the Chief Justice of the Alabama Supreme Court, at least one of whom shall be Black. The three (3) judge panel shall conduct the hearing in accordance with the procedures contained in this chapter and in accordance with the rules and regulations of the commission. If the

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

three (3) judge panel unanimously finds that a person covered by this chapter has violated it, the three (3) judge panel shall forward the case to the district attorney for the jurisdiction in which the alleged acts occurred or to the Attorney General. In all matters that come before the commission concerning a complaint on an individual, the laws of due process shall apply.

(d) Not less than 45 days prior to any hearing before the commission, the respondent shall be given notice that a complaint has been filed against him or her and shall be given a summary of the charges contained therein. Upon the timely request of the respondent, a continuance of the hearing for not less than 30 days shall be granted for good cause shown. The respondent charged in the complaint shall have the right to be represented by retained legal counsel. The commission may not require the respondent to be a witness against himself or herself.

(e) The commission shall provide discovery to the respondent pursuant to the Alabama Rules of Criminal Procedure as promulgated by the Alabama Supreme Court.

(f)(1) All fees, penalties, and fines collected by the commission pursuant to this chapter shall be deposited into the State General Fund.

(2) All monies collected as reasonable payment of costs for copying, reproductions, publications, and lists shall be deemed a refund against disbursement and shall be deposited into the appropriate fund account for the use of the commission.

(g) If the commission finds cause that a person covered by this chapter has violated it, the case and the commission's findings shall be forwarded to the district attorney for the jurisdiction in which the alleged acts occurred or to the Attorney General. The case, along with the commission's findings, shall be referred for appropriate legal action. Nothing in this section shall be deemed to limit the commission's ability to take appropriate legal action when so requested by the district attorney for the appropriate jurisdiction or by the Attorney General.

(Acts 1973, No. 1056, p. 1699, §§18; Acts 1975, No. 130, p. 603, §§1; Acts 1979, No. 79-460, p. 814; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-5

Use of official position or office for personal gain.

(a) No public official or public employee shall use or cause to be used his or her official position or office to obtain personal gain for himself or herself, or family member of the public employee or family member of the public official, or any business with which the person is associated unless the use and gain are otherwise specifically authorized by law. Personal gain is achieved when the public official, public employee, or a family member thereof receives, obtains, exerts control over, or otherwise converts to personal use the object constituting such personal gain.

(b) Unless prohibited by the Constitution of Alabama of 1901, nothing herein shall be construed to prohibit a public official from introducing bills, ordinances, resolutions, or other legislative matters, serving on committees, or making statements or taking action in the exercise of his or her duties as a public official. A member of a legislative body may not vote for any legislation in which he or she knows or should have known that he or she has a conflict of interest.

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

(c) No public official or public employee shall use or cause to be used equipment, facilities, time, materials, human labor, or other public property under his or her discretion or control for the private benefit or business benefit of the public official, public employee, any other person, or principal campaign committee as defined in Section 17-22A-2, which would materially affect his or her financial interest, except as otherwise provided by law or as provided pursuant to a lawful employment agreement regulated by agency policy. Provided, however, nothing in this subsection shall be deemed to limit or otherwise prohibit communication between public officials or public employees and eleemosynary or membership organizations or such organizations communicating with public officials or public employees.

(d) No person shall solicit a public official or public employee to use or cause to be used equipment, facilities, time, materials, human labor, or other public property for such person's private benefit or business benefit, which would materially affect his or her financial interest, except as otherwise provided by law.

(e) No public official or public employee shall, other than in the ordinary course of business, solicit a thing of value from a subordinate or person or business with whom he or she directly inspects, regulates, or supervises in his or her official capacity.

(f) A conflict of interest shall exist when a member of a legislative body, public official, or public employee has a substantial financial interest by reason of ownership of, control of, or the exercise of power over any interest greater than five percent of the value of any corporation, company, association, or firm, partnership, proprietorship, or any other business entity of any kind or character which is uniquely affected by proposed or pending legislation; or who is an officer or director for any such corporation, company, association, or firm, partnership, proprietorship, or any other business entity of any kind or character which is uniquely affected by proposed or pending legislation.

(Acts 1973, No. 1056, p. 1699, §3; Acts 1975, No. 130, §1; Acts 1995, No. 95-194, p. 269, §1; Act 2000-797, § 1.)

Section 36-25-6

Use of contributions.

Contributions to an office holder, a candidate, or to a public official's inaugural or transitional fund shall not be converted to personal use.

(Acts 1973, No. 1056, p. 1699, §§4; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1; Acts 1997, No. 97-651, p. 1217, §§1.)

Section 36-25-7

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

Offering, soliciting, or receiving things of value for purpose of influencing official action; money solicited or received in addition to that received in official capacity.

(a) No person shall offer or give to a public official or public employee or a member of the household of a public employee or a member of the household of the public official and none of the aforementioned shall solicit or receive a thing of value for the purpose of influencing official action.

(b) No public official or public employee shall solicit or receive a thing of value for himself or herself or for a family member of the public employee or family member of the public official for the purpose of influencing official action.

(c) No person shall offer or give a family member of the public official or family member of the public employee a thing of value for the purpose of influencing official action.

(d) No public official or public employee, shall solicit or receive any money in addition to that received by the public official or public employee in an official capacity for advice or assistance on matters concerning the Legislature, lobbying a legislative body, an executive department or any public regulatory board, commission or other body of which he or she is a member. Notwithstanding the foregoing, nothing in this section shall be construed to prohibit a public official or public employee from the performance of his or her official duties or responsibilities.

(Acts 1973, No. 1056, p. 1699, §§5; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-8

Use or disclosure of confidential information for private financial gain.

No public official, public employee, former public official or former public employee, for a period consistent with the statute of limitations as contained in this chapter, shall use or disclose confidential information gained in the course of or by reason of his or her position or employment in any way that could result in financial gain other than his or her regular salary as such public official or public employee for himself or herself, a family member of the public employee or family member of the public official, or for any other person or business.

(Acts 1973, No. 1056, p. 1699, §§6; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-9

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

Service on regulatory boards and commissions regulating business with which person associated; members who have financial interest in matter prohibited from voting.

(a) Unless expressly provided otherwise by law, no person shall serve as a member or employee of a state, county, or municipal regulatory board or commission or other body that regulates any business with which he is associated. Nothing herein shall prohibit real estate brokers, agents, developers, appraisers, mortgage bankers, or other persons in the real estate field, or other state-licensed professionals, from serving on any planning boards or commissions, housing authorities, zoning board, board of adjustment, code enforcement board, industrial board, utilities board, state board, or commission.

(b) All county or municipal regulatory boards, authorities, or commissions currently comprised of any real estate brokers, agents, developers, appraisers, mortgage bankers, or other persons in the real estate industry may allow these individuals to continue to serve out their current term if appointed before December 31, 1991, except that at the conclusion of such term subsequent appointments shall reflect that membership of real estate brokers and agents shall not exceed more than one less of a majority of any county or municipal regulatory board or commission effective January 1, 1994.

(c) No member of any county or municipal agency, board, or commission shall vote or participate in any matter in which the member or family member of the member has any financial gain or interest.

(d) All acts, actions, and votes taken by such local boards and commissions between January 1, 1991 and December 31, 1993 are affirmed and ratified.

(Acts 1973, No. 1056, p. 1699, §§7; Acts 1975, No. 130, §§1; Acts 1992, No. 92-342, p. 719, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-10

Representation of client or constituent before board, regulatory body, department, etc.

If a public official or public employee, or family member of the public employee or family member of the public official, or a business with which the person is associated, represents a client or constituent for a fee before any quasi-judicial board or commission, regulatory body, or executive department or agency, notice of the representation shall be given within 10 days after the first day of the appearance. Notice shall be filed with the commission in the manner prescribed by it. No member of the Legislature shall for a fee, reward, or other compensation represent any person, firm, or corporation before the Public Service Commission or the State Board of Adjustment.

(Acts 1973, No. 1056, p. 1699, §§8; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-11

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

Public officials or employees entering into contracts which are to be paid out of government funds.

Unless exempt pursuant to Alabama competitive bid laws or otherwise permitted by law, no public official or public employee, or a member of the household of the public employee or the public official, and no business with which the person is associated shall enter into any contract to provide goods or services which is to be paid in whole or in part out of state, county, or municipal funds unless the contract has been awarded through a process of competitive bidding and a copy of the contract is filed with the commission. All such contract awards shall be made as a result of original bid takings, and no awards from negotiations after bidding shall be allowed. A copy of each contract, regardless of the amount, entered into by a public official, public employee, a member of the household of the public employee or the public official, and any business with which the person is associated shall be filed with the commission within 10 days after the contract has been entered into.

(Acts 1973, No. 1056, p. 1699, §§9; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-12

Offering, soliciting, etc., thing of value to or by member of regulatory body.

No person shall offer or give to a member or employee of a governmental agency, board, or commission that regulates a business with which the person is associated, and no member or employee of a regulatory body, shall solicit or accept a thing of value while the member or employee is associated with the regulatory body other than in the ordinary course of business. In addition to the foregoing, the commissioner of the Department of Agriculture and Industries and any candidate for the office of commissioner may not accept a campaign contribution from a person associated with a business regulated by the department.

(Acts 1973, No. 1056, p. 1699, §§ 10; Acts 1975, No. 130, p. 603, §§1; Acts 1995, No. 95-194, p. 269, §§ 1; Act 2001-474, p. 635, §§ 1.)

Section 36-25-13

Actions of former public officials or public employees prohibited for two years after departure.

(a) No public official shall serve for a fee as a lobbyist or otherwise represent clients, including his or her employer before the board, agency, commission, department, or legislative body, of which he or she is a former member for a period of two years after he or she leaves such membership. For the purposes of this subsection, such prohibition shall not include a former member of the Alabama judiciary who as an attorney represents a client in a legal, non-lobbying capacity.

(b) No public employee shall serve for a fee as a lobbyist or otherwise represent clients, including his or her employer before the board, agency, commission, or department, of which he or she is a former employee for a period of two years after he or she leaves such employment. For the purposes of this subsection, such prohibition shall not include a former employee of the Alabama

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

judiciary who as an attorney represents a client in a legal, non-lobbying capacity.

(c) No public official, director, assistant director, department or division chief, purchasing or procurement agent having the authority to make purchases, or any person who participates in the negotiation or approval of contracts, grants, or awards or any person who negotiates or approves contracts, grants, or awards shall enter into, solicit, or negotiate a contract, grant, or award with the governmental agency of which the person was a member or employee for a period of two years after he or she leaves the membership or employment of such governmental agency.

(d) No public official or public employee who personally participates in the direct regulation, audit, or investigation of a private business, corporation, partnership, or individual shall within two years of his or her departure from such employment solicit or accept employment with such private business, corporation, partnership, or individual.

(e) No former public official or public employee of the state may, within two years after termination of office or employment, act as attorney for any person other than himself or herself or the state, or aid, counsel, advise, consult or assist in representing any other person, in connection with any judicial proceeding or other matter in which the state is a party or has a direct and substantial interest and in which the former public official or public employee participated personally and substantially as a public official or employee or which was within or under the public official or public employee's official responsibility as an official or employee. This prohibition shall extend to all judicial proceedings or other matters in which the state is a party or has a direct and substantial interest, whether arising during or subsequent to the public official or public employee's term of office or employment.

(f) Nothing in this chapter shall be deemed to limit the right of a public official or public employee to publicly or privately express his or her support for or to encourage others to support and contribute to any candidate, political committee as defined in Section 17-22A-2, referendum, ballot question, issue, or constitutional amendment.

(Acts 1973, No. 1056, p. 1699, §§11; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-14

Filing of statement of economic interests.

(a) A statement of economic interests shall be completed and filed in accordance with this chapter with the commission no later than April 30 of each year covering the period of the preceding calendar year by each of the following:

(1) All elected public officials at the state, county, or municipal level of government or their instrumentalities.

(2) Any person appointed as a public official and any person employed as a public employee at the state, county, or municipal level of government or their instrumentalities who occupies a position whose base pay is fifty thousand dollars ($50,000) or more annually.

(3) All candidates, simultaneously with the date he or she becomes a candidate as defined in

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

Section 17-22A-2, or the date the candidate files his or her qualifying papers, whichever comes first.

(4) Members of the Alabama Ethics Commission; appointed members of boards and commissions having statewide jurisdiction (but excluding members of solely advisory boards).

(5) All full-time nonmerit employees, other than those employed in maintenance, clerical, secretarial, or other similar positions.

(6) Chief clerks and chief managers.

(7) Chief county clerks and chief county managers.

(8) Chief administrators.

(9) Chief county administrators.

(10) Any public official or public employee whose primary duty is to invest public funds.

(11) Chief administrative officers of any political subdivision.

(12) Chief and assistant county building inspectors.

(13) Any county or municipal administrator with power to grant or deny land development permits.

(14) Chief municipal clerks.

(15) Chiefs of police.

(16) Fire chiefs.

(17) City and county school superintendents and school board members.

(18) City and county school principals or administrators.

(19) Purchasing or procurement agents having the authority to make any purchase.

(20) Directors and assistant directors of state agencies.

(21) Chief financial and accounting directors.

(22) Chief grant coordinators.

(23) Each employee of the Legislature or of agencies, including temporary committees and commissions established by the Legislature, other than those employed in maintenance, clerical, secretarial, or similar positions.

(24) Each employee of the judicial branch of government, including active supernumerary district attorneys and judges, other than those employed in maintenance, clerical, secretarial, or other similar positions.

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

(b) Unless otherwise required by law, no public employee occupying a position earning less than fifty thousand dollars ($50,000) per year shall be required to file a statement of economic interests. Notwithstanding the provisions of subsection (a) or any other provision of this chapter, no coach of an athletic team of any four-year institution of higher education which receives state funds shall be required to include any income, donations, gifts, or benefits, other than salary, on the statement of economic interests, if the income, donations, gifts, or benefits are a condition of the employment contract. Such statement shall be made on a form made available by the commission. The duty to file the statement of economic interests shall rest with the person covered by this chapter. Nothing in this chapter shall be construed to exclude any public employee or public official from this chapter regardless of whether they are required to file a statement of economic interests. The statement shall contain the following information on the person making the filing:

(1) Name, residential address, business; name, address, and business of living spouse and dependents; name of living adult children; name of parents and siblings; name of living parents of spouse. Undercover law enforcement officers may have their residential addresses and the names of family members removed from public scrutiny by filing an affidavit stating that publicizing this information would potentially endanger their families.

(2) A list of occupations to which one third or more of working time was given during previous reporting year by the public official, public employee, or his or her spouse.

(3) A listing of total combined household income of the public official or public employee during the most recent reporting year as to income from salaries, fees, dividends, profits, commissions, and other compensation and listing the names of each business and the income derived from such business in the following categorical amounts: less than one thousand dollars ($1,000); at least one thousand dollars ($1,000) and less than ten thousand dollars ($10,000); at least ten thousand dollars ($10,000) and less than fifty thousand dollars ($50,000); at least fifty thousand dollars ($50,000) and less than one hundred fifty thousand dollars ($150,000); at least one hundred fifty thousand dollars ($150,000) and less than two hundred fifty thousand dollars ($250,000); or at least two hundred fifty thousand dollars ($250,000) or more. The person reporting shall also name any business or subsidiary thereof in which he or she or his or her spouse or dependents, jointly or severally, own five percent or more of the stock or in which he or she or his or her spouse or dependents serves as an officer, director, trustee, or consultant where the service provides income of at least one thousand dollars ($1,000) and less than five thousand dollars ($5,000); or at least five thousand dollars ($5,000) or more for the reporting period.

(4) If the filing public official or public employee, or his or her spouse, has engaged in a business during the last reporting year which provides legal, accounting, medical or health related, real estate, banking, insurance, educational, farming, engineering, architectural management, or other professional services or consultations, then the filing party shall report the number of clients of such business in each of the following categories and the income in categorical amounts received during the reporting period from the combined number of clients in each category: electric utilities, gas utilities, telephone utilities, water utilities, cable television companies, intrastate transportation companies, pipeline companies, oil or gas exploration companies, or both, oil and gas retail

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

companies, banks, savings and loan associations, loan or finance companies, or both, manufacturing firms, mining companies, life insurance companies, casualty insurance companies, other insurance companies, retail companies, beer, wine or liquor companies or distributors, or combination thereof, trade associations, professional associations, governmental associations, associations of public employees or public officials, counties, and any other businesses or associations that the commission may deem appropriate. Amounts received from combined clients in each category shall be reported in the following categorical amounts: less than one thousand dollars ($1,000); more than one thousand dollars ($1,000) and less than ten thousand dollars ($10,000); at least ten thousand dollars ($10,000) and less than twenty-five thousand dollars ($25,000); at least twenty-five thousand dollars ($25,000) and less than fifty thousand dollars ($50,000); at least fifty thousand dollars ($50,000) and less than one hundred thousand dollars ($100,000); at least one hundred thousand dollars ($100,000) and less than one hundred fifty thousand dollars ($150,000); at least one hundred fifty thousand dollars ($150,000) and less than two hundred fifty thousand dollars ($250,000); or at least two hundred fifty thousand dollars ($250,000) or more.

(5) If retainers are in existence or contracted for in any of the above categories of clients, a listing of the categories along with the anticipated income to be expected annually from each category of clients shall be shown in the following categorical amounts: less than one thousand dollars ($1,000); at least one thousand dollars ($1,000) and less than five thousand dollars ($5,000); or at least five thousand dollars ($5,000) or more.

(6) If real estate is held for investment or revenue production by a public official, his or her spouse or dependents, then a listing thereof in the following fair market value categorical amounts: under fifty thousand dollars ($50,000); at least fifty thousand dollars ($50,000) and less than one hundred thousand dollars ($100,000); at least one hundred thousand dollars ($100,000) and less than one hundred fifty thousand dollars ($150,000); at least one hundred fifty thousand dollars ($150,000) and less than two hundred fifty thousand dollars ($250,000); at least two hundred fifty thousand dollars ($250,000) or more. A listing of annual gross rent and lease income on real estate shall be made in the following categorical amounts: less than ten thousand dollars ($10,000); at least ten thousand dollars ($10,000) and less than fifty thousand dollars ($50,000); fifty thousand dollars ($50,000) or more. If a public official or a business in which the person is associated received rent or lease income from any governmental agency in Alabama, specific details of the lease or rent agreement shall be filed with the commission.

(7) A listing of indebtedness to businesses operating in Alabama showing types and number of each as follows: Banks, savings and loan associations, insurance companies, mortgage firms, stockbrokers and brokerages or bond firms; and the indebtedness to combined organizations in the following categorical amounts: Less than twenty-five thousand dollars ($25,000); twenty-five thousand dollars ($25,000) and less than fifty thousand dollars ($50,000); fifty thousand dollars ($50,000) and less than one hundred thousand dollars ($100,000); one hundred thousand dollars ($100,000) and less than one hundred fifty thousand dollars ($150,000); one hundred fifty thousand dollars ($150,000) and less than two hundred fifty thousand dollars ($250,000); two hundred fifty thousand dollars ($250,000) or more. The commission may add additional business to this listing. Indebtedness associated with the homestead of the person filing is exempted from

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

this disclosure requirement.

(c) Filing required by this section shall reflect information and facts in existence at the end of the reporting year.

(d) If the information required herein is not filed as required, the commission shall notify the public official or public employee concerned as to his or her failure to so file and the public official or public employee shall have 10 days to file the report after receipt of the notification. The commission may, in its discretion, assess a fine of ten dollars ($10) a day, not to exceed one thousand dollars ($1,000), for failure to file timely.

(e) A person who intentionally violates any financial disclosure filing requirement of this chapter shall be subject to administrative fines imposed by the commission, or shall, upon conviction, be guilty of a Class A misdemeanor, or both.

Any person who unintentionally neglects to include any information relating to the financial disclosure filing requirements of this chapter shall have 90 days to file an amended statement of economic interests without penalty.

(Acts 1973, No. 1056, p. 1699, §§12; Acts 1975, No. 130, §§1; Acts 1986, No. 86-321, p. 475, §§1; Acts 1995, No. 95-194, p. 269, §§1; Acts 1997, No. 97-651, p. 1217, §§1.)

Section 36-25-15

Candidates required to file statements of economic interests; official to notify commission of name of candidate; failure to submit statement.

(a) Candidates at every level of government shall file a completed statement of economic interests for the previous calendar year with the appropriate election official simultaneously with the date he or she becomes a candidate as defined in Section 17-22A-2 or the date such candidate files his or her qualifying papers with the appropriate election official, whichever date occurs first. Such election official shall within five days forward the statement of economic interests of the candidate to the commission. Nothing in this section shall be deemed to require a second filing of the person's statement of economic interests if a current statement of economic interests is on file with the commission.

(b) Each election official who receives a declaration of candidacy or petition to appear on the ballot for election from a candidate and each official who nominates a person to serve as a public official shall, within five days of the receipt or nomination, notify the commission of the name of the candidate, as defined in this chapter, and the date on which the person became a candidate or was nominated as a public official.

(c) Other provisions of the law notwithstanding, if a candidate does not submit a statement of economic interests in accordance with the requirements of this chapter, the name of the person shall not appear on the ballot and the candidate shall be deemed not qualified as a candidate in that election. Notwithstanding the foregoing, the commission may, for good cause shown, allow the candidate an additional five days to file such statement of economic interests. If a candidate is deemed not qualified, the appropriate election official shall remove the name of the candidate from

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

the ballot.

(Acts 1973, No. 1056, p. 1699, §§13; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1; Acts 1997, No. 97-651, p. 1217, §§1.)

Section 36-25-16

Reports by persons who are related to public officials or public employees and who represent persons before regulatory body or contract with state.

(a) When any citizen of the state or business with which he or she is associated represents for a fee any person before a regulatory body of the executive branch, he or she shall report to the commission the name of any adult child, parent, spouse, brother, or sister who is a public official or a public employee of that regulatory body of the executive branch.

(b) When any citizen of the state or business with which the person is associated enters into a contract for the sale of goods or services to the State of Alabama or any of its agencies or any county or municipality and any of their respective agencies in amounts exceeding seven thousand five hundred dollars ($7,500), he or she shall report to the commission the names of any adult child, parent, spouse, brother, or sister who is a public official or public employee of the agency or department with whom the contract is made.

(c) This section shall not apply to any contract for the sale of goods or services awarded through a process of public notice and competitive bidding.

(d) Each regulatory body of the executive branch, or any agency of the State of Alabama shall be responsible for notifying citizens affected by this chapter of the requirements of this section.

(Acts 1973, No. 1056, p. 1699, §§15; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-17

Reports of violations; cooperation of agency heads.

(a) Every governmental agency head shall within 10 days file reports with the commission on any matters that come to his or her attention in his or her official capacity which constitute a violation of this chapter.

(b) Governmental agency heads shall cooperate in every possible manner in connection with any investigation or hearing, public or private, which may be conducted by the commission.

(Acts 1973, No. 1056, p. 1699, §§16; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-18

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

Registration of lobbyists required; filing of supplemental registration.

(a) Every lobbyist shall register by filing a form prescribed by the commission no later than January 31 of each year or within 10 days after the first undertaking requiring such registration. Each lobbyist, except public employees who are lobbyists, shall pay an annual fee of one hundred dollars ($100) on or before January 31 of each year or within 10 days of the first undertaking requiring such registration.

(b) The registration shall be in writing and shall contain the following information:

(1) The registrant's full name and business address.

(2) The registrant's normal business and address.

(3) The full name and address of the registrant's principal or principals.

(4) The listing of the categories of subject matters on which the registrant is to communicate directly with a member of the legislative body to influence legislation or legislative action.

(5) If a registrant's activity is done on behalf of the members of a group other than a corporation, a categorical disclosure of the number of persons of the group as follows: 1-5; 6-10; 11-25; over 25.

(6) A statement signed by each principal that he or she has read the registration, knows its contents and has authorized the registrant to be a lobbyist in his or her behalf as specified therein, and that no compensation will be paid to the registrant contingent upon passage or defeat of any legislative measure.

(c) A registrant shall file a supplemental registration indicating any substantial change or changes in the information contained in the prior registration within 10 days after the date of the change.

(Acts 1973, No. 1056, p. 1699, §§19; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-19

Registered lobbyists and other persons required to file quarterly reports.

(a) Every person registered as a lobbyist pursuant to Section 36-25-18 and every principal employing any lobbyist shall file with the commission a report provided by the commission pertaining to the activities set out in that section. The report shall be filed with the commission no later than January 31, April 30, July 31, and October 31 for each preceding calendar quarter, and contain, but not be limited to, the following information:

(1) The cost of those items excluded from the definition of a thing of value which are described in Section 36-25-1(32)b. and which are expended within a 24-hour period on a public official, public employee, and members of his or her respective household in excess of two hundred fifty dollars ($250) with the name or names of the recipient or recipients and the date of the expenditure.

(2) The nature and date of any financial transaction between the public official, candidate, or member of the household of such public official or candidate and the lobbyist or principal of a

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

value in excess of five hundred dollars ($500) in the prior quarter, excluding those financial transactions which are required to be reported by candidates under the Fair Campaign Practices Act as provided in Chapter 22A (commencing with Section 17-22A-1) of Title 17.

(3) A detailed statement showing the exact amount of any loan given or promised to a public official, candidate, public official or candidate.

(4) A detailed statement showing any direct business association or partnership with any public official, candidate, or members of the household of such public official or candidate; provided, however, that campaign expenditures shall not be deemed a business association or partnership.

(b) Any person not otherwise deemed a lobbyist pursuant to this chapter who negotiates or attempts to negotiate a contract, sells or attempts to sell goods or services, engages or attempts to engage in a financial transaction with a public official or public employee in their official capacity and who within a calendar day expends in excess of two hundred fifty dollars ($250) on such public employee, public official, and his or her respective household shall file a detailed quarterly report of the expenditure with the commission.

(c) Any other provision of this chapter to the contrary notwithstanding, no organization whose officer or employee serves as a public official under this chapter shall be required to report expenditures or reimbursement paid to such officer or employee in the performance of the duties with the organization.

(Acts 1973, No. 1056, p. 1699, §§20; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-20

Filing of notice of termination of lobbying activities; effect of notice as to requirement for filing of reports.

(a) A person who ceases to engage in activities requiring registration pursuant to Section 36-25-18 shall file a written, verified statement with the commission acknowledging the termination of activities. The notice shall be effective immediately.

(b) A person who files a notice of termination pursuant to this section shall file the reports required pursuant to Sections 36-25-18 and 36-25-19 for any reporting period during which he or she was registered pursuant to this chapter.

(Acts 1973, No. 1056, p. 1699, §§21; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-21

Reports constitute public records; reports available for public inspection.

All reports filed pursuant to Sections 36-25-18 to 36-25-20, inclusive, are public records and shall be made available for public inspection during regular business hours.

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

(Acts 1973, No. 1056, p. 1699, §§22; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-22

Sections 36-25-18 to 36-25-21 not to be construed as affecting certain professional services.

Sections 36-25-18 to 36-25-21, inclusive, shall not be construed as affecting professional services in drafting bills or in advising clients and in rendering opinions as to the construction and effect of proposed or pending legislation, executive action, rules, or regulations, where those professional services are not otherwise connected with legislative, executive, or regulatory action.

(Acts 1973, No. 1056, p. 1699, §§24; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-23

Floor privileges of former members of Legislature for lobbying purposes; solicitation of lobbyists by public officials or employees; contracts to provide lobbying services contingent upon legislative action.

(a) No former member of the House of Representatives or the Senate of the State of Alabama shall be extended floor privileges of either body in a lobbying capacity.

(b) No public official, public employee, or group of public officials or public employees shall solicit any lobbyist to give any thing whether or not the thing solicited is a thing of value to any person or entity for any purpose other than a campaign contribution.

(c) No principal or lobbyist shall accept compensation for, or enter into a contract to provide lobbying services which is contingent upon the passage or defeat of any legislative action.

(Acts 1973, No. 1056, p. 1699, §§28; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-24

Supervisor prohibited from discharging or discriminating against employee where employee reports violation.

(a) A supervisor shall not discharge, demote, transfer, or otherwise discriminate against a public employee regarding such employee's compensation, terms, conditions, or privileges of employment based on the employee's reporting a violation, or what he or she believes in good faith to be a violation, of this chapter or giving truthful statements or truthful testimony concerning an alleged ethics violation.

(b) Nothing in this chapter shall be construed in any manner to prevent or prohibit or otherwise limit a supervisor from disciplining, discharging, transferring, or otherwise affecting the terms and conditions of a public employee's employment so long as the disciplinary action does not result from or is in no other manner connected with the public employee's filing a complaint with the commission, giving truthful statements, and truthfully testifying.

(c) No public employee shall file a complaint or otherwise initiate action against a public official

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

or other public employee without a good faith basis for believing the complaint to be true and accurate.

(d) A supervisor who is alleged to have violated this section shall be subject to civil action in the circuit courts of this state pursuant to the Alabama Rules of Civil Procedure as promulgated by the Alabama Supreme Court.

(e) A public employee who without a good faith belief in the truthfulness and accuracy of a complaint filed against a supervisor, shall be subject to a civil action in the circuit courts in the State of Alabama pursuant to the Alabama Rules of Civil Procedure as promulgated by the Supreme Court. Additionally, a public employee who without a good faith belief in the truthfulness and accuracy of a complaint as filed against a supervisor shall be subject to appropriate and applicable personnel action.

(f) Nothing in this section shall be construed to allow a public employee to file a complaint to prevent, mitigate, lessen, or otherwise to extinguish existing or anticipated personnel action by a supervisor. A public employee who willfully files such a complaint against a supervisor shall, upon conviction, be guilty of the crime of false reporting.

(Acts 1973, No. 1056, p. 1699, §§30; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-26

False reporting for purpose of influencing legislation.

No person, for the purpose of influencing legislation, may do either of the following:

(1) Knowingly or willfully make any false statement or misrepresentation of the facts to a member of the legislative or executive branch.

(2) Knowing a document to contain a false statement, cause a copy of the document to be received by a member of the legislative or executive branch without notifying the member in writing of the truth.

(Acts 1973, No. 1056, p. 1699, §§23; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-27

Penalties for violations of provisions of chapter; administrative penalties; enforcement by Attorney General or district attorney; jurisdiction, venue, judicial review; limitations period.

(a)(1) Except as otherwise provided, any person subject to this chapter who intentionally violates any provision of this chapter other than those for which a separate penalty is provided for in this section shall, upon conviction, be guilty of a Class B felony.

(2) Any person subject to this chapter who violates any provision of this chapter other than those for which a separate penalty is provided for in this section shall, upon conviction, be guilty of a Class A misdemeanor.

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

(3) Any person subject to this chapter who knowingly violates any disclosure requirement of this chapter shall, upon conviction, be guilty of a Class A misdemeanor.

(4) Any person who knowingly makes or transmits a false report or complaint pursuant to this chapter shall, upon conviction, be guilty of a Class A misdemeanor and shall be liable for the actual legal expenses incurred by the respondent against whom the false report or complaint was filed.

(5) Any person who makes false statements to an employee of the commission or to the commission itself pursuant to this chapter without reason to believe the accuracy of the statements shall, upon conviction, be guilty of a Class A misdemeanor.

(6) Any person subject to this chapter who intentionally violates this chapter relating to secrecy shall, upon conviction, be guilty of a Class A misdemeanor.

(7) Any person subject to this chapter who intentionally fails to disclose information required by this chapter shall, upon conviction, be guilty of a Class A misdemeanor.

(b) The commission if petitioned or agreed to by a respondent and the Attorney General or district attorney having jurisdiction, by unanimous vote of the members present may administratively resolve a complaint filed pursuant to this chapter for minor violations. The commission may levy an administrative penalty not to exceed one thousand dollars ($1,000) for any minor violation of this chapter including, but not limited to, the failure to timely file a complete and correct statement of economic interests. The commission shall, in addition to any administrative penalty, order restitution in the amount of any economic loss to the state, county, and municipal governments and their instrumentalities and such restitution shall when collected be paid by the commission, to the entity having the economic loss. In any case in which an administrative penalty is imposed, the administrative penalty shall not be less than three times the amount of any economic loss to the state, county, and municipal governments or their instrumentalities or any economic gain or benefit to the public official or public employee, or whichever sum is greater. The commission, through its attorney, shall institute proceedings to recover any penalties or restitution or other such funds so ordered pursuant to this section which are not paid by, or on behalf of the public official or public employee or other person who has violated this chapter. Nothing in this section shall be deemed in any manner to prohibit the commission and the respondent from entering into a consent decree settling a complaint which has previously been designated by the commission for administrative resolution, so long as the consent decree is approved by the commission. If the commission, the respondent, and the Attorney General or district attorney having jurisdiction, all concur that a complaint is deemed to be handled administratively, the action shall preclude any criminal prosecution pursuant to this chapter at the state, county, or municipal level.

(c) The enforcement of this chapter shall be vested in the commission; provided however, nothing in this chapter shall be deemed to limit or otherwise prohibit the Attorney General or the district attorney for the appropriate jurisdiction from enforcing any provision of this chapter as they deem appropriate. In the event the commission, by majority vote, finds that any provision of this chapter has been violated, the alleged violation and any investigation conducted by the commission shall be referred to the district attorney of the appropriate jurisdiction or the Attorney General. The

EXHIBIT 1-1 CONTINUED ALABAMA CODE OF ETHICS

commission shall provide any and all appropriate assistance to such district attorney or Attorney General. Upon the request of such district attorney or the Attorney General, the commission may institute, prosecute, or take such other appropriate legal action regarding such violations, proceeding therein with all rights, privileges, and powers conferred by law upon assistant attorneys general.

(d) Nothing in this chapter limits the power of the state to punish any person for any conduct which otherwise constitutes a crime by statute or at common law.

(e) The penalties prescribed in this chapter do not in any manner limit the power of a legislative body to discipline its own members or to impeach public officials and do not limit the powers of agencies, departments, boards, or commissions to discipline their respective officials, members, or employees.

(f) Each circuit court of this state shall have jurisdiction of all cases and actions relative to judicial review, violations, or the enforcement of this chapter, and the venue of any action pursuant to this chapter shall be in the county in which the alleged violation occurred, or in those cases where the violation or violations occurred outside the State of Alabama, in Montgomery County. In the case of judicial review of any administrative decision of the commission, the commission's order, rule, or decision shall be taken as prima facie just and reasonable and the court shall not substitute its judgment for that of the commission as to the weight of the evidence on questions of fact except where otherwise authorized by law.

(g) Any felony prosecution brought pursuant to this chapter shall be commenced within four years after the commission of the offense.

(h) Any misdemeanor prosecution brought pursuant to this chapter shall be commenced within two years after the commission of the offense.

(i) Nothing in this chapter is intended to nor is to be construed as repealing in any way the provisions of any of the criminal laws of this state.

(Acts 1973, No. 1056, p. 1699, §26; Acts 1975, No. 130, §1; Acts 1986, No. 86-321, p. 475, §1; Acts 1995, No. 95-194, p. 269, §1; Acts 1996, No. 96-261, p. 307, §1.)

Section 36-25-28

Chapter not to deprive citizens of constitutional right to communicate with members of Legislature.

Nothing in this chapter shall be construed as to deprive any citizen, not lobbying, of the citizen's constitutional right to communicate with members of the Legislature.

(Acts 1973, No. 1056, p. 1699, §§25; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-29

Appropriations.

The Legislature shall appropriate such sums as it deems necessary to implement the provisions of and administer this chapter.

(Acts 1973, No. 1056, p. 1699, §§29; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

Section 36-25-30

Construction of chapter.

This chapter shall be construed in pari materia with other laws dealing with the subject of ethics.

(Acts 1973, No. 1056, p. 1699, §§32; Acts 1975, No. 130, §§1; Acts 1995, No. 95-194, p. 269, §§1.)

CITY OF MONTGOMERY, ALABAMA
FISCAL POLICY AND PROCEDURES MANUAL

CHAPTER 1
INTRODUCTION
PURPOSE AND ORGANIZATION OF THE MANUAL

The Fiscal Policy and Procedures Manual (the Manual) has been developed to assist City departments with the operation of the accounting infrastructure. The Manual will assist City departments in complying with statutory requirements and administrative procedures. Furthermore, the Manual documents the policies and procedures related to budgeting, revenue and receipts, expenditures and disbursements, purchasing, contracts, payroll/personnel, fixed assets, and inventory.

City funds are entrusted to the head of each department. The department head is primarily responsible for the expenditure of public monies in accordance with statutes and federal guidelines where applicable. Each department head makes decisions and exercises authority relative to the expenditure of funds within the bounds of the department's appropriation(s) and legal function. This Manual is intended to assist City officials in complying with laws, policies, and procedures that apply to the fiscal administration of City departments. It is not the intent of this Manual to prescribe internal departmental procedures or policies.

This Manual standardizes accounting and financial policies and procedures that are within the authority of the Department of Finance. The Director of Finance and the Mayor have approved this Manual in order to establish rules and regulations governing the performance of all functions and duties of the Department of Finance and these policies and procedures will be applied uniformly to all departments unless specific exemption is granted in writing by the Director of Finance. The fiscal procedures define the functions and responsibilities of the Department of Finance and the methods of fulfilling these responsibilities. Any errors of omission or commission in this Manual are not to be taken as an exemption from the statutes or ordinances; full compliance with such laws is required.

Revisions to the Manual will be made periodically as needed. Revisions will be presented to the Director of Finance and Mayor for review and approval. Suggestions should be submitted to Sarah Corallo, Internal Auditor, at the following addresses.

Regular Mailing Address
103 North Perry Street
P.O. Box 1111
Montgomery, AL 36101-1111

City Hand Mail Address
Sarah Corallo, Internal Auditor, Finance Department, Room 117E

E-mail Address
scorallo@montgomeryal.gov

Phone
(334) 241-2084

Fax
(334) 241-2255

CITY OF MONTGOMERY, ALABAMA
FISCAL POLICY AND PROCEDURES MANUAL

CHAPTER 2
BUDGETING

I. STATUTORY AUTHORITY

The Budget Officer of the Department of Finance by statute is responsible for preparing the initial information concerning the City budget and its execution, revenue estimates, review of appropriation acts and fiscal analyses. The Budget Officer also assists the Director of Finance and the Mayor in the formulation of the budget; analyzes and revises the estimates of revenues and requests for appropriations of all City departments; and supervises and coordinates the expenditures and other fiscal operations of the departments.

According to Alabama Act 618, Article V-5-02, the budget, as recommended by the Mayor, is published and transmitted to the City Council on or before "the 20th day of August.

The Mayor presents two distinct documents to the City Council.

- A separate current revenue and expense budget for the general operation of the city government, to be known as the "general fund budget"; and
- A budget message.

The Mayor's budget recommendations, subject to changes by the City Council, are adopted by the City Council as the Operating and Debt Service Budget via Ordinance. The Budget identifies the source of funding and programmatic (functional) areas for which expenditures are authorized. Alabama Act 618 Article V-5-05 requires a balanced budget for annual financial operations. In the event that revenue collections do not meet revenue projections, the Mayor will prorate appropriations and restrict allotments to prevent an overdraft or deficit in the fiscal year for which appropriations are made.

II. THE BUDGETING PROCESS

A. OVERVIEW OF THE BUDGETING PROCESS

The budget is prepared for each fund, appropriation unit and activity by major object of expenditure in accordance with the chart of accounts. Annually, the Budget Officer provides to all departments a set of instructions and forms for preparing a budget request. Formulation of the budget begins with the preparation of estimates of expenditure requirements for the next fiscal year by the administrative head of each budgeted department. These estimates are submitted annually to the Budget Officer. See Exhibit 2-1A-F (Pages 42-47) for a sample budget package.

For business type departments, a detailed statement showing actual departmental revenue for the preceding year and estimated revenue for the current and next fiscal year must also be submitted to the Budget Officer.

All departments are required to provide a personnel classification budget request form showing employees and amounts by classification. The Budget Officer, after receiving the departmental budget requests, prepares a tentative budget. The tentative budget is transmitted to the Finance Director who makes provisions for budget hearings. After the Finance Director's hearings are finalized, hearings with the Mayor begin. After these second hearings are held, the Mayor finalizes the budget recommendations. Before the Mayor makes his final recommendations to the City Council in a proposed fiscal year budget, consideration is given to the revenue estimates prepared by the Department of Finance, the estimated expenditure requirements submitted by the departments, the proposed budget recommendations made by the Finance Director, and to testimony given at the budget hearings by department heads justifying their departmental operating budget.

B. APPROPRIATIONS

An appropriation is the authorization for a department to make expenditures and to incur obligations for specific purposes at the account level. City departments may not spend more than the amount appropriated by the City Council. The Budget Officer is responsible for administering the appropriations. Upon the adoption of the Budget by the City Council, the Budget Officer will enter the appropriation amounts into the City-level accounting and budgeting system by account number.

C. UNLAWFUL USE OF APPROPRIATIONS

It is unlawful for any director, manager, building committee, or other officer or person connected with any City department to expend any appropriation for any purpose other than that for which the money was appropriated, budgeted, and allotted. If the Mayor determines that a department has used appropriations for any purpose other than that for which the money was appropriated, budgeted, and allotted, the Mayor has the power and authority to suspend all appropriations and allotments. This suspension may remain in effect until the diverted or wrongfully expended funds have been replaced.

D. USE OF DEPARTMENT AND INSTITUTION RECEIPTS

All fees, receipts, and income collected or received by a department are to be deposited into the City Treasury unless exempted by the Mayor or a City Council ordinance. These funds are deposited to the credit of the General Fund or other fund as required by law. These funds are not subject to withdrawal by the department except as appropriated and allotted.

A department may not increase its appropriation to expend any revenue derived from the sale, trade-in, or exchange of personal property.

E. APPROPRIATION TRANSFERS

Transfer of budget between accounts by a department may only be made by a formal request to the Director of Finance through the Budget Officer. The standard Budget Transfer Request Form can be found in Exhibit 2-2 (Page 48).

III. REVERSIONS

By statute, all unencumbered balances of all appropriations revert to fund balance at the end of each fiscal year and are credited to the General Fund or the special fund from which the appropriations were made. The exception to this is the appropriations associated with ongoing City projects and grants. These appropriations continue in effect until completion of the project for which the appropriations were made. Encumbered balances revert to the fund from which the appropriation was originally made one year following the close of the fiscal year the encumbrance was made in, with exception to ongoing projects and grants.

A. YEAR-END ENCUMBRANCE PROCEDURES

On September 30 of each fiscal year, all unencumbered monies will revert to the General Fund or other fund from which the appropriation was made. During the last quarter of the fiscal year, departments should review the Encumbrance Master Listing for open purchase orders that should be closed and for other adjustments. This report will be used to determine the up-to-date encumbered and unencumbered balances by fund. An encumbrance is an account used to record the amount of purchase orders and contracts that are chargeable to an appropriation. Encumbrances are commitments related to unperformed contracts and do not include unenforceable commitments or intentions to spend. Therefore, requisitions and other intentions to spend funds are not to be included as part of the encumbered fund balance at year end. The Division of Purchasing will establish a deadline for accepting requisitions for the current fiscal year. The Division of Purchasing will also establish a date in September on which all existing requisitions must be converted to purchase orders and revisions sent to Division of Purchasing for processing. Requisitions remaining after this date will be deleted and must be resubmitted in the subsequent fiscal year.

B. YEAR-END ACCOUNTS PAYABLE

Accounts payables represent a liability of the City for goods and services received but not paid for by the end of the fiscal year. Accounts payable, which are charged by department and account number, will reserve a portion of the fund balance to adequately cover these liabilities.

C. THE THIRTEENTH ACCOUNTING PERIOD

The City's accounting records remain open for a two-month period following September 30. The purpose of this period, termed the thirteenth accounting period, is to allow the payment of outstanding obligations at year end and to permit other accounting adjustments before the issuance of Financial Statements.

D. ACCURACY OF REVERSIONS AND ACCOUNTS PAYABLE

The head of each department is responsible for the accuracy of the amount of money to be reverted. The Certified Public Accountants engaged to audit the City's financial records will audit each department as to the accuracy of the reversion amount and the validity of the encumbrance amounts and year-end accounts payable.

IV. DETAIL BUDGET REPORT

A Detail Budget Report may be printed by a department on an as needed basis. This report shows the variance between year-to-date obligations (expenditures plus encumbrances) and amounts budgeted by the department. See Exhibit 2-3 (Page 49) for an example of this report.

EXHIBIT 2-1A DEPARTMENTAL BUDGET PACKAGE, PAGE 1

BUDGET PREPARATION WORKSHEET
FOR FISCAL YEAR XXXX

FUND	001	GENERAL FUND							
ACT	ELE OBJ	ACCOUNT DESC	2006 ACTUAL	2007 BUDGET	2007 TO DATE	ADJUSTED BUDGET	2008 DEP REQ	2008 FIN REC	2008 MAYOR REC
DEPT	0100	COUNCIL							
	11-**	SALARIES							
711-	11-01	(1)COUNCIL	162000	162000	81000.00	162000.00			
		(2)							
	13-**	FRINGE BENEFIT							
	13-11	(1)SOC SECURITY	11704	11705	5936.39	11705.00			
		(2)							
	13-21	(1)RET GP I NOR	6598	4212	2754.00	4212.00			
		(2)							
	13-41	(1)GRP INS MED	35712	41400	18286.00	41400..00			
		(2)							
	13-42	(1)GRP INS LIF	354	486	216.00	486.00			
		(2)							
	13-45	(1)FLEX BEN PL	198	.00	.00	.00			
		(2)							
	21-**	SUPPLIES							
	21-01	(1)OFFICE SUPPL	1182	4500	372.53	4400.00			
		(2)							
	32-**	NON-PROF SVCS							
	32-11	(1)FEES SPEC SV	58	2250		2250.00			
		(2)							
	34-**	PUB.ADV&DUES							
	34-31	(1)ADV & DUES			100.00	100.00			
		(2)							
	39-**	MISCELLANEOUS							
	39-11	(1)TRVL&TRAING	8537	9000	3816.78	9000.00			
	76-68	(1)OTHER MISC	15984	75000	.00	75000.00			
		(2)							
DEP 0100	TOTAL	(1)COUNCIL	242327	310553	112481.70	310553			

EXHIBIT 2-1B DEPARTMENTAL BUDGET PACKAGE, PAGE 2

City of Montgomery

BUDGET FORM 2

SUMMARY OF PERSONNEL SERVICES
PROPOSED FOR FISCAL YEAR ENDING 9-30-XXXX

FUND:
DEPARTMENT:
DIVISION:
SUBMITTED BY:

CODE NO.	JOB TITLE	NUMBER OF POSITIONS			BUDGET REQUEST					Increases/Decreases	
		CURRENT YEAR			No. of Positions Requested	Base Pay	Merit Increases	Overtime Pay	Total Budget Requested	No. of Authorized Positions	Salary Amounts
		AUTH	FILLED								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

EXHIBIT 2-1C DEPARTMENTAL BUDGET PACKAGE, PAGE 3

City of Montgomery

BUDGET FORM 5

BUDGET FORM 5

COMPUTATION OF OPERATING EXPENSE
PROPOSED FOR FISCAL YEAR ENDING 9-30-XXXX

FUND:
DEPARTMENT:
DIVISION:
SUBMITTED BY:

OBJECT CODE	TITLE OF ACCOUNT	CURRENT YEAR BUDGET	BUDGET REQUEST	COMPUTATION AND EXPLANATION OF BUDGET REQUEST
			0	

EXHIBIT 2-1D DEPARTMENTAL BUDGET PACKAGE, PAGE 4

City of Montgomery

BUDGET FORM 6

COMPUTATION OF BUILDING REPAIR AND MAINTENANCE EXPENSE
PROPOSED FOR FISCAL YEAR ENDING 9-30-XXXX

BUDGET FORM 6
FUND:
DEPARTMENT:
DIVISION:
SUBMITTED BY:

OBJECT CODE	TYPE OF PROJECT (RENOVATION, REPAIR, MAINT, ETC.)	BUDGET REQUEST	LOCATION OF PROJECT	GENERAL DESCRIPTION OF WORK TO BE PERFORMED
2501				
	TOTALS	0		

EXHIBIT 2-1E DEPARTMENTAL BUDGET PACKAGE, PAGE 5

City of Montgomery

A" ADDITIONAL
R" REPLACEMENT
PART II
BUDGET FORM 10

COMPUTATION OF COMPUTER EQUIPMENT AND/OR COMPUTER SOFTWARE
PROPOSED FOR FISCAL YEAR ENDING 9-30-XXXX
OBJECT CODE _____

ACCT NO
COMM CD #P

BUDGET FORM 10 PART II
FUND:
DEPARTMENT:
DIVISION:
SUBMITTED BY:

ITEM NO.	QTRY. REQUEST	DESCRIPTION OF EQUIPMENT REQUESTED	DESCRIPTION OF EQUIPMENT-REPLACED/ADDITIONAL				COST INFORMATION		RECOMMENDATION	
			"R" "A"	YEAR PURCHASED	DESCRIPTION	CONDITION	UNIT COST	TOTAL COST	QTY	AMOUNT
								0.00		

EXHIBIT 2-1F DEPARTMENTAL BUDGET PACKAGE, PAGE 6

City of Montgomery

A" ADDITIONAL
R" REPLACEMENT
PART II
BUDGET FORM 10 TC

COMPUTATION OF TELECOMMUNICATION/COMMUNICATIONS EQPT
PROPOSED FOR FISCAL YEAR ENDING 9-30-XXXX
OBJECT CODE _____

ACCT NO
COMM CD #P

BUDGET FRM 10TC PART II
FUND:
DEPARTMENT:
DIVISION:
SUBMITTED BY:

ITEM NO.	QTRY. REQUEST	DESCRIPTION OF EQUIPMENT REQUESTED	DESCRIPTION OF EQUIPMENT-REPLACED/ADDITIONAL "R" "A"	YEAR PURCHASED	DESCRIPTION	CONDITION	COST INFORMATION UNIT COST	TOTAL COST	RECOMMENDATION QTY	AMOUNT
								0.00		

EXHIBIT 2-2 BUDGET TRANSFER REQUEST FORM

REQUESTED BY: _____
SIGNATURE: _____
DEPARTMENT: _____
DATE: _____

FINANCE DEPT USE ONLY:
JE NO. _____
GRP NO. _____
ENTRY DATE: _____
INPUT BY: _____

ACCOUNT NUMBER	ACCOUNT NAME	CURRENT BUDGET AMOUNT	AMOUNT OF CHANGE -- PLUS/MINUS	REVISED AMOUNTS
				$0
				$0
				$0
				$0
				$0
				$0
				$0
				$0
				$0
				$0
				$0
				$0
				$0
				$0
			$0	$0

JUSTIFICATION:

APPROVED: _____

_____
FINANCE DIRECTOR APPROVAL

DISAPPROVED: _____

EXHIBIT 2-3 EXAMPLE PAGE OF DETAIL BUDGET REPORT

PREPARED 10/31/2007, 13:36:25 DETAIL BUDGET REPORT PAGE 2
PROGRAM: GM267L 8% OF YEAR LAPSED ACCOUNTING PERIOD 01/2008
City of Montgomery, Alabama

FUND 001 GENERAL FUND DEPT/DIV 0100 COUNCIL/

BA SUB	ELE SUB	OBJ SUB	ACCOUNT DESCRIPTION	CURRENT BUDGET	CURRENT ACTUAL	CURRENT %EXP	YEAR-TO-DATE BUDGET	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE %EXP	ENCUMBR.	ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
710			GENERAL GOVERNMENT										
711			GENERAL GOVERNMENT										
	11		SALARIES										
	11	01	COUNCIL	13500	.00	0	13500	.00	0	.00	162000	162000.00	0
	11	**	SALARIES	13500	.00	0	13500	.00	0	.00	162000	162000.00	0
	13		FRINGE BENEFITS										
	13	11	SOCIAL SECURITY	1571	.00	0	1571	.00	0	.00	18859	18859.00	0
	13	21	RETIREMENT GP I NORM & AC	634	.00	0	634	.00	0	.00	7619	7619.00	0
	13	41	GROUP INSURANCE - MED	3137	.00	0	3137	.00	0	.00	37644	37644.00	0
	13	42	GROUP INSURANCE LIFE	30	.00	0	30	.00	0	.00	371	371.00	0
	13	45	FLEXIBLE BENEFIT PLAN	0	.00	0	0	.00	0	.00	0	.00	0
	13	**	FRINGE BENEFITS	5372	.00	0	5372	.00	0	.00	64493	64493.00	0
	21		SUPPLIES										
	21	01	OFFICE SUPPLIES	166	.00	0	166	.00	0	.00	2000	2000.00	0
	21	**	SUPPLIES	166	.00	0	166	.00	0	.00	2000	2000.00	0
	26		MATERIALS & SUPPLIES										
	26	02	POSTAGE & SHIPPING	25	.00	0	25	.00	0	.00	300	300.00	0
	26	**	MATERIALS & SUPPLIES	25	.00	0	25	.00	0	.00	300	300.00	0
	31		PROFESSIONAL SERVICES										
	31	91	SPEC PROF SERVICES FEES	2791	.00	0	2791	.00	0	.00	33500	33500.00	0
	31	**	PROFESSIONAL SERVICES	2791	.00	0	2791	.00	0	.00	33500	33500.00	0
	32		NON-PROFESSIONAL SERVICES										
	32	11	FEES FOR SPECIAL SERVICES	50	.00	0	50	.00	0	.00	600	600.00	0
	32	**	NON-PROFESSIONAL SERVICES	50	.00	0	50	.00	0	.00	600	600.00	0
	34		PUBLICITY, ADV & DUES										
	34	11	SUBSCRIPTIONS	0	.00	0	0	.00	0	.00	0	.00	0
	34	31	ADVERTISING	0	.00	0	0	.00	0	.00	0	.00	0
	34	51	MEMBERSHIP DUES	95	.00	0	95	.00	0	.00	1150	1150.00	0
	34	**	PUBLICITY, ADV & DUES	95	.00	0	95	.00	0	.00	1150	1150.00	0
	39		MISCELLANEOUS										
	39	11	TRAVEL & TRAINING	966	735.00	76	966	735.00	76	.00	11600	10865.00	6
	39	12	PREPAID TRAVEL	0	.00	0	0	.00	0	.00	0	.00	0
	39	**	MISCELLANEOUS	966	735.00	76	966	735.00	76	.00	11600	10865.00	6
	76		MISCELLANEOUS EXPENDITURE										
	76	68	OTHER MISCELLANEOUS	7666	.00	0	7666	.00	0	.00	92000	92000.00	0
	76	**	MISCELLANEOUS EXPENDITURE	7666	.00	0	7666	.00	0	.00	92000	92000.00	0
711	**	**	GENERAL GOVERNMENT	30631	735.00	2	30631	735.00	2	.00	367643	366908.00	0
710	**	**	GENERAL GOVERNMENT	30631	735.00	2	30631	735.00	2	.00	367643	366908.00	0
DIV	0100		TOTAL ******* COUNCIL	30631	735.00	2	30631	735.00	2	.00	367643	366908.00	0

CITY OF MONTGOMERY, ALABAMA
FISCAL POLICY AND PROCEDURES MANUAL

CHAPTER 3
RECEIPTS AND ACCOUNTS RECEIVABLE

I. GENERAL PROVISIONS

- All fees, receipts and income collected or received by any City department is to be deposited into the City Treasury or an approved City depository as a credit of to an appropriate fund. The City's Treasury is charged with controlling and recording all payments into and out of the City Treasury and for each fund and account.
- All checks shall be endorsed "For Deposit Only, City of Montgomery" and deposited into the City of Montgomery's accounts at the banks designated for said funds located in Montgomery, Alabama.
- The practice of spending funds for personal use is strictly prohibited.
- All cash receipts received before 1:00 p.m. will be deposited the same day except funds received on Saturday, Sunday, or holidays which will be deposited on the following work day.
- Department Heads are responsible for insuring that monies are received prior to or at the point of the sale of any goods or performance of any service, with the exception of customers billed on account.
- Receipts received through the United States Postal System must be logged by the department or division when opened. A copy of the log will be submitted to the Internal Auditor at month-end.

II. PROCEDURES AND DOCUMENT FLOW OF CASH RECEIPTS

Some departments may be designated to deposit their monies directly into a City bank account. Other departments may deposit their monies through the Treasury into a City bank account.

A. DEPARTMENTS DESIGNATED TO DIRECTLY DEPOSIT TO BANKS

The department will deposit monies received directly into a City bank account and are responsible for endorsement of deposited checks as stated above. Responsible personnel will have access to bank deposit slips. The depositing department will then prepare and code a Treasury Receipt through the cash receipt system. The department will send a copy of the daily summary report, bank deposit slip and the bank transaction receipt to the Treasurer for verification and approval. See Exhibit 3-1 (Page 54) for an example of a Treasury Receipt. See Exhibit 3-2 (Page 55) for an example of a daily summary report. See Exhibit 3-3 (Page 56) for an example of a bank deposit slip and a bank transaction receipt.

B. DEPARTMENTS DESIGNATED TO DEPOSIT THROUGH THE CITY TREASURY

The department will deposit monies through the Treasury in a locked bank bag. The deposit will include a daily summary report and a City Cash Receipt form. The Treasurer will verify the deposit and create a Treasury Receipt from the source paperwork. The Treasurer will then prepare a deposit slip and deposit funds into a City bank account. Copies of the completed Treasury Receipt are sent to the depositing department. See Exhibit 3-4 (Page 57) for an example of a City Cash Receipt form.

III. TYPES OF CASH RECEIPTS AND ACCOUNTING EFFECTS

Receipts are categorized into three main types: revenues and other sources, balance sheet receipts, and refunds of disbursements.

A. REVENUE AND OTHER SOURCES

Deposits of revenues include taxes, fees, fines, interest, rent, grants, and government funds. Revenues are deposited by their two-digit deposit code or general ledger account number. A listing of deposit codes are provided in Exhibit 3-5 (Pages 58-73). The accounting effects of depositing revenue are a debit to the Cash account and a credit to the Revenue account.

B. BALANCE SHEET RECEIPTS

A department may deposit monies that cannot, during the current period, be recognized as revenue. These types of deposits include monies held as bond for performance, rental deposits, fees, rents, and grant funds collected in advance. Balance sheet items are deposited by their two-digit deposit code or general ledger account number. A listing of deposit codes are provided in Exhibit 3-5. The accounting effects of the deposit are a debit to the Cash account and a credit to the Balance Sheet Account.

C. REFUNDS OF DISBURSEMENTS

1. Current Fiscal Year Refunds of Current Year Disbursements

If a department receives a refund of monies disbursed in error during the current fiscal year and charged to the current budget year, such as an overpayment to a vendor, the cash receipt form must be coded to the account number used to make the initial disbursement.

2. Refunds of Prior Year Disbursements in the 13th Accounting Period

If a department receives a refund of monies disbursed in error in the prior year but received in the current year while the 13th accounting period is open, the cash receipt form should be coded as a prior year receipt and the account number used to make the initial disbursement should be noted on the City cash Receipt form. This information will be used to process a cash receipt in the current year via the Treasurer's office and an adjusting journal entry (AJE) in the 13th accounting period of the previous year by staff of the Department of Finance.

3. Refunds of Prior Year Disbursements after the 13th Accounting Period
If a department receives a refund of monies disbursed in error in the prior year but received in the current year, and the 13th accounting period is closed, the cash receipt form must be coded to the account number used to make the initial disbursement and deposited in the current fiscal year.

IV. CASH RECEIPT FORM

A Cash Receipt Form is used for all deposits made directly to the City Treasury. The department submits a copy of the Cash Receipt form, the Daily Summary Report, and any other deposit documentation with the cash deposit. The deposit is sent directly to the Treasurer's Office in a locked bank bag. Copies of all documentation submitted will be held at the department for their records.

The Cash Receipt Form and Daily Summary Report must be fully completed in order to process a Treasurer's Receipt. For the specific cash receipt type; the account coding in the middle portion of the form will vary depending on the type of cash receipt. A listing of common deposit codes are provided in Exhibit 3-5.

V. REVENUE REPORT

Each department has the ability to run a Revenue Report, which lists revenues recognized and cash collected for the current period and the fiscal year-to-date vs. the budgeted amount. This report contains only revenues and will not include receipts that are refunds of current year disbursements or balance sheet receipts.

VI. ACCOUNTS RECEIVABLE

Circumstances may necessitate a Department Head granting an extension of credit (Accounts Receivable Customers); however, such considerations will be minimized by rigid discipline in its use. The City Comptroller will be responsible for maintaining a list of outstanding receivables.

Credit extended to account receivable customers will be conducted as follows:

A. CREATION

1. The Department Head will oversee the generation of the respective Department's account receivable invoices and must insure that the accounts receivable customer has the authority to incur a legal debt in the name of the debtor.
2. The Department Head will be responsible to insure that invoices are prepared immediately upon completion of the service or delivery of the material.
3. The Department Head is responsible for obtaining a correct billing address for the customer, Federal Tax ID Number or Social Security Number and for sending a copy of the invoice to the debtor.
4. In no instances will invoicing be less frequent than once a month without the approval of the Finance Director.

B. COLLECTION

1. Collections will be conducted by the Finance Department and recorded through the Treasury as a cash receipt.
2. The Comptroller will be responsible for establishing a ledger for accounts receivables and for collection of the amounts owed the City.

    a. The amount due is payable within thirty-days of the invoice date, thereupon becoming delinquent.

    b. Upon becoming delinquent, a statement shall be sent after thirty-days to the customer requiring prompt payment. After sixty (60) days from the invoice date the Comptroller has the authority to institute legal proceedings if not paid.

EXHIBIT 3-1 TREASURY RECEIPT

```
                    CITY OF MONTGOMERY
                      R E P R I N T
                 ***  CUSTOMER RECEIPT  ***

Batch ID: TCOLLINS2    11/01/06 01       Receipt no:    1011

                    Tp Sv Description  Qty          Amount
                    T1    O'CONNOR-LESSONS
                                       1.00        $2401.27
O'CONNOR TENNIS  10/31/06
 Trans number:                                    41590
 LESSON REVENUES / O  56100004522200
                    T2    O'CONNOR-COURT RENTAL
                                       1.00          $81.00
O'CONNOR TENNIS  10/31/06
 Trans number:                                    41591
 RENTLS & USE FEES /  56100004562300
                    T5    O'CONNOR-JR. DEVELOPMENT
                                       1.00         $100.00
O'CONNOR TENNIS  10/31/06
 Trans number:                                    41592
 TOURNAMENT REVENUES  56100004572400
 10/31/2006  DEP

Tender detail
 CK CHECK PAYMEN            $2144.02
 CA CASH TRANSAC             $438.25
Total tendered:             $2582.27
Total payment:              $2582.27

Trans date:  11/01/06    Time: 10:51:45

             *** THANK YOU FOR YOUR PAYMENT ***
```

EXHIBIT 3-2 DAILY SUMMARY REPORT

The Montgomery Zoo

Summary Deposit Report

Deposit made to OPERATING ACCOUNT

P.O. Box 3313
Montgomery, AL 36109-0313
(334) 240-4900

SAMPLE

Date:_____

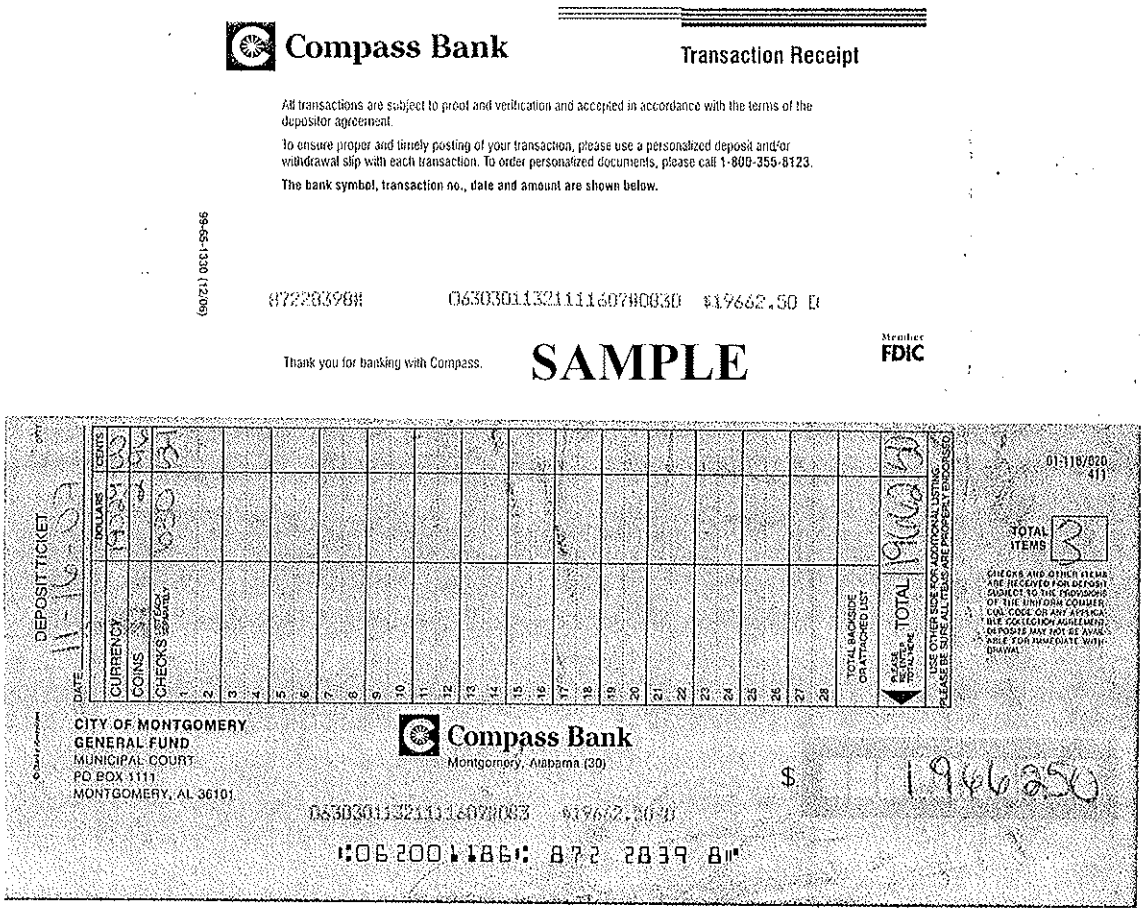
Currency:	$100.00	$_____	Coins	$1.00	_____
	$ 50.00	$_____		$ .50	$_____
	$ 20.00	$_____		$. 25	$_____
	$ 10.00	$_____		$ .10	$_____
	$ 5.00	$_____		$ .05	$_____
	$ 1.00	$_____		$ .01	$_____
Total Currency		$_____	Total Coins		$_____
Check Total					$_____
(Attach an itemized list of checks)					
TOTAL DEPOSIT AMOUNT					$_____

Source of Income

Account Number	Account Description		Amount	Charge
541-0000-451-19-00	Zoo Admissions	ZA	$_____	_____
541-0000-451-20-00	Zoo Train	ZB	$_____	_____
541-0000-451-21-00	Zoo Special Events	ZC	$_____	_____
541-0000-451-22-00	Zoo Education Programs	ZD	$_____	_____
541-0000-451-27-00	Zoo Memberships/Subscriptions	ZE	$_____	_____
541-0000-455-57-00	Zoo Gift Shop Sales	ZF	$_____	_____
010-8800-478-01-00	Zoo Donations	ZG	$_____	_____
541-0000-479-80-00	Zoo— Other Misc.	ZH	$_____	_____
541-0000-479-80-00	Zoo— Bad Check Service Charge	ZI	$_____	_____
541-0000-132-02-00	Zoo— Bad Check Collection	ZJ	$_____	_____
541-8810-455-54-00	Food Svcs Concessions/Sales	ZK	$_____	_____
541-8810-451-21-00	Food Svcs Special Events	ZL	$_____	_____
541-8810-479-80-00	Food Svcs Misc Concessions	ZM	$_____	_____
_____	_____	ZX	$_____	_____
_____	_____		$_____	_____
TOTAL			$_____	_____

Deposit Prepared By: _____

EXHIBIT 3-3 BANK DEPOSIT SLIP & RECEIPT



Compass Bank

Transaction Receipt

All transactions are subject to proof and verification and accepted in accordance with the terms of the depositor agreement.

To ensure proper and timely posting of your transaction, please use a personalized deposit and/or withdrawal slip with each transaction. To order personalized documents, please call 1-800-355-8123.

The bank symbol, transaction no., date and amount are shown below.

99-65-1130 (12/06)

Thank you for banking with Compass.

SAMPLE

Member FDIC

DEPOSIT TICKET

DATE

CURRENCY

COINS

CHECKS

DOLLARS

CENTS

TOTAL ITEMS

TOTAL

CITY OF MONTGOMERY
GENERAL FUND
MUNICIPAL COURT
PO BOX 1111
MONTGOMERY, AL 36101

Compass Bank
Montgomery, Alabama (30)

$

EXHIBIT 3-4 CITY CASH RECEIPT FORM

HOUSING & CODES ENFORCEMENT BRANCH
ROOM # 125

MONEY TURNED IN TO TREASURER

Coins _____ Date _____

Currency _____ Prepared by:

Money Order _____ John Doe ext. 0069

Checks $750.00

Total $750.00

RECEIPT 290378 - 290383

SAMPLE

FOLLOWING ACCOUNTS FOR WEED ABATEMENT:

WE 001-0000-132-44-00	$ _____	(LOT CUTTER'S)
AF 001-0000-479-82-00	$ 750.00	(ADMINISTRATIVE)
AB 001-0410-711-32-91	$ _____	(COUNTY)
G1 001-0000-479-80-00	$ _____	(COUNTY –redemption)
R9 001-0000-115-34-00	$ _____	
AU 001-0000-411-11-00	$ _____	(GENERAL)
DM 001-000-479-83-00	$ _____	(DEMOLITION)

RECEIVED BY_____

EXHIBIT 3-5 LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
3S	COM DEV-9152/21-01/SUPPLY	TELE	CR	34891527192101	10	
3T	COM DEV-9152/39-11/TRAING	TELE	CR	34891527193911	10	
3V	COM DEV-9152/39-12/TRAVEL	TELE	CR	34891527193912	10	
A9	AL WIRELESS 911 BD/MISC	SP REV	CR	19900004799600	10	
AA	MTGY CNTY SALES/BOAT TAX	TAX	CR	00100004130100	34	
AB	NONPRO SVCS-COLLECTOR FEE	TAX	DB	00100001010000	34	
AB	NONPRO SVCS-COLLECTOR FEE	TAX	CR	00104107113291	34	
AC	ST MTR VEH LIC/MCKINNEY	TAX	CR	00100004353000	34	
AD	ACCTS REC SYSTEM DEPOSITS	AR	CR	00000000000000		
AE	ST.AL-FIN INSTITUTE EX TX	TAX	CR	00100004352000	34	
AF	MICS REC/ABATEMENT FEES	HSG CDS	CR	00100004798200	34	
AM	MTGY CNTY-MOBILE HOME TAX	TAX	CR	00100004111100	34	
AP	MTGY CNTY--AD VAL / TIF	TAX	CR	00100004111000	34	
AR	ACCTS REC SYSTEM PAYMENTS	AR	CR	00000000000000	34	
AS	AD VAL TAX-ST OF AL-REAL	TAX	CR	00100004111100	34	
AT	ST AL-455/48101 AL TRST FD	CP	CR	45500004810100	33	
AU	AD VAL-CORP STOCK SHARE TX	TAX	CR	00100004111100	34	
AV	AD VAL TAX-MTGY CNTY AUTO	TAX	CR	00100004111200	34	
AW	AD VAL--MTGY CO AUTO FEES	TAX	DB	00100001010000	34	
AW	AD VAL--MTGY CO AUTO FEES	TAX	CR	00104107113291	34	
AY	AD VAL TAX--REAL FEES	TAX	DB	00100001010000	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
AY	AD VAL TAX--REAL FEES	TAX	CR	00104107113291	34	
AZ	AD VAL TAX-MTGY CNTY-REAL	TAX	CR	00100004111100	34	
BB	BUS BOYCOTT/50TH ANV-222-60	GEN	CR	00100002226000	34	
BS	TAX-BISCUITS SALES COMMIS	CP	CR	40500004531000	33	
BT	BISCUIT BASEBALL TICKETS	GEN	CR	00100002220700	34	
BX	BISCUIT BB-MISC-#REQUIRED	CP	CR	00000000000000	33	
C1	COMM DEV-REHAAB LOAN-PRINC	COM DEV	CR	39500001330100	29	
C2	COMM DEV-REHAAB LOAN-INTST	COM DEV	CR	39500001755100	29	
C3	COMM DEV-REHAB LOAN-DELQ	COM DEV	CR	39500001755200	29	
C4	CAP PRJ-436-MTG CO-BD/ED	CP	CR	43600004375000	33	
C5	CAP PRJ-437 FD-# REQUIRED	CP	CR	00000000000000	33	
C6	CAP PRJ-437-MIRACLE LG DO	CP	CR	43700004790106	33	
CA	GATEWAY GOLF--LESSONS	GTWY	CR	56183024521100	56	
CB	GATEWAY GOLF--MDSE SALES	GTWY	CR	56183024531100	56	
CC	GATEWAY--DAILY GREEN FEES	GTWY	CR	56183024561200	56	
CD	GATEWAY--PRACTICE RANGE FE	GTWY	CR	56183024561300	56	
CE	GATEWAY-GAS/ELECT CARTS	GTWY	CR	56183024561600	56	
CF	GATEWAY-MISC/TEE MARKERS	GTWY	CR	56183024561900	56	
CG	GATEWAY-TOURNAMENT REVEN	GTWY	CR	56183024571100	56	
CH	GATEWAY GOLF--ANNUAL DUES	GTWY	CR	56183024590100	56	
CI	GATEWAY-OTHER MISC REVENU	GTWY	CR	56183024798000	56	
CJ	GATEWAY GOLF--CLUB RENTAL	GTWY	CR	56183024560100	56	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
CT	GATEWAY-TRAVEL/TRAINING	GTWY	CR	56183027713911	56	
CX	GATEWAY-MISC PMT-#REQUIRD	GTWY	CR	00000000000000	56	
DA	DOWNTOWN PARKING METERS	GEN	CR	00100004431100	34	
DL	PR/DED-DEPENDENT LIFE INS	GEN	CR	00100002237700	34	
DM	DEMO/HOUSING CDS/TECH SVC	GEN	CR	0100004798300	34	
DR	DNTWN DECK RET CK--132-02	DECK	CR	57100001320200	57	
DS	DNTWN DECK RC CHG--479-80	DECK	CR	57100004798000	57	
DT	DATA PROC--TRAVEL/TRAINING	GEN	CR	00104307113911	34	
DV	DATA PROC--PREPAID TRAVEL	GEN	CR	00104307113912	34	
EA	MTY CNTY EMERGENCY MGMNT	EMA	CR	00100004371000	34	
EB	ENG DIV-TECH SVC/OVERTIME	ENG	CR	00142107211211	34	
EC	ENG DIV-1/479-80-MISC REC	ENG	CR	00100004798000	34	
ED	ENG DIV-PREPAID TRAVEL	ENG	CR	00142107213912	34	
EE	ENG DIV-TEC SC/NONPRO FEE	ENG	CR	00142107213211	34	
EF	INTER GOV/FED EMERG MGNT	EMA	CR	00100004313100	34	
EI	RET SYS-BC/BS EMPLOYEE	INS	CR	58100004482200	34	
EM	ST OF AL/FED EMA--IVAN	CP	CR	43800004311900	33	
EN	EMA/180-9426-739 SUPS/MAT		CR	18094267392614	10	
ES	FUNDS-ESCROW/UNITY GAMES	GEN	CR	00100002222201	34	
ET	EMERG MGT-TRAVEL/TRAINING	EMA	CR	00170007313911	34	
EV	EMERG MGT-PREPAID TRAVEL	EMA	CR	00170007313912	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
F1	FIN DPT/MISC-TRAVEL/TRAIN	FIN DPT	CR	00104107113911	34	
F2	FIN DPT/MISC-PREPAID TRVL	FIN DPT	CR	00104107113912	34	
FA	MZ FOOD SVC-ZOO ADMISSION	FD SVC	CR	54100004511900	54	
FB	MZ FOOD SVC-ZOO TRAIN	FD SVC	CR	54100004512000	54	
FC	MZ FOOD SVC-ZOO SPEC EVNT	FD SVC	CR	54100004512100	54	
FD	MZ FOOD SVC-ZOO ED PROGMS	FD SVC	CR	54100004512200	54	
FE	MZ FOOD SVC-ZOO DONATIONS	FD SVC	CR	54100002224200	54	
FF	MZ FOOD SVC-ZOO OTHER MISC	FD SVC	CR	54100004798000	54	
FG	MZ FOOD SVC-RET CK SVCCHG	FD SVC	CR	54100004798000	54	
FH	MZ FOOD SVC-RET CK COLLEC	FD SVC	CR	54100001320210	54	
FI	MZ FOOD SVC-CONCESSIONS	FD SVC	CR	54188104555400	54	
FJ	MZ FOOD SVC-SPECIAL EVENT	FD SVC	CR	54188104512100	54	
FK	MZ FOOD SVC-MISC/CONCESSN	FD SVC	CR	54188104798000	54	
FL	MZ FOOD SVC-MISC Y/E RECP	FD SVC	CR	54100001323200	54	
FM	GENERAL FRANCHISES	GEN	CR	00100004214100	34	
FN	FIRE DP-OP SUPLY/CLOTHING	FIRE DPT	CR	00164007312271	34	
FO	FIRE DEPT-GARAGE EXPENSE	FIRE DPT	CR	00164007312401	34	
FP	FIRE DEPT-MATERIAL/SUPPLY	FIRE DPT	CR	00164007312601	34	
FQ	FIRE DEPT-EQUIP/NON-CAPT	FIRE DPT	CR	00164007315301	34	
FT	FIRE DEPT-TRAVEL/TRAINING	FIRE DPT	CR	00164007313911	34	
FV	FIRE DEPT-PREPAID TRAVEL	FIRE DPT	CR	00164007313912	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
FX	MZ FD SVC-MISC PMT-#REQUD	FIRE DPT	CR	00000000000000		
G1	GEN FUND-OTHER MISC RECPT	GEN	CR	00100004798000	34	
G2	GAS TAX/ST SHARED -.05 / .07	TAX	CR	00500004354100	05	
G3	GAS TAX/ST SHARED -.04	TAX	CR	00600004354100	05	
G4	GAS TAX/ST SHARED MV LIC	TAX	CR	00500004353000	05	
G5	GAS TAX/STATE OF ALA--Y/E	TAX	CR	00500001320100	05	
G6	GAS TAX/MTGY CO COMM--Y/E	TAX	CR	00500001320500	05	
G7	006-GAS TAX-ST OF AL--Y/E	TAX	CR	00600001320100	05	
G8	006-GAS TAX-MTG CNTY--Y/E	TAX	CR	00600001320500	05	
GA	GOLF-MERCHANDISE SALES	LP	CR	56100004531100	56	
GB	GOLF-LESSONS	LP	CR	56100004521100	56	
GC	GOLF-ANNUAL GREEN FEES	LP	CR	56100004561100	56	
GD	GOLF-GOLF CLUB RENTALS	LP	CR	56100004560100	56	
GE	GOLF-DAILY GREEN FEES	LP	CR	56100004561200	56	
GF	GOLF-PRACTICE RANGE	LP	CR	56100004561300	56	
GG	GOLF-PULL CART/LOCKER	LP	CR	56100004561400	56	
GH	GOLF-RENTAL GAS CARTS	LP	CR	56100004561500	56	
GI	GOLF-LUNG CARDS	LP	CR	56100004561700	56	
GJ	GOLF-HANDICAP FEES	LP	CR	56100004541200	56	
GK	GOLF-TOURNAMENT	LP	CR	56100004571100	56	
GL	GOLF-MISCELLANEOUS	LP	CR	56100004541100	56	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
GM	GOLF--CHOICE GOLF	LP	CR	56100004561800	56	
GN	GOLF-LODGE RENTAL	LP	CR	56100004576000	56	
GO	GOLF-RET CHECK SVC	LP	CR	56100004798000	56	
GR	GOLF-RET CHECK COLLECTN	LP	CR	56100001320200	56	
GT	GEN FD/PREPD TRAVEL-#REQ	GEN	CR	00000000000000	34	
GV	GRANTS-PREPD TRAVEL-# REQ	OT	CR	00000000000000		
GX	LP GOLF/MISC-ACCT # REQD	LP	CR	00000000000000	56	
HA	GEN FDS-HOLIDAY ESCROW AC	TAX	CR	00100002226900	34	
HM	REHAB LOAN REPMT-343 FUND	COM DEV	CR	34300004791700	29	
I6	INTERMODAL PKNG/DAILY FEE	DECK	CR	10099784770200	34	
I7	INTERMODAL PKNG/MONTHLY	DECK	CR	10099784770300	34	
I8	INTERMODAL PKNG/CREDIT CD	DECK	CR	10099784770400	34	
I9	INTERMODAL PKBG/LATE FEES	DECK	CR	10099784797100	34	
	INTERMODAL PKNG/RET CK	DECK	CR		34	
	INTERMODAL PKNG/RET CK FEE	DECK	CR		34	
IA	MZ/CP/IMP-SPECIAL EVENTS	CP-ZOO	CR	42300004512100	33	
IB	MZ/CP/IMP-HOLIDAY LIGHTS	CP-ZOO	CR	42300004512600	33	
IC	MZ/CP/IMP-WEEKEND DONATNS	CP-ZOO	CR	42300004793000	33	
ID	MZ/CP/IMP-ZOO SOCIETY	CP-ZOO	CR	42300004793100	33	
IE	MZ/CP/IMP-CAP CTY JAYCEES	CP-ZOO	CR	42300004793200	33	
IF	MZ/CP/IMP-ALFA	CP-ZOO	CR	42300004793400	33	
IG	MZ/CP/IMP-DONATIONS	CP-ZOO	CR	42300004793700	33	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
IH	MZ/CP/IMP-EASTDALE MALL	CP-ZOO	CR	42300004793800	33	
II	MZ/CP/IMP-INS PROCEEDS	CP-ZOO	CR	42300004795100	33	
IJ	MZ/CP/IMP-AFB/ACSC	CP-ZOO	CR	42300004796300	33	
IK	MZ/CP/IMP-DONATION/J.WEIL	CP-ZOO	CR	42300004796900	33	
IL	MZ/CP/IMP-RET CK(SVC CHG)	CP-ZOO	CR	42300004798000	33	
IM	MZ/CP/IMP-OTHER MISC RECT	CP-ZOO	CR	42300004798000	33	
IN	MZ/CP/IMP-RET CK COLLECTN	CP-ZOO	CR	42300001320200	33	
IO	MZ/CP/IMP-MISC Y/E RECEIP	CP-ZOO	CR	42300001323200	33	
IX	MZ/CP/IMP-MISC PMT-#REQUI	CP-ZOO	CR	00000000000000		
IY	MZ/CAP/PROJ IMPROVEMENTS	CP-ZOO	CR	42300004814000	33	
L1	LP TENNIS-LESSONS	LP	CR	56100004522100	56	
L2	LP TENNIS-COURT RENTAL	LP	CR	56100004562100	56	
L3	LP TENNIS-MISCELLANEOUS	LP	CR	56100004542100	56	
L4	LP TENNIS-TOURNAMENT	LP	CR	56100004572100	56	
L5	LP TENNIS-JR DEVELOPMENT	LP	CR	56100004572400	56	
L6	LP TENNIS-ANNUAL COURT RN	LP	CR	56100004562200	56	
L7	LP TENNIS-LEAGUE/BLU-GRAY	LP	CR	56100004562500	56	
LA	LP-RENT/USE FEES/LODGE	LP	CR	56100004566000	56	
LB	LANDFILL BILLING/DISPOSAL	GEN	CR	00100004454100	34	
LC	LANDFILL-Y/E FEES-A/R MISC	GEN	CR	00100001320800	34	
LE	LP-BATTING RANGE RENTAL	LP	CR	56100004563000	56	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
LF	LANDFILL PAYMENT	GEN	CR	00100004454100	34	
LG	LEGAL DPT/PROF SVCS FEES	GEN	CR	00132007113191	34	
LI	PAYROLL DED/GROUP LIFE INS	INS	CR	00100002232800	34	
LM	LANDFILL/MISC/RECEIPTS	GEN	CR	00100004790300	34	
LP	LP TENNIS PRO SHOP-RENTAL	LP	CR	56100004566200	56	
LR	LP TENNIS-RET CK COLLCTN	LP	CR	56100001320200	56	
LS	LP TENNIS-RET CK CHARGE	LP	CR	56100004798000	56	
LV	POLICE DEPT/LEASE VEHICLE	MPD	CR	68162107313724	10	
M1	MUSEUM--TRAVEL/TRAINING	GEN	CR	00186007713911	34	
M2	MUSEUM--PREPAID TRAVEL	GEN	CR	00186007713912	34	
MA	MATS/DART-PASSENGER FARES	TRS	CR	50500004010100	50	
MB	MATS-STATE SHUTTLE	TRS	CR	50500004010300	50	
MC	MATS-CHARTER	TRS	CR	50500004010400	50	
MD	MAPS-PASSENGER FARES	TRS	CR	50500004020100	50	
ME	MATS-MISC REC/ADVERTISING	TRS	CR	50500004792600	50	
MF	MATS-MISC/OTHER RECEIPTS	TRS	CR	50500004798000	50	
MG	MATS-GAIN/LOSS/SALE-F/A	TRS	CR	50500004798500	50	
MH	MATS-A/R RETURNED CHECKS	TRS	CR	50500001320200	50	
MI	MATS-MISC/RET CHECK FEES	TRS	CR	50500004749800	50	
MJ	MONT AREA UNITED WAY	SP REV	CR	64000001328400	10	
MK	MAINT-PUBLIC WKS/GARAGE	MNT	CR	00158007212401	34	
MM	MAYOR'S MISC/FUNDS-ESCROW	GEN	CR	00100002226400	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
MP	INTER/GOV-MISC PROJ/CNTY	CP	CR	43500004374000	33	
MR	MTGY CO/ACCT RECEIV MISC	GEN	CR	00100001320500	34	
MS	MTG CIRCUIT CT-CRIM RESTI	MPD	CR	00162107312601	34	
MT	MAINT/PUBLIC WORKS	MNT	CR	00158007212601	34	
MU	MUN CT-FINES/FORFEITURES	MUN	CR	00100004611100	34	
MV	MUN CT-PREPAID TRAVEL	MUN	CR	00130007113912	34	
MW	MUN CT-TRAVEL/TRAINING	MUN	CR	00130007113911	34	
MX	MATS/DART-MISC Y/E RECPTS	TRS	CR	50500001323200	50	
MY	MUN CT--VS/MC/AX/DS FEES	MUN	CR	00130007113292	34	
NP	NON/PRO FEE-CRIMINAL REST	MPD	CR	00162107313211	34	
P1	PARKS-SOFTBALL FEES	P&R	CR	00100004574000	34	
P2	PARKS-NCAA TOURNAMENT FEE	P&R	CR	00100004576600	34	
P3	PARKS-ARTS & CRAFTS	P&R	CR	00100004511100	34	
P4	PARKS-PROGRAM RECEIPTS	P&R	CR	00100004511300	34	
P5	PARKS-GYMNASTICS	P&R	CR	00100004512300	34	
P6	PK DECK DTWN-DAILY RENTAL	DDK	CR	57100004770200	57	
P7	PK DECK DTWN-MNTHLY RENT	DDK	CR	57100004770300	57	
P8	PK DECK DTWN-CARD CHGES	DDK	CR	57100004770400	57	
P9	PK DECK DTWN-MISC CHG/LT	DDK	CR	57100004797100	57	
PA	PERMITS-BLDG/GEN BUS LIC	BLD	CR	00100004211100	34	
PB	PERMITS-BURGLAR ALARMS	MPD	CR	00100004223100	34	
PC	PERMITS-BUILDING FEES	BLD	CR	00100004225100	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
PD	GEN FD/PAYROLL DED-BC/BS	INS	CR	00100002232400	34	
PE	PERMITS-ELECTRICAL	ELCT	CR	00100004227100	34	
PF	PERMITS-FIRE ALARMS	MFD	CR	00100004223100	34	
PG	POL DPT-GARAGE EX/PBL WRK	MPD	CR	00162107312401	34	
PH	PKS & REC-GARAGE EXPENSE	GEN	CR	00182007712401	34	
PI	PERMITS-PLBG/PLUMBING	PLG	CR	00100004226100	34	
PJ	PERMITS-PLBG/GAS	PLG	CR	00100004228100	34	
PK	PERMITS-PLBG/MECHANICAL	PLG	CR	00100004229100	34	
PL	POL DEPT-SALARIES/FICA	MPD	CR	00162107311121	34	
PM	POL DEPT-TRAVEL/TRAINING	MPD	CR	00162107313911	34	
PN	POL DEPT-PREPAID TRAVEL	MPD	CR	00162107313912	34	
PO	PERMITS-WELLS	PLG	CR	00100004226100	34	
PP	POL DPT-MATERIALS/SUPPLIES	MPD	CR	00162107312601	34	
PQ	PERMITS-PLBG / WELLS	PLG	CR	00100004226100	34	
PR	PKS/LODGE-RT CK-561/13202	P&R	CR	56100001320200	56	
PS	PKS-RET CK FEE-561/47980	P&R	CR	56100004798000	56	
PT	PKS & REC-TRAVEL/TRAINING	P&R	CR	00182007713911	34	
PU	PKS & REC-UTILITIES	P&R	CR	00182007713501	34	
PV	PKD/REC-GYM-PREPAID TRAVE	P&R	CR	00182007713212	34	
PW	PURCHASING WAREHSE SALES	PW	CR	00100004740100	34	
PX	PURCHASING -BOND SECURITY	PW	CR	00100002220900	34	
PY	PAYROLL--MISC	GEN	CR	00100004798000	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
PZ	PLAN/CTR-PLAT/SUBDIV FEES	PCT	CR	00100004410100	34	
R1	REV DIV-TOBACCO TAX	REV	CR	61800004143100	10	
R2	REV DIV-SALES & USE TAX	REV	CR	00100004130100	34	
R3	REV DIV-GEN BUSINESS LIC	REV	CR	00100004211100	34	
R4	REV DIV-BUSINESS TAX ESCR	REV	CR	00100002227600	34	
R5	REV DIV-DEMOLITION BONDS	REV	CR	00100002220300	34	
R6	REV DIV-OTHER ESCROW/LIC	REV	CR	00100002220200	34	
R7	REV DIV-PARKING METR HOOD	REV	CR	00100004432100	34	
R8	REV DIV-CITY AUDIT RETURN	REV	CR	00100004790200	34	
R9	REV DIV-CLEARING ACCOUNT	REV	CR	00100001153400	34	
RA	P&R DPT-CRAMTON/PATERSON	P&R	CR	00100004512400	34	
RB	P&R DPT-RENT-SHELT/CM CTR	P&R	CR	00100004512500	34	
RC	REIMB FOR CONTRACTOR	FIN DPT	CR	29295277754501	10	
RD	RIVRFRNT DEV-RENT/AMPHITH	RF	CR	11700004501100	10	
RE	RIVRFRNT DEV-RENT/STADIUM	RF	CR	11700004501200	10	
RF	RIVRFRNT-RENTL PROPERTY	RIV	CR	18700004770300	10	
RG	RIVRFRNT DEV-MISCELLANEOU	RIV	CR	11700004508000	10	
RH	RIVERFRNT/SKATE RENT REV	RIV	CR	11700004501300	10	
RI	RIVERFRNT/SKATE BOARD MIS	RIV	CR	11700004501400	10	
RJ	RIVRFRNT/SKATE BOARD MDSE	RIV	CR	11700004533200	10	
RK	RIVRFRNT DEV-INS/AMPHITH	RIV	CR	11700004795100	10	
RL	RVRFRNT DEV-STADIUM CONCE	R/V	CR	00100004501500	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
RM	RISK MGT-BC/BS-EMPLOYEE	INS	CR	58100004482200	34	
RN	RISK MGT-SALVAGE CLAIMS	INS	CR	58599307517365	34	
RO	RISK MGT-MED EXP REIMB	INS	CR	00100002233000	34	
RP	RISK MGT-W/C CLAIMS PAID	INS	CR	58199907917614	34	
RQ	RISK MGT-W/C MISC COSTS	INS	CR	58199907917613	34	
RR	RIVERFRNT DEV-EQPT RENTAL	R/F	CR	00100004501900	34	
RS	RVRFRNT DEV-STADIUM PARKI	R/F	CR	00100004501600	34	
RT	RET CHECKS-GEN FUND/13202	GEN	CR	00100001320200	34	
RU	RIVERFRONT DEV--PARKETTE	R/F	CR	00100004502000	34	
RV	RIVERFRNT DEV-VENUE SHOWS	R/F	CR	00100004501700	34	
RX	REV DIV-MISC/# REQUIRED	REV	CR	00000000000000		
RY	REV DIV-ALCOHOL BEV TAX	REV	CR	00100004130200	34	
RZ	RISK MGT-MISC/# REQUIRED	INS	CR	00000000000000		
S1	ST.AL-619/43114-05 UPWP	SP REV	CR	61900004311405	10	
S2	ST.AL-621/43114-05 UPWP	SP REV	CR	62100004311405	10	
S3	ST.AL-613/43428-O5TFCF005	SP REV	CR	61300004342800	10	
S4	ST.AL-613/43440-05HSJ2005	SP REV	CR	61300004344000	10	
S5	ST.AL-613/43427-05SPCP008	SP REV	CR	61300004342700	10	
S6	ST.AL-61343441-05DT163007	SP REV	CR	61300004344100	10	
S7	ST.AL-613/43443-06TFCP007	SP REV	CR	61300004344300	10	
S8	ST.AL-292/43402-TE02(978)	SP REV	CR	29200004340200	10	
SA	FTA-609/438-01-TRENHOLM S	SP REV	CR	60900004380100	10	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
SB	FTA612/479-85/FA-GN/LS/SA	SP REV	CR	61200004798500	10	
SC	ST.AL-613/43412-03TFL0025	SP REV	CR	61300004341200	10	
SD	ST.AL-613/43418-DUI ENFMT	SP REV	CR	61300004341800	10	
SE	MPF-619/43114-FY04 UPWP A	SP REV	CR	61900004311400	10	
SF	FTA-5303-621/43114-04UPWP	SP REV	CR	62100004311400	10	
SG	ST.AL-606/43433-ECON/COMM	SP REV	CR	60600004343300	10	
SH	ST.AL-606/13293-ACCTS REC	SP REV	CR	60600001329300	10	
SI	ST.AL-643/13293-ACCTS REC	SP REV	CR	64400001329300	10	
SJ	ST.AL-643/43433-ESG-03005	SP REV	CR	64300004343300	10	
SK	SANITATION-REFUSE COL FEE	GEN	CR	00100004450100	34	
SL	ST.AL-ALDOT-292 FUND	SP REV	CR	29200001320100	10	
SM	ST OF AL-FED EMER MGMNT	CP	CR	43800004343400	33	
SN	ST.AL-613/43424-ADECA 04	SP REV	CR	61300004342400	10	
SO	ST.AL-613/43419-04SPCP001	SP REV	CR	61300004341900	10	
SP	ST.AL-613/43425-4DT163006	SP REV	CR	61300004342500	10	
SQ	SR/GRANT DEP--#REQUIRED	SP REV	CR	00000000000000		
SR	SR FD 624/479-01--MISC REC	SP REV	CR	62400004790100	10	
SS	ST.AL MISC PMTS-# REQUIRED	SP REV	CR	00000000000000		
ST	SR FD 624/479-80--MISC REC	SP REV	CR	62400004798000	10	
SU	SANITATION-TRAVEL/TRAININ	TRV	CR	00150007213911	34	
SV	SANITATION-PREPAID TRAVEL	TRV	CR	00150007213912	34	
SX	SANITATON-GARAGE EXPENSE	GEN	CR	00150007212401	34	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
T1	O'CONNOR-LESSONS	LP	CR	56100004522200	56	
T2	O'CONNOR-COURT RENTAL	LP	CR	56100004562300	56	
T3	O'CONNOR-MISCELLANEOUS	LP	CR	56100004542200	56	
T4	O'CONNOR-TOURNAMENT	LP	CR	56100004572300	56	
T5	O'CONNOR-JR. DEVELOPMENT	LP	CR	56100004572400	56	
T6	O'CONNOR-ANNUAL COURT RNT	LP	CR	56100004562400	56	
T7	O'CONNOR-LEAGUE	LP	CR	56100004562500	56	
T8	O'CONNOR-VENDING	LP	CR	56100004555300	56	
TA	TELECOMM-P&R PHONE CALLS	TELE	CR	00182007713561	34	
TB	TELECOMM--TRAVEL/TRAINING	TELE	CR	00175007313911	34	
TC	TELECOMM-WIRED COMM/# REQ	TELE	CR	00175007313561	34	
TD	TELECOMM--PREPAID TRAVEL	TELE	CR	00175007313912	34	
TE	TRAF ENG-PUBLIC SAFETY	ENG	CR	00154107312401	34	
TF	O'CONNOR PRO-SHOP RENTAL	LP	CR	56100004566100	56	
TL	TRAF ENG-SALARIES/BI-WKLY	ENG	CR	00154107311111	34	
TM	TRAF ENG-MATERIALS/SUPPLY	ENG	CR	00154107312601	34	
TP	PKS & REC/PRE-PAID TRAVEL	P&R	CR	00182007713912	34	
TR	O'CONNOR-AR/RETURNED CKS	LP	CR	56100001320200	56	
TS	O'CONNOR-AR/RET CKS CHG	LP	CR	56100004749800	56	
TV	TECH SVCS--PREPAID TRAVEL	GEN	CR	00142207213912	34	
U1	UNION STA/MISC-& R/C FEES	SP REV	CR	10800004798000	10	
UA	UNION STA-MONTHLY RENTALS	SP REV	CR	10800004770300	10	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
UB	UNION STA/TRAIN SHED RENT	SP REV	CR	10800004770600	10	
UC	UNION STA/MISC RECEIPTS	SP REV	CR	10800004790100	10	
UD	UNION STA/DEP PERFOR BOND	SP REV	CR	10800002220400	10	
UE	UNION STA/MISC-Y/E REC,ET	SP REV	CR	10800001323200	10	
UF	UNION STA/FDS-ESC/RENT DEP	SP REV	CR	10800002225800	10	
UG	UNION STA/PARKING FEES	SP REV	CR	10800004770700	10	
UL	MTG CTY/CO EMA--UTILITIES	GEN	CR	00170007313501	34	
UR	UNION STA/RETURNED CK DEB	SP REV	CR	10800001320200	10	
US	RMB PRISONER EXP/US MRSHL	GEN	CR	00100004791500	34	
UT	TRANSPORT-FED INMATES	MPD	CR	00162107311292	34	
UU	US MARSHALL'S-FORFEITURE	SP REV	CR	17300004791900	10	
UX	UNION STA/MISC ACCT-# REQ	SP REV	CR	00000000000000	10	
WA	WATER WORKS PILOT/OT AGEN	GEN	CR	00100004392100	34	
WB	WATER WKS/FIRE HYDRT RENT	GEN	CR	00164007313711	34	
WE	WEED ABATE PROP LIENS	HSG CDS	CR	00100001324400	34	
XR	RIVERFRNT DEV-RETURNED CK	SP REV	CR	11700001320200	10	
XS	RIVERFRNT DEV-RET CK SVC	SP REV	CR	11700004798000	10	
XX	MISC G/L PAYMT-# REQUIRED	GEN	CR	00000000000000	34	
XY	OTHER FDS PYMT-# REQUIRED	OTH	CR	00000000000000		
YE	ALL FUNDS Y/E RECEI-# REQ	GEN	CR	00000000000000	34	
YI	RISH MGT/INS-Y/E RECEIPTS	RSKM	CR	58100004323200	34	
YU	UNION STA/PRE-PAID ITEMS	SP REV	CR	10800001550000	10	

EXHIBIT 3-5 CONTINUED LISTING OF DEPOSIT CODES

PMT TYP	DESCRIPTION	DEPT/TYPE	CR/DB	ACCT NUMBER	BANK	BATCH
ZA	MTGY ZOO-ADMISSIONS	ZOO	CR	54100004511900	54	
ZB	MTGY ZOO-TRAIN	ZOO	CR	54100004512000	54	
ZC	MTGY ZOO-SPECIAL EVENTS	ZOO	CR	54100004512100	54	
ZD	MTGY ZOO-EDUCATION PRGRMS	ZOO	CR	54100004512200	54	
ZE	MTGY ZOO-MEMBRSHP/SUBSCRI	ZOO	CR	54100004512700	54	
ZF	MTGY ZOO-GIFT SHOP SALES	ZOO	CR	54100004555700	54	
ZG	MTGY ZOO-DONATIONS	ZOO	CR	54100002224200	54	
ZH	MTGY ZOO-OTHER MISC	ZOO	CR	54100004798000	54	
ZI	MTGY ZOO-RET CHECK SVC CHG	ZOO	CR	54100004798000	54	
ZJ	MTGY ZOO-RET CK COLLECTNS	ZOO	CR	54100001320200	54	
ZK	MTGY ZOO-FD SVC CONC/SALE	ZOO	CR	54188104555400	54	
ZL	MTGY ZOO-FD SVC SPEC EVNT	ZOO	CR	54188104512100	54	
ZM	MTGY ZOO-FD SVC-MISC CONC	ZOO	CR	54188104798000	54	
ZN	MTGY ZOO-VET SERVICES	ZOO	CR	54188007713181	54	
ZO	MTGY ZOO-MISC Y/E RECEIPT	ZOO	CR	54100001323200	54	
ZX	MTGY ZOO-MISC PMT-# REQUI	ZOO	CR	00000000000000		
ZZ	MISC G/F-CK CASHING/115-34	GEN	CR	00100001153400	34	splits

CITY OF MONTGOMERY, ALABAMA
FISCAL POLICY AND PROCEDURES MANUAL

CHAPTER 4
PURCHASING & CASH DISBURSEMENTS

I. AUTHORITY AND RESPONSIBILITY

The Division of Purchasing, Department of Finance is established by statute (*Code of Alabama 1975*, § 11-43C-69) and is under the direction of the City Purchasing Agent. The Division purchases all personal property for all City departments. The Division is also responsible for making and supervising the execution of all contracts and leases for the use and acquisition of any personal property.

II. CLASSIFICATION OF PURCHASES

A. The department's Petty Cash Fund should be used for local purchases totaling less than $25. See Section XII in this chapter for petty cash procedures.

B. The following purchases over $25.00 in total **do not** require requisitions and Purchase Orders (PO) or Blanket Purchase Agreements (BPA) and can be paid through the Field Purchase Order (FPO) process:

- Payments on contracts, leases, and other agreements
- Postage and post office box rental
- Insurance payments
- Utility payments (gas, water, electricity, telephone)
- Employee and officials' bonds
- Employee reimbursements (travel requests, mileage, etc.)
- Refunds
- Professional services (doctors, lawyers, etc.)
- Non-professional services (pest control, garbage service, etc.) under $7,500 in value
- Contract labor
- Temporary employees
- Subscriptions (magazines, periodicals, books) under $7,500 in value
- Membership fees, dues, registrations
- Departmental petty cash reimbursements
- Supplies and materials not available from the Purchasing Warehouse and under $1,000 in total

C. The following purchases **do** require requisitions and Purchase Orders (PO) or Blanket Purchase Agreements (BPA) through the Purchasing Division of the Department of Finance:

- Equipment
- Inventory (clothing, food, auto parts, etc.)

Office and operating supplies not available from the Purchasing Warehouse and over $1,000 in total.
Non-professional services (pest control, garbage service, etc.) $7,500 in value or greater
Subscriptions (magazines, periodicals, books) $7,500 in value or greater

III. APPROVED VENDORS

The Division of Purchasing is responsible for approving and maintaining a listing of all vendors that are eligible to do business with the City of Montgomery. A form W-9 must be kept on file for each approved vendor. Requests for the use of a new vendor must be submitted to Purchasing in writing by the department head. See Exhibit 4-1 (Page 84) for an example of a W-9. **No purchases can be initiated without vendor approval from The Division of Purchasing.**

IV. ALABAMA BID LAW

A. BID REQUIREMENTS AND EXCEPTIONS

All contracts for labor, service, purchase or lease of materials, equipment, supplies, or other personal property for $7,500.00 or more by any City department must be let by free and open competitive bidding, on sealed bids, to the lowest responsible bidder (§41-16-20).

Competitive bids are not required for the following (§41-16-21):

1. Utility services - no competition exists, or rates are fixed by law or ordinance.
2. Insurance by the City.
3. Contracts to secure the services of attorneys, physicians, architects, teachers, superintendents of construction, appraisers, engineers, consultants, or other individuals possessing a high degree of professional skill.
4. Contracts of employment in the regular civil service of the City.
5. Tourist advertising.
6. Purchase of alcoholic beverages.
7. Purchases of local materials from any property owners in the vicinity of a project; or purchases and contracts for the repair of equipment used in the construction and maintenance of roads.
8. Products made by Alabama Institute for the Deaf and Blind (§21-2-1 to 4).
9. Maps, photographs, or other items from a federal or state department.
10. Books, maps, manuscripts, pamphlets, or periodicals purchased for use by any City library or any other City supported library.
11. Contract services/ personal property when there is only one vendor.
12. Contractual services and purchases of personal property, which by their nature are impossible to award by competitive bidding.
13. Barter transactions by the Department of Corrections.

B. PENALTIES FOR RECEIVING GIFTS/BENEFICIAL INTEREST

An employee having "...any personal beneficial interest, either directly or indirectly, in the purchase of any personal property or contractual service..." or "...by rebate, gifts or otherwise, any money or thing of value whatsoever or any

promise... for future reward or compensation..." is in violation of the law. Any violation is a misdemeanor, and upon conviction, the individual may be imprisoned for not more than 12 months or fined not more than $500 or both. The individual will also be removed from office (§41-16-30).

C. ADVERTISEMENT/SOLICITATION OF BIDS

The City Purchasing Agent is required to advertise for sealed bids on all purchases of an item in excess of $7,500 by posting a notice on a bulletin board in the reception area of the Purchasing Division, or by publication of a one time notice in a newspaper published in Montgomery County, Alabama. Under the direction of the Purchasing Agent, sealed bids will be mailed to all Alabama persons, firms, or corporations and other persons, firms, or corporations the Purchasing Agent deems necessary to insure competition. No purchase or contract involving an item in excess of $7,500 may be divided into partial contracts to avoid the requirements of this article (§41-16-24).

D. LETTING OF CONTRACTS WITHOUT PUBLIC ADVERTISEMENT

In case of emergency affecting the public health, safety or convenience, as declared in writing by the department head, the contract may be let to the extent necessary to meet the emergency without public advertisement. This action and reasons will be made public by the awarding authority (§41-16-23).

E. AWARD OF CONTRACTS

Purchases made through competitive bidding will be awarded to the lowest responsible bidder, with consideration given to the quality of the commodities, conformity to specifications, terms of delivery, and freight charges. A contract for the purchase of personal property or service will be let for periods no greater than three years (§41-16-27).

F. ASSIGNMENT OF CONTRACTS

Prior to an award, the bid package is sent to the requesting department for evaluation. The department returns the bid package and evaluation to the Purchasing Division. An awarded contract is not assignable by the bidder without written consent of the awarding authority and the requisitioning department. A contract cannot be assigned to a bidder whose bid was rejected (§41-16-29).

V. CONTRACT ROUTING

All agreements for goods and/or services that create a commitment between the City of Montgomery and another party, or parties, are to be routed from the point of origin through the appropriate departments for signature approval prior to execution of the agreement by the Mayor.

To initiate the routing process, the originating department of the agreement must obtain a pre-numbered routing sheet from the Department of Finance. See Exhibit 4-2 (Page 85) for an example of this form. The requestor will have to sign a log sheet before being given the pre-numbered routing sheet. This process will enable the Department of

Finance to track all potential commitments, determine funds availability before execution of a contract, and properly book executed contracts in a timely manner.

VI. GRANT APPLICATION AND REWARD NOTIFICATION

It is imperative that the Department of Finance be notified of any and all grant applications in order to comply with Single Audit Requirements. If someone other than the Grant Administrator applies for a grant, a copy of all applications should be forwarded to the Grant Administrator and to the City Comptroller. The Comptroller should also be notified when the grant is approved or disapproved.

When a grant has been approved a financial commitment has been made to the City of Montgomery and the transaction must be recorded by the Department of Finance. Consequently, it is imperative that executed documentation be immediately sent to the City Comptroller in the Department of Finance.

VII. THE REQUISITION PROCESS – CREATING A PURCHASE ORDER OR BLANKET PURCHASE AGREEMENT (BPA)

The purchasing process includes several layers of approval. The following is a step-by-step account of a typical requisition:

1. Submission of a requisition. The electronic requisition is prepared within the department. See Exhibit 4-3 (Page 86) for an example of an electronic requisition.
2. Department Head Approval. The department head will electronically review and approve the requisition.
3. Accounting Approval. The requisition is then checked for coding accuracy by the Division of Accounting and approved.
4. Finance Director or Deputy Director Approval. After the third layer of approval, the requisition is forwarded to the Finance Director or Deputy Finance Director for approval.
5. Creation of Purchase Order. Upon the fourth layer of approval, the requisition is forwarded to the Division of Purchasing for quoting, bidding, and the creation of a purchase order (PO) or blanket purchase agreement (BPA). See Exhibit 4-4 A and B (Pages 87-88) for examples of electronic and manual purchase orders. The originating department should maintain a copy of the PO regardless of manual or electronic creation.

If a City Council district's discretionary funds are to be used to fund a requisitioned item, written approval from the councilperson **must be** obtained before a purchase order is created.

Creating a purchase order initiates an encumbrance (reserve) of the department's funds. The effect of an encumbrance is to commit a portion of the department's appropriation at the time the PO is processed. The department's appropriation and allotment balances must be adequate to cover the amount of the purchase order. The purchase order will obligate the department's appropriation and allotment by the amount of the purchase order. The accounting system will ensure the availability of budgetary authority.

Blanket purchase agreements (BPAs) are created in the same manner. A BPA is issued to vendors who are repeatedly used for the same commodities. BPAs are left open throughout the fiscal year.

VIII. PROCESSING OF PAYMENT FOR A BLANKET PURCHASE AGREEMENT (BPA), OR PURCHASE ORDER (PO)

The following is a step-by step account of a typical BPA, or PO payment:

1. Material Receipt. When the ordered materials arrive, the department submits a material receipt through the accounting system. This electronic receipt documents the date received, quantity, and identify of the employee who received the materials. See Exhibit 4-5 for an example of an electronic material receipt. For the material receipts of fixed assets, a manual material receipt is required. See Chapter 5 for Fixed Asset Procedures.
2. Receipt of Invoice. The department should receive the invoice and any other type of documentation needed to process payment from the vendor. The invoice is compared against the PO for accuracy. If there is a difference of more than $1, the Purchasing Division must be contacted to help determine the discrepancy. If all documentation matches, it is sent to the Accounting Division for processing. See Exhibit 4-5 (page 89) for an example of a material receipt.
3. Accounting Approval. The Accounting Division receives the invoice and any other additional documentation. See Exhibit 4-6 (Page 90) for an example of a vendor invoice. All documentation is reviewed, approved, and entered into the system. Any issues that arise during this review will be resolved before payment is processed.
4. Inclusion in the Check Run. The invoice is included in the Accounting Division's weekly batch of checks to be processed.

IX. PROCESSING OF PAYMENT FOR A FIELD PURCHASE ORDER (FPO)

Departments are responsible for entering payment transactions directly into the accounting system. It is the responsibility of each department to ensure sufficient expense budget exists, and the proper vendor and account codes are used. Failure to adhere to these requirements by the department may cause a serious delay in payment and an unnecessary waste of time and effort. The following is a step-by-step account of a typical FPO payment:

1. Order Received from Vendor, Receipt of Materials, and Receipt of Invoice. Usually, but not always, a department will receive the invoice at the same time as receiving (and sometimes ordering) the materials.
2. Department Head Approval. The department head will review and approve the invoice (and any other supporting documentation) via signature on the face of the invoice.
3. Creation of the FPO. The department will create the FPO in the accounting system. It is important that the FPO is coded with proper vendor and account codes. Also, the account must have sufficient budget. See Exhibit 4-7 (Page 91) for an example of a FPO. The FPO number is then written on the invoice and forwarded to the Accounting Division.

4. Accounting Division Approval. The Accounting Division receives the invoice and any other additional documentation. All documentation is reviewed and electronically approved. Any issues that arise during this review will be resolved before payment is processed.
5. Finance Director or Deputy Director Approval. The FPO is forwarded to the Finance Director or Deputy Finance Director for review and approval.
6. Inclusion in the Check Run. The invoice is included in the Accounting Division's weekly batch of checks to be processed.

If a City Council district's discretionary funds are to be used to fund an FPO purchase, written approval from the councilperson must be obtained before the FPO is approved for payment.

X. ORIGINAL SIGNATURES

An original signature is required for the following documents:

- All FPOs must have the original signature of the department head or assistant department head on the face of the invoice.
- All City Mileage Reimbursement forms require the traveler's signature to be original. It must have the department head's signature on the face of the paperwork as noted above. See Exhibit 4-8 (Page 92) for an example of a mileage reimbursement form.
- All City Travel Certificates require both the traveler and a notary signature to be original. It must have the department head's signature on the face of the paperwork as noted above. See Exhibit 4-9 (Page 93) for an example of a travel certificate.
- All contract change orders must have original signatures of the contracting parties.
- All expenditures using special Mayor or City Council funds over $10,000 must have an original signature from the City Council or Mayor's office.
- All material receipts for fixed assets must include the original signature of the receipting employee.

XI. TRAVEL PROCEDURES

A. REQUEST FOR TRAVEL

1. All requests for out of town travel must be approved by the Mayor prior to the travel date(s).
2. All advance checks for travel funds, registration fees, etc. will be issued in accordance with the City's check issuance guidelines. The traveler is responsible for all funds advanced and is required to prove all expenses with itemized receipts. Any remaining advance will be returned to the City Treasury.
3. In the event of an emergency where the individual must travel outside the municipality and sufficient time does not exist to process an advance check for travel, the Finance Department holds a credit card that may be used to charge travel expenditures incurred only after approval of said emergency by the Finance Director or Deputy Finance Director. Immediately upon the

completion of the emergency travel, the traveler must remit all receipts to the Finance Director's office. Upon receipt of the credit card invoice, the expenditures for emergency travel will be charged to those departments that used the card.

B. TRAVEL ADVANCES

1. The individual must be an officer or a full time employee of the City (contract individuals are not eligible for advance travel).
2. No individual may have more than one travel advance outstanding at any time.
3. The maximum advance for any individual shall be the estimated cost of the trip.
4. A travel advance FPO shall be attached to a signed and approved travel request by the Mayor.

C. REQUEST FOR A CITY GAS CARD

1. In the event that a City vehicle will be used as the mode of transportation, a gas card will be issued to the traveler. All requests for gas cards shall be submitted to the Accounting Division.
2. A listing of all gas cards should be maintained by the Accounting Division at all times containing:
    a. Authorized Holder's Name and Department
    b. Credit Card Account Number
    c. Credit Limit
3. Gas cards are ONLY utilized for City of Montgomery travel over 50 miles from City limits.

D. TRANSPORTATION

1. Travel must be performed over the most direct route using the most efficient and economical means consistent with requirements. If the traveler travels by an indirect route, or by less economical means, then, the traveler shall be responsible for any extra cost, subject to the approval of the respective department head.
2. The use of private vehicles may be authorized by the respective Department Head if an appropriate City vehicle is not available. The employee must show proof of sufficient liability insurance and be approved as a City driver by the Division of Risk Management.
3. In the event the Department Head authorizes the use of a private vehicle and proof of liability insurance has been submitted to Risk Management, the traveler shall be reimbursed at the current City Council approved mileage rate, which is currently $0.35 per mile. If two or more individuals travel in the same vehicle, only the vehicle owner may receive reimbursement.
4. Advance common carrier tickets (air, bus, etc.) are authorized for travel which is impractical by automobile. These tickets shall be obtained through the most economical mode available and shall be coach accommodations.

E. HOTELS

Hotel reservations will be made for single rooms unless otherwise approved. Accommodations utilized shall be standard and reasonable.

F. MEALS

1. Normal, actual meal expenses incurred during travel are authorized. Itemized meals receipts are required. Per diem is not allowed.
2. No payment for alcoholic beverages will be allowed.
3. Snacks between meals are not authorized as legitimate travel expenses. The traveler is responsible for purchasing his own snacks.

G. TRAVEL REPORTING PROCEDURES

1. All travel expenses (other than gas card expenses) must be filed on a City Travel Certificate and turned in to the Internal Auditor in the Finance Department within **fourteen (14)** days after completion of travel. The Certificate will be verified and signed by a notary public and must be attached to the receipts that support the expense on the report. The burden of proof and justification for expense reimbursement is on the traveling party.
2. If additional reimbursement is requested, it must also be approved by the department head and processed as an FPO.
3. If the individual spent less than was advanced for his travel, the remaining advance must be returned to the City Treasury with a copy of the City Travel Certificate and supporting receipts.
4. All gas card expense receipts, along with the gas card, must be returned to the Accounting Division within two (2) business days after completion of travel.

H. REQUIRED RECEIPTS

1. The following receipts shall be required and attached to the City Travel Certificate:
   a. All hotel charges.
   b. All common carriers and mileage charges. Receipts for taxi and limousine expenses will be obtained if available.
   c. Meal receipts for all meals including tips. Meal receipts must be itemized and labeled as breakfast, lunch and dinner regardless of the dollar amount.
   d. All registration fees.
   e. All other miscellaneous fees, such as parking, telephone calls (business-related calls only), emergency office supplies, etc.
2. A written statement approved by the respective Department Head is required for all misplaced receipts and is subject to approval.

I. FRAUDULENT TRAVEL CLAIM

1. All expense reports shall be certified by the traveler and reviewed for approval by the Department Head. The burden of proof and justification for expense reimbursement is on the traveling party.
2. Any individual who willfully claims fraudulent travel expenses shall be subject to legal prosecution and termination.

3. The Internal Auditor is directed to report all suspicious expenditures to the Finance Director or Deputy Finance Director. Copies of findings will be given to the Mayor.

XII. PETTY CASH PROCEDURES

A. ESTABLISHING A PETTY CASH ACCOUNT

All requests for new petty cash accounts or changes to existing petty cash accounts' amount or custodian must be approved by the Finance Director. **The custodian of the petty cash account is responsible at all times for the entire balance, including unexplained shortfalls.**

B. USE OF A PETTY CASH ACCOUNT

The custodian will keep petty cash in a secured location, preferably in a locked drawer. The custodian will also keep a ledger of all cash inflows and outflows. All petty cash outflows must be supported with the original register receipt and a petty cash receipt. The petty cash receipt will be completed, including signatures of the employee requesting reimbursement and the custodian. Excluding petty cash reimbursements from Finance, all petty cash inflows must be supported with a petty cash receipt. See Exhibit 4-10 (Page 94) for an example of this receipt.

Under no circumstance will the custodian cash an employee's personal check from the petty cash account. The custodian will not advance an employee cash for personal use. Cash advances to employees for legitimate expenses are permitted, with the completion of a petty cash receipt.

The custodian will complete an FPO for reimbursement of petty cash when needed, but at least monthly. Copies of all documents submitted to Finance are to be filed for the custodian's records. Finance will reimburse the petty cash account via check after review of submitted expenses. The custodian will cash the petty cash reimbursement check immediately upon receipt to replenish the petty cash drawer.

When the custodian is notified by Finance of a disallowed expense, he or she must take steps in order to replenish the petty cash for that amount. A listing of legitimate and illegitimate expenses may be found in Section C below. The custodian may request repayment from the employee who originally requested the petty cash expenditure. **However, the custodian is ultimately responsible for the balance of the petty cash account, including unexplained shortfalls.**

C. LEGITIMATE AND ILLEGITIMATE EXPENSES

Legitimate expenses allowed by Finance include, but are not limited to:

- Any item needed for an employee to perform his or her duties, provided an item of equal use is not available at the warehouse
- Food expenses not for use by employees

Illegitimate expenses disallowed by Finance include, but are not limited to:

- Alcoholic beverages

- Food expenses for employees
- Gifts for employees
- Any item needed for an employee to perform his or her duties purchased elsewhere, when an item of equal use is available at the warehouse.
- Sales tax

EXHIBIT 4-1 FORM W-9

Form **W-9**
(Rev. October 2004)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as reported on your income tax return)

Business Name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ _____ ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.) | Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. *If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.*

Social security number

or

Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ▶ Date ▶

By signing above, I understand that any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, women-owned or Veteran or Service-Disabled Veteran-Owned Small Business concern in order to obtain a contract awarded under the Small Business Act shall 1) be punished by imposition of fine, imprisonment or both, 2) be subject to administrative remedies including suspension and debarment, and 3) be ineligible for participation in programs conducted under the Authority of the Act

Required Federal Business Classification Information

Large Business Concern: Dominant in field of operations per Federal Acquisitions Circular (FAC 9.201)	(LBC)	Y _____	N _____
Small Business Concern: Independently owned and operated, and meets industry size and receipt requirements for small businesses per SBA13 CFR 121, Section 3 of the Small Business Act.	(SBC)	Y _____	N _____
Woman-Owned Small Business: Is a small business and at least 51% owned and controlled by one or more women who are U.S. citizens and have active involvement in day-to-day operations	(WOSB)	Y _____	N _____
Small Disadvantaged Business: SBA certified; minimum 51% owned, controlled and operated day-to-day by one or more socially and economically disadvantaged individuals *	(SDB)	Y _____	N _____
Historically Black Colleges/Universities and Minority Institutions:	(HBCU/MI)	Y _____	N _____
HUB Zone Small Business: SBA certified; is small and is located in an "historically underutilized business zone" and is owned and controlled by one or more US citizen(s) and at least 35% of employees reside in HUB zone	(HUB Zone SB)	Y _____	N _____
Veteran-Owned Small Business: Is a small business and is at least 51% owned, controlled and has active involvement in day-to-day operations by one or more U.S. veterans.	(VOSB)	Y _____	N _____
Service-Disabled Veteran-Owned Small Business: VOSB and with a disability that is service connected, may include spouse/caregiver of veteran with permanent or severe disabilities.	(SDVOSB)	Y _____	N _____

***SDB Ethnicity Definitions** *(Please check one)*: African American_____, Hispanic American_____, Native American (American Indian, Eskimo, Aleut & Native Hawaiian)_____, Asian-Pacific American_____, Asian-Indian American_____

EXHIBIT 4-2 CONTRACT ROUTING FORM

CONTRACT ROUTING SHEET

SHEET # 101

1. The completion of this form is MANDATORY for all contracts.
2. This form MUST be attached to all contract routings.
3. Once you have completed your portion of the contract processing, you must note the date the contract is being forwarded. Make a copy of this sheet for your files before forwarding to the next department.

CONTRACTOR _____

PROJECT NAME _____

PROJECT NUMBER _____

CONTRACT AMOUNT _____

ACCOUNT NUMBER _____

SAMPLE

Purpose of Contract: _____

All copies of the contract have been approved by the CITY ENGINEER and signed by CONTRACTOR/ARCHITECT/CONSULTANT

Signature of City Engineer _____ Date Forwarded _____

All copies of the contract have been approved by the DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

Signature of Planning Director _____ Date Forwarded _____

All copies of the contract have been approved by the DIRECTOR OF FINANCE

Signature of Finance Director _____ Date Forwarded _____

All copies of the contract have been approved by the LEGAL DEPARTMENT as to the Legal sufficiency. (also stamp approval on signature page & initial).

Signature of Attorney _____ Date Forwarded _____

All copies of the Contract to JEFF DOWNES for Obtaining MAYOR'S Signature.

Signature of Mayor _____ Date Forwarded _____

CITY CLERK will attest if necessary

Signature of City Clerk _____ Date Forwarded _____

Return ALL original documents to the Point of Origin and a copy to the FINANCE DIRECTOR.

Signature of Employee _____ Date Received _____

Note: If for some reason this contract is not executed, you must return this form with the following explanation:

Revised 10/23/2007

EXHIBIT 4-3 ELECTRONIC REQUISITION

```
PI625I02                        CITY OF MONTGOMERY                    11/15/07
                                Purchase Requisition                  18:02:20
Number . . . . . . . . :  0000055663
Type . . . . . . . . . :  1  PURCHASE REQUISITION
Status . . . . . . . . :  ALL ITEMS ON ORDER
Reason . . . . . . . . :  PARTS
By . . . . . . . . . . :  AP/EILEEN
Date . . . . . . . . . :  11/05/07
Vendor . . . . . . . . :     5335  LAWN POWER EQUIPMENT
Contract nbr . . . . . :
Ship to . . . . . . . . :  AP  AUTO PARTS ROOM
Deliver by date . . . . :  11/05/07
Buyer . . . . . . . . . :  CM   CAROL MCNELLEY
Fiscal year code . . . :  C  C=Current year, P=Previous year, F=Future year
Type options, press Enter.
  5=Display   8=Item extended description
Opt Line#    Quantity UOM Description
 _     1        1.00  EA  A221000000 AIR CLEANER ASSM. INV89374

                                                          Total:       5.45
F3=Exit   F7=Alternate view                                      F9=Print
F10=Approval info  F12=Cancel  F20=Comments
          Highlight indicates item has been processed or deleted.
```

SAMPLE

EXHIBIT 4-4A PURCHASE ORDER

ELECTRONIC

```
PI310I01                        CITY OF MONTGOMERY                        11/15/07
                              Purchase Order Inquiry                      18:01:45
P.O. Number :   270996
 Change nbr :          Date :                        Ordered . . :          5.45
     Status :   8 COMPLETED                          Invoiced    :          5.45
     Type   :   C CONFIRMING PURCHASE ORDER          Liquidated  :          5.45
     Date   :   11/07/07                             Balance . . :           .00
Vendor :    5335 LAWN POWER EQUIPMENT              Last rec : 11/13/07 ETHOMAS
Ship to  . . : AP AUTO PARTS ROOM                  Last inv : 11/13/07 SSUGGS
Invoice to . : FN CITY OF MONTGOMERY                  Freight amt :
Buyer  . . . : CAROL MCNELLEY                         Adjustment  :
Confirm by   : B/L UNDER LAWN AND POWER               Sales tax   :     0.00%
Ship via . . : LIC. #8456
F.O.B. . . . : MONTGOMERY                             Addt'l tax  :     0.00%
Freight  . . :                                        Retainage % :     0.00%
Contract nbr :                                        Deliver by  :   11/05/07
           Payment Discount :     0.00%       Order Discount     :     0.00%
Terms :   Nbr days disc due :         Net :          User ID . . :   CMCNELLEY
Requisition Nbr :   0000055663   Date :   11/05/07   Date posted :   11/07/07
            By  :   AP/EILEEN                         Acct nbr :   00150007212401
                                                                Project  :
F2=Items   F3=Exit   F8=Remarks   F9=Invoices   F12=Cancel   F13=Vendor inquiry
                     F16=Rec/Inv Comments  F18=Receipt Inq    F24=More Keys
```

SAMPLE

EXHIBIT 4-4B PURCHASE ORDER

MANUAL

CITY OF MONTGOMERY
PURCHASING AGENT
P.O. Box 1111
Montgomery, AL 36101-1111
PHONE (334) 241-2605
FAX (334) 241-2625

PAGE: 1
P.O. NO.: 270229
DATE: 10/11/07
CHANGE #: 1
DATE CHG: 11/06/07

INVOICE TO:
CITY OF MONTGOMERY
FINANCE DEPARTMENT
P.O. BOX 1111
MONTGOMERY, AL 361011111

SHIP TO:
CITY OF MONTGOMERY
TRAFFIC ENGINEERING
934 NORTH RIPLEY STREET
PUBLIC WORKS FACILITY
MONTGOMERY, AL 36104

TO:
ALLIED ELECTRONICS INC
2970 COTTAGE HILL RD
BEL AIR PARK
SUITE 148
MOBILE, AL 36606

VENDOR NO. 1368

NOV 8 2007

INCLUDE PURCHASE ORDER NO. ON INVOICE FOR PAYMENT INFORMATION: (334) 241-2727

DELIVER BY	LICENSE #	F.O.B.	TERMS
10/23/07		MONTGOMERY	NET

CONFIRM BY	BUYER	REQUISITIONED BY
GEORGIA CCOLLINS 817-595-	CARL PYRON	TRAFFIC ENGINEERING

FREIGHT	CONTRACT NO.	ACCOUNT NO.	PROJECT	REQ. NO.	REQ. DATE
		00154107312601		94057	10/05/07

LINE NO.	QUANTITY	UOM	ITEM NO. AND DESCRIPTION	UNIT COST	EXTENDED COST	TAX
			********** CHANGE ORDER **********			
1	1.00	LT	AAA 11 MISC ELECTRONIC ITEMS AS PER THE ATTACHED LIST	149.73	149.73	NO
2	1.00	LT	AAA 11 MISC ELECTRONIC ITEMS	89.87	89.87	NO
				SUB-TOTAL	239.60	
				TOTAL	239.60	

REMARKS:
ATTN: MELISSA, AS PER YOUR QUOTE OF 10/02/2007.
PLEASE REFERENCE THE "SHIP TO DEPARTMENT" ON ALL YOUR INVOICES.
CP/cp
CHANGE #1 ORDER CAME IN ON TWO INVOICES, PER FINANCE & DEPT. CP

CITY OF ... PROCES... / PAI...

SAMPLE

DATE DUE NOV 2007 PROCESSED

AUTHORIZED BY _____ PURCHASING AGENT

READ INSTRUCTIONS ON REVERSE SIDE
THE CITY OF MONTGOMERY IS EXEMPT FROM ALL STATE AND LOCAL TAXES AND WILL FURNISH EXEMPTION CERTIFICATE FOR FEDERAL TAXES.

EXHIBIT 4-5 ELECTRONIC MATERIAL RECEIPT

```
PI366I01                    CITY OF MONTGOMERY                          11/16/07
                  Purchase Order Inquiry - Receipt Transactions         15:41:48

PO Number :  271070
Type option, Press Enter.
  1=Select to view detail  6=Print recv report
        Receipt  Line   Date                          Lot  -------- Posted ---------
Opt Tp   Number   No. Received   Quantity  UOM        Sz  User ID      Date     Time
    RN   242151    1  11/16/07       1.00  LT         1  KLAMBETH   11/16/07 10:22
    RN   242151    2  11/16/07       1.00  LT         1  KLAMBETH   11/16/07 10:22
    RN   242151    3  11/16/07       1.00  LT         1  KLAMBETH   11/16/07 10:22
    IN   242169    2  11/16/07       1.00  LT         1  SSUGGS     11/16/07 13:09
    IN   242170    1  11/16/07       1.00  LT         1  SSUGGS     11/16/07 13:09
    IN   242171    3  11/16/07       1.00  LT         1  SSUGGS     11/16/07 13:10
```

SAMPLE

```
F3=Exit   F7=Sort by Recv Date   F12=Cancel  F16=Display Comments
F20=Packing slip Inq

PI366I02                    CITY OF MONTGOMERY                          11/16/07
                  Purchase Order Inquiry - Receipt Record               15:41:55

PO Number . . . :  271070
Line Number . . :    1                          Posted: User Id : KLAMBETH
Receipt no. . . :     242151                           Date. . : 11/16/07
Received by/date:  KLAMBETH        11/16/07            Time. . : 10:22
Building  . . . :  N   NONE
Commodity . . . :  AAA MISC NON-STOCK ITEMS
Sub-commodity . :  11  MISC SUPPLIES
Item nbr/desc . :        NON-INVENTORIED ITEMS FOR
                         COMMODITY / SUB-COMMODITY
Reference nbr . :
Vendor nbr  . . :      423   JOHN LEE PAINT CO INC
Asset acct. . . :
Expenditure acct:  00158007212501
Project . . . . :                                  Packing Slip No.:
----------- Quantity Information ------------     -------- Received ---------
  Received    Returned    Uncosted    Invoiced       Unit Cost    UOM   Lot s:
      1.00         .00         .00        1.00           .0000    LT        :

F3=Exit   F12=Cancel   F16=Rec/Inv Comments
```

EXHIBIT 4-6 VENDOR INVOICE

SAFETY COATINGS, INC.
POST OFFICE BOX 399
FOLEY, ALABAMA 36536
251/943-1638 FACSIMILE 251/943-3689
FEIN: 63-0781746
E-MAIL: INFO@SAFETYCOATINGS.COM
WEBSITE: WWW.SAFETYCOATINGS.COM

INVOICE ****
071602

INVOICE NUMBER:

INVOICE DATE	DATE DUE
11/05/07	12/05/07

SHIP TO:
CITY OF MONTGOMERY
TRAFFIC ENG./PW FACILITY
934 NORTH RIPLEY STREET
MONTGOMERY AL
36104 0000

TO:
CITY OF MONTGOMERY
ACCT. DIV-CAROL FRYER
POST OFFICE BOX 1111
MONTGOMERY AL
36101 1111

DIRECT INQUIRIES TO: CUSTOMER RELATIONS AT 1-800-557-8810

Account No.	Date Shipped	Shipped Via	COL	PP	F.O.B. Point	Terms	Your Order Number
SC-186	11/05/07	AAA COOPER		X	MONTGOMERY	NET 30 DAYS	270807

Quantity Ordered	Quantity Shipped	Product Code	No. of Cnt.*	Type Cnt.*	Description	Unit Price	AMOUNT
120	120	HB0285	24	05	HI-BUILD TTP-1952D HDCP.BLUE	13.300	1,596.00
					* WE APPRECIATE YOUR BUSINESS *		

* Container

SUBTOTAL	1,596.00
TOTAL	1,596.00

TAX FREIGHT OTHER

TYPE OF CONTAINER
01 — CARTONS
05 — FIVE GALLON PAILS
30 — 30 GALLON DRUMS
55 — 55 GALLON DRUMS
00 — MISCELLANEOUS

THANK YOU

ALL INVOICES DUE AND PAYABLE IN FOLEY, BALDWIN COUNTY, ALABAMA. A SERVICE CHARGE OF 1.5% PER MONTH, NOT TO EXCEED 18% PER ANNUM, MAY BE CHARGED ON ALL ACCOUNTS, AND REASONABLE ATTORNEY'S FEES, IF THIS ACCOUNT IS FORWARDED FOR COLLECTION.

SAMPLE

ORIGINAL

EXHIBIT 4-7 FIELD PURCHASE ORDER

```
I349I01                    CITY OF MONTGOMERY                          11/15/07
                         Field Purchase Order Inquiry                  18:07:22
  INVOICED
ype information, press Enter.                          Assigned
 Field PO number . . .   A86814   Date . .   110707   User . .   SHILDRETH
 Remarks . . . . . . .   MOUNTING BRACKETS FOR FIRE EXTINGUISHERS/SALVAGETR
 Received by . . . . .   SHILDRETH/GM
 Vendor  . . . . . . .   0000208  BRENDLE INCORPORATED
 Invoice number  . . .   80828            Invoice date . . .   110707
 Payment due date  . .   111607   (MMDDYY)
 Invoice amount  . . .          $168.00   Line total . . . .        $168.00
ccount number  Project     Amount     Transaction description
)164007312601              $168.00   MFD  10/29/07

3=Exit   F7=Additional info   F8=Comments   F9=Approval info   F12=Cancel
```

SAMPLE

EXHIBIT 4-8 MILEAGE REIMBURSEMENT FORM

MILEAGE EXPENSE CERTIFICATE

CITY OF MONTGOMERY, ALABAMA

DEPARTMENT **NAME**

Itemized statement of authorized mileage on official city business for the month of 20

DATE	MILEAGE	EXPLANATION OF MILEAGE CLAIMED	DATE	MILEAGE	EXPLANATION OF MILEAGE CLAIMED	
1			17			
2			18			
3			19			
4			20			
5			21			
6			22			
7			23			
8			24			
9			25			
10			26			
11			27			
12			28			
13			29			
14			30			
15			31			
16						
subtotal	0		subtotal	0	Monthly total	0
Mileage Claimed			@	$0.35	per mile	0

SAMPLE

I certify that use of my personal automobile on official business has been duly authorized in writing by the Commissioner in charge of my department; that no mileage to and from work is included hereon; and that there has been filed with the City Clerk, proper and sufficient evidence that the City of Montgomery is fully indemnified by a policy of liability insurance in the sum of not less than $10,00 - $20,000 for personal injuries and $5,000 for property damage, all public liability insurance.

I further certify that the amount hereon of $_____ for the month of _____ 20____ is correct, due and unpaid.

Sworn to and subscribed before

me this ____ day of _____, 20___.

_____ _____

Notary Public Signature of payee

I certify that the mileage on official City Business as claimed hereon was authorized and that the amount of $ _____ for _____ at $.____ per mile is true, correct and properly chargeable to this department.

_____

Department Head

NOTE: *This certificate is based upon City Ordinance #17-52 adopted by the City Commission on March 11, 1952. All directives and restrictions of this Ordinance will be complied with through the proper completion of this Certificate.*

EXHIBIT 4-9 TRAVEL EXPENSE CERTIFICATE

CITY OF MONTGOMERY
TRAVEL EXPENSE CERTIFICATE

Department/Agency _____ Name of Employee _____ Destination & Purpose of Travel _____

DEPARTMENT OF FINANCE APPROVAL:

I Hereby Certify That the Within Account in the Amount of $0.00 is correct, due, and unpaid.

_____

Sworn to and subscribed before me this _____ day of _____.

_____

RECAPITULATION OF EXPENSES

Travel Expenses	Amount		Amount
Commercial Transportation (incl rental car/gas)	$0.00	Registration and Fees	$0.00
Mileage (private car) or Gas purchases (City vehicle)	$0.00	Total other expenses such as postage, fax, telephone, parking,	
Lodging	$0.00	baggage handling, tolls, etc	$0.00
Meals	$0.00		
SUBTOTAL TRAVEL EXPENSES	$0.00	GRAND TOTAL TRAVEL EXPENSES	$0.00

ITEMIZED STATEMENT OF NECESSARY TRAVELING EXPENSES

Date mm/dd/yy	Points of Travel		Hour of Depart/ Return	Private Car Miles	City Vehicle Gas Purchases	Commercial Fare Amount	SUBSISTENCE			Total Meals	Lodging	Registration and Fees	Necessary Expense & Conference Registration	
	From City/State	To City/State					Breakfast	Lunch	Supper				Detail	Amount
										0.00				
										0.00				
										0.00				
										0.00				
										0.00				
										0.00				
										0.00				
										0.00				
										0.00				
										0.00				
										0.00				
TOTALS				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00

GRAND TOTAL TRAVEL EXPENSES $0.00 AMOUNT ADVANCED $0.00 AMOUNT DUE TO EMPLOYEE $0.00

EXHIBIT 4-10 PETTY CASH RECEIPT

PETTY CASH VOUCHER # _____

PAY OUT

Date: _____

Amount: _____

Purpose _____

Received By: _____
(Employee's Signature)

Approved By: _____
(Custodian's Signature)

RETURN

Date: _____

Amount Spent: _____

Amount Returned: _____

Received By: _____
(Employee's Signature)

Approved By: _____
(Custodian's Signature)

CITY OF MONTGOMERY, ALABAMA
FISCAL POLICY AND PROCEDURES MANUAL

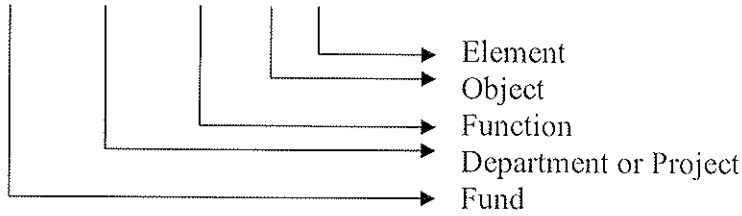
CHAPTER 5
FIXED ASSETS

I. CLASSIFICATION OF FIXED ASSET PURCHASES

A. NON-CAPITALIZED ASSETS

Equipment and other assets that cost $1,000.00 to $4,999.99 **per item/unit** must be coded (charged) to:

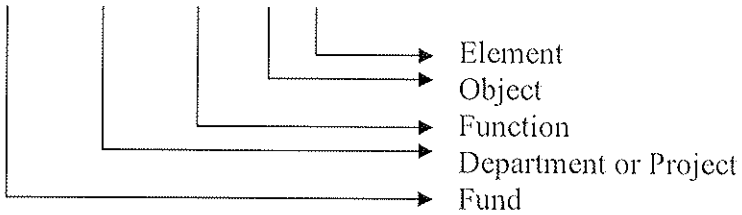
XXX-XXXX-XXX-**53**-XX.



B. CAPITALIZED ASSETS

Equipment and other assets that cost $5,000.00 or more **per item/unit** must be coded (charged) to:

XXX-XXXX-XXX-**43**-XX.



II. COST CALCULATION

A. COST CALCULATION FORMULA

The cost of Capitalized and Non-capitalized assets should include all normal and reasonable cost associated with getting the asset in place and ready for use. The cost per item/unit may include the following.

1. Purchase Price
2. Freight
3. Installation
4. Training cost associated with initial use of the asset

If assets are purchased in a lot or in bulk, the **per item/unit** cost will determine the proper classification for that asset.

B. DONATED ASSETS

Donated fixed assets must be valued at the fair market value at the date of donation.

C. EXAMPLES

1. A City department purchases 10 monitors costing $579.00 each. The total cost of the invoice including freight is $5,908.00. This transaction would be expensed due to the per unit cost being under the $1,000 threshold for non-capitalized assets.
2. A City department purchases a ventilator pump. The pump's purchase price is $950.00 and requires special installation by the manufacturer. Installation charges are $75.00 and freight charged on the shipment is $38.19. The ventilator would be coded to XXX-XXXX-XXX-53-01 and receive a City property tag. The pump would be classified as a non-capitalized asset because the total cost of the pump is $1,063.19 and falls within the threshold for non-capitalized assets.
3. The City purchases a dump truck for $158,000.00. The dump truck would be coded to XXX-XXXX-XXX-43-04 and receive a city property tag. The dump truck is a capitalized asset.

III. REQUIRED FIXED ASSET DOCUMENTATION

A. MATERIAL RECEIPT

After a department has obtained proper authorization to purchase a **fixed asset**, completed the purchasing process, and received the appropriate **asset or equipment**, a manual **material receipt form** **must** be completed. The material receipt form must include:

1. Department which purchased goods
2. Vendor from which goods were purchased
3. Purchase order number associated with this merchandise
4. Date goods were received
5. Quantity received
6. Description of goods
7. Serial number(s) of each item received
8. Unit cost of each item
9. Total cost
10. Department to charge for purchase
11. Coding

The material receipt form **must be dated (actual date goods were received), signed** certifying that the goods were received, and any shortages or damaged goods should be noted. The **original** completed material receipt form must accompany the vendor's invoice and both documents sent to the Accounting Division for payment. Documentation for lease purchases must be sent to Rene Pasley in the Finance Department.

For departments that purchase equipment and other fixed assets on behalf of other departments; i.e. Fleet and IT, the fixed asset number assigned to each fixed asset purchased must be included with the merchandise description and its serial number on the material receipt form.

B. FIXED ASSET TAG

Only assets costing $1,000 or more **per item/unit** must have a City of Montgomery property tag affixed to the asset. The property tag must be attached prior to placing that asset into service. Tag placement is the responsibility of the department purchasing the fixed asset. Fleet Maintenance and IT are responsible for property tag placement of all fixed assets that flow through their departments respectively. All other departments will receive property tags along with a copy of the purchase order for the appropriate equipment or other assets from the Finance Department. City of Montgomery property tags must be placed on the asset in an area that is easily readable and tamper proof for audit purposes.

C. DONATED ASSETS

City property tags must be attached to donated assets prior to its placement into service. Land can not physically be tagged; however, a property number will be assigned to donated land and maintained in the city's files.

Supporting documentation for donated land must include a physical address of the land, legal description of the land, total square footage donated, and fair market value at the date of donation.

IV. ACQUISITION REPORTING

Departments authorized to purchase fixed assets on behalf of other departments are required to report to the Finance Department the fixed asset numbers assigned to each fixed asset purchased. Additional information which must be included in monthly reports to the Fixed Asset Manager in the Finance Department is listed in the Documentation and Flow section above. Monthly reporting forms are to be obtained from the Fixed Asset Manager.

V. FIXED ASSET DISPOSALS

When assets, both tagged and non-tagged, become obsolete and in need of disposal, the Department Head responsible for the asset must submit a memorandum to the Finance Department describing why the equipment is no longer needed.

The asset, with its property tags attached, must be sent to the Purchasing Division. Purchasing will complete the Declaration of Surplus Property form and send it to the Department Head for signature. A copy of the signed declaration, accompanied by any other supporting documentation, is sent to the Accounting Manager for processing the disposal in the accounting system.