

Portland, Oregon  
**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT**  
**For Council Action Items**

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Celia Heron		2. Telephone No. 823-4080	3. Bureau/Office/Dept. OMF
4a. To be filed (hearing date):  November 12, 2014	4b. Calendar (Check One)  Regular    Consent    4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: October 29, 2014
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

**1) Legislation Title:**

Adopt and amend Accounting Administrative Rule FIN 6.10 Cash. (Resolution)

**2) Purpose of the Proposed Legislation:**

This legislation adopts and amends Accounting Administrative Rule FIN 6.10 Cash.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |   |                                    |                                    |                                |
|---|------------------------------------|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast  | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City       |                                    |                                    |                                |

**FINANCIAL IMPACT**

**4) Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

This legislation will not directly generate or reduce current or future revenue coming to the City.

**5) Expense:** What are the costs to the City as a result of this legislation? What is the source of funding for the expense?

There are no anticipated costs to the City as a result of this legislation.

**6) Staffing Requirements:**

- Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?

No.

- Will positions be created or eliminated in *future years* as a result of this legislation?

No.

*(Complete the following section only if an amendment to the budget is proposed.)*

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

**[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]**

**PUBLIC INVOLVEMENT**

**8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:**

- ☐ **YES:** Please proceed to Question #9.  
☒ **NO:** Please, explain why below; and proceed to Question #10.

No community involvement was included in the development of this Council item because the Resolution was developed to reflect current City practices and City Council direction with regard to accounting procedures.

**9) If "YES," please answer the following questions:**

**a) What impacts are anticipated in the community from this proposed Council item?**

**b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?**

**c) How did public involvement shape the outcome of this Council item?**

**d) Who designed and implemented the public involvement related to this Council item?**

**e) Primary contact for more information on this public involvement process (name, title, phone, email):**

**10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.**

No future public involvement is anticipated or necessary for this Council item.

Fred Miller, CAO

APPROPRIATION UNIT HEAD (Typed name and signature)



# CITY OF PORTLAND

## OFFICE OF MANAGEMENT AND FINANCE

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Fred Miller, Chief Administrative Officer  
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**DATE:** October 27, 2014  
**TO:** Mayor Charlie Hales  
**FROM:** Fred Miller, Chief Administrative Officer  
**TITLE:** Adopt and amend Accounting Administrative Rule FIN 6.10. (Resolution)

37095

1. **INTENDED THURSDAY FILING DATE:** November 5, 2014
2. **REQUESTED COUNCIL AGENDA DATE:** November 12, 2014
3. **CONTACT NAME & NUMBER:** Celia Heron, 503-823-4080
4. **PLACE ON:** ☐ **CONSENT** ☒ **REGULAR** ☐ **TIME CERTAIN**
5. **FINANCIAL IMPACT & PUBLIC INVOLVEMENT STATEMENT ATTACHED:**  
☒ **Y** ☐ **N**
6. **(2) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ☐ **Yes** ☐ **No** ☒ **N/A**

### 7. BACKGROUND/ANALYSIS

The City's Accounting Administrative Rules have not been updated since 2006. Many of them are now out of date, inconsistent with GASB and GAAP requirements, and/or incomplete in terms of recent technologies used in the accounting processes. One element of the existing rule FIN 6.10 Cash that has proven to be problematic is the requirement that bureaus make daily bank deposits when cash receipts total \$250 or more. Some bureaus identified circumstances where compliance with that requirement was either cost-ineffective or infeasible.

OMF began review of AAR FIN 6.10 Cash when Jane Kingston was the City Controller, including extensive involvement with and input from accounting staff in the bureaus. Jennifer Cooperman, City Treasurer, has been actively involved in the review and update process as well.

OMF will continue to review and update the City's Accounting Administrative Rules under the direction of the soon-to-be-hired City Controller.

### 8. FINANCIAL IMPACT

It's difficult to estimate the long-term financial impact of a revised FIN 6.10 Cash. Some requirements of the rule may require additional City staff time, whereas other elements of the rule could reduce staff time. At the same time, compliance with the internal controls will significantly reduce the City's risk (exposure) for lost revenues and/or negative audit findings.

### 9. RECOMMENDATION/ACTION REQUESTED

The CAO recommends that Council adopt the resolution to amend Accounting Administrative Rule FIN 6.10 Cash.

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*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.*