

JUNE 23, 2014

EXECUTIVE ORDER

WHEREAS, the Government Finance Officers' Association (GFOA) recommends that governments maintain written policies and procedures outlining internal control measures to track spending, maintain compliance with approved budgets, and establish protocols to prevent waste, fraud, and abuse; and

WHEREAS, financial management and control is one of the primary responsibilities of the Office of Management and Budget (OMB); and

WHEREAS, the creation and implementation of uniform policies, procedures, and systems for financial activities and transactions is essential in order to safeguard taxpayer dollars and control spending; and

WHEREAS, current city practice allows departments to expend funds up to \$2,000 at a time without oversight from OMB, while the only public vetting of these expenditures comes when an invoice is forwarded to City Council and in most cases after a service has already been rendered, property or equipment has already been acquired, and a commitment to pay has already been made; and

WHEREAS, the Mayor desires to empower the OMB, as the entity charged with the creation and oversight of the operating budget, capital budget, and special revenue funds to take on greater responsibility for tracking and maintaining compliance with approved budgets; and

WHEREAS, adopting uniform policies, procedures, and systems for financial activities and transactions will improve citywide financial management, allow for greater oversight of departmental spending, and help to restore the public trust in city government.

NOW THEREFORE, by the power vested in me as the Mayor of the City of Pittsburgh, I do hereby order as follows:

1. Effective immediately, until further notice, all explanatory departmental expenditures--other than those pursuant to an approved contract--shall be pre-approved by OMB in a form and manner described by the Director of OMB.
2. Effective immediately, all departmental trust funds, petty cash pools, or accounts shall be disclosed to the Department of Finance (Finance) and shall cease to function upon recommendation of the Director of Finance. Finance shall prescribe the form and manner of any account or pool's closure.

3. Effective immediately, all personnel transactions shall be pre-approved by OMB in a form and manner described by the Director of OMB.
4. The Director of OMB shall establish written policies and procedures, based on GFOA best practices, to create a system of oversight for other specified financial activities and transactions (“the Policy”).
5. The Policy shall define specific procedures outlined in this order including but not limited to: (1) accrual and use of overtime and comp time by non-union employees; (2) pre-approval of all departmental legislation proposed for introduction to City Council, and; (3) institution of cash management procedures pursuant to Title Two: Fiscal, Article I: Administration, Chapter 204: Cash Management Policy of the Pittsburgh City Code.
6. Within ten (10) days of this executive order, the Director of OMB shall distribute the Policy to the Mayor, Department Directors, City Council, and the City Controller.
7. Directives of the Policy shall be effective immediately upon distribution of the Policy.

William Peduto
Mayor