

## DEKALB POLICE DEPARTMENT

Subject: **Budget and Fiscal Management**  
Effective Since: New Policy, effective 1-1-19  
Revision Effective: NA  
Reference Material: City of DeKalb Purchasing Manual  
ILEAP Standards Covered: ADM.15.01-15.04

Policy #: **102.4**

FTO Training Task: # 4

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**PURPOSE:** It is the purpose of this policy to provide guidelines for the management of the department's budget and all related fiscal activities.

**POLICY:** It shall be the policy of the department and the Chief of Police to exercise fiduciary responsibility to control and manage all departmental requisitions, purchases and expenditures in conformance to budget limits and guidelines established by the City Council and in accordance to the City of DeKalb Purchasing Manual, available on the City Intranet or Finance Department's website page.

**DEFINITIONS:** none

**PROCEDURE:**

### **I. Budget Management Procedures**

- A. The Police Department expenditures are planned and authorized by the annual budget which runs from January 1st through December 31st of each year.
- B. The budget provides for the payment of wages to authorized personnel, the purchase of specific equipment and supplies, capital expenditures, as well as general categories that allow expenditures for non-specific items.
- C. The annual budget formulation process begins on a designated date each year, upon receipt of the budget instructions from the City Manager's office.
- D. The Chief of Police shall solicit budget recommendations from all department employees in accordance with the City Manager, City Council and departmental goals and objectives.
  - a. Each Division Commander Chief shall submit recommendations to the Chief of Police during this process listing the projected operational and capital needs of their respective divisions as suggested by their own observations and those of the employees under their command.
  - b. The Chief of Police shall have final review and responsibility for budget requests before submission to the City Manager.

### **II. Requisitions and Purchases**

- A. The Chief or his designee has the responsibility for conducting internal monitoring of the department's non-cash fiscal activities to include purchasing and bill payment approval.
- B. The Chief or his designee shall monitor and review monthly expenditures through reports generated by the Finance Department.
- C. Department employees shall route standard or ordinary requisition and purchase requests or receipts to the Chief or his designee through the chain of command.
- D. The Chief is authorized and responsible to manage these requests within department budgetary limits and in accordance with provisions of the City's Purchasing Manual. The Deputy Chief is the primary designee for the requisition and purchase of ordinary purchases. [ILEAP ADM.15.01(a)]
- E. Bidding procedures and the criteria for the selection of vendors and bidders must be performed in accordance with provisions of the City's Purchasing Manual. [ILEAP ADM.15.01(b) and (c)]
- F. If an emergency situation exists where it is necessary to procure goods or services and the normal purchasing system is not practical or available, department supervisory and command personnel may authorize an emergency purchase or

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rental of materials or services without authorization from the City Finance Department. [ILEAP ADM.15.01(d)]

- G. Additionally, special purchase authorization may be granted for limited purposes with the use of the department credit card.
  - 1. The card may be given to a member for unanticipated expense associated with training conferences or other job-related absence.
  - 2. The card may also be used in emergency situations or when a vendor is unable to accept a 30-day purchase order or billable account arrangement.
  - 3. Whenever the credit card is used, the receipt for the purchase must be submitted to the Deputy Chief for approval and forwarding to the Finance Department for reconciliation with the charge card statement.
  - 4. Any use of a department credit card must be conducted with adherence to the City of DeKalb Purchasing Manual.
- H. All emergency operations or situations that require expenditures that exceed fiscal year budget limits shall be addressed in writing to the City Manager by the Chief of Police or his designee. The City Manager shall proceed with such requests in accordance to the relevant City Municipal Codes, City policies and the City Purchasing Manual. [ILEAP ADM.15.01(e)]
- I. Unless facilitated by another city department such as IT or Public Works, the Deputy Chief or Support Services Commander shall be responsible to manage, monitor and coordinate all maintenance and service agreements that fall under the responsibility of the Police Department. Such contracts may be exclusively between the department and vendors or may be in conjunction with citywide agreements. The Chief or an authorized representative from the City will sign any contracts requiring fiscal agreements or responsibility. [ILEAP ADM.15.01(f)]

### **III. Accounting System**

- A. The department follows the Finance Department's accounting system, which includes approval of each account and provisions for monthly status reports. [ILEAP ADM.15.02]
- B. The accounting system includes, but is not necessarily limited to, the following information on annual and monthly reports or for other designated periods of time:
  - 1. Initial appropriation for each account. [ILEAP ADM.15.02(a)]
  - 2. Balances at the commencement of the period. [ILEAP ADM.15.02(b)]
  - 3. Expenditures and encumbrances made during the period. [ILEAP ADM.15.02(c)]
  - 4. Remaining unencumbered balance. [ILEAP ADM.15.02(d)]

### **IV. Maintenance of Cash Accounts**

- A. In all situations where agency personnel are permitted to receive, maintain, or disperse cash, the following procedures will be followed:
  - 1. A balance sheet or ledger identifies the initial balance, credits, debits, and balance on hand. [ILEAP ADM.15.03(a)]
  - 2. Receipts or documentation for cash received. [ILEAP ADM.15.03(b)]
    - a. Payments for fines, records or administrative tow fees shall be documented on the appropriate transmittal sheet and forwarded with a copy of the transmittal sheet to the Finance Department per their department's directives.
    - b. Any donated funds received shall be immediately forwarded to the employee maintaining the applicable donation fund or account.

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- c. The payer shall receive a receipt if the payment is made in person.
  3. Authorization for cash disbursements. The department does not maintain a petty cash fund nor allows any cash payments. And requests for refunds or payments must be made through a check request directed to the Finance Department. [ILEAP ADM.15.03(c)]
  4. Records, documentation, or invoice requirements for cash expenditures. The department does not ordinarily use cash to complete business transactions. [ILEAP ADM.15.03(d)]
  5. Persons or positions authorized to disburse or accept cash. [ILEAP ADM.15.03(e)]
    - a. Sworn and records section personnel are authorized to accept cash, checks, or credit card payment for copies of police records, parking violations, and administrative tow fees.
    - b. A supervisor must authorize the refund of any payment made to the police department.
  6. At a minimum, monthly accounting of agency cash activities. Records employees will forward a daily record of payments received to the Finance Department for review and accounting purposes. [ILEAP ADM.15.03(f)]
- B. **Drug Fund.** The department uses a designated forfeiture account to fund the Investigation Division's Drug Fund to be utilized for investigations relating to narcotic violations.
  1. An Investigations Division Commander or Sergeant is authorized to disburse cash payments using official advance funds for the following purposes:
    - a. Information received from confidential sources.
    - b. Development of informants.
    - c. During investigations involving seized contraband or recovered property.
    - d. Controlled Confidential Source (C/S) narcotic purchases.
    - e. Controlled undercover narcotic purchases.
  2. This fund will be managed by an Investigations Sergeant and maintained in a secure location within the Investigations Sergeant's office with access limited to Investigations Sergeants and Commanders.
  3. The Investigative Sergeant shall review any requests from detectives or patrol officers for payouts to confidential sources.
    - a. Approval will depend upon the value of the information, the past performance of the informant and/ or the informant's future potential.
    - b. The specific amount to be paid will be determined by severity of the investigation.
    - c. Cases meriting large dollar payouts will normally be referred to Crime Stoppers.
    - d. Cash disbursements over \$500 must be approved by the Chief of Police.
  4. The Investigative Sergeant will maintain an entry log which will include:
    - a. Date funds were spent.
    - b. Reason for Expenditure or Transfer.
    - c. Amount spent.
    - d. Officer expending funds.
    - e. Case number for which funds were expended.

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- f. Confidential Source case number if funds were expended by Confidential Source.
  - g. Running balance of funds.
- 5. On a quarterly basis the Investigative Sergeant shall conduct an audit of the cash activities of this fund to ensure that procedures are properly followed and documented.
- 6. The Deputy Chief or Chief will conduct an inspection of the log and verify the accounting of funds a minimum of two times per calendar year. Any review will be noted on the log with date and initials of the auditors.
- 7. Additional guidelines for expenditure of Official Advance Funds are outlined in OPS-20 Confidential Sources and Official Advance Funds.

**V. Capital Assets and Audits**

- A. Annually, the Support Services Commander or Deputy Chief shall review, update and forward an inventory of the department's capital assets to the Finance Department who maintains the City's capital inventory database in accordance to provisions of the Purchasing Manual. [ILEAP ADM.15.04]
- B. Information on new capital purchases will also be forwarded to the Legal Department for insurance inclusion and documentation.
- C. Capital assets are defined by the City as assets with an initial, individual cost in excess of \$25,000 and an estimated useful life in excess of one year.
- D. In accordance to 65 ILCS 5/8 (Audit of Accounts) and the City Purchasing Manual, the City undergoes an independent audit of all city and department accounts at the end of each fiscal year. This audit results in a Comprehensive Annual Financial Report which is presented to the City Council for review and approval. It is then made available to the public on the City's website at [www.cityofdekalb.com](http://www.cityofdekalb.com). [ILEAP ADM.15.03(g)]

**Policy effective on 1-1-19 by authority of the Chief of Police .**

NOTE: This policy and procedure summarizes the department's position on this specific matter. This policy is for general direction and guidance primarily designed for use by the department's members. This policy is for internal use only and does not create or enlarge an officer's liability in any way. This policy shall not be construed as the creation of a higher standard of safety or care in an evidentiary sense, with respect to third party claims. Violations of this policy, if proven, can only form the basis of an internal departmental complaint and then only in a non-judicial administrative setting.