
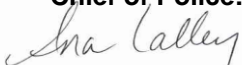
	<b>ELGIN POLICE DEPARTMENT</b> 151 Douglas Avenue Elgin, Illinois 60120	
<b>Effective Date:</b> 01/01/03	<b>STANDARD OPERATING PROCEDURE</b>	<b>Revised Date:</b> 08/12/20
<b>Chief of Police:</b> 	Accounting, 17.4	
<b>Cross Reference:</b> SOP 17.1 Fiscal Management SOP 17.2 Budget SOP 43.1 Drugs, Vice, Organized Crime R&R Section 1: Duties of All Personnel COE Procurement Card Manual		<b>Policy Sections:</b> 17.4.1 Accounting System 17.4.2 Cash Funds 17.4.3 Cash Fund Descriptions and Criteria for Use 17.4.4 Procurement Cards 17.4.5 Bond Collection 17.4.6 Bond Processing 17.4.7 Compensation for Civil Matters 17.4.8 Asset Forfeiture Seizures 17.4.9 Independent Audit Appendix A: IRS 8300 Form Appendix B: Bail Bond Log Appendix C: Kane County Transfer Listing Appendix D: Cook Co Transfer Listing for Personal Issue Complaints Appendix E: Drug Asset Forfeiture Purchase Request

## PURPOSE

The purpose of this policy is to establish guidelines for accounting practices for the Elgin Police Department.

## POLICY STATEMENT

It is the policy of the Elgin Police Department to maintain accurate records on all expenditures and encumbrances of the department, and to fully document and record all transactions relating to the receipt and disbursement of cash by agency personnel.

## DEFINITIONS

**Encumbrance:** A commitment in the form of an order, contract, salary, or similar item that will become payable when goods are delivered or services rendered.

**Expenditure:** Payment of cash or cash-equivalent for goods or services, or a charge against available funds in settlement of an obligation.

**Ledger/Balance Sheet:** For the purpose of this policy, a document that lists the balance, receipt, expenditure of money, and a brief description of the transactions for a particular fund, account or line item.

**Mid-year Estimate:** For the purpose of this policy, a forecast of the encumbrances to be paid from a particular account from June through the end of the year.

**Unencumbered Balance:** That part of an appropriation or allotment that has not been committed and is available for expenditure.

## PROCEDURES

### 17.4.1 ACCOUNTING SYSTEM

- A. The department's accounting system is part of the City of Elgin's central accounting system. The budget analyst serves as the department's liaison to the city's Finance Department.
- B. Upon request, the budget analyst provides supervisory personnel with a detail budget report for their area of responsibility. The report includes the following information for each police department account:

1. Annual amount
  2. Current month expenditure
  3. Encumbrance and expenditures
  4. Unencumbered balance
  5. Year-to-date expenditures
- C. The deputy chief and the budget analyst continuously review the detail budget reports to identify accounts that are being expended at a faster rate than budgeted, budget lines requiring increased or decreased funding, and whether the budget line can support a particular purchase. The deputy chief shall keep the chief of police apprised of the status. Additionally, on a monthly basis, the budget analyst receives a separate report that further assists in the identification of budget lines that are being expended at a fast rate or are over budget.
- D. Mid-year, the budget analyst is required to review the department's budget to input mid-year estimates into the city's fiscal services accounting system. The purpose of this practice is to determine if the unencumbered balance will support the mid-year estimate and if adjustments need to be made. This also assists in the preparation of the department's budget for the upcoming year. Refer to Standard Operating Procedure 17.2 for more information on the budget preparation.

#### **17.4.2 CASH FUNDS**

- A. The following employees are authorized to maintain a cash fund and are responsible for the accounting, distribution and quarterly reports of the funds:
1. Major Investigations Division Lieutenant
  2. Drug Unit Sergeant
  3. Deputy Director of Records and Evidence
  4. Budget Analyst
- B. The above listed employees are responsible for maintaining a ledger/balance sheet that identifies the specifics for each transaction to include the initial balance, credits (cash received), debits (cash disbursed), the purpose of the transaction, and the balance on hand.
- C. Any cash disbursement over \$500 must be approved by the Major Investigations Division lieutenant. Approval from the commander for investigations must be obtained on any cash disbursement in excess of \$1,000.
- D. Cash funds must be maintained in a secured location with access limited to employees whose job functions entail use and/or disbursement of these funds; refer to Section 17.4.3 for additional information on these funds.
- E. Bank accounts or cash funds not listed in this policy are unauthorized.
- F. On a quarterly basis, the Major Investigations Division lieutenant conducts an audit of the confidential funds used by the Drug Unit.
- G. At least annually, the deputy chief conducts an audit of the confidential funds maintained in the Major Investigations Division. The purpose of this audit is to ensure proper fiscal control measures are being followed.

#### **17.4.3 CASH FUND DESCRIPTIONS AND CRITERIA FOR USE**

- A. The Major Investigations Division lieutenant oversees the cash fund used by detectives. This

fund carries an authorized balance of \$1,000. The Major Investigations Division lieutenant, sergeants, and senior patrolman have direct access to these funds. Upon supervisory approval, funds are dispersed to detectives based on the needs of each case. The fund may be used for the following investigative purposes:

1. Informant operations
  2. Informant payments
  3. Liquor and tobacco law violation investigations
  4. Other investigation related purposes, as deemed appropriate
- B. The Drug Unit sergeant oversees a cash fund which carries an authorized balance of \$4,000. The Major Investigations Division lieutenant, Drug Unit sergeant, and senior patrolman have direct access to these funds. Upon supervisory approval, funds are dispersed to detectives based on the needs of each case. The fund may be used for the following investigative purposes:
1. Informant operations
  2. Informant payments
  3. Narcotics purchases
  4. Vice investigations
  5. The use of "flash" money which is used to purchase narcotics during a lawful investigation
  6. The use of "props" which are used to purchase items to enhance an officer's undercover character
  7. Other investigation related purposes, as deemed appropriate
- C. Funds paid to an informant require a written receipt to include the below information. A copy of the receipt is attached to the informant's case file in the records management system.
1. Amount
  2. Purpose of payment
  3. Officer's name
  4. Date
  5. Case number
  6. Informant source code name or real name and signature of the payee
- D. The deputy director of records and evidence oversees the cash fund for the Records Division. All Records Division staff have direct access to these funds during the performance of customer service duties. The amount of cash on hand, to include checks, is counted and confirmed on a weekly basis. Cash amounts over \$50.00, to include checks, is hand delivered to an employee at the city's Finance Department by a designated records staff member. The Finance Department provides the designated records staff member with a receipt for the cash. The fund may be used for the following purposes:
1. Fees charged for police and accident reports, when appropriate
  2. Non-criminal fingerprinting

3. FOIA requests requiring documents to be saved to a disk
- E. The budget analyst maintains the police department's petty cash fund. This fund carries an authorized balance of \$300.00. Purchases of a non-routine nature, totaling less than \$25.00 may be reimbursed from petty cash. In all cases, the employee requesting reimbursement must provide a receipt. The city is a tax exempt agency, therefore, this fund does not cover taxes associated with the purchase.
- F. All requests for replenishment of funds are handled directly through the city's Finance Department. Employees are required to submit a memo requesting replenishment, along with a recent copy of the ledger/balance sheet.

#### **17.4.4 PROCUREMENT CARDS**

- A. The city's procurement card program is coordinated by the Purchasing Department and governed by the city's Procurement Card Manual. This program was designed to enable the city to streamline the process of purchasing small dollar items.
- B. Department heads request cards for employees under their command, as appropriate. Employees receiving a card are required to read and sign the Procurement Card User Agreement, which is maintained by the city's Purchasing Department.
- C. Employees are responsible for the security and purchase receipts of the procurement card. It is the employee's responsibility to ensure taxes are not included in the purchase.
- D. Employees are responsible for submitting their receipts to the budget analyst on a timely basis, before the end of the month the purchase was made. The budget analyst conducts a review of all receipts to ensure they match the corresponding statement and inputs each transaction into the city's electronic accounting system in a timely manner and ensures the deputy chief reviews any discrepancies.
  1. Once all transactions have been entered into the electronic accounting system, the budget analyst generates a department approval list, which itemizes all card holder transactions.
  2. The deputy chief or designee reviews the department approval list for final authorization. Approval is designated on the hard copy approval list and within city's electronic accounting system.
  3. All receipts are electronically saved to the city's procurement card folder to be audited by the Finance Department.
- E. Refer to the protocol outlined Section 17.4.8 for procurement card purchases to be paid from the drug asset forfeiture fund.

#### **17.4.5 BOND COLLECTION**

- A. There are two types of bonds collected by the department and they are:
  1. Administrative Tow Fee
  2. Bail Bond
- B. Bail bond in the form of cash and credit card may be accepted in the Holding Facility or at the front desk. The administrative tow fee may be accepted at the front desk, in the form of cash only, or at the city's Finance Department, using a credit card. Personal checks are not accepted for bond payment.
- C. All cash bond payments must be accepted by two employees; the second employee verifies that

the cash amount is correct and signs the envelope containing the money. This process should be completed within security camera view.

- D. Any bond amount in excess of \$2,000 shall be witnessed and re-counted by the on-duty supervisor and captured on body worn camera. Bond payments in excess of \$10,000 requires completion of the IRS 8300 form; refer to Appendix A to view this form.
- E. All cash bond payments, credit card receipts, and associated documents shall be secured in an envelope and placed inside a safe located at the front desk or the Holding Facility.
- F. All transactions shall be documented on the bail bond log. This shall also include the names of the employees and supervisor who assisted with the bond collection. Completed bail bond log forms are submitted to the court liaison officer and kept for a period of seven years, as established by the Illinois Records Retention Guidelines. Refer to Appendix B to view the bail bond log.
- G. All bond payments, credit card receipts, and associated documents remain in each safe until they are processed, which is described in the below section. The court liaison officer or designee and the Traffic Division lieutenant or designee are the only personnel authorized to have a key to the safes.

#### **17.4.6 BOND PROCESSING**

The court liaison officer or designee is responsible for processing bond payments for Kane and Cook counties. The procedures for each county are specified below.

- A. The following procedures apply for Kane County:
  - 1. At least weekly, bond payments and administrative tow fees, along with the associated documents, are removed from each safe and transported to city hall for processing.
  - 2. The court liaison officer or designee counts the money within security camera view, in the presence of the Traffic Division lieutenant or designee. To ensure accuracy, the funds are counted a second time.
  - 3. The court liaison officer or designee conducts an examination of the bond money and associated documents to ensure the bond amount matches the documentation. The Kane County Transfer Listing form is used to document each incident where bond was collected; refer to Appendix C to view this form.
  - 4. Upon conclusion of the examination, the court liaison officer or designee requests a police officer transport to the bank designated by the city. Once all funds are deposited at the bank, a copy of the deposit slip is submitted to the city's Finance Department.
- B. The following procedures apply for Cook County:
  - 1. At least weekly, bond payments, along with the associated documents, are removed from each safe and transported to the Traffic Division for processing.
  - 2. The Cook County Transfer Listing for Personnel Issue Complaints is completed to document each incident where bond was collected. Refer to Appendix D to view this form.
  - 3. Completed forms, along with the bond money, are secured in an envelope and submitted to the Traffic Division lieutenant or designee who will re-count the money.
  - 4. The sealed envelope containing the bond money and associated documents are transported to the Cook County Clerk's Office by the court liaison officer or designee. The original form is provided to the Rolling Meadow's Clerk's Office and a receipt is

issued. A copy of the form and receipt is submitted to the Traffic Division lieutenant or designee who will ensure the documents are retained for a period of three years.

#### **17.4.7 COMPENSATION FOR CIVIL MATTERS**

As stated in Rules and Regulations Section 1: Duties of All Personnel, employees are compensated by the department for court appearances, depositions or other civil matters. Therefore, monies directly received from an outside source shall be forwarded to the budget analyst for payment into the general fund.

#### **17.4.8 ASSET FOREFITURE SEIZURES**

- A. Cash that is confiscated pursuant to an asset forfeiture seizure is secured in the property evidence room until completion of the asset forfeiture proceedings and the criminal case.
- B. Cash that is awarded to the department is dispersed and expended according to the applicable seizure laws. These funds are maintained separately from other police department accounts.
- C. Purchases to be paid from the drug asset forfeiture fund shall be approved by the chief of police or designee prior to purchase. The employee requesting permission for the purchase shall complete the Drug Asset Forfeiture Fund Purchase Request form. Refer to Appendix E to view this form.
  - 1. Approved forms shall be provided to the budget analyst who will notify the requesting employee of the approval or concerns, if any.
  - 2. Approved forms shall be maintained with the receipts or invoices.
  - 3. Procurement card statements and receipts shall be processed as outlined in Section 17.4.4 (D).
- D. The Federal Equitable Sharing Agreement and Annual Certification Reports must be submitted by the police department budget analyst, within 60 days after the end of the fiscal year, regardless of whether funds were received or maintained during the fiscal year.

#### **17.4.9 INDEPENDENT AUDIT**

- A. Annually, the City of Elgin is audited by an independent outside auditor to ensure the integrity of the city's fiscal control procedures; this is coordinated by the Finance Department. Department expenditures and receipts are analyzed as part of that process.
- B. The chief of police may, at any time, request an internal audit of any of the fiscal controls or procedures of the department. The chief or designee may inspect any records, statements, accounts or files associated with the fiscal management of any and all department operations.

# APPENDIX A: IRS 8300 Form (Page 1 only)

<b>IRS Form 8300</b> (Rev. August 2014)  Department of the Treasury Internal Revenue Service	<b>Report of Cash Payments Over \$10,000 Received in a Trade or Business</b> ▶ See instructions for definition of cash. ▶ Use this form for transactions occurring after August 29, 2014. Do not use prior versions after this date. For Privacy Act and Paperwork Reduction Act Notice, see the last page.	<b>FinCEN Form 8300</b> (Rev. August 2014) OMB No. 1506-0018 Department of the Treasury Financial Crimes Enforcement Network
--	--	---

**1** Check appropriate box(es) if: **a** ☐ Amends prior report; **b** ☐ Suspicious transaction.

**Part I Identity of Individual From Whom the Cash Was Received**

**2** If more than one individual is involved, check here and see instructions ☐

**3** Last name **4** First name **5** M.I. **6** Taxpayer identification number

**7** Address (number, street, and apt. or suite no.) **8** Date of birth (see instructions) M M D D Y Y Y Y

**9** City **10** State **11** ZIP code **12** Country (if not U.S.) **13** Occupation, profession, or business

**14** Identifying document (ID) **a** Describe ID ▶ **c** Number ▶ **b** Issued by ▶

**Part II Person on Whose Behalf This Transaction Was Conducted**

**15** If this transaction was conducted on behalf of more than one person, check here and see instructions ☐

**16** Individual's last name or organization's name **17** First name **18** M.I. **19** Taxpayer identification number

**20** Doing business as (DBA) name (see instructions) Employer identification number

**21** Address (number, street, and apt. or suite no.) **22** Occupation, profession, or business

**23** City **24** State **25** ZIP code **26** Country (if not U.S.)

**27** Alien identification (ID) **a** Describe ID ▶ **c** Number ▶ **b** Issued by ▶

**Part III Description of Transaction and Method of Payment**

**28** Date cash received M M D D Y Y Y Y **29** Total cash received \$ .00 **30** If cash was received in more than one payment, check here ☐ **31** Total price if different from item 29 \$ .00

**32** Amount of cash received (in U.S. dollar equivalent) (must equal item 29) (see instructions):

a U.S. currency	\$ .00	(Amount in \$100 bills or higher \$ .00 )
b Foreign currency	\$ .00	(Country ▶ )
c Cashier's check(s)	\$ .00	Issuer's name(s) and serial number(s) of the monetary instrument(s) ▶
d Money order(s)	\$ .00	
e Bank draft(s)	\$ .00	
f Traveler's check(s)	\$ .00	

**33** Type of transaction

a <input type="checkbox"/> Personal property purchased	f <input type="checkbox"/> Debt obligations paid
b <input type="checkbox"/> Real property purchased	g <input type="checkbox"/> Exchange of cash
c <input type="checkbox"/> Personal services provided	h <input type="checkbox"/> Escrow or trust funds
d <input type="checkbox"/> Business services provided	i <input type="checkbox"/> Bail received by court clerks
e <input type="checkbox"/> Intangible property purchased	j <input type="checkbox"/> Other (specify in item 34) ▶

**34** Specific description of property or service shown in 33. Give serial or registration number, address, docket number, etc. ▶

**Part IV Business That Received Cash**

**35** Name of business that received cash **36** Employer identification number

**37** Address (number, street, and apt. or suite no.) Social security number

**38** City **39** State **40** ZIP code **41** Nature of your business

**42** Under penalties of perjury, I declare that to the best of my knowledge the information I have furnished above is true, correct, and complete.

Signature Authorized official Title

**43** Date of signature M M D D Y Y Y Y **44** Type or print name of contact person **45** Contact telephone number

IRS Form 8300 (Rev. 8-2014) Cat. No. 62133S FinCEN Form 8300 (Rev. 8-2014)

APPENDIX B: BAIL BOND LOG



**ELGIN POLICE DEPARTMENT  
BAIL BOND LOG**



**Please print neatly**

Defendant	Amount	Date/Time	Tow/County	Employee #1 Initials & Badge	Employee #2 Initials & Badge	Supervisor, if needed	Badge	Time	Removed By	Date/Time



## APPENDIX C: KANE COUNTY TRANSFER LISTING

### CLERK OF THE CIRCUIT COURT KANE COUNTY, ILLINOIS

TRANSFER LISTING FROM: <input type="checkbox"/> _____ POLICE DEPT. TO CLERK <input type="checkbox"/> CLERK TO _____ POLICE DEPT.				ATTN. _____ <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">PREPARED BY</td> <td style="width: 33%;">DATE</td> <td style="width: 33%;">PHONE</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>			PREPARED BY	DATE	PHONE			
PREPARED BY	DATE	PHONE										

No.	Circuit Court Case Number	Ticket No. or Writ Type	Name of Defendant	City of Residence	Drivers License No. Amount and Bail Type	☒
1.			#		\$	
2.			#		\$	
3.			#		\$	
4.			#		\$	
5.			#		\$	
6.			#		\$	
7.			#		\$	
8.			#		\$	
9.			#		\$	
10.			#		\$	
11.			#		\$	
12.			#		\$	
13.			#		\$	
14.			#		\$	
15.			#		\$	
16.			#		\$	
17.			#		\$	
18.			#		\$	
19.			#		\$	
20.			#		\$	

Received By: \_\_\_\_\_ Date: \_\_\_\_\_ Verified By: \_\_\_\_\_ Date: \_\_\_\_\_

☐ Money and Tickets Not Counted ☐ Money and Tickets Counted

11-MISC-008 (09/09)

### TRANSFER LISTING FOR PERSONAL ISSUE COMPLAINTS

TO: CLERK OF THE CIRCUIT COURT OF COOK COUNTY

[illegible]

VERIFIED BY \_\_\_\_\_  
DEPUTY CLERK

## APPENDIX E: DRUG ASSET FORFEITURE PURCHASE REQUEST



### ELGIN POLICE DEPARTMENT Drug Asset Forfeiture Purchase Request



Pursuant to SOP 17.4 Accounting, purchases to be paid from the drug asset forfeiture fund must be approved by the chief of police prior to purchase. Completed forms shall be submitted to the chief of police through the budget analyst by using the submit button at the bottom of this form.

Date of request:

Person making the request:

Badge #:

Total estimated purchase cost:

Vendor name:

Briefly describe the item(s) in the space below:

Requestor's signature:

Signature

Deputy Chief signature:

Approved ☐ Yes ☐ No

Chief's signature:

Approved ☐ Yes ☐ No

Send to Budget  
Analyst