

# GENERAL ORDER



Title  
**Confidential Fund**

Topic/Number  
**GO-OPS-304.5**

Effective Date  
**June 12, 2003**

Distribution  
**B**

Related to:  
**GO-304.12 (Confidential Sources) and  
SOP (Confidential Source Guidelines)**

## DISTRICT OF COLUMBIA

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### I. BACKGROUND

Under the authority of the District of Columbia Appropriations Act of 1997, the Metropolitan Police Department (MPD) receives funding for the Confidential Fund (Prevention and Detection of Crime Fund), in an amount authorized by the Mayor, as part of its annual Fiscal Year budget. The main cash advance of \$125,000.00 constitutes a working cash (or imprest) fund from which fifteen smaller cash advances are made to designated Department elements. The Chief Custodian of the Fund (MPD, Office of the Chief Financial Officer) maintains the main cash advance and uses it to reimburse designated elements as expenditures occur. The main cash advance is then reimbursed from the appropriated budget.

### II. POLICY

The policy of the Metropolitan Police Department is that the Confidential Fund be used only for activities relating to vice operations and the detection and prevention of crime.

### III. REGULATION

The Confidential Fund shall not be used for the purchase of equipment, travel reimbursement, gasoline or similar activities for which purchasing procedures exist.

### IV. DEFINITIONS

When used in this directive, the following terms shall have the meaning designated:

1. Confidential Fund – a revolving fund in which the amount of cash on hand, plus the fund's activity equals the total authorized dollar amount of the fund.
2. Sub-Funds – those portions of the Confidential Fund allocated to Department elements for use.

3. Chief Custodian – the individual responsible for the Fund’s accounting and safeguard. This person serves as the central custodian for the Department and coordinates activities between the Department’s elements and the Office of the Chief Financial Officer.
4. Field Custodians – those individuals authorized by the Chief of Police to administer portions of the Fund at the various elements. These individuals are responsible for the proper maintenance of the elements’ accounting records. (Sometimes referred to as sub-custodians.)

## **V. Procedural Guidelines**

### **A. Fund Use**

The Confidential Fund shall be closely administered and used only for the prevention and detection of crime involving, but not limited to: (CALEA 43.1.3)

1. Vice operations;
2. Narcotic investigations; and
3. Organized crime control functions.

### **B. Fund Authority**

The Chief of Police, in conjunction with the MPD Chief Financial Officer (CFO), appoints Field Custodians to serve as sub-custodians. The Field Custodian is a MPD member at the rank of civil service lieutenant or above. The Field Custodian shall perform all Sub-Fund transactions, including acceptance and disbursement of funds and record keeping. (CALEA 17.4.2.e)

### **C. Fund Transactions and Record-Keeping**

Members receiving confidential funds shall follow the procedures outlined in GO-OPS-304.12 (Confidential Sources). Field Custodians shall manage fund transactions and record-keeping in the following manner:

1. Record Sub-Fund disbursements to members by immediately completing PD Form 129 (Officer’s Account Record). Enter onto the form: (CALEA 17.4.2.d)
  - a. The name of the member receiving the funds;
  - b. The name of the organizational element;
  - c. The fiscal year;
  - d. The date;

- e. The amount of the expenditure in the appropriate column;
  - f. The reason for the expenditure;
  - g. Initials in the "Issuing Official" column;
  - h. The amount of money received or returned; and
  - i. The remaining balance.
2. Update PD Form 128 (Monthly Summary of Expenditures and Reimbursement). Enter onto the form: (CALEA 17.4.2.a)
    - a. The name of the organizational element;
    - b. The month and year;
    - c. The date;
    - d. The name of the member receiving the funds;
    - e. The reason for the cash advance;
    - f. Cash received from the central Confidential Fund or the member,
    - g. The amount of the expenditure equal to the amount advanced to the member;
    - h. The total amount of each column; and
    - i. The remaining Sub-Fund balance.
  3. Receive the PD Form 127 (Confidential Fund Expenditure Sheet) within 10 business days after distributing the funds to the member. The PD Form 127 must include: (CALEA 17.4.2.d)
    - a. The name of the member;
    - b. The organizational element;
    - c. The date of the transaction;
    - d. The time of the transaction;
    - e. Details of the expenditure;
    - f. The amount of funds expended (receipts for money should be attached);

- g. The remaining balance;
  - h. The signature of the reporting member; and
  - i. A completed PD Form 153 (Receipt for Expended Advanced MPDC Funds) attached.
4. Request reimbursement of element expenditures using the information from the accumulated PD Form 127s to prepare PD Form 152 (Sub-Voucher for Reimbursement of the Confidential Fund). Enter on the PD Form 152:
- a. The date in the upper right hand corner of the form;
  - b. The name of the Chief of Police in the upper left hand corner;
  - c. The name of the official in charge of the Sub-Fund in the "TO" section of the form; and
  - d. In the expenditure section:
    - (1) Identify the member to whom the funds are attributed;
    - (2) Enter the time period in which the expenditure was made;
    - (3) Specify the activity involved; and
    - (4) The amount of cash expended; except
    - (5) Do not enter information that, if divulged, would adversely affect the successful completion of an investigation or would in any manner endanger or disclose a confidential source.
  - e. The total amount of cash expended in the "Certification" section of the form and have the official in charge of the Confidential Fund sign the form certifying that the amount is correct; and
  - f. The name of the Chief of Police and the total amount of money to be reimbursed in the "Receipt" section. (The date of the receipt and the signature of the receiving member should initially be left blank.) (CALEA 17.4.2.b)
5. Request the Commanding Officer/Director to review the PD Form 152 and approve the document by affixing his/her signature in the "Approved" section.

6. To prevent exhaustion of the Confidential Fund, submit PD Form 152 for reimbursement:
  - a. Any time after expenditure is made, but within 30 days of the transaction; and
  - b. Within the fiscal year of occurrence.
7. Retain one copy of PD Form 152 on file at the organizational element.
8. Hand-carry to the Office of the Chief of Police, for his/her signature, the original and one copy of the PD Form 152, together with PD Form 128.

D. Member Responsibilities

1. In addition to those duties outlined in Part V.C., the Field Custodian shall:
  - a. Be required to sign the following documents:
    - (1) The Office of Financial Management, Office of the Controller, statement (Statement Acknowledging Responsibility for Imprest Fund),
    - (2) Two original OFM Form 46s (Signature Authorization Cards), and
    - (3) The CFO transmittal memorandum.
  - b. Receive a copy of the Confidential Fund Procedures Manual; and prior to performing cashier duties, familiarize himself/herself with the contents therein.
  - c. Along with an alternate civil service official, have access to the element's locked safe and disbursement of cash.
  - d. Safeguard all records pertaining to disbursements, deposits, and daily status of the Fund, including:
    - (1) Files;
    - (2) Ledgers; and
    - (3) Associated forms (e.g., PD Forms 127, 128, 129, 152, and 153).
  - e. Conduct a spot check of funds disbursed to a member when expended cash has not been returned within 48 hours.

- f. In the presence of a witness use PD Form 152A (Imprest Fund Cash Count) to conduct a monthly physical cash count on the business day proceeding the last day of each month: (CALEA 17.4.2.f)
- (1) Enter his/her ID number;
  - (2) Section A - enter the number of bills/coins counted for each currency/ coin denomination provided. (Enter -0- or not applicable [n/a] as appropriate);
  - (3) Section B - Multiply the number of bills times the listed denomination and enter the total for each amount;
  - (4) Section C - (Subtotal) - enter the actual cash on hand; (This amount should equal the aggregate total of B).
  - (5) Section D - (Outstanding Vouchers) - enter the amount of the voucher requested for reimbursement;
  - (6) Section E - (Field Cash) – enter the amount of interim cash advanced for purchases unsupported by receipt at the time of reimbursement (A listing of officers in receipt of funds must accompany the cash count);
  - (7) Section F - (Checks on Hand) – enter the total amounts of checks received;
  - (8) Section G - (Subtotal) – enter the total of outstanding vouchers, field cash, and cash on hand;
  - (9) Section H - (Total) – enter the combined total amount of the subtotals of Sections C+G;
  - (10) Subsection a - (Authorized Amount) – enter the authorized Fund amount;
  - (11) Subsection b - (Cash & Vouchers) – enter the total from Section H;
  - (12) Subsection c - (Difference) – subtract the amount listed in subsection b (cash & vouchers) from the amount listed in section a (authorized amount);
    - (a) If the amount of cash/vouchers is the same, enter the number -0-; or (The net amount should be -0-)

- (b) If the amount of cash/vouchers is greater than the authorized amount, list the difference as an "Overage."
    - (c) If the amount of the cash/vouchers is less than the authorized amount, list the difference as a "Shortage."
  - (13) Enter the date of the cash count;
  - (14) Print and sign his/her name; and
  - (15) Have the witness print and sign his/her name.
  - g. Conduct an immediate investigation into the circumstances surrounding any overage/shortage of the Confidential Fund.
  - h. Forward the end of the fiscal year (September 30<sup>th</sup>) cash count, to the Office of the Chief Financial Officer, by the close of business on September 30<sup>th</sup>.
2. Commanding Officers/Directors shall:
- a. Upon appointment, sign the Cash Advance Receipt Voucher acknowledging receipt of the Fund and responsibility for internal control of the Fund.
  - b. Sign the documents outlined in Part VI. B.1 herein.
  - c. Ensure that a locked safe is established, within the security of a locked office, and that it is accessible to the Commander/Director and the Field Custodian or his/her alternate.
  - d. Notify the MPD Office of the Chief Financial Officer when there is a change in Field Custodians; and complete the documents required for nomination outlined in Part VI.B.1 herein.
  - e. Ensure that a locked safe is established, within the security of a locked office:
    - (1) The safe should never contain cash from any other source along with Confidential Funds; and
    - (2) The safe shall be accessible to the Commander/Director and the Field Custodian or his/her alternate.

- f. Ensure that a Sub-Fund file is established by date, for each fiscal year according to:
    - (1) PD Form 128;
    - (2) PD Form 129;
    - (3) PD Form 152, along with attached PD Forms 127 and any applicable receipts; and
  - g. Ensure that the Sub-Fund file information is kept strictly confidential and not disclosed to anyone other than police personnel investigating a particular case, unless specifically authorized by the Chief of Police.
  - h. Ensure that a spot check of funds and any cash counts are conducted as outlined in Part VI.B.5 herein.
  - i. Ensure that PD Form 127 is submitted within 10 business days after the funds have been distributed to a member.
3. The Chief Custodian shall:
- a. Verify that each Department element authorized to use Confidential Funds maintains a locked safe, within the security of a locked office, to secure the funds;
  - b. Perform a reconciliation of the Fund to substantiate the authorized balance of the Fund when:
    - (1) The Field Custodian is changed; or
    - (2) The element Commander/Director is changed.
  - c. Provide each new Field Custodian with a copy of the Confidential Fund Procedures Manual and advise him/her of his/her responsibilities and legal liabilities.
4. The MPD Chief Financial Officer shall:
- a. In consultation with the Senior Executive Director, Office of Organizational Development and the Director, Institute of Police Science, develop training and/or advise relative training for custodians.
  - b. Ensure that custodians are:
    - (1) Furnished with a copy of the Confidential Fund Procedures Manual;



- (2) Made aware of his/her responsibilities and legal liabilities relative to the Confidential Fund; and
- (3) Instructed to affix his/her signature in the appropriate space, indicating receipt of the documents and notice.

**VII. Cross References**

- A. Mayor's Memorandum 82-29
- B. OCFO Financial Issuance 99

// SIGNED //  
Charles H. Ramsey  
Chief of Police

CHR:NMJ:MAR:pas