



**Las Cruces Police Department
GENERAL ORDERS
ADMINISTRATION VOLUME 1
GO-124 CONTINGENCY FUNDS (Daily)
Revised 08/08/2012**

124 CONTINGENCY FUNDS

PURPOSE

The purpose of this General Order is to establish accounting and control procedures for the Las Cruces Police Department's contingency fund.

POLICY

It is the policy of the Las Cruces Police Department (LCPD) to maintain stringent control over contingency funds and to ensure that these funds are only used for authorized purposes.

APPLICABILITY

This General Order applies to all commissioned employees. This General Order supersedes all previous versions. This General Order is not applicable to employees assigned to the Dona Ana County – Las Cruces Metro Narcotics Agency.

REFERENCES

- CALEA 17.4.2, 42.2.7, 43.1.3
- NMML ADM.16.03, OPR.02.06

DEFINITIONS

Contingency funds – The account that provides employees with contingency money.

Contingency money – Monies disbursed from the contingency fund that are to be used solely for the purchase of confidential information, services related to confidential informants, evidence, or other uses as prescribed in this policy.

Flash money - Money used by undercover officers to demonstrate the intent and ability to purchase information or illegal goods or services from criminal suspects or informants.



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124.01 PROCEDURES

- A. Authorized uses of contingency money include the use or purchase of the following:
1. Services, such as travel or transportation, lease of an apartment, food and beverage, and other such expenses for use by confidential informants or undercover officers.
 2. Evidence, such as narcotics, firearms, counterfeit documents, and stolen property in order to further a criminal investigation or establish the identity of a criminal.
 3. Specific information, such as that obtained by a confidential informant. Confidential informants must be established as a registered confidential informant or undercover officer.
 4. Flash money
- B. The amount of any payment should be based on the following factors:
1. The level of the targeted individual, organization, or operation.
 2. The amount of the actual or potential seizure.
 3. The significance of the contribution made by the informant/officer to this agency's desired objectives.
- C. The Chief of Police or designee shall determine a maximum amount of contingency money that may be used for an operation, as well as a maximum amount per request. Any request for contingency money beyond this maximum amount must obtain approval from the Chief of Police or designee.
- D. An internal audit of the contingency fund shall be conducted annually by the Professional Standards Unit (PSU).
- E. The Criminal Investigations Section (CIS) Commander is the contingency fund custodian and is not permitted to disburse money from the contingency fund to him or herself.
- F. Contingency fund transaction records shall be stored in a secure location, and access shall be restricted in accordance with applicable laws, ordinances, and department procedures.

124.02 MANAGING THE CONTINGENCY FUND



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- A. The CIS Commander shall appoint an alternate capable of accessing contingency funds in his/her absence.
- B. To obtain contingency funds, the CIS Commander shall write a memorandum to the Chief of Police outlining the funding needed and identifying the fund to be drawn from. Once approved by the Chief, the memorandum shall be forwarded to the City of Las Cruces Finance Director and Disbursement Supervisor. The Disbursement Supervisor shall issue a check payable to the CIS Commander or alternate. The CIS Commander or alternate shall cash the check and disburse the funds.
 - 1. The CIS Commander and the alternate shall be listed as vendors in the City's finance system for the purpose of being issued checks and avoid the funds being reported as salary.
- C. The CIS Commander shall have the following responsibilities:
 - 1. Maintenance of the fund in accordance with all appropriate laws and procedures.
 - 2. Maintenance of a record of serial numbers for all bills.
 - 3. A record of all disbursements and deposits.
 - 4. Bookkeeping.
 - 5. Maintenance of a file containing copies of all relevant fund transaction documents.
 - 6. Purging of the contingency fund records in accordance with state records retention provisions.
- D. The CIS Commander shall perform a monthly audit of the contingency fund in the presence of the Chief of Police and the Operations Analyst. The monthly audit shall include an accounting of all deposits and disbursements during the previous month.

124.03 WITHDRAWALS AND EXPENDITURES

- A. When an officer needs contingency funds to conduct an investigation, he/she shall submit a memorandum to their immediate supervisor outlining the operation. The memorandum shall include a description of the service, evidence, or information that is expected to be received, the amount of the expenditure, and the informant number and/or alias of the person who shall receive the funds. Once approved by the immediate



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supervisor, the memorandum shall be forwarded to the unit commander for final approval. Upon the approval of the unit commander, the officer shall contact the CIS Commander or alternate for the dispersal of money from the contingency fund.

- B. When deciding whether to approve the expenditure of confidential funds, the approving supervisor(s) shall consider the significance of the investigation and potential cost-benefits; the need for the expenditure to further the investigation; and the anticipated expenditures in other investigations.
- C. Upon dispersal of funds, the CIS Commander shall issue the requesting officer a copy of the receipt acknowledging that funds were requested and received by the officer.
- D. Officers receiving contingency funds shall account for all expenditures. Officers shall make all payments in the presence of another officer in order to maintain an additional layer of protection against allegations of misconduct.
 - 1. For all funds expended, the officer issuing payment shall ensure that an appropriate receipt is obtained, unless such an action would jeopardize a transaction or operation. If a receipt cannot be obtained, the officer must submit a detailed explanation outlining the reasons for the lack of a receipt.
 - 2. Receipts for purchase of information from a confidential informant shall include the following:
 - a. The agency's name
 - b. A description of the information received or expected to be received
 - c. The date and amount of payment
 - d. The signature of the informant/payee
 - e. The signature of the officer making the payment
 - f. A signature from at least one other officer witnessing the payment
 - g. The signature of the paying officer's supervisor to acknowledge that all paperwork has been reviewed and is correct.
 - 3. In addition to the receipt, all officers receiving contingency funds shall prepare a written expense report accounting for all cash withdrawn from the fund, as soon as practical. The report should include:



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- a. Item or informant control number on which the funds were expended;
 - b. Date and place of the expenditure;
 - c. Copies of receipts;
 - d. Type of investigation; and
 - e. Case number, where applicable.
4. The written expense report with all supporting documents and receipts shall be submitted to the original approving supervisor. The supervisor shall then review all documentation and complete an evaluation related to the expenditure for the unit commander. The expense report shall be forwarded to the CIS commander to review and inclusion in the investigative file.
5. Any contingency funds not used for their stated purpose within forty-eight (48) hours shall be returned to the CIS Commander for re-deposit into the contingency fund. The CIS Commander shall issue the officer a receipt acknowledging that such funds were re-deposited as unexpended.
6. Unused confidential funds must be returned to the custodian exactly as they were disbursed (i.e., same serial numbers). Any deviation shall be explained in writing and submitted to the original approving supervisor and the confidential fund custodian.

124.04 FLASH MONEY

- A. Flash money shall not be requested from the contingency fund. Flash money may be obtained through a separate withdrawal of cash with approval from the Chief of Police or requested through Metro. When requesting funds for flash money, a detailed memorandum shall be forwarded through the CIS commander and approved by the Chief of Police or his/her designee. When using flash money, officers shall:
1. Ensure that serial numbers for all bills are recorded.
 2. Include a detailed description of security precautions taken to ensure the return of the flash money as part of the memorandum requesting funds.



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- B. Flash money shall be returned exactly as disbursed (i.e., same amount and serial numbers). Any deviation shall be explained in writing and submitted to the original approving supervisor and the fund custodian.
- C. Officers may retain flash money for up to forty-eight (48) hours or until the flash money operation has been completed. Any extension past the forty-eight (48) hours must be requested in writing and approved by both the original approving supervisor and the CIS Commander or alternate.

124.05 USE OF INFORMANTS

- A. Informants who receive contingency funds as compensation for the information or service he/she provides shall be registered as mandated in General Order 129 Informants.