





POLICIES AND PROCEDURES MANUAL

	FISCAL MANAGEMENT AND AGENCY PROPERTY	
	POLICY NUMBER: 17-1	ISSUING AUTHORITY 
	EFFECTIVE DATE: July 16, 2025	Christine A. Elow Police Commissioner

I. GENERAL CONSIDERATIONS AND GUIDELINES

Fiscal management includes budgeting, purchasing, accounting, inventory, and their associated controls.

The police department operates as a Department of the City and as such its budget is provided as part of the overall approved City operating budget. The Police Commissioner is accountable for the budget, fiscal procedures, control, and expenditures; and has the authority to delegate responsibility for these functions.

The budgetary functions of the department are performed by the Office of Planning, Budget, and Personnel under the Director of Planning, Budget and Personnel who oversees all personnel and fiscal matters. These include payment of invoices, accounting, auditing and payroll, inventory control, and purchasing.

II. POLICY

It is the policy of the Cambridge Police Department to:

- A. maintain a system of fiscal management that is compatible with the accounting and purchasing procedures of the City of Cambridge, applicable laws, and sound business practices;
- B. establish accountability by creating a mechanism to provide disbursements only to designated and approved recipients and to alert department management to possible problems requiring remedial action;
- C. provide proper budgeting, accounting, purchasing, and fiscal control procedures within the department in a clear and transparent manner; and
- D. provide to the City Finance Department all necessary documentation for the Comprehensive Annual Financial Report.

III. DEFINITIONS

- A. *M.G.L. c. 44*: The general law concerning Municipal Finance.

IV. PROCEDURES

A. 17.1.1 (O) CEO Authority and Responsibility

1. The Police Commissioner has the ultimate authority and responsibility for the fiscal management of the department and delegates functional responsibility to the Director of the Office of Planning, Budget and Personnel.
 - a. According to City of Cambridge Code of Ordinances 2.52.010 - Police Commissioner— Authority:
 - (1) “The Police Department shall be under the charge of a Police Commissioner who shall be the head of the Department and who shall, from time to time, make suitable regulations governing the Department and the officers thereof, subject to the approval of the City Manager. The Police Commissioner shall be in immediate control of all City property used by the Department, and of the police officers, who shall be assigned to their respective duties by the Police Commissioner, whose orders they shall obey.”
 - (2) The Police Commissioner is ultimately responsible for all fiscal matters prepared for signature by the Office of Planning, Budget, and Personnel.

B. 17.2.1 (O) Budget Process and Responsibility Described

1. The Police Commissioner assigned responsibility for the department’s internal budget preparation and management to the Office of Planning, Budget and Personnel under the Director of Planning, Budget, and Personnel who strictly adheres to City guidelines for processes and procedures.
 - a. The fiscal management function of the department is delegated by the Commissioner to the Director of the Office of Planning, Budget and Personnel who is responsible for budget preparation and management.
 - b. The majority of the department’s budget is comprised of salaries. It is important to keep the budget aligned with the authorized number of positions available.
 - c. Each budget year, the Executive Department of the City publishes a Fiscal Year Budget Notebook, which provides a checklist including:
 - (1) personnel analysis sheets with modifications;
 - (2) budget narrative with mission and overview;

- (3) new and/or revised City Council goals/objectives entered into a benchmarking system;
- (4) statutory analysis sheets with modifications;
- (5) revenue analysis with modifications;
- (6) consolidated spending worksheet;
- (7) capital budget submitted online;
- (8) key initiatives and benchmarks; and
- (9) preparation of budget hearing materials.

C. 17.2.2 (O) Functional Recommendations to Budget

1. Annually, Superintendents shall direct those staff within their divisions to prepare written budget recommendations for each of their reporting units to include:
 - a. operating needs;
 - b. capital purchases needs; and
 - c. personnel needs.

D. 17.3.1 (M) Requisition and Purchasing Procedures

1. Procedures for the requisition and purchase of agency equipment and supplies include the following.
 - a. Positions authorized to make purchases.
 - (1) The only persons approved and authorized to make purchases for City Departments are the Department Buyers assigned to each Department.
 - b. Specifications for items requiring standardized purchases.
 - (1) Ammunition, weapons, vests, vehicles, utilities, uniforms, supplies, forms, training, and other items used for community events are included in the standardized purchases list.
 - (2) The purchase of standardized items is regulated by City and State guidelines, which the police department strictly adheres to.
 - c. Bidding procedures for goods and services.
 - (1) For purchases from \$10,000 to \$50,000 the City Purchasing Department must solicit three quotes. City Departments are not permitted to undertake this process.
 - (2) For purchases greater than \$50,000 a formal *Invitation for Bid* must be processed by the Purchasing Department. This process requires the public advertising of an opportunity, and the contract is awarded to the lowest responsive and responsible bidder.

- (i) A scope of services/specifications should be sent to the department buyer who will help prepare the bid documents. Due to advertising requirements, the specifications should be sent at least six (6) weeks prior to the need for the commodity.
 - (ii) In limited circumstances, as approved by the Purchasing Agent, a Request for Proposal process is the more appropriate procurement method.
 - d. Criteria for the selection of vendors and bidders.
 - (1) Contracts shall be awarded to the lowest responsive and responsible bidder.
 - e. Procedures for the emergency purchasing or rental agreements for equipment.
 - (1) Emergency purchasing and rentals may be authorized by the City's Purchasing Department.
 - (2) Either the Director or Assistant Director of Planning, Budget, and Personnel will attempt to anticipate needs and provide for the purchase of smaller items if necessary.
 - f. Procedures for requesting supplemental or emergency appropriation and fund transfer.
 - (1) The Director of Planning, Budget, and Personnel may request supplemental or emergency appropriation and fund transfers from the City Council. These requests must be authorized by the Police Commissioner and the City's Budget Department.
- E. 17.4.1 (M) Accounting System
- 1. The department's accounting system includes approval of each account and provisions for monthly status reports showing:
 - a. initial appropriation for each account or program;
 - b. balances at the commencement of the monthly period;
 - c. expenditures and encumbrances made during the period; and
 - d. unencumbered balance.
 - (1) The department uses the City's accounting system for revenue collection and expenditures. The Office of Planning, Budget, and Personnel can provide all financial records at any time.
 - (2) In addition, the department maintains its own internal spreadsheets to track both revenue and expenditures.
- F. 17.4.2 (M) Cash Fund/Accounts Maintenance
- 1. There are three areas in the department where cash accounts are allowed, including payments for records to the Records Unit; payments in cash by some vendors for initial details or when checks are returned for insufficient funds; and a very limited cash account in the

Investigations Unit for drug investigations. These accounts are all managed and maintained according to the following standards:

- a. a balance sheet, ledger, or other system that identifies initial balance, credits, debits, and the balance on hand;
- b. receipts or documentation for cash received;
- c. authorization for cash disbursement, including the Police Commissioner's authorization for expenses in excess of a given amount;
- d. records, documentation, or invoice requirements for cash expenditures;
- e. persons or positions authorized to disburse or accept cash;
 - (1) Employees assigned to the Records Unit who received payments from members of the public;
 - (2) The Commanding Officer of the Criminal Investigations Section or their designee, for the purpose of managing the Confidential Investigations Fund;
 - (3) All sworn personnel may receive cash payment for an extra-duty detail assignment;
 - (i) On the rare occasion in which a vendor provides an officer with cash as a form of payment for an extra-duty detail assignment, the officer shall submit the cash to the Detail Office immediately upon conclusion of their detail assignment.
 - (ii) During off-hours when the Detail Office is closed, officers shall submit any cash received for a detail assignment in a sealed envelope into the secured box outside of the Detail Office or the Detail Office mailbox on the 2nd floor of police headquarters. If officers submit cash to the Detail Office during off-hours, they are required to send the Detail Office an email, including the amount of cash submitted and the particulars of the detail assignment.
 - (4) The Director of Planning, Budget, and Personnel or their designee, for the purpose of transporting cash from police headquarters to the Treasurer's Office at City Hall.
- f. quarterly accounting of agency cash activities.

G. 17.4.3 (M) Independent Audit

1. Yearly, the City of Cambridge publishes for public access a *Comprehensive Annual Financial Report* including within the document the Independent Auditors' Report.
 - a. The Auditors' Report for the latest year states in part, "We have audited the accompanying financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cambridge...and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents...."

H. 17.5.1 (M) Inventory and Control

1. The department complies with City of Cambridge Ordinance 2.34.270 regarding inventories including an inventory and control of the following property and equipment:
 - a. firearms, vehicles, speed measurement devices, computers, laptops, cell phones, most items on duty-belts, some office supplies, and other expendable items such as forms.
2. Department property and equipment shall be issued only to employees authorized to use them.

I. 7.5.2 (M) Operational Readiness

1. Department property shall be stored in a state of operational readiness and shall be maintained by those employees to whom they are issued with the assistance of employees or vendors specially trained to inspect and repair them.
2. Such property will be inspected by authorized and trained employees; specific items to be inspected include weapons, handcuffs, batons, vehicles, speed measuring devices, AEDs, and radios.