



DALLAS COUNTY  
OFFICE OF BUDGET AND EVALUATION

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August 24, 2025

**TO:** Dr. Ronica Watkins  
Budget Officer *RW*

**FROM:** Nathaniel Dears  
Budget and Policy Analyst

**SUBJECT:** FY2026 Commendation Appreciation Program (CAP)

**Background**

Dallas County is committed to recognizing employees for their achievements made in support of department operational objectives and dedication to public service. In order to recognize and acknowledge the efforts of employees, the Commendation Appreciation Program (CAP) was implemented under Court Order Court Order 2024-0065. The purpose of CAP is for departments to acknowledge employees' accomplishments, show appreciation, and provide employee enrichment that is allowed within the CAP policy.

**Financial Impact**

1. **Annual Seed Money:** The CAP policy allows for departments to receive a seed amount based on the number of employees under their own department. *Seed money is subject to the availability of funds during the annual budget process and may not always be budgeted.*
2. **Rollover Funds:** The maximum CAP rollover is \$40,000 annually. When a new person is elected or hired to lead a department, the department's CAP rollover amount is *reduced* to an amount three (3) times the CAP seed amount. The CAP amount removed from the department's CAP rollover amount will transfer to the general fund.
  - a. A department's CAP funds cannot be shared with or transferred to another official or department head.
  - b. If an elected official is running for office, the department can only use one-fourth (first quarter of the fiscal year) of their budgeted seed amount from October 1 of that fiscal year the election will take place until January 1 of the calendar year when the elected official takes office, *unless the elected official is running for office unopposed.*

Below is a table for the FY2025 CAP initial seed money based on the number of employees for each department.

FY2025 CAP Seed Allocation Tiers		
Tier	Number of Employees	Seed
Tier 1	500+	\$12,500
Tier 2	499-350	\$10,000
Tier 3	349-200	\$7,000
Tier 4	199-50	\$4,500
Tier 5	49-10	\$1,000
Tier 6	9-1	\$500

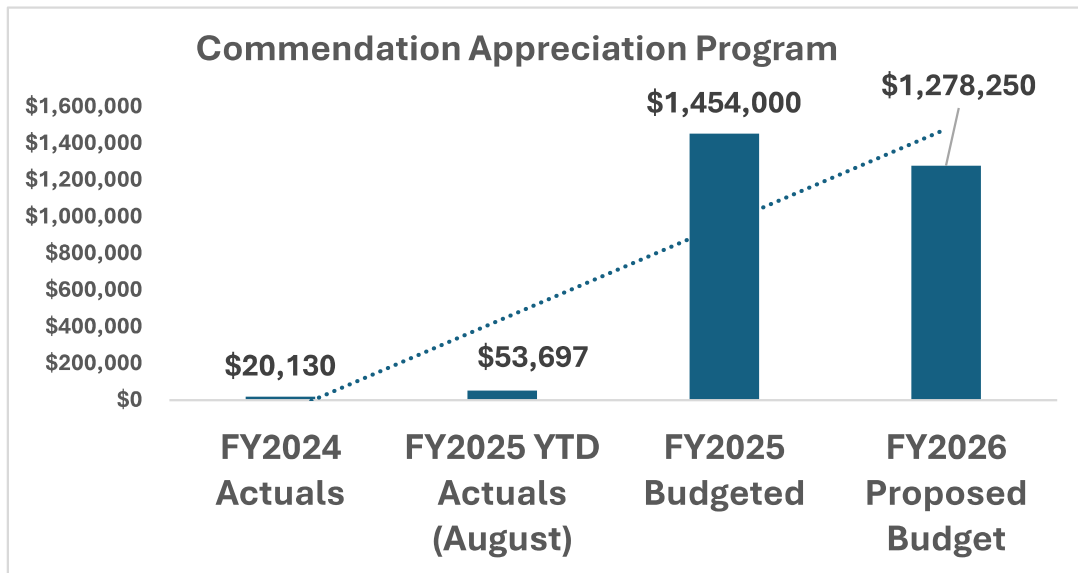
Due to funding availability, below is a table for the FY2026 proposed CAP initial seed money based on the number of employees for each department.

FY2026 CAP Seed Allocation Tiers		
Tier	Number of Employees	Seed
Tier 1	500+	\$6,250
Tier 2	499-350	\$5,000
Tier 3	349-200	\$3,500
Tier 4	199-50	\$2,250
Tier 5	49-10	\$500
Tier 6	9-1	\$250

- Use of Funds:** A department may use either an informal or formal approach to recognize their employees/teams. Examples are team building, celebration for recognition, and holiday parties; *gift cards are not an eligible use of the CAP funds*. For other examples for eligible and ineligible use of CAP funds, please refer to the full briefing.

The FY2025 budget for CAP was approved at \$1,454,000, which included the initial seed amount and rollover. On June 3, 2025, the Office of Budget and Evaluation (OBE) completed a rollover balance of \$1,072,383 for the list of eligible departments.

Dallas County CAP FY2025 vs FY2026		
FY2025 Budget	FY2026 Proposed Budget	Variance from FY2025
\$1,454,000	\$1,278,250	(\$175,750)



**Recommendation**

The proposed FY2026 total budget for CAP is \$1,278,250, resulting in a \$175,750 decrease from FY2025 adopted budget of \$1,454,000. The Office of Budget and Evaluation recommends that the FY2026 Commendation Appreciation Program (CAP) proposed budget with the adjusted seed amount for departments be approved.