



Policy A-03

Financial Conditions and Activities

Purpose

1. The Board is entrusted to ensure that:
 - 1.1. financial resources are treated with respect and diligence and comply with all requirements of Generally Accepted Accounting Principles / Public Sector Accounting Board guidelines;
 - 1.2. assets are safeguarded; and
 - 1.3. the taxpayers' investment in community safety is optimized.

2. The Board exercises this fiduciary responsibility by:
 - 2.1. establishing financial policies and by-laws;
 - 2.2. establishing annual Operating and Capital Budgets for policing and annual Governance Budget for police governance;
 - 2.3. delegating defined purchase and other financial authority to the Chief of Police regarding the Service, and to the Chief Governance Officer regarding police governance;
 - 2.4. making financial decisions that have not otherwise been delegated; and
 - 2.5. reviewing financial statements and reports to monitor compliance with Board policies, by-laws and approved budgets.

Requirements

3. All successful provincial and federal government Grant Applications, Agreements and ancillary documents are to be approved by the Board, and, with the concurrence of legal counsel, shall be signed by the Chair where funders require the Chair's signature, and otherwise by the Chief of Police or designate.



4. In accordance with Part IX of the Police Services Act, the Chief of Police or designate is authorized to determine and place minimum reserve bids on found, abandoned or seized property as deemed appropriate and, when required, to dispose of the articles through public auction.

5. The Chief of Police shall:
 - 5.1. annually propose to the Board an annual Operating Budget, Capital Budget, and a 10-Year Capital Forecast for the purpose of providing sustainably adequate and effective policing, consistent with the Board's Strategic Plan;
 - 5.2. prepare the Board-approved annual Operating Budget (with the approved Governance Budget attached), Capital Budget and 10-Year Capital Forecast for the Chair's signature and submission to Regional Council, in a format as identified by the Region;
 - 5.3. ensure that, prior to budget approval by Regional Council, no exceptional or new expenditures including new capital expenditure of a type, kind or extent that was not authorized in the previous fiscal year shall be incurred, except as may be specifically approved by the Board;
 - 5.4. ensure that coordination and control of financial transactions are consistent with the approved Annual Operating and Capital budgets and the allocation of funds therein;
 - 5.5. establish procedures that ensure any use of public monies is in the public interest, and prohibits the purchase of alcohol with public funds;
 - 5.6. ensure that payroll and other financial obligations are fulfilled in a timely manner;
 - 5.7. ensure that resources shared with another police service are reciprocated or otherwise compensated;
 - 5.8. ensure there is no fiscal jeopardy or material deviation of actual expenditures from the Board-approved budget and priorities;
 - 5.9. ensure that no more than \$100,000 is reallocated from underspent budgeted funds to off-set any over-spending in another appropriation, without Board approval;
 - 5.10. comply with the financial procedures of The Regional Municipality of Halton and generally accepted accounting principles; and



- 5.11. ensure that all donations and sponsorships received from the community:
 - 5.11.1. are beneficial to the community as a whole without conditions of its use or preference to the donor,
 - 5.11.2. are congruent with legislation, the Board's objectives and priorities for the Service,
 - 5.11.3. do not compromise the impartiality, objectivity, integrity and/or reputation of the Board or Service,
 - 5.11.4. do not unduly commit the Board to additional resources, without specific Board approval,
 - 5.11.5. do not fund (directly or in-kind) core policing functions,
 - 5.11.6. are preceded by full background checks for first-time donors with donations exceeding \$10,000,
 - 5.11.7. require the approval of the Board if they have one-time or cumulative value of more than \$10,000.00
6. The CGO shall annually propose a Governance Budget, for the purpose of supporting sustainably effective police governance, consistent with the Board's governance policies.
7. Board approval is required to transfer to or from reserves, or to establish, close or amalgamate reserves.

Monitoring and Reporting Requirements

7. The Chief of Police shall report, in accordance with the Governance Calendar, the following:
 - 7.1 budget options for policing, articulating how each option relates to the Board's Strategic Plan as well as the comparative benefits and relative return-on-investment of each budget option;
 - 7.2 proposed, approved and received Federal or Provincial Government Grants;
 - 7.3 community donations and sponsorships received and those rejected;
 - 7.4 variance reports showing actual expenditures relative to the Board-approved budget, with recommendations for any year-end surplus and establishment of any new Reserve accounts; and



- 7.5 the total annual cost per police officer (salaries and benefits only), and annual cost per capita.
8. Furthermore, the Chief of Police shall report to the Board any material deviation from this policy by the Service, and any substantive financial activities, trends or forecasts.
9. The CGO shall report:
 - 9.1 variance reports showing actual expenditures relative to the Board-approved Governance Budget, in accordance with the Governance Calendar; and
 - 9.2 material deviation from this policy made or incurred by the Board or Board staff.

References:

- Purchasing By-law
- Trust Fund policy
- Governance policies