

CHAPTER 5: FINANCIAL

5.1 Legislative responsibility

5.1.1 Under the *Police Act*, the Board must:

- (1) On or before November 30, prepare and submit to City Council for its approval a provisional budget for the following year to provide policing and law enforcement in Vancouver (s.27(1));
- (2) On or before March 1 of the year in question, submit any changes to the provisional budget to City Council (s. 27(2)).

5.1.2 In case of dispute with City Council over budget approvals, the Board or Council may apply to the Director of Police Services, Ministry of Public Safety and Solicitor General, to determine whether an item or amount should be included in the budget (s.27 (3)). Subject to this provision, City Council must include the provisional budget costs in its budget, and must pay for expenditures within the submitted budget (s.27 (4) and (5)).

5.1.3 The Board must not make an expenditure, or agree to make an expenditure, that is not specified in its budget and approved by Council (s.27 (6)).

5.2 Budget preparation

5.2.1 Draft operating and capital budgets, appeals to the base budget, business cases for new initiatives and NNR requests (for new and non-recurring funding) shall be approved by the Board before submission to City Council. Prioritization of appeals and NNR requests shall be endorsed by the Board.

5.2.2 The Board shall participate in a joint workshop with City Council each year, at which its budget request is presented.

5.3 Financial oversight and control

5.3.1 The Vancouver Police Department shall submit quarterly financial variance reports to the Board. These reports shall be considered at the Board's regular meeting.

5.3.2 Annual operating results for the VPD will be published on the Board's website.

5.4 Finance Standing Committee

5.4.1 The Board shall establish a Finance Standing Committee to assist it in fulfilling its financial oversight responsibilities, including budget development; financial reporting, information systems, risk management and internal controls [see Appendix 1].

5.4.2 The Vancouver Police Department shall submit monthly financial variance reports to the Finance Standing Committee.

5.4.3 All Board reports that have financial implications shall be reviewed by the Finance Standing Committee prior to their submission to the Board for approval.

5.5 Board Office

5.5.1 The Board Executive Director has responsibility and authority to:

- (1) Prepare an annual Board Office budget for the Board's approval. Once approved, the Board's budget is incorporated into the Police Department's annual budget and the Board must approve any subsequent amendments;
- (2) Oversee and monitor the annual Board Office budget and present quarterly status reports to the Board Finance Standing Committee;
- (3) Approve Board expenditures up to \$4,000 per transaction, including legal accounts, where budgeted;
- (4) Review and provide recommendations regarding approval of expenditures over \$4,000 to the Chair of Board or the Chair of the Finance Standing Committee;
- (5) Advise the Chair of the Finance Standing Committee, as soon as is practicable, of expenses that are out of the ordinary in amount, frequency, purpose, or unfunded;
- (6) Provide quarterly reports of legal expenditures to the Board.

5.5.2 The Chair, Vice Chair, Chair of the Finance Standing Committee and Executive Director have signing authority for payment of expenditures incurred from Board Office operations.

5.5.3 Contracts awarded by the Board require formal approval of the Board. Legal and other professional services related to Board business must be authorized by the Board. All legal and other professional services accounts subject to the review and approval of the Board or payment by the Board must be itemized and contain the following information: the date the service was provided, the nature of the service, the time spent on the service, the identity of the provider of the service and the hourly rate of the service provider.

5.6 Execution of Documents and Production

5.6.1 When execution of documents in Board approved matters is required, the Chair and Vice Chair are authorized to sign documents in the name of the Board. In principle, all contracts, agreements and other documents intended to legally bind or commit the Board in any manner are to be executed by both the Chair and Vice Chair. The Board may also delegate authority to persons who may act on behalf of the Board. The delegated person may exercise complete or limited authority to execute documents on behalf of the Board provided that the requisite external and internal approvals have been obtained, funds are properly available or appropriated and all other preconditions have been satisfied.

5.7 Donations and sponsorship

- 5.7.1 While core policing activities to provide policing and law enforcement in Vancouver must be funded by City Council, as set out in s. 27 of the *Police Act*, the Board supports the principle that sponsorships and donations may be used to enhance and extend the VPD's services, with the overall aim of increasing public safety.
- 5.7.2 The VPD shall maintain a policy which establishes an effective and ethical framework for accepting, processing and using donated funds and sponsorships. This policy shall be consistent with the *Police Act* and Police Services guidelines for Police Foundations, and shall be approved by the Board.
- 5.7.3 The VPD shall provide the Board with a report of all donations and sponsorships received each calendar year, including the source, value and utilization of each donation or sponsorship. In addition, the Chief Constable shall report to the Board each instance of a donation or sponsorship greater than \$5,000 in a timely manner. Unless a donor requests anonymity, these reports will be made at the Board's regular (public) meeting.

Police foundations and other fundraising organizations

- 5.7.4 The Board may enter into a formal relationship with a police foundation or organization which exists to raise funds for policing programs and projects that do not fall within the VPD's core policing tasks. If the Board wishes to enter into such a relationship, it must do so by resolution, and provide the foundation or organization with a letter supporting its existence. Currently the Board recognizes a formal relationship with the Vancouver Police Foundation and the Vancouver Police Crime Prevention Society.
- 5.7.5 Any recognized foundation or fundraising organization must comply with Police Services guidelines and any applicable VPD or Board policies, including incorporation under the *Societies Act* of British Columbia.
- 5.7.6 Each recognized foundation or fundraising organization should report annually to the Board on its mission, vision, fundraising strategies and activities. Fundraising strategies must be approved by the Board.
- 5.7.7 The Board will nominate a Board member to act as a liaison with each recognized foundation or fundraising organization, and be invited to all board meetings.
- 5.7.8 The Board may undertake periodic reviews of the activities of a recognized foundation or fundraising organization.