



Financial Accountability Procedures Manual Update

Finance & Audit Committee

February 2, 2024

Background



The **Financial Accountability Procedures Manual (FAP)** constitutes the Police Services Board's governance over delegated authorities for the Ottawa Police Service (OPS) for contract awards, consultant hirings, payment processes, and other financial administrative matters.

Timeline of updates to FAP:

- The Ottawa Police Services Board's Financial Accountability Procedures (FAP) Manual was first approved in **June 1996** under the name Finance and Administration Procedures Manual.
- Previously, the Board's Policy and Governance Committee was responsible for initiating a full review of the manual once every four years, at minimum.
- That was changed to the Board's Finance and Audit Committee at the P&G meeting of October 5, 2023.
- The Board's Financial Accountability Procedure Manual was last updated in 2018.

Legislative Authority



1.0 LEGISLATIVE AUTHORITY

Section updated to reflect the *Community Safety and Policing Act, 2019* which replaced the *Police Services Act*

No significant changes as confirmed by Ottawa Police Service Legal team. The only changes required were updates to the referenced sections and wording to reflect the new *CSPA* sections.

Updates to Manual in subsequent slides are reflected in blue text

Capital Budgets and Projects

Increases to Capital Budgets

3.1.3.3 (a) : Does not exceed the lesser of **25%** (~~10%~~) of the applicable capital budget or \$250,000;

3.3.1 VARIATIONS TO APPROVED CAPITAL PROJECT CONTRACTS

Where a capital project contract has been approved, the Chief of Police may approve cumulative increases for volume, new or substitution changes up to a maximum of the lesser of **25%** ~~10%~~ of the contract amount or \$250,000.

Returning funds to capital reserves

3.0 CONTRACTS AND FINANCIAL PROCEDURES

3.1.3.5 : *Return of Operating Funds to Capital Reserves*

Where capital funding has been transferred one time to operating during the year, or budget process, it can be returned to the capital reserve if unspent by year-end, if approved by the Chief of Police.

- (a) Any year-end surpluses relating to debt payments, may also be returned to the capital reserve if unspent by year-end.

Note: return of year-end legal surpluses to the capital reserve has not been included in this update

NEW SUBSECTION

3.2.3 PROCUREMENT PROCEDURES - MATERIAL, GOODS OR SERVICES

All dollar thresholds and ranges per Section 3.2.3 are after tax amounts

Section	NEW Threshold	PREVIOUS Threshold
3.2.3.1	Amount not exceeding \$1,000	\$1,000
3.2.3.2	Amount not exceeding \$15,000	\$15,000
3.2.3.3	Amount exceeding \$15,000 - less than \$75,000	\$15,000 - \$50,000
3.2.3.4	Amount in excess of \$75,000	\$50,000

Competitive Limits

3.2.4 DELEGATED SPENDING AND CONTRACT AUTHORITY

3.2.4.2 : Delegated Spending and Competitive Contract Authority

All dollar thresholds per Section 3.2.4.2 are after tax amounts

Delegated authority for competitive procurement as defined in Section 3.2.3 shall be in accordance with the maximum limits set out below:

Rank / Position	NEW Authority Limit	PREVIOUS Limit
Constable / Civilian Member	Not to exceed \$2,000	\$1,000
Sergeant / Civilian Supervisor	Not to exceed \$10,000	\$10,000
Staff Sergeant / Civilian Manager	Not to exceed \$25,000	\$25,000
Inspector / Civilian Director (if not specified)	Not to exceed \$75,000	\$50,000
Director Material Management / Chief Officials / Superintendent / General Counsel / Board Executive Director	Not to exceed \$150,000	\$75,000
Deputy Chief / Chief Administrative Officer	Not to exceed \$300,000	\$200,000
Chief of Police / Board Chair	Not to exceed \$750,000	\$500,000

Sole Source Limits

3.2.4 DELEGATED SPENDING AND CONTRACT AUTHORITY

3.2.4.3 : Delegated Spending and Non-Competitive Contract Authority

All dollar thresholds per Section 3.2.4.3 are after tax amounts

Delegated authority for non-competitive sole source or direct negotiation procurement of greater than \$15,000 shall be in accordance with the maximum limits set out below:

Rank / Position	NEW Authority Limit	PREVIOUS Limit
Chief Officials / Superintendent / General Counsel / Board Executive Director	Not to exceed \$75,000	\$50,000
Deputy Chief / Chief Administrative Officer	Not to exceed \$150,000	\$75,000
Chief of Police / Board Chair jointly with Supply Branch	Not to exceed \$250,000	\$100,000

3.3.2 TRAVEL

3.3.2.1 : OPS Employee Travel

Prior authorization of funds for travel must be approved by the Chief of Police, or delegate, if;

- (a) the travel is outside of Canada or the US, or
- (b) if estimated training (e.g. registration fees) and travel costs exceeds \$8,000 CAD, converted from the local currency.

Senior Officers may authorize funds for travel within Canada and **the US** by Police Service members and advance payments or a corporate card for such travel, within the limits of the approved Operating Budget, **if the requested travel funds are within the aforementioned \$8,000 CAD maximum.**

Covert Assets

3.3.9 COVERT ASSETS

Some materials, goods, or services are required to be purchased covertly to prevent the covert asset from being traced back to the Ottawa Police Service. Exceptions to the procurement process may be required to maintain confidentiality, e.g. PO issuance through the City might not be feasible as per subsection 3.2.3.3. However, these purchases will still adhere to delegated spending and contract authority of this manual. When Board approval is required, this will be presented as in camera item at the applicable Board meeting. Where the issuance of a payment without reference form is required, a member of the covert teams will approve such issuance pursuant to the delegated spending authority as described in subsection 3.2.4.3.

NEW SUBSECTION

Disposal of Assets

3.4.10 DISPOSAL OF ASSETS

The Chief of Police, or delegate, must approve the method of disposal of assets upon retirement from the Ottawa Police Service. Options may include: donation or disposal of goods, auction of items or return to vendor when buying replacement assets, in return for a potential discount.

NEW SUBSECTION

Various Changes

Other Amendments

- The title “Director General” has been replaced by “Chief Administrative Officer” throughout the document.
- Additional text extends the authority of the Chief of Police to include “or delegate” (e.g., “The Chief of Police, [or delegate](#), has the authority to...”)
- New definitions have been added for “Competitive Contract Authority” and “Non-Competitive Contract Authority”.
- The Chief Financial Officer has been granted the authority to approve any variances from the maximum signing authority limits, in lieu of the Chief of Police (Subsection 3.2.4.4)
- Conflict of interest disclosure process has been further defined in Section 3.4.6
- Escalation timelines have been updated in Section 3.3.3.2 and Annex 2, Section 6 and 9

Discussion

