



NIAGARA REGIONAL POLICE SERVICE

Police Service Board Report

PUBLIC AGENDA

Subject: Special Funds Specified Auditing Procedures Report
Report To: Chair and Members, Niagara Police Service Board
Report Date: 2024-11-26

Recommendation(s)

That the Niagara Police Service Board (Board) receives this report for information.

Key Facts

- The purpose of this report is to provide the results of the specified auditing procedures as per By-Law No. 403-2024 Administration, Limitations and Guidelines of the Special Fund.
- On August 16, 2024, Doane Grant Thornton LLP conducted their on-site audit review of the two Special Funds Accounts referred to as General Operating Account and Special Operating Account.
- The results of the specified auditing procedures for the year ended December 31, 2023 are included in Appendix 1.

Financial Considerations

The Board has a discretionary pool of funds, which it uses for grants and donations. Disbursements from the fund are in accordance with guidelines provided in the Community Safety and Policing Act (CSPA), and also with Board By-law 403-2024, Special Fund Administration, Limitations and Guidelines of the Special Fund. Section 258(2) of the CSPA establishes that the Niagara Police Services Board has the sole authority for spending the proceeds from the sale of property which lawfully comes into the possession of the police service. The CSPA stipulates that "the Chief of Police may cause the property to be sold, and the police service board may use the proceeds for any purpose that it considers in the public interest, including a charitable donation." These funds do not form part of the police operating budget and are separate from the Regional tax base.

There are no direct financial implications from the receipt of this report.

Analysis

On August 16, 2024, Doane Grant Thornton LLP conducted their on-site audit of the Special Funds Accounts referred to as General Operating Account and Special

Operating Account as per By-Law 403-2024 paragraph 11.2, *“On an annual basis, an external auditor shall provide a report on the Special Fund”*.

The Board engaged Doane Grant Thornton LLP to provide a report under Section 9100 of the CPA Canada Standards, *“Reports on the results of applying specified auditing procedures to financial information other than financial statements”*. In this type of engagement, procedures performed are not intended to enable the accountant to express and audit opinion or provide negative assurance on the financial information. Instead, he or she applies only those procedures requested by his or her client.

Doane Grant Thornton LLP’s report detailing the specified auditing procedures performed and the factual results of those procedures for the year ended December 31, 2023 are included in Appendix 1.

No exceptions were noted on the report.

Alternatives Reviewed

The alternative is for the Board not to receive this report and provide any follow up questions or requests to the external auditor. The report is presented as a draft, providing the Board an opportunity for input prior to finalizing the report.

Relationship to Police Service/Board Strategic Priorities

To ensure the Board has the financial information to discharge their stewardship responsibilities effectively.

Relevant Policy Considerations

By-Law 403-2024 – Special Fund Administration, Limitations and Guidelines

Other Pertinent Reports

8.3 – 2023.05.25 – Quarterly Report – Special Fund Activity – January 1 – March 31, 2023

8.12 – 2023.09.28 – Quarterly Report – Special Fund Activity – April 1 – June 30, 2023

8.18 – 2023.11.23 – Quarterly Report – Special Fund Activity – July 1 – September 30, 2023

8.6 – 2024.03.28 – Quarterly Report – Special Fund Activity – October 1 – December 31, 2023

This report was prepared by Anthony Gallo, Finance Coordinator, Finance Unit; in consultation with Courtney Woods, Manager, Finance Unit, and reviewed by Laura Rullo, Director, Finance and Asset Management. Recommended by Darrin Forbes, Acting Deputy Chief, Support Services.



Submitted by:
Luigi Greco, #9366
Acting Chief of Police

Appendices

Appendix 1 Report on the Results of Applying Specified Procedures to the Special Operating and General Operating Accounts for the period ending December 31, 2023.

Appendix 1

Agreed-upon procedures report on The Regional Municipality of Niagara Police Services

To The Regional Municipality of Niagara Police Services Board,

Purpose of this agreed-upon procedures report and restriction on use

Our report is solely for the purpose of assisting The Regional Municipality of Niagara Police Services (“the organization”) in determining compliance with By-Law No. 392-2021 Administration, Limitations and Guidelines and may not be suitable for another purpose. This report is intended solely for the organization and The Regional Municipality of Niagara Police Services Board and should not be used by other parties.

Responsibilities of The Regional Municipality of Niagara Police Services

The organization has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement and is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner’s responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Canadian Standard on Related Services (CSRS) 4400, *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with The Regional Municipality of Niagara Police Services, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional ethics

We have complied with the ethical requirements, including those pertaining to independence, set out in rules professional conduct / code of ethics as applicable in Canada.

Procedures and findings

We have performed the procedures below, which were agreed upon with The Regional Municipality of Niagara Police Services.

Procedures	Findings
1. Obtain the listing from Finance Department of items sold by Auction Canada for the period January 1 to December 31, 2023 and agree to deposits into the Special Operating Account.	All listings were obtained from Auction Canada and agreed with the deposits into the Special Operating Account with no exceptions found.
2. Obtain the listing from Finance Department of unclaimed money transferred from the Property & Evidence Unit for the period January 1 to December 31, 2023 and agree to deposits into the Special Operating Account.	All listings from the Property & Evidence unit were obtained and agreed with the deposits into the Special Operating Account with no exceptions found.
3. Obtain listing from Finance Department of third-party reward monies for the period January 1 to December 31, 2023 and agree to deposits in General Operating Fund	All listings from the Finance department were obtained and agreed with the deposits into the General Operating fund with no exceptions found.
4. Agree 12/31/2023 bank reconciliations to the 12/31/2023 bank statements and general ledgers of the Special and General Operating Accounts	Both December 31, 2023 bank reconciliations were agreed to the December 31, 2023 bank statements and the general ledgers of the Special and General Operating Accounts with no exceptions found.
5. Obtain listing of deposits to Special Operating account for the period January 1 to December 31, 2023 and agree that total of deposits agrees to the total included in the Boards quarterly reporting	Special Operating Account deposit listings for the period January 1 to December 31, 2023 were obtained in order to agree the deposit totals to the totals reported by the Board in their quarterly reports and no exceptions were found.
6. Obtain listing of cash disbursements approved by PSB for the period January 1 to December 31, 2023 and agree that all disbursements were made from the Special Operating Account	Cash disbursements approved by PSB for the period January 1 to December 31, 2023 were obtained and agreed that all disbursements came from the Special Operating Account with no exceptions found.

<p>7. Obtain listing of cash disbursements issued from the Central Confidential Informant Provincial database for Niagara for the period January 1 to December 31, 2023 and agree that all disbursements were made from the General Operating Account</p>	<p>All cash disbursements issued from the Central Confidential Informant Provincial database covering the period January 1 to December 31, 2023 were obtained and agreed to ensure all disbursements came from the General Operating Account and no exceptions were found.</p>
<p>8. Using cash disbursement listing for the period January 1 to December 31, 2023 for cash disbursements within the dollar threshold as set out in 392-2021 9.3 for Special Operating Account compare signatures of authorized cheque signers and report instances where cheques were not signed by authorized signers.</p>	<p>Using the cash disbursement listing covering the period January 1 to December 31, 2023 our pre-determined amount threshold in 392-2021 9.3 was used to compare signatures of authorized cheque signers to instances where cheques were not signed by authorized signers and no exceptions were found in our scope.</p>

St. Catharines, Ontario, Canada
November 25, 2024

Chartered Professional Accountants
Licensed Public Accountants