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1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

Office of the City Auditor
Roland E. Smith, CPA
City Auditor

(510) 238-3378
FAX (510) 238-7640
TDD (510) 839-6451
www.oaklandauditor.com

MARCH 30, 2004

IGNACIO DE LA FUENTE, PRESIDENT
CITY COUNCIL
OAKLAND, CALIFORNIA

PRESIDENT DE LA FUENTE AND MEMBERS OF THE CITY COUNCIL

SUBJECT: A PROPOSED RESOLUTION IMPLEMENTING CALIFORNIA GOVERNMENT CODE SECTIONS 30061-30065 AND APPROPRIATING SIX HUNDRED FOURTEEN THOUSAND TWENTY-SEVEN DOLLARS (\$614,027) IN EIGHTH YEAR FUNDING FOR THE "CITIZEN'S OPTION FOR PUBLIC SAFETY" (COPS) SPENDING PLAN SUBMITTED BY THE CHIEF OF POLICE

PURPOSE AND SCOPE

In accordance with the Measure H Charter Amendment, which was passed by the voters at the General election of November 5, 1996, we have made an impartial financial analysis of the accompanying Proposed Resolution and Agenda Report. In making our analysis, we also obtained and reviewed the grant award notifications from the California Department of Finance and the Alameda County Auditor-Controller.

Since the Measure H Charter Amendment specifies that our impartial financial analysis is for informational purposes only, we did not apply Generally Accepted Government Auditing Standards as issued by the Comptroller General of the United States. Moreover, the scope of our analysis was impaired by Administrative Instruction Number 137, effective May 21, 1997, which provides only one (1) week for us to plan, perform and report on our analysis.

SUMMARY

The City has received a grant of \$614,027 in State COPS funds as a pass-through from the County of Alameda. This is the eighth consecutive year that the City has received such funds. The grant ends on June 30, 2005, and the entire \$614,027, plus any interest earned, is restricted by statute to front-line law enforcement use only.

SPENDING PLAN

The Chief of Police is required to submit a spending plan and conduct a public hearing before the City Council accepts and appropriates the \$614,027 (plus interest earned) in additional funding. The spending plan is summarized in the following table:

<u>Description</u>	<u>Amount</u>
Civilian support personnel	\$ 70,136
Violence suppression	540,821
Allowable Central Service Overhead	<u>3,070</u>
Total	<u>\$ 614,027</u>

FISCAL IMPACT

Although the City is not required to match any of the grant funds, the City Council must waive unallowable City Central Services overhead charges totaling \$105,497.

The City established Fund Number 2158 to separately account for and report on the expenditures and interest income, as required by state legislation. The appropriation is wholly in addition to the General Fund budget and cannot be used to supplant City funding.

CONCLUSION

The Proposed Resolution appears to be reasonable.

Prepared by:



Jack McGinity, CPA

Report completion date:
March 2, 2004

Issued by:



Roland E. Smith, CPA, CFS
City Auditor