

FINANCE AND OPERATIONS SERVICES

	Middlesex-London Health Unit	\$ 32,233,620	(Net Agency Operating Budget 2013)
SERVICE AREA	Finance and Operations Services	\$ 725,992	(Net Service Area Budget 2013)
PROGRAM	Finance and Operations Services	\$ 725,992	(Net Program Budget 2013)
DESCRIPTION			
<ul style="list-style-type: none"> This service provides the financial management required by the Board of Health to ensure compliance with applicable legislation and regulations. This is accomplished through providing effective management and leadership for financial planning, financial reporting, treasury services, payroll administration, procurement and capital assets and contract management. This service provides value through protecting the Health Unit's financial assets, containing costs through reporting, systems and process improvements, developing and implementing policies and procedures, and providing relevant financial reporting and support to the Board. This service also provides oversight for the Health Unit's "Operations" which include facility management-type services such as furniture and equipment, leasehold improvements, insurance and risk management, security, janitorial, parking, on-site and off-site storage and inventory management, and the management of all building leases and property matters. 			
STRATEGIC LEADERSHIP			
<ul style="list-style-type: none"> The Director of Finance and Operations provides financial and facilities management, counsel and leadership on business initiatives, policy development, strategic planning and corporate leadership to the Health Unit and Board of Health. 			
FINANCIAL SERVICES			
FINANCIAL PLANNING			
<ul style="list-style-type: none"> Develop long term funding strategies for senior management and Board of Health and provide ongoing monitoring. Develop, monitor and report annual operating budgets. Health Unit programs are funded through a complex mix of funding. The majority (approximately 72%) of the services are funded through cost-sharing where by the Board of Health approves the operating budget, the Ministry provides a grant, and the remaining amount is requested from the City of London and Middlesex County on a proportionate of population basis. The remaining programs and services are funded 100% by the province, whereby the Board of Health approves an operating budget based on a predetermined grant from the province. Many programs have different budget formats and timelines which provide challenges in budget preparation and planning. 			

FINANCIAL REPORTING

- Manage two annual audits including preparation of consolidated financial statements for programs with a December 31st year end and those with a March 31st year end.
- Prepare quarterly financial statements for external stakeholders including the City of London, and various ministry departments. In terms of ministry quarterly reporting, the formats differ between ministries and programs adding to the complexity of generating the reports.
- Prepare the various annual settlements for the ministry-funded programs and services.
- Prepare monthly and quarterly reports for internal stakeholders to ensure financial control and proper resource allocations.

TREASURY SERVICES

- Accounts payable processing includes verifying payments, issuing cheques, reviewing invoices, ensuring proper authorizations exist for payment. This also includes verifying and processing corporate card purchases, employee mileage statements and expense reports.
- Accounts receivable processing includes reviewing and posting invoices, monitoring and collections activities.
- Cash management function includes processing cash payments and point of sale transactions, and preparing bank deposits. This also includes minor investment transactions to best utilize cash balances.
- General accounting includes bank reconciliations, quarterly HST remittances, general journal entries, monthly allocations.

INSURANCE & RISK MANAGEMENT

- Purchase appropriate and adequate insurance and draft contractual conditions for third party contracts to protect the human, physical and financial assets of the health unit.
- Request insurance certificates required for various funding agreements and contracts.

PAYROLL ADMINISTRATION

- Performs payments to employees including salaried and hourly staff. This includes accurate data entry and verification of employee and retiree information including employee set-up and maintenance.
- Process mandatory and voluntary employee deductions, calculating and processing special payments and retroactive adjustments.
- Set up and maintain the payroll system in compliance with collective agreements and legislative requirements for all pay, benefits, deductions and accruals.
- Statutory Payroll Reporting – in order to comply with payroll legislation. This includes Records of Employment (ROEs), T4, T4A, OMERS annual 119 Report.
- Prepare and remit payments due to third parties resulting from payroll deductions and employer contributions within strict deadlines to avoid penalties and interest. Payments are reconciled to deductions or third party invoices.
- Administers employee paid Canada Savings Bond program, where staff can purchase bonds through payroll deductions.

PROCUREMENT

- Provide accurate and timely procurement advice to internal programs and services (customers).
- Procurement of goods and services in a fair, transparent, and open manner through Request for Tenders, Quotes, and Proposals, and at all times ensuring value for money.
- Participates in the Elgin Middlesex Oxford Purchasing Cooperative (EMOP) to enhance or leverage procurement opportunities to lower costs.
- Utilize and participate in provincial contracts such as courier, photocopier, and cell phone providers to lower costs to the programs and services.
- Performs general purchasing and receiving activities for program areas.

CAPITAL ASSET MANAGEMENT

- Tangible Capital Assets – ongoing processes for accounting for capital assets and ensuring compliance with PSAB 3150.
- Ensures the proper inventory and tracking of corporate assets for insurance and valuation purposes.

CONTRACTS AND AGREEMENTS

- Contract management including various agreements to ensure the Health Unit is meeting obligations and commitments. Contracts and agreements are reviewed for program effectiveness and Board of Health liability.

OPERATIONS SERVICES –FACILITY MANAGEMENT

- Space planning – liaisons with program areas to ensure facilities meet program requirements. This may involve leasehold improvements, furniture and equipment purchasing, and relocation of employees.
- Coordinates management response to monthly Joint Occupational Health & Safety Committee (JOHSC) inspection reports.
- Manages the three main property leases include renegotiations, dispute resolution. (50 King Street, 201 Queens Ave in London, and 51 Front Street in Strathroy)
- Security – manages and maintains the controlled access and panic alarm systems, and the after-hours security contract.
- Custodial Services – manages and maintains the contract for janitorial services for two locations. This includes day-time and evening cleaning for the 50 King Street office.
- Manages and maintains both on-site and off-site storage facilities, keeping track of supplies, equipment and corporate records.
- Performs general facility maintenance including minor repairs, disposal of bio-hazardous materials, meeting room set-up and take-downs.

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CUSTOMER/CLIENT

- Internally, Finance and Operation's (FOS) customers are the employees from all levels of the Health Unit. Staff from FOS work closely with program staff to assist the Board in fulfilling their mandate/responsibilities defined in the Health Protection & Promotion Act and the Ontario Public Health Organizational Standards.
- External stakeholders include: City of London, Middlesex County, Ministry of Children and Youth Services, Ministry of Health and Long-Term Care, Public Health Agency of Canada, Public Health Ontario, other health units in the province, various service providers, Regional HIV/AIDS Connection, OMERS, CUPE, ONA, and Canada Revenue Agency etc.

RELEVANT LEGISLATIVE / REGULATION PROVISIONS

The following legislation/regulations are relevant to the work performed in Finance and Operations: Health Protection and Promotion Act, Ontario Public Health Organizational Standards, Occupational Health & Safety Act, Workplace Safety and Insurance Board Act, Income Tax Act, Ontario Pensions Act, PSAB standards, and the Municipal Act.

PERFORMANCE/SERVICE LEVEL MEASURES:

Indicator	2011	2012	2013 (estimated)
Finance:			
Number of manual journal entries	N/A	1,519	1,450
Number of vendor invoices paid/processed	7,688	8,477	8,500
Number of MLHU invoices prepared/issued	314	318	325
Number of staff administered for payroll	424	428	430
Number of payroll cycles processed	83	82	82
Number of direct deposits processed (payroll)	8,998	9,217	9,200
Number of manual cheques (payroll) issued	53	54	35
Number of distinct budgets managed	90	97	100
Total operating budget managed	\$33.1 million	\$34.8 million	\$34.3 million
Procurement:			
Number of purchase orders created	39	38	45
Number of competitive bid processes	N/A	22	30
Total value of goods & services purchased through procurement process	N/A	\$6.87 million	\$7.5 million
Total value of all goods and services (paid invoices)	\$12.5 million	\$11.6 million	\$11.2 million

PERFORMANCE/SERVICE LEVEL MEASURES: (CONT'D)			
Indicator	2011	2012	2013 (estimated)
Facility Management:			
Facility operating budget	\$1.61 million	\$1.64 million	\$1.68 million
Total square feet of leased property	77,354	77,354	77,354
Number of meeting room set-up/take-downs	N/A	212	210
Average time to set-up/take-down meeting room	N/A	1.9 hours	1.5 hours

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STAFFING LEVEL:		2013 BUDGET			
The 2013 proposed staff total of 9.0 FTEs includes:		\$746,849			
1.0 Director 0.5 Administrative Assistant to the Director (CUPE Local 101) 1.0 Accounting & Budget Analyst (Non-union) 1.0 Accounting & Payroll Analyst (Non-union) 3.5 Accounting & Administrative Assistants (CUPE Local 101) 1.0 Procurement and Operations Manager (Non-union) 1.0 Receiving & Operations Coordinator (CUPE Local 101)					
EXPENDITURES:					
Object of Expenditure	2012 Budget	2013 Budget	\$ increase/decrease	% increase	% before revenue
Personnel Costs	\$ 723,652	\$ 746,849	\$ 23,197	3.1%	98.5%
Administrative Expenses	4,400	4,400	0		0.6%
Purchased Services	3,180	3,180	0		0.5%
Materials & Supplies	3,620	3,620	0		0.4%
Furniture & Equipment	0	0	0		0.0%
Other Expenses		300	0		
Total Expenditure	\$ 735,152	\$ 758,349	\$ 23,197		

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FUNDING:

100% Provincial Grants	\$ 32,357
Other 100% Grants	0
User Fees	0
Other Offset Revenue	0
Total Funding	\$ 32,357
Total Shareable Net Expenditures	\$ 725,992

EXTERNAL PRESSURES

- Lower growth in provincial grants will place pressure on programs and services. The Health Unit will be required to continue to find efficiencies and demonstrate the value of its programs and services.
- Increased demand for electronic fund transfers, both for making and receiving payments. The Canadian Payments Association reports that the use of cheques and cash has steadily declined in the past number of years. These traditional methods of payment are being quickly replaced with payment cards and electronic fund transfers.
- The province continues to implement its accountability framework in the public health sector, refining its Public Health Accountability Agreements, requiring more performance measures and reporting each year. The Health Unit will need to continue to implement and maintain these measures. The province has also implemented annual audits of public health units, performing 2 audits per year.

EFFICIENCIES (COST REDUCTIONS/PROCESS IMPROVEMENTS)

- Past Efficiencies (Cost Reductions) - in the past, implementation of a new procurement policy has reduced costs throughout the organization. The following are goods and services the Health Unit purchases which we have already seen reduced costs through the procurement process:

✓ Cell phone contract	✓ Office Supplies
✓ Photocopier / Printing paper	✓ Larvaciding contracts
✓ Envelopes / Stationary	✓ Employer paid health benefits
✓ Computer /Network hardware	
- Future Efficiencies – Each year FOS continues to review areas of our programs and services where we believe we can lower costs through the procurement processes and application of the policy. In addition, we expect to take advantage of the significant investment made in the Health Unit's Information Technology (IT) infrastructure to reduce or maintain costs through process efficiencies. FOS will work closely with IT Services to implement workflow-based systems whereby employees may enter transactional information into a digital form rather than submitting paper-based forms. This should create efficiencies in other program areas and better support our workforce who are mobile and work mainly outside of our main offices.

IMPACT OF BOARD OF HEALTH TARGET:

N/A for 2013 budget.

POTENTIAL RISKS AND ASSOCIATED IMPACTS

N/A for 2013 for this purpose

