



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2013 October 3

REVIEW OF FINANCIAL POLICIES

Recommendations

It is recommended:

- 1) That the Finance & Facilities Committee make recommendation to the Board of Health to reduce the meal allowance rates as described below; and*
- 2) That the PwC report titled “Expense Policies Best Practices Review” be received for information.*

Background

PricewaterhouseCoopers (PwC) has been engaged to review the Health Unit’s financial policies to support the current staff review and to compare and contrast the policies with the Broader Public Sector directives. The PwC work was substantially completed in August 2013. Attached as [Appendix A](#) is a draft findings report prepared by PwC.

Expense Policies Best Practices Review

PwC used a risk-based approach to review existing finance policies. Out of the 13 existing finance area policies, six were deemed to carry a relatively high level of risk from a compliance, financial and reputational perspective. The PwC work focused on three policies that they believed carried the highest level of risks. These policies cover the areas of expense claims, travel reimbursements, out-of-town travel and accommodation expenses.

The PwC review uses the Broader Public Sector directive of 2011 as a guide and recommends areas of opportunity where the Health Unit can strengthen its finance policies. The review also draws on research conducted by PwC in the health and education sectors.

Next Steps

The Senior Leadership Team has begun reviewing the recommendations provided by PwC. The related financial policies will be revised and brought to the Finance & Facilities Committee for review and approval if appropriate. As an interim measure it is recommended that the meal allowances identified in Policy 4-120 “Out-of-Town Travel” attached [Appendix B](#) be revised to \$10/\$20/\$30 from \$17/\$23/\$45 for breakfast/lunch/supper previously approved by the Board of Health. The financial policies including Policy 4-120 will be reviewed in order of highest to lowest risk. Once completed, the Health Unit policy manual will be updated and staff will be educated on the revisions. This process will take a number of months to complete, but it is expected that all 13 policies will be reviewed by the end of March 2014.

At the October 3rd Finance & Facilities Committee meeting, Mr. John Millson, Director of Finance & Operations will present the PwC findings and will address any questions the Committee members may have.

This report was prepared by Mr. John Millson, Director of Finance & Operations.

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Medical Officer of Health