



TO: Chair and Members of the Finance and Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2014 March 26

FINANCE POLICIES INTERNAL REVIEW PROCESS

Recommendation

It is recommended that the Finance and Facilities Committee receive Report No. 017-14FFC re “Finance Policies Internal Review Process” for information.

Key Points

- The 2013 PwC review recommended MLHU update its finance policies.
- PricewaterhouseCoopers was 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 policies now need to be reviewed and validated by MLHU managers to ensure they support effective and efficient public health service delivery.

Background

The 2013 review conducted by PricewaterhouseCoopers (PwC) identified the need to update MLHU’s finance policies (see [Report 063-13](#)). Specifically, the review recommended that “Finance should update expense, travel, mileage, catering, and procurement policies to ensure they are in accordance with best practices and support effective control and monitoring of costs.”

Further to the Review, PwC was 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 (see [Report No. 010-13C](#)).

Many of the financial policies were revisited and revised over the past few months to reflect best practices. The policies now need to be reviewed and validated internally to ensure they support effective and efficient public health service delivery.

Internal Review Process

As with the Planning and Budgeting Templates for the 2014 budget process, the financial policies will be reviewed over three Finance and Facilities Committee meetings.

| May meeting | June meeting | July Meeting |
|--|--|---|
| <ul style="list-style-type: none"> • Enterprise Risk Management • Signing Authority • Corporate Purchase Cards • Moving Expenses • Petty Cash | <ul style="list-style-type: none"> • Use of Personal Vehicle • Budget Preparation & Approval • Budget Reports • Out of Town Travel/Accommodations • Procurement | <ul style="list-style-type: none"> • Donation Acceptance • Grant Applications • Corporate Sponsorship • Gifts and Honorariums • Program Expenses |

The review process will take approximately four months. First, each group of policies will be reviewed by a small group of managers. Managers will be included in the review based on their availability and interest. Second, manager feedback will be summarized for the Senior Leadership Team (SLT), who will review and endorse each bundle of policies (at three separate meetings). Lastly, the endorsed bundles will be brought to the Finance and Facilities Committee (FFC) and through to the Board of Health for final review.

| | April '14 | May '14 | June '14 | July '14 |
|-----------------|---|--|--|---|
| Managers | <ul style="list-style-type: none"> Review bundles | | | |
| SLT | <ul style="list-style-type: none"> Review manager feedback on first bundle | <ul style="list-style-type: none"> Review manager feedback on second, third bundles | | |
| FFC | | <ul style="list-style-type: none"> Review first bundle | <ul style="list-style-type: none"> Review second bundle | <ul style="list-style-type: none"> Review third bundle |

Managers will be asked to comment on the effect and implications of the policies at the program/service delivery level. SLT will (a) review managers’ comments, (b) consider broader implications of the policies on MLHU, and (c) confirm the wording of each policy. FFC will then consider the policies from a governance and resource stewardship perspective.

This report was prepared by Mr. Ross Graham, Manager of Strategic Projects and Mr. John Millson, Director of Finance and Operations.



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