AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Finance & Facilities Committee

50 King Street, London
Middlesex-London Health Unit – Room 3A
Thursday, September 5, 2019
9:00 a.m.

1. DISCLOSURE OF CONFLICTS OF INTEREST

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES – July 4, 2019

4. NEW BUSINESS

4.1 MLHU Draft Financial Statements – March 31, 2019 (Report No. 028-19FFC)

4.2 Q2 Financial Update and Factual Certificate (Report No. 029-19FFC)

4.3 2019 Budget - MOHLTC Approved Grant (Report No. 030-19FFC)

4.4 Bylaw and Policy Review (Report No. 031-19FFC)

5. OTHER BUSINESS

5.1 Next meeting: Thursday, October 3, 2019 at 9:00 a.m. Room 3A

6. CONFIDENTIAL

The Finance & Facilities Committee will move in-camera to approve confidential minutes from its July 4, 2019 meeting.

7. ADJOURNMENT

PUBLIC MINUTES
FINANCE & FACILITIES COMMITTEE
50 King Street, London
Middlesex-London Health Unit
Thursday, July 4, 2019 9:00 a.m.

MEMBERS PRESENT: Ms. Kelly Elliott
Ms. Trish Fulton
Ms. Tino Kasi
Mr. Matt Reid (Chair)

REGRETS: Ms. Maureen Cassidy
Dr. Christopher Mackie, Secretary-Treasurer

OTHERS PRESENT: Ms. Lynn Guy, Executive Assistant to the Medical Officer of Health (Recorder)
Ms. Laura Di Cesare, Director, Healthy Organization
Mr. Brian Glasspoole, Manager, Finance
Mr. Joe Belancic, Manager, Procurement and Operations
Dr. Alexander Summers, Associate Medical Officer of Health
Mr. Stephen Turner, Director, Environmental Health and Infectious Diseases
Ms. Adrina Chanyi Zhong, Medical Student

At 9:00 a.m., Chair Reid called the meeting to order.

DISCLOSURE OF CONFLICT OF INTEREST

Chair Reid inquired if there were any disclosures of conflicts of interest. None were declared.

APPROVAL OF AGENDA

It was moved by Ms. Elliott, seconded by Ms. Fulton, *that the **AGENDA** for the July 4, 2019 Finance & Facilities Committee meeting be approved.*

Carried

APPROVAL OF MINUTES

It was moved by Ms. Elliott, seconded by Ms. Fulton, *that the **MINUTES** of the June 6, 2019 Finance & Facilities Committee meeting be approved.*

Carried

NEW BUSINESS

4.1 Multifunction Printers – Contract Award (Report No. 025-19FFC)

Mr. Joe Belancic presented this report, noting that by awarding the contract for the printers to Xerox for five years, the Health Unit will realize cost savings of approximately $56,000 per year. He added that any underutilized printers will be not be replaced, thereby reducing the total number of printers from 18 to 10.

It was moved by Ms. Elliott, seconded by Ms. Fulton, *that the Finance & Facilities Committee:*

1) *Receive Report No. 025-19FFC for information; and*

2) Recommend that the Board of Health approve entering into a contractual agreement with Xerox Canada for the provision of office and production multi-function devices.

Carried

4.2 Proposed 2020–21 Budget Process, Criteria, and Weighting (Report No. 026-19FFC)

Ms. Laura Di Cesare presented the report to the Finance & Facilities Committee. She advised that the Health Unit staff recommend not amending the criteria and weighting for the Program Budget and Marginal Analysis (PBMA) process for the 2020 budget year.

Ms. Di Cesare briefly outlined the three options that staff have considered for covering the approximately $1.3M budget shortfall associated with provincial funding reductions, and the $570,000 budget shortfall associated with inflationary pressures in the 2020 budget. She added that conversations have taken place with City and County staff. In addition, a presentation was made at County Council, and the Health Unit will present to the City if desired via their budget process.

Discussion ensued in regard to:
• What the increases to municipalities might be.
• The difficulty in determining a budget horizon due to lack of information surrounding amalgamation.

Chair Reid asked Committee members to respond to the three recommendations separately.

1) It was moved by Ms. Fulton, seconded by Ms. Elliot, *that the Finance & Facilities Committee make recommendation to the Board of Health to approve the PBMA criteria and weighting that is proposed in Appendix A to Report No. 026-19FFC.*

Carried

2) It was moved by Ms. Fulton, seconded by Ms. Kasi, *that the Finance & Facilities Committee make recommendation to the Board of Health to approve requesting the full amount of the provincial cost-sharing reductions, but not cost-of-living pressures, from the municipal funders.*

Carried

3) It was moved by Ms. Elliott, seconded by Ms. Kasi, *that the Finance & Facilities Committee make recommendation to the Board of Health to approve the development of a two-part budget representing the first quarter of 2020 and, separately, the 12 months from April 2020 to March 2021.*

Carried

OTHER BUSINESS

5.1 **Cancellation of August 1, 2019 Finance & Facilities Meeting**

It was moved by Ms. Elliott, seconded by Ms. Kasi, *that the August Finance & Facilities Committee meeting be cancelled.*

Carried

5.2 **Next meeting: Thursday, September 5, 2019, at 9:00 a.m., in Room 3A**

CONFIDENTIAL

At 9:12 a.m., it was moved by Ms. Elliott, seconded by Ms. Kasi, *that the Finance & Facilities Committee move in camera to consider matters regarding a trade secret or financial information, supplied in confidence to the local board, which if disclosed, could reasonably be expected to prejudice significantly*

the competitive position or interfere significantly with contractual or other negotiations of a person, group of persons or organization, and a trade secret or financial information that belongs to the municipality or local board and has monetary value.

Carried

At 9:16 a.m., it was moved by Ms. Elliott, seconded by Ms. Fulton, *that the Finance & Facilities Committee return to public session.*

Carried

At 9:16 a.m., the Finance & Facilities Committee returned to public session.

ADJOURNMENT

At 9:17 a.m., it was moved by Ms. Kasi, seconded by Ms. Fulton, *that the meeting be adjourned.*

Carried

At 9:17 a.m., Chair Reid *adjourned the meeting*.

MATTHEW REID	**LAURA DI CESARE**
Chair	**Director, Healthy Organization**

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 028-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 September 5

MLHU DRAFT FINANCIAL STATEMENTS - MARCH 31, 2019

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health approve the audited Consolidated Financial Statements for the Middlesex-London Health Unit, March 31, 2019, as appended to Report No. 028-19FFC.

Key Points

- The audited Consolidated Financial Statements for the Middlesex-London Health Unit for programs in the operating year April 1, 2018 to March 31, 2019, are attached as Appendix A.

Background

Each year, the Board of Health is required to provide audited financial reports to certain funding agencies for programs funded from April 1st to March 31st. The purpose of this audited report is to assure these agencies that funds were expended for their intended purpose. The agencies use this information both as confirmation and as a part of their settlement processes.

The following 100%-funded programs are included in the audited Consolidated Financial Statements (attached as Appendix A):

Ministry of Children and Youth Services:

- Blind Low-Vision
- Preschool Speech and Language (tykeTALK)
- Infant Hearing Screening

Public Health Ontario:

- Library Shared Services

Ministry of Health and Long-Term Care:

- Panorama Implementation Project (2018 only)

Government of Canada:

- Smart Start for Babies Programs
- FoodNet Canada
- HIV/HEP C Program

The above programs represent approximately $3.7 million of the Health Unit's total operating budget of $35.4 million.

These programs are also reported in the Health Unit's main audited financial statements, approved by the Board of Health in June 2019. However, the main audited statements included program revenues and expenditures for January 1 to December 31, 2018 – a period that does not coincide with the reporting requirements of the funding agencies. Therefore, a separate audited statement is required.

Financial Review

The consolidated balance sheet (page 1) provides the current value of assets (cash and prepaid expenses) balanced against current liabilities (deferred revenue brought forward into the next operating year and the accumulated amount that must be repaid to the funding agencies).

The consolidated statement of operations (page 2) provides information about how programs are funded and how these revenues are used to fulfill the requirements of the programs. The following are key points that can be taken from this statement:

1) Revenue – Most of the revenues (99.1%) are comprised of grants from the funding agencies (Province of Ontario, Government of Canada, and Public Health Ontario).

2) Expenditures – Most program costs ($3,363,177, or 91.1%) relate to personnel costs. Program resources account for $159,219 (4.3%); equipment-related purchases for $28,407 (0.7%); and remaining expenses (including travel, office supplies, equipment, telephone, rent, etc.) for $143,972 (3.9%).

Combined, the programs completed the operating year with a surplus of $30,286. A breakdown by program can be found on pages 7–8 of Appendix A.

Subsequent Event – Transfer of Services to Thames Valley Children's Centre

Administration of the following services, which are funded by the Ministry of Children and Youth Services, will be transferred to Thames Valley Children's Centre effective September 1, 2019:

- Blind Low-Vision
- Preschool Speech and Language (tykeTALK)
- Infant Hearing Screening

Funding for the Health Unit from this agency will be pro-rated in 2019–20 for the period April 1, 2019, to August 31, 2019.

This report was prepared by the Finance Team, Healthy Organization Division.

Alexander Summers, Associate Medical Officer of Health

Maureen Rowlands, Director, Healthy Living

On behalf of Christopher Mackie, Medical Officer of Health / CEO

Appendix A to Report No. 28-19FFC

Consolidated Financial Statements of

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Year ended March 31, 2019

KPMG LLP
140 Fullarton Street Suite 1400
London ON N6A 5P2
Canada
Tel 519 672-4800
Fax 519 672-5684

INDEPENDENT AUDITORS' REPORT

To the Ministry of Children and Youth Services, Public Health Agency of Canada and Chair and Members, Middlesex-London Board of Health.

Opinion

We have audited the consolidated financial statements of Middlesex-London Health Unit March 31st Programs (the "Entity"), which comprise:

- the consolidated statement of financial position as at March 31, 2019
- the consolidated statement of operations for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory schedules

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at March 31, 2019, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with the financial reporting framework described in Note 1 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use:

We draw attention to Note 1 to the financial statements, which describes the applicable financial reporting framework and the purpose of the financial statements.

The financial statements are prepared to meet the requirements of government reporting entities. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Entity, the Ministry of Children and Youth Services, Public Health Agency of Canada and Middlesex-London Board of Health, and should not be distributed to or used by parties other than the Entity, the Ministry of Children and Youth Services, Public Health Agency of Canada and Middlesex-London Board of Health.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements; this includes determining that the applicable financial reporting framework is an acceptable basis for the preparation of the financial statements in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

London, Canada

Date

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Consolidated Statement of Financial Position

March 31, 2019, with comparative information for 2018

		2019		2018
Assets				
Current assets:				
Prepaid expenses	$	13,022	$	13,022
Due from Middlesex-London Health Unit		121,053		115,610
	$	134,075	$	128,632
Liabilities				
Current liabilities:				
Due to funding agencies (note 3)	$	79,276	$	72,158
Deferred revenue		54,799		56,474
	$	134,075	$	128,632

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Middlesex-London Health Unit:

Ms. Trish Fulton, Chair
Board of Health

Dr. Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health / CEO

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Consolidated Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	2019 Budget	2019 Actual	2018 Actual
Revenue:			
Programs revenue, funding agencies (note 4)	$ 3,714,137	$ 3,693,966	$ 3,775,650
Interest income	-	3,555	1,169
Other income	32,614	27,540	32,311
	3,746,751	3,725,061	3,809,130
Expenditures:			
Personnel costs:			
Contract services	2,193,109	2,223,628	2,102,306
Allocated benefits	604,063	600,518	608,087
Salaries and wages	608,680	539,031	742,822
	3,405,852	3,363,177	3,453,215
Operating costs:			
Program resources	157,794	159,219	139,295
Rent	66,265	68,316	66,541
Travel	33,896	25,310	29,139
Equipment	20,880	24,588	43,160
Telephone	17,475	20,701	20,111
Office and supplies	21,600	14,061	12,930
Audit	6,343	6,818	6,818
Office equipment, computers	840	6,418	1,782
Equipment maintenance	12,000	3,819	1,686
Professional development	3,586	2,348	2,408
Public awareness	-	-	1,771
Board fees and expenses	220	-	-
	340,899	331,598	325,641
Net surplus (note 2)	-	30,286	30,274
Due to funding agencies, beginning of year (note 3)	-	72,158	42,182
Repayments during the year	-	(23,168)	(298)
Due to funding agencies at end of year (note 3)	$ -	$ 79,276	$ 72,158

The accompanying notes are an integral part of these consolidated financial statements.

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Consolidated Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Net surplus	$ 30,286	$ 30,274
Changes in non-cash operating working capital:		
Prepaid expenses	-	9,370
Deferred revenue	(1,675)	(2,925)
	28,611	36,719
Financing activities:		
Due from Middlesex-London Health Unit (note 3)	(5,443)	(36,421)
Repayments to funding agencies	(23,168)	(298)
	(28,611)	(36,719)
Change in cash, being cash at end of year	$ -	$ -

The accompanying notes are an integral part of these consolidated financial statements.

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Notes to Consolidated Financial Statements

Year ended March 31, 2019

The Middlesex-London Health Unit March 31st Programs (the "Programs") are 100% funded by the Province of Ontario, the Government of Canada, and Public Health Ontario and is delivered by Public Health Units in partnership with local and social service agencies.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards, including the 4200 standards for government not-for-profit organizations with the exception of the presentation and principals for tangible capital assets. Tangible capital assets are expensed in the consolidated financial statements at their cost in the year the related expenditure is incurred.

(a) Basis of accounting:

Revenue and expenditures are reported using the accrual basis of accounting with the exception of employees' sick leave and vacation benefits which are charged against operations in the year in which they are paid.

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Government transfers not received at year end are recorded as grants receivable due from the related funding organization in the consolidated balance sheet.

(b) Tangible capital assets:

Tangible capital assets are expensed at cost when incurred.

(c) Deferred revenue:

Funds received for expenses of future periods are deferred and recognized as income when the costs for which the revenue is received are incurred.

(d) Use of estimates:

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

2. Surplus repayments:

The Programs' funding agreements with funding agencies (the "Agencies"), provide for repayment of any Programs' surpluses to the Agencies. Programs' deficits are the responsibility of the Programs and must be funded through efficiencies in future years. As such, surpluses net of any deficits from prior years are recorded on the consolidated balance sheet as accounts payable to the Agencies.

3. Due to funding agencies:

Due to funding agencies consists of the following:

	2019	2018
Ministry of Children and Youth Services:		
Blind-low vision	$ 422	$ 336
Preschool speech and language	3,321	7,995
Infant hearing	15,068	15,755
	18,811	24,085
Public Health Ontario:		
Shared library services	58,915	46,523
Government of Canada:		
Smart start for babies	1,550	1,550
	$ 79,276	$ 72,158

4. Program revenue, funding agencies:

Program revenue, funding agencies consists of the following:

	2019	2018
Ministry of Children and Youth Services:		
Blind-low vision	$ 174,855	$ 166,778
Preschool speech and language	1,893,374	1,918,690
Infant hearing	1,100,824	1,025,250
	3,169,053	3,110,718
Ministry of Health and Long-Term Care:		
Panorama project	-	129,400
Public Health Ontario:		
Shared Library services	107,164	110,737
Government of Canada:		
Smart start for babies	152,430	152,430
FoodNet Canada program	149,918	154,404
HIV/HEP C program	115,401	117,961
	417,749	424,795
	$ 3,693,966	$ 3,775,650

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Schedule - Consolidated Balance Sheet

Year ended March 31, 2019

	Blind-low Vision	Preschool speech and language	Infant hearing	Smart Start for babies	Library shared services	Total
Balance Sheet:						
Current Assets:						
Receivable from Middlesex-London Heath Unit	$ 422	$ 56,349	$ 15,068	$ (9,700)	$ 58,914	$ 121,053
Prepaid expenses	-	1,772	-	11,250	-	13,022
Total assets	$ 422	$ 58,121	$ 15,068	$ 1,550	$ 58,914	$ 134,075
Current Liabilities:						
Due to funding agencies	$ 422	$ 3,332	$ 15,068	$ 1,550	$ 58,914	$ 79,276
Deferred Revenue	-	54,799	-	-	-	54,799
Total liabilities	$ 422	$ 58,121	$ 15,068	$ 1,550	$ 58,914	$ 134,075

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Schedule - Consolidated Statement of Operations

Year ended March 31, 2019

	Blind-low Vision	Preschool speech and language	Infant hearing	Smart start for babies	HIV / HEP C	Library shared services	FoodNet Canada program	Total
Revenues:								
Program revenue,								
Funding agencies	$174,855	$1,893,374	$1,100,824	$152,430	$ 115,401	$107,164	$149,918	$3,693,966
Interest income	182	1,457	1,263	-	-	653	-	3,555
Other income	-	27,540	-	-	-	-	-	27,540
	175,037	1,922,371	1,102,087	152,430	115,401	107,817	149,918	3,725,061
Expenditures:								
Personnel costs:								
Salaries and wages	5,980	102,512	109,495	68,738	86,724	53,928	111,654	539,031
Contract services	123,193	1,359,366	729,093	8,976	-	-	3,000	2,223,628
Allocated benefits	39,487	367,111	121,202	13,748	18,570	12,737	27,663	600,518
Total salaries, wages and benefits	168,660	1,828,989	959,790	91,462	105,294	66,665	142,317	3,363,177
Services and supplies:								
Office and supplies	-	3,168	10,850	39	-	4	-	14,061
Office Equipment, computers	-	5,698	720	-	-	-	-	6,418
Professional development	-	2,050	-	13	-	-	285	2,348
Travel	4,484	7,012	9,254	791	2,591	293	885	25,310
Program resources and supplies	-	1,513	64,484	58,421	180	28,430	6,191	159,219
Audit	1,704	1,706	1,704	1,704	-	-	-	6,818
Rent	-	51,523	9,708	-	7,085	-	-	68,316
Telephone	7	17,915	2,255	-	251	33	240	20,701
Equipment	-	-	28,407	-	-	-	-	28,407
Total services and supplies	6,195	90,585	127,382	60,968	10,107	28,760	7,601	331,598
Total expenditures	174,855	1,919,574	1,087,172	152,430	115,401	95,425	149,918	3,694,775
Net surplus (note 2)	182	2,797	14,915	-	-	12,392	-	30,286
Due to funding agencies, beginning of year (note 3)	336	7,994	15,755	1,550	-	46,523	-	72,158
Repayments, during the year	96	7,470	15,602	-	-	-	-	23,168
Due to funding agencies, end of year (note 3)	$ 422	$ 3,321	$ 15,068	$ 1,550	$ -	$ 58,915	$ -	$ 79,276

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 029-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 September 5

Q2 FINANCIAL UPDATE AND FACTUAL CERTIFICATE

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health:

1) ***Receive Report No. 029-19FFC re: "Q2 Financial Update and Factual Certificate" for information; and***
2) ***Approve the allocation of variance funds, above those required to offset the agency gapping budget, to relocation-related expenses to a maximum of $1 million in 2019.***

Key Points

- The 2019 approved budget assumes a zero percent increase in Mandatory Programs funding from the Ministry of Health and Long-Term Care (MOHLTC).
- A full-year spending deficit of $61,911 is currently forecast as favourable variances anticipated across the organization have nearly offset the planned agency gapping budget of $1,124,269.
- Included in the financial update is a signed factual certificate, which provides assurance that financial and risk management functions are being performed.

Background

The Board of Health approved MLHU's 2019 operating budget on February 15, 2019 (see Report No. 007-19FFC). The approved budget includes a $250,000 contribution to the Technology and Infrastructure Reserve Fund and assumes no increase in Mandatory Programs funding from the MOHLTC.

Financial Highlights

The Budget Variance Summary, which provides budgeted and actual expenditures for the first six months and projections to the end of the operating year for programs and services governed by the Board of Health, is attached as Appendix A. This analysis is based on the original budget for 2019 as approved by the Board of Health and outlined in Report 007-19FFC.

The current full-year forecast projects a spending deficit of $61,911, as favourable variances anticipated across the organization will largely offset the expected agency gapping budget of $1,124,269.

The Health Unit recommends that variance funds of up to $1,000,000 in 2019 be applied toward relocation-related costs.

Factual Certificate

A signed factual certificate (attached as Appendix B) is to be signed by senior Health Unit administrators responsible for ensuring that certain key financial and risk management functions are being performed to the best of their knowledge. The certificate is revised as appropriate on a quarterly basis and submitted with each financial update.

This report was prepared by the Finance Team, Healthy Organization Division.

Alexander Summers, Associate Medical Officer of Health

Maureen Rowlands, Director, Healthy Living

On behalf of Christopher Mackie, Medical Officer of Health / CEO

Appendix A to Report No. 029-19FFC

MIDDLESEX-LONDON HEALTH UNIT
NET BUDGET VARIANCE SUMMARY
As at June 30, 2019

	2019 YTD ACTUAL (NET)	2019 YTD BUDGET (NET)	VARIANCE (OVER) / UNDER	% VARIANCE	DECEMBER FORECAST	2019 ANNUAL NET BUDGET	ANNUAL SURPLUS / (DEFICIT)	% VARIANCE	Comment / Explanation
Environmental Health & Infectious Disease Division									
Office of the Director	$ 144,014	$ 148,969	$ 4,955	3.3%	$ 297,938	$ 297,938	$ -	0.0%	No variance anticipated at year-end.
Emergency Management	79,422	90,424	11,002	12.2%	156,334	180,848	$ 24,514	13.6%	Lower spending in salaries $15,359 and benefits $4,283 due to staff vacancy coupled with lower than planned spending on program costs due to community emergency response volunteers (CERV) recruitment pause $4,871.
Food Safety & Healthy Environments	861,174	863,977	2,803	0.3%	1,707,455	1,707,955	$ 500	0.0%	Anticipated savings in travel costs $8,000 will be partly offset by higher than planned on-call wages ($7,500).
Infectious Disease Control	798,913	907,158	108,245	11.9%	1,739,963	1,814,317	$ 74,354	4.1%	Lower spending in salaries $73,459 and benefits $16,895 for delay to hire PHI position partly offset by higher travel costs to attend IPAC conference ($2,000).
Safe Water, Rabies & Vector-Borne Disease	572,405	692,534	120,129	17.3%	1,385,067	1,385,067	$ -	0.0%	No variance anticipated at year-end.
Sexual Health	1,377,584	1,366,209	(11,374)	-0.8%	2,649,678	2,732,418	$ 82,740	3.0%	Higher than planned revenues from the Clinic will contribute $47,500, lower spending for salaries will contribute $27,000, coupled with reduced travel expense $8,500, staff development $3,500, partly offset by higher professional fees for FPC physicians ($14,600). For HIV prevention and control, anticipated revenues from all sources should more than offset increased costs for outreach workers and professional fees in connection with the consumption site $14,000.
Vaccine Preventable Disease	823,233	724,402	(98,830)	-13.6%	1,522,529	1,448,804	$ (73,725)	-5.1%	Higher spending for wages ($83,225) to cover unplanned staff vacancies and additional casual hours for clinics and schools partly offset by reduced spending for program supplies $10,000.
Total Environmental Health & Infectious Disease Division	***$ 4,656,744***	***$ 4,793,674***	***$ 136,929***	***2.9%***	***$ 9,458,964***	***$ 9,567,347***	***$ 108,383***	1.1%	
Healthy Living Division									
Office of the Director	$ 150,007	$ 189,727	$ 39,720	20.9%	$ 293,879	$ 379,454	$ 85,575	22.6%	Lower spending in salaries $59,648 and benefits $17,428 reflecting vacant policy advisor position. Lower spending anticipated in travel $2,000 program supplies $4,000, professional services $1,000 and program and equipment costs $1,500.
Child Health	779,390	836,600	57,210	6.8%	1,584,462	1,673,200	$ 88,738	5.3%	Lower spending in salaries $67,069 and benefits $15,069 due to unfilled PHN vacancy and position gapping. Lower spending for program supplies $6,000 and other program costs $600.
Chronic Disease and Tobacco Control	635,807	703,770	67,963	9.7%	1,371,078	1,407,541	$ 36,463	2.6%	Lower spending in salaries $29,898 and benefits $4,465 due to staffing gap. Lower spending also anticipated for travel $2,100.
Healthy Communities and Injury Prevention	487,499	584,120	96,621	16.5%	1,110,441	1,168,241	$ 57,800	4.9%	Lower spending in salaries $37,500 and benefits $4,000 reflect anticipated hiring gap, coupled with lower travel expense $6,800, program supplies $3,000 and professional services $5,000.

MIDDLESEX-LONDON HEALTH UNIT
NET BUDGET VARIANCE SUMMARY
As at June 30, 2019

Oral Health	458,655	558,023	99,368	17.8%	1,034,052	1,116,045	$ 81,993	7.3%	Lower spending for salaries $63,594 and benefits $16,399 for staff vacancies and lower travel $2,000.
Southwest Tobacco Control Area Network	184,641	218,250	33,609	15.4%	434,004	436,500	$ 2,496	0.6%	Lower spending, primarily for reduced travel $2,005 and gapping on salaries and benefits $491.
Young Adult Health	549,114	568,733	19,618	3.4%	1,101,965	1,137,465	$ 35,500	3.1%	Lower spending in salaries $21,500 and benefits $1,000 due to expected hiring gaps. In addition lower spending on program supplies $7,000 travel $4,000 and professional services $2,000.
Total Healthy Living Division	***$ 3,245,114***	***$ 3,659,223***	***$ 414,109***	***11.3%***	***$ 6,929,881***	***$ 7,318,446***	***$ 388,565***	5.3%	
Healthy Start Division									
Office of the Director	$ 97,824	$ 104,308	$ 6,484	6.2%	$ 204,616	$ 208,616	$ 4,000	1.9%	Revised plans to lower spending in program supplies $2,000 and equipment $1,000 and program costs $1,000.
Best Beginnings	1,411,789	1,530,538	118,749	7.8%	2,894,923	3,061,076	$ 166,153	5.4%	Lower spending in salaries $135,280 and benefits $26,373 reflect vacancies for a family home visitor and a public health nurse. Lower spending for travel $2,000, program supplies $1,500 and staff development $1,000 are also expected.
Early Years Health	768,915	$ 824,083	55,168	6.7%	1,587,908	1,648,166	$ 60,258	3.7%	Lower spending in salaries $42,261 and benefits $7,997 reflect hiring gaps for a number of staff positions. Lower spending in program supplies $10,000 due to change in communication strategy with greater emphasis on social media.
Reproductive Health	685,383	704,365	18,982	2.7%	1,358,554	1,400,590	$ 42,036	3.0%	Lower spending in salaries $33,655 and benefits $1,019 reflect vacancy for public health nurse positions, lower than planned travel $2,500, program supplies $3,900 and staff development $2,000. Unplanned revenue for universal prenatal classes will contribute $1,000.
Screening Assessment and Intervention	1,051,709	$ 1,051,709	-	0.0%	2,099,417	2,103,417	$ -	0.0%	No variance anticipated at year-end.
Total Healthy Start Division	***$ 4,015,620***	***$ 4,215,003***	***$ 199,383***	***4.7%***	***$ 8,145,418***	***$ 8,421,865***	***$ 276,447***	3.3%	
Office of the Chief Nursing Officer	***$ 108,966***	$ 184,189	$ 75,223	40.8%	***$ 525,691***	***$ 684,129***	$ 158,438	23.2%	Lower spending in salaries $72,357 and benefits $9,680 due to vacancy for community health nurse specialist (CHNS) and health promotor positions and $68,900 related to deferral of diversity and inclusion assessment. Lower program costs due to CHNS vacancy $4,500.
Office of the Medical Officer of Health									
Office of the Medical Officer of Health	$ 215,911	$ 261,267	$ 45,356	17.4%	$ 522,535	$ 522,535	$ -	0.0%	No variance anticipated at year-end.
Communications	$ 250,401	265,842	15,441	5.8%	531,684	531,684	$ -	0.0%	No variance anticipated at year-end.
Associate Medical Officer of Health	$ 156,192	$ 127,458	(28,734)	-22.5%	254,916	254,916	$ -	0.0%	No variance anticipated at year-end.
Population Health Assessment & Surveillance	$ 316,884	296,918	(19,967)	-6.7%	593,835	593,835	$ -	0.0%	No variance anticipated at year-end.
Total Office of the Medical Officer of Health	***$ 939,389***	***$ 951,485***	***$ 12,096***	***1.3%***	***$ 1,902,970***	***$ 1,902,970***	***$ -***	0.0%	
Healthy Organization Division									

MIDDLESEX-LONDON HEALTH UNIT
NET BUDGET VARIANCE SUMMARY
As at June 30, 2019

Office of the Director	$ 181,715	$ 178,250	$ (3,465)	-1.9%	$ 356,499	$ 356,499	$ -	0.0%	No variance anticipated at year-end.
Finance	224,900	227,753	2,853	1.3%	455,506	455,506	$ -	0.0%	No variance anticipated at year-end.
Human Resources	313,005	$ 350,800	37,795	10.8%	666,573	701,599	$ 35,026	5.0%	Lower spending in salaries $20,013 and benefits $10,013 due to manager vacancy and position gapping.
Information Technology	435,853	534,646	98,793	18.5%	1,069,292	1,069,292	$ -	0.0%	No variance anticipated at year-end.
Privacy Risk & Governance	72,584	$ 76,555	3,971	5.2%	153,110	153,110	$ -	0.0%	No variance anticipated at year-end.
Procurement & Operations	133,500	141,819	8,319	5.9%	283,638	283,638	$ -	0.0%	No variance anticipated at year-end.
Program Planning & Evaluation	364,485	$ 433,266	68,782	15.9%	771,034	866,533	$ 95,499	11.0%	Lower spending in salaries $76,000 and benefits $19,499 related to program evaluator vacancies.
Strategic Projects	130,932	131,601	669	0.5%	263,202	263,202	$ -	0.0%	No variance anticipated at year-end.
Total Healthy Organization Division	***$ 1,856,973***	***$ 2,074,689***	***$ 217,716***	***10.5%***	***$ 4,018,854***	***$ 4,149,379***	***$ 130,525***	3.1%	
General Expenses & Revenues	1,279,009	1,325,887	***$ 46,877***	3.5%	***$ 2,651,773***	***$ 2,651,773***	$ -	0.0%	No variance anticipated at year-end.
Total Expenditures Before Expected Gapping	**$ 16,101,815**	**$ 17,204,149**	**$ 1,102,334**	**6.4%**	**$ 33,633,551**	**$ 34,695,909**	$ 1,062,358	3.1%	
Less: Expected Agency Gapping Budget		(562,135)	(562,135)		(1,124,269)	(1,124,269)	$ (1,124,269)		Expected agency gapping budget forecast to be offset by lower spending in all operating divisions.
TOTAL BOARD OF HEALTH EXPENDITURES	**$ 16,101,815**	**$ 16,642,014**	**$ 540,200**	**3.2%**	**$ 32,509,282**	**$ 33,571,640**	**$ (61,911)**	**-0.2%**	

Middlesex-London Health Unit
FACTUAL CERTIFICATE

To: Members of the Board of Health, Middlesex-London Health Unit

The undersigned hereby certify that, to the best of their knowledge, information and belief after due inquiry, as at June 30, 2019:

1. The Middlesex-London Health Unit is in compliance, as required by law, with all statutes and regulations relating to the withholding and/or payment of governmental remittances, including, without limiting the generality of the foregoing, the following:
    - All payroll deductions at source, including Employment Insurance, Canada Pension Plan and Income Tax;
    - Ontario Employer Health Tax; and
    - Federal Harmonized Sales Tax (HST).

   Further, staff believe that all necessary policies and procedures are in place to ensure that all future payments of such amounts will be made in a timely manner.

2. The Middlesex-London Health Unit has remitted to the Ontario Municipal Employees Retirement System (OMERS) all funds deducted from employees along with all employer contributions for these purposes.

3. The Middlesex-London Health Unit is in compliance with all applicable Health and Safety legislation.

4. The Middlesex-London Health Unit is in compliance with applicable Pay Equity legislation.

5. The Middlesex-London Health Unit has not substantially changed any of its accounting policies or principles since December 8, 2016.

6. The Middlesex-London Health Unit reconciles its bank accounts regularly and no unexpected activity has been found.

7. The Middlesex-London Health Unit has filed all information requests within appropriate deadlines.

8. The Middlesex-London Health Unit is in compliance with the requirements of the Charities Act, and the return for 2018 has been filed. (due by June 30th each year).

9. The Middlesex-London Health Unit has been named in a complaint to the Human Rights Tribunal of Ontario by a former student. The hearing has been completed and a decision to dismiss has been rendered that found no violation of human rights. The individual filed an Application to Divisional Court for a Judicial Review which was dismissed, the individual is now seeking motion for leave to appeal. MLHU has also been named in a second complaint to the Human Rights Tribunal of Ontario by the same individual. This application is in respect to the recruitment of three management positions for which he was not selected for an interview.

10. The Middlesex-London Health Unit is fulfilling its obligations by providing services in accordance with our funding agreements, the Health Protection & Promotion Act, the Ontario Public Health Standards, and as reported to the Board of Health through reports including but not limited to:
    - Quarterly Financial Updates;
    - Annual Audited Financial Statements;
    - Annual Reporting on the Accountability Indicators;
    - Annual Service Plans; and
    - Information and Information Summary Reports.

Dated at London, Ontario this 1st day of July, 2019

Dr. Christopher Mackie
Medical Officer of Health & CEO

Brian Glasspoole
Manager, Finance

Laura Di Cesare
Director, Healthy Organization

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 030-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 September 5

2019 BUDGET – MOHLTC-APPROVED GRANTS

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health

1) ***Receive Report No. 030-19FFC re: "2019 Budget – MOHLTC-Approved Grants" for information; and***
2) ***Approve removing the deficit mitigation step with respect to recruitment as outlined in the April Board of Health Report 031-19 Impact of 2019 Provincial Budget.***

Key Points

- On August 20, the Health Unit received notification from the Ministry of Health and Long-Term Care (MOHLTC) that current cost-sharing arrangements for boards of health will be maintained for 2019.
- New 100% funding totaling $1,861,400 is provided for the Ontario Seniors Dental Care Program.
- Also included was approval of a one-time funding grant of $10,000 submitted to the Ministry with the 2019 Annual Service Plan and Budget Submission on March 1.

Background

A letter from Christine Elliott, Deputy Premier and Minister of Health, on Tuesday, August 20 (attached as Appendix A), confirms that the MOHLTC will maintain base funding at 2018 levels but will provide support for the new Ontario Seniors Dental Care Program of $1,861,400. In addition, up to $10,000 in one-time funding will be available for the 2019–20 funding year. Total maximum funding available under the Accountability Agreement is $23,153,200, as set out in the following table:

Table 1 – Summary of Board of Health Approved Budget

	2019 Budget
Mandatory programs – cost-shared	$ 17,101,100
Base funds – 100%	4,180,700
Ontario Seniors Dental Care Program – 100%	1,861,400
One-time funds	10,000
Total Maximum Base Funds	**23,153,200**

One-Time Funding

As part of the 2019 Annual Service Plan and Budget Submission on March 1, the Health Unit submitted four business cases totaling $328,468 for base funding requests, and five business cases totaling $544,994 for one-time funding requests. Of these, a one-time grant of $10,000 was received for Public Health Inspector Practicum Program Funding.

Planning for 2020

In the letter from Minister Elliott, reference is made to the anticipated shift in the public health funding model that will raise the municipal share of funding to 30% for the majority of public health programs and services, effective January 1, 2020. To help achieve this shift, the provincial government will protect municipalities from any cost increases exceeding 10% of their current contribution by providing one-time mitigation funding to offset funding shortfalls.

At the July 18 meeting, the Board approved the request of the full amount of the provincial cost-sharing reductions, but not cost-of-living pressures, from the municipal funders. Given the 10% cap on increases to municipal contributions, the full amount can no longer be requested. However, the one-time mitigation funding permits the budgeting process to continue with a disinvestment target sufficient to cover budget inflationary pressures, or approximately $570,000.

In the April Board of Health Report 031-19, in the face of the funding uncertainty, the Senior Leadership Team recommended taking reasonable but not dramatic steps to balance the maintenance of important front-line services and mitigate any deficits. These included introducing a hiring freeze and limiting discretionary travel (i.e. conferences). Given MLHU has now received further information with regards to funding for 2019, it is recommended that these mitigation steps be removed for the remainder of 2019.

Next Steps

With this added clarity for 2019, staff are recommending discontinuation of hiring restrictions initiated in April of this year.

This report was prepared by the Finance Team, Healthy Organization Division.

Alexander Summers, Associate Medical Officer of Health

Maureen Rowlands, Director, Healthy Living

On behalf of Christopher Mackie, Medical Officer of Health / CEO

Ministry of Health

Office of the Deputy Premier
and Minister of Health

777 Bay Street, 5th Floor
Toronto ON M7A 1N3
Telephone: 416 327-4300
Facsimile: 416 326-1571
www.ontario.ca/health

Ministère de la Santé

Bureau du vice-premier ministre
et du ministre de la Santé

777, rue Bay, 5e étage
Toronto ON M7A 1N3
Téléphone: 416 327-4300
Télécopieur: 416 326-1571
www.ontario.ca/sante

Ontario

iApprove-2019-01185

AUG 2 0 2019

Ms. Trish Fulton
Chair, Board of Health
Middlesex-London Health Unit
50 King Street
London ON N6A 5L7

Dear Ms. Fulton:

The Ontario government is taking a comprehensive approach to modernize Ontario's health care system which includes a coordinated public health sector that is nimble, resilient, efficient, and responsive to the province's evolving health needs and priorities. While the broader health care system undergoes transformation, a clear opportunity has emerged for us to transform and strengthen the role of public health and its connectedness to communities.

As you are aware, the government made the decision to maintain the current cost-sharing arrangements for boards of health for 2019, to provide municipalities with additional time to find efficiencies that will ensure the sustainability of these critical shared public health services.

As a result, the Board of Health for the Middlesex-London Health Unit will be provided up to $23,143,200 in base funding and up to $10,000 in one-time funding for the 2019-20 funding year, to support the provision of public health programs and services in your public health unit. Dr. David Williams, Chief Medical Officer of Health, will write to the Middlesex-London Health Unit shortly concerning the terms and conditions governing the funding.

While the way in which we are implementing our plan to strengthen public health has changed, the need to do so has not. The current public health structure requires modernization – having 35 independent entities, all with varying capacity, does not facilitate consistent implementation of the core elements of a strong public health system.

Our government has heard that the scale and pace of change is of concern to the public health and municipal sectors. While the modernization of the public health sector remains a priority, the Ministry of Health intends to consult with public health and municipal partners throughout the fall of 2019 to inform the development of Regional Public Health Entities and to ensure that adequate time is provided for thoughtful dialogue and implementation planning.

.../2

Ms. Trish Fulton

In order to support public health unit planning for 2020, municipalities can use a planned funding change to bring the municipal share to 30% for public health programs and services effective as of January 1, 2020. However, to help provide additional stability as municipalities begin to adapt to shifting funding models, our government will also provide one-time mitigation funding to assist all public health units and municipalities to manage this increase while we work to transform the public health system across the province over the next couple of years. While final confirmation of 2020 funding will be provided through the 2020 Budget process, we expect that all municipalities will be protected from any cost increases resulting from this cost-sharing change that exceed 10% of their existing costs.

We continue to rely on your strong leadership to build a modern and sustainable public health sector. Thank you for the important service that your public health unit provides to Ontarians, and your ongoing dedication and commitment to addressing the public health needs of Ontarians.

Sincerely,

Christine J. Elliott

Christine Elliott
Deputy Premier and Minister of Health

c: Dr. Christopher Mackie, Medical Officer of Health, Middlesex-London Health Unit

Ontario

Ministry of Health

Office of Chief Medical Officer of Health,
Public Health
393 University Avenue, 21st Floor
Toronto ON M5G 2M2

Telephone: (416) 212-3831
Facsimile: (416) 325-8412

Ministère de la Santé

Bureau du médecin hygiéniste en chef,
santé publique
393 avenue University, 21e étage
Toronto ON M5G 2M2

Téléphone: (416) 212-3831
Télécopieur: (416) 325-8412

iApprove-2019-01185

AUG 2 0 2019

Dr. Christopher Mackie
Medical Officer of Health
Middlesex-London Health Unit
50 King Street
London ON N6A 5L7

Dear Dr. Mackie:

Re: Ministry of Health Public Health Funding and Accountability Agreement with the Board of Health for the Middlesex-London Health Unit (the "Board of Health") dated January 1, 2014, as amended (the "Agreement")

Further to the recent letter from the Honourable Christine Elliott, Deputy Premier and Minister of Health, I am writing to inform you that the Board of Health will be provided up to $23,143,200 in base funding and up to $10,000 in one-time funding for the 2019-20 funding year, to support the provision of public health programs and services in your community.

Please find attached to this letter a new Schedule A (Grants and Budget), Schedule B (Related Program Policies and Guidelines), Schedule C (Reporting Requirements), and Schedule D (Board of Health Financial Controls) that, pursuant to section 3.4 of the Agreement shall replace the existing schedules. All terms and conditions contained in the Agreement remain in full force and effect.

We appreciate your cooperation with the Ministry of Health in managing your funding as effectively as possible. You are expected to adhere to our reporting requirements, particularly for in-year service and financial reporting, which is expected to be timely and accurate. Based on our monitoring and assessment of your in-year service and financial reporting, your cash flow may be adjusted appropriately to match actual services provided.

It is also essential that you manage costs within your approved budget.

.../2

Dr. Christopher Mackie

Please review the new Schedules carefully. Should you require any further information and/or clarification, please contact Elizabeth Walker, Director, Accountability and Liaison Branch, Office of Chief Medical Officer of Health, Public Health, at 416-212-6359 or by e-mail at Elizabeth.Walker@ontario.ca.

There is a significant role for public health to play within the larger health care system and it will continue to be a valued partner. I look forward to your input and collaboration as we work to modernize the public health sector.

Thank you for your ongoing support as the Ministry of Health continues to build a modern, sustainable public health sector that meets the needs of Ontarians.

Yours truly,

David C. Williams, MD, MHSc, FRCPC
Chief Medical Officer of Health

Attachments

c: Trish Fulton, Chair, Board of Health for the Middlesex-London Health Unit
Laura Di Cesare, Director, Corporate Services, Middlesex-London Health Unit
Jim Yuill, Director, Financial Management Branch, MOH
Teresa Buchanan, Director (A), Fiscal Oversight & Performance Branch, MOH

New Schedules to the Public Health Funding and Accountability Agreement

BETWEEN THE PROVINCE AND THE BOARD OF HEALTH

(BOARD OF HEALTH FOR THE MIDDLESEX-LONDON HEALTH UNIT)

EFFECTIVE AS OF THE 1ST DAY OF JANUARY 2019

SCHEDULE "A"
GRANTS AND BUDGET

Board of Health for the Middlesex-London Health Unit

DETAILED BUDGET - MAXIMUM BASE FUNDS (FOR THE PERIOD OF JANUARY 1, 2019 TO DECEMBER 31, 2019, UNLESS OTHERWISE NOTED)					
Programs/Sources of Funding			**2018 Approved Allocation ($)**	**Increase / (Decrease) ($)**	**2019 Approved Allocation ($)**
Mandatory Programs (Cost-Shared)			17,101,100	-	17,101,100
Enhanced Food Safety - Haines Initiative (100%)			80,000	-	80,000
Enhanced Safe Water Initiative (100%)			35,700	-	35,700
Harm Reduction Program Enhancement (100%)			250,000	-	250,000
Healthy Smiles Ontario Program (100%)			692,700	-	692,700
Infectious Diseases Control Initiative (100%)	# of FTEs	10.50	1,166,800	-	1,166,800
MOH / AMOH Compensation Initiative (100%)[1]			114,000	-	114,000
Needle Exchange Program Initiative (100%)			400,600	-	400,600
Nursing Initiatives (100%)			392,100	-	392,100
Ontario Seniors Dental Care Program (100%)[2]			-	1,861,400	1,861,400
Smoke-Free Ontario Strategy (100%)			1,048,800	-	1,048,800
Total Maximum Base Funds[3]			**21,281,800**	**1,861,400**	**23,143,200**

DETAILED BUDGET - MAXIMUM ONE-TIME FUNDS (FOR THE PERIOD OF APRIL 1, 2019 TO MARCH 31, 2020, UNLESS OTHERWISE NOTED)	
Projects / Initiatives	**2019-20 Approved Allocation ($)**
Public Health Inspector Practicum Program (100%)	10,000
Total Maximum One-Time Funds[3]	**10,000**

(1) Cash flow will be adjusted to reflect the actual status of current MOH and AMOH positions.

(2) Base funding for the Ontario Seniors Dental Care Program is pro-rated at $1,396,050 for the period of April 1, 2019 to December 31, 2019.

(3) Maximum base and one-time funding is flowed on a mid and end of month basis. Cash flow will be adjusted when the Province provides a new Schedule "A".

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

Enhanced Food Safety – Haines Initiative (100%)

The Enhanced Food Safety – Haines Initiative was established to augment the Board of Health's capacity to deliver the Food Safety Program as a result of the provincial government's response to Justice Haines' recommendations in his report "Farm to Fork: A Strategy for Meat Safety in Ontario".

Base funding for this initiative must be used for the sole purpose of implementing the Food Safety Program Standard under the Ontario Public Health Standards. Eligible expenses include such activities as: hiring staff, delivering additional food-handler training courses, providing public education materials, and program evaluation.

Funded projects/activities must be over and above the level of activities underway or planned based on existing mandatory programs base funding.

Enhanced Safe Water Initiative (100%)

Base funding for this initiative must be used for the sole purpose of increasing the Board of Health's capacity to meet the requirements of the Safe Water Program Standard under the Ontario Public Health Standards.

Funded projects/activities must be over and above the level of activities underway or planned based on existing mandatory programs base funding.

Harm Reduction Program Enhancement (100%)

The scope of work for the Harm Reduction Program Enhancement is divided into three components:

1. Local Opioid Response;
2. Naloxone Distribution and Training; and,
3. Opioid Overdose Early Warning and Surveillance.

<u>Local Opioid Response</u>

Base funding must be used to build a sustainable community outreach and response capacity to address drug and opioid-related challenges in their communities. This includes working with a broad base of partners to ensure any local opioid response is coordinated, integrated, and that systems and structures are in place to adapt/enhance service models to meet evolving needs.

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

Local response plans, which can include harm reduction and education/prevention, initiatives, should contribute to increased access to programs and services, and improved health outcomes (i.e., decrease overdose and overdose deaths, emergency room visits, hospitalizations). With these goals in mind, the Board of Health is expected to:

- Conduct a population health/situational assessment, including the identification of opioid-related community challenges and issues, which are informed by local data, community engagement, early warning systems, etc.
- Lead/support the development, implementation, and evaluation of a local overdose response plan (or drug strategy). Any plan or initiative should be based on the needs identified (and/or gaps) in your local assessment. This may include building community outreach and response capacity, enhanced harm reduction services and/or education/prevention programs and services.
- Engage stakeholders - identify and leverage community partners to support the population health/situational assessment and implementation of local overdose response plans or initiatives. This should include First Nations, Métis and Inuit communities where appropriate.
- Adopt and ensure timely data entry into the Ontario Harm Reduction Database, including the Transition to the Ontario Harm Reduction Database and ensure timely collection and entry of minimum data set as per direction from the Province (to be provided).

<u>Naloxone Kit Distribution and Training</u>

The Board of Health (or their Designate) must be established as a naloxone distribution lead/hub for eligible community organizations, as specified by the Province, which will increase dissemination of kits to those most at risk of opioid overdose.

To achieve this, the Board of Health is expected to:

- Ordering of naloxone kits as outlined by the Province; this includes naloxone required by eligible community organizations distributing naloxone.
- Coordinate and supervise naloxone inventory, including managing supply, storage, maintaining inventory records, and distribution of naloxone to eligible community organizations, and ensuring community organizations distribute naloxone in accordance with eligibility criteria established by the ministry.
- With the exception of entities (organizations, individuals, etc.) as specified by the Province:
  - Train community organization staff on naloxone administration, including how to administer naloxone in cases of opioid overdose, recognizing the signs of overdose and ways to reduce the risk of overdose. Board of Health staff would also instruct agency

Type of Funding	***Base***
Source	***Public Health***

staff on how to provide training to end-users (people who use drugs, their friends and family).
- Train community organization staff on naloxone eligibility criteria, including providing advice to agency staff on who is eligible to receive naloxone and the recommended quantity to dispense.
- Support policy development at community organizations, including providing consultation on naloxone-related policy and procedures that are being developed or amended within the eligible community organizations.
- Promote naloxone availability and engage in community organization outreach, including encouraging eligible community organizations to acquire naloxone kits for distribution to their clients.

Use of NARCAN® Nasalspray

The Board of Health will be required to submit orders for Narcan to the Province in order to implement the Harm Reduction Program Enhancement. By receiving Narcan, the Board of Health acknowledges and agrees that:

- Its use of the Narcan is entirely at its own risk. There is no representation, warranty, condition or other promise of any kind, express, implied, statutory or otherwise, given by her Majesty the Queen in Right of Ontario as represented by the Ministry of Health, including Ontario Government Pharmaceutical and Medical Supply Service in connection with the Narcan.
- The Province takes no responsibility for any unauthorized use of the Narcan by the Board of Health or by its clients.
- The Board of Health also agrees:
  - To not assign or subcontract the distribution, supply or obligation to comply with any of these terms and conditions to any other person or organization without the prior written consent of the Province.
  - To comply with the terms and conditions as it relates to the use and administration of Narcan as specified in all applicable federal and provincial laws.
  - To provide training to persons who will be administering Narcan. The training shall consist of the following: opioid overdose prevention; signs and symptoms of an opioid overdose; and, the necessary steps to respond to an opioid overdose, including the proper and effective administration of Narcan.
  - To follow all provincial written instructions relating to the proper use, administration, training and/or distribution of Narcan.
  - To immediately return any Narcan in its custody or control at the written request of the Province at the Board of Health's own cost or expense.

Type of Funding	***Base***
Source	***Public Health***

- That the Province does not guarantee supply of Narcan, nor that Narcan will be provided to the Board of Health in a timely manner.

Opioid Overdose Early Warning and Surveillance

Base funding must be used to support the Board of Health in taking a leadership role in establishing systems to identify and track the risks posed by illicit synthetic opioids in their jurisdictions, including the sudden availability of illicit synthetic opioids and resulting opioid overdoses. Risk based information about illicit synthetic opioids should be shared in an ongoing manner with community partners to inform their situational awareness and service planning. This includes:

- Surveillance systems should include a set of "real-time" qualitative and quantitative indicators and complementary information on local illicit synthetic opioid risk. Partners should include, but are not limited to: emergency departments, first responders (police, fire and ambulance) and harm reduction services.
- Early warning systems should include the communication mechanisms and structures required to share information in a timely manner among health system and community partners, including people who use drugs, about changes in the acute, local risk level, to inform action. They should also include reporting to the province through a mechanism currently under development.

Healthy Smiles Ontario Program (100%)

The Healthy Smiles Ontario (HSO) Program provides preventive, routine, and emergency and essential dental treatment for children and youth, from low-income families, who are 17 years of age or under.

HSO builds upon and links with existing public health dental infrastructure to provide access to dental services for eligible children and youth.

The HSO Program has the following three (3) streams (age of ≤ 17 years of age and Ontario residency are common eligibility requirements for all streams):

1. **Preventive Services Only Stream (HSO-PSO):**
   - Eligibility comprised of clinical need and attestation of financial hardship.
   - Eligibility assessment and enrolment undertaken by boards of health.
   - Clinical preventive service delivery in publicly-funded dental clinics and through fee-for-service providers in areas where publicly-funded dental clinics do not exist.

Type of Funding	***Base***
Source	***Public Health***

2. Core Stream (HSO-Core):

- Eligibility correlates to the level at which a family/youth's Adjusted Net Family Income (AFNI) is at, or below, the level at which they are/would be eligible for 90% of the Ontario Child Benefit (OCB), OR family/youth is in receipt of benefits through Ontario Works, Ontario Disability Support Program, or Assistance for Children with Severe Disabilities Program.
- Eligibility assessment undertaken by the Ministry of Finance and Ministry of Community and Social Services; enrolment undertaken by the program administrator, with client support provided by boards of health as needed.
- Clinical service delivery takes place in publicly-funded dental clinics and through fee-for-service providers.

3. Emergency and Essential Services Stream (HSO-EESS):

- Eligibility comprised of clinical need and attestation of financial hardship.
- Eligibility assessment undertaken by boards of health and fee-for-service providers, with enrolment undertaken by the program administrator.
- Clinical service delivery takes place in publicly-funded dental clinics and through fee-for-service providers.

Base funding for this program must be used for the ongoing, day-to-day requirements associated with delivering services under the HSO Program to eligible children and youth in low-income families. It is within the purview of the Board of Health to allocate funding from the overall base funding amount across the program expense categories.

HSO Program expense categories include:

- Clinical service delivery costs, which are comprised of:
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff that provide clinical dental services for HSO;
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff that undertake the following ancillary/support activities for HSO: management of the clinic(s); financial and programmatic reporting for the clinic(s); and, general administration (i.e., receptionist) at the clinic(s); and,
  - Overhead costs associated with HSO clinical service delivery services such as: clinical materials and supplies; building occupancy costs; maintenance of clinic infrastructure; staff travel associated with portable and mobile clinics; staff training and professional development associated with clinical staff and ancillary/support staff, if applicable; office equipment, communication, and I & IT.

- Oral health navigation costs, which are comprised of:

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

- Salaries, wages, and benefits of full-time, part-time, or contracted staff that are engaged in:
  - Client enrolment for all streams of the program;
  - Promotion of the HSO Program (i.e., local level efforts at promoting and advertising the HSO Program to the target population);
  - Referral to services (i.e., referring HSO clients to fee-for-service providers for service delivery where needed);
  - Case management of HSO clients; and,
  - Oral health promotion and education for HSO clients.
- Salaries, wages, and benefits of full-time, part-time, or contracted staff that undertake the following ancillary/support activities related to oral health navigation: management, financial and programmatic reporting, and general administration (if applicable).
- Overhead costs associated with oral health navigation such as: materials and supplies; building occupancy costs incurred for components of oral health navigation; staff travel associated with oral health navigation, where applicable; staff training and professional development associated with oral health navigation staff and ancillary/support staff, if applicable; office equipment, communication, and I & IT costs associated with oral health navigation.

The Board of Health is responsible for ensuring promotional/marketing activities have a direct and positive impact on meeting the objectives of the HSO Program.

The Board of Health is reminded that HSO promotional/marketing materials approved by the Province and developed provincially are available for use by the Board of Health in promoting the HSO Program.

The overarching HSO brand and provincial marketing materials were developed by the Province to promote consistency of messaging, and "look and feel" across the province. When promoting the HSO Program locally, the Board of Health is requested to align local promotional products with the provincial HSO brand. When the Board of Health uses the HSO brand, it is required to liaise with the Ministry of Health's Communications and Marketing Division to ensure use of the brand aligns with provincial standards.

Operational expenses not covered within this program include: staff recruitment incentives, billing incentives, and client transportation. Other expenses not included within this program include other oral health activities required under the Ontario Public Health Standards, including the *Oral Health Protocol, 2018*.

Other requirements of the HSO Program include:

Type of Funding	***Base***
Source	***Public Health***

- The Board of Health is required to bill back relevant programs for services provided to non-HSO clients using HSO resources. All revenues collected under the HSO Program, including revenues collected for the provision of services to non-HSO clients such as Ontario Works adults, Ontario Disability Support Program adults, municipal clients, etc., with HSO resources must be reported as income in the Standards Activity Reports, Annual Reports, and Annual Service Plan and Budget Submission. Revenues must be used to offset expenditures of the HSO Program.
- For the purposes of reporting and monitoring for the HSO Program, the Board of Health must use the following provincial approved systems or mechanisms, or other as specified by the Province.
  - Aggregate screening, enrolment, and utilization data for any given month must be submitted by the 15th of the following month to the ministry in the ministry-issued template titled Dental Clinic Services Monthly Reporting Template.
  - Client-specific clinical data must be recorded in either dental management software (e.g., ClearDent, AbelDent, etc.) or in the template titled HSO Clinic Treatment Workbook that has been issued by the ministry for the purposes of recording such data.
- The Board of Health must enter into Service Level Agreements with any partner organization (e.g., Community Health Centre, Aboriginal Health Access Centre, etc.) delivering services as part of the HSO Program. The Service Level Agreement must set out clear performance expectations, clearly state funding and reporting requirements between the Board of Health and local partner, and ensure accountability for public funds.
- Any significant change to previously approved HSO business models, including changes to plans, partnerships, or processes, must be approved by the Province before being implemented.
- Any contract or subcontract entered into by the Board of Health for the purposes of implementing the HSO Program must be conducted according to relevant municipal procurement guidelines.
- The Board of Health is responsible for ensuring value-for-money and accountability for public funds.
- The Board of Health must ensure that funds are used to meet the objectives of the HSO Program with a priority to deliver clinical dental services to HSO clients.

Infectious Diseases Control Initiative (100%)

Base funding for this initiative must be used solely for the purpose of hiring infectious diseases control positions and supporting these staff (e.g., recruitment, salaries/benefits, accommodations, program management, supplies and equipment, other directly related costs) to monitor and control infectious diseases, and enhance the Board of Health's ability to handle and coordinate increased activities related to outbreak management, including providing support to other boards of health during infectious disease outbreaks. Positions eligible for

Type of Funding	***Base***
Source	***Public Health***

base funding under this initiative include physicians, inspectors, nurses, epidemiologists, and support staff.

The Board of Health is required to remain within both the funding levels and the number of FTE positions approved by the Province.

Staff funded through this initiative are required to be available for redeployment when requested by the Province, to assist other boards of health with managing outbreaks and to increase the system's surge capacity.

MOH / AMOH Compensation Initiative (100%)

The Province committed to provide boards of health with 100% of the additional base funding required to fund eligible Medical Officer of Health (MOH) and Associate Medical Officer of Health (AMOH) positions within salary ranges initially established as part of the 2008 Physician Services Agreement and continued under subsequent agreements.

Base funding must be used for costs associated with top-up for salaries and benefits, and for applicable stipends to eligible MOH and AMOH positions at the Board of Health and cannot be used to support other physicians or staffing costs. Base funding for this initiative continues to be separate from cost-shared base salaries and benefits.

The maximum base allocation approved for the Board of Health includes criteria for potential MOH and AMOH positions such as: additional salary and benefits for 1.0 FTE MOH position and 1.0 FTE or more AMOH positions where applicable, potential placement at the top of the MOH/AMOH Salary Grid, and inclusion of stipends. Some exceptions will apply to these criteria.

The maximum base allocation in Schedule A of the Agreement does not necessarily reflect the cash flow that the Board of Health will receive. Cash flow will continue to be adjusted regularly by the Province based on up-to-date application data and information provided by the Board of Health during a funding year. The Board of Health is required to notify the Province if there is any change in the eligible MOH and/or AMOH(s) base salary, benefits, FTE and/or position status as this may impact the eligibility amount for top-up.

The Board of Health must comply and adhere to the eligibility criteria for the MOH/AMOH Compensation Initiative as per the *Policy Framework on Medical Officer of Health Appointments, Reporting, and Compensation*.

Type of Funding	***Base***
Source	***Public Health***

Needle Exchange Program Initiative (100%)

Base funding for this initiative must be used for the purchase of needles and syringes, and their associated disposal costs, for the Board of Health's Needle Exchange Program.

Nursing Initiatives (100%)

The Province provides base funding to the Board of Health for the following nursing initiatives and positions:

1. Chief Nursing Officer;
2. Infection Prevention and Control Nurses; and,
3. Social Determinants of Health Nurses.

Chief Nursing Officer Initiative

Base funding must be must to support up to or greater than one full-time equivalent (FTE) Chief Nursing Officer and/or nurse practice lead to enhance the health outcomes of the community at individual, group, and population levels through contributions to organizational strategic planning and decision making; by facilitating recruitment and retention of qualified, competent public health nursing staff; by enabling quality public health nursing practice; and, by articulating, modeling, and promoting a vision of excellence in public health nursing practice, which facilitates evidence-based services and quality health outcomes in the public health context.

The following qualifications are required for designation as a Chief Nursing Officer:

- Registered Nurse in good standing with the College of Nurses of Ontario;
- Baccalaureate degree in nursing;
- Graduate degree in nursing, community health, public health, health promotion, health administration or other relevant equivalent OR be committed to obtaining such qualification within three (3) years of designation;
- Minimum of 10 years nursing experience with progressive leadership responsibilities, including a significant level of experience in public health; and,
- Member of appropriate professional organizations (e.g., Registered Nurses' Association of Ontario, Association of Nursing Directors and Supervisors in Official Health Agencies in Ontario-Public Health Nursing Management, etc.).

Type of Funding	***Base***
Source	***Public Health***

Infection Prevention and Control Nurses

Base funding must be used to support up to or greater than one FTE infection prevention and control nursing services at the Board of Health.

The position(s) is required to have a nursing designation (Registered Nurse, Registered Practical Nurse, or Registered Nurse in the Extended Class); and, Certification in Infection Control (CIC), or a commitment to obtaining CIC within three (3) years of beginning of employment.

Social Determinants of Health Nurses

Base funding must be used to support nursing activities of up to or greater than two FTE public health nurses with specific knowledge and expertise in social determinants of health and health inequities issues, and to provide enhanced supports internally and externally to the Board of Health to address the needs of priority populations impacted most negatively by the social determinants of health.

These positions are required to be to be a registered nurse; and, to have or be committed to obtaining the qualifications of a public health nurse as specified in section 71(3) of the *Health Protection and Promotion Act* (HPPA) and section 6 of Ontario Regulation 566 under the HPPA.

Ontario Seniors Dental Care Program (100%)

The Ontario Seniors Dental Care Program (OSDCP) provides comprehensive dental care to eligible low-income seniors to help reduce unnecessary trips to the hospital, prevent chronic disease and increase quality of life for seniors. The program will be implemented through a staged implementation approach as follows:

STAGE 1: Late Summer 2019 – Dental care provided to eligible low-income seniors through public health units, Community Health Centres, and Aboriginal Health Access Centres based on increasing public health unit operational funding and leveraging existing infrastructure.

STAGE 2: This coming Winter (i.e., Winter 2019-20) – Program expanded by investing in new dental services in underserviced areas, including through mobile dental buses and an increased number of dental suites in Public Health Units, Community Health Centres, and Aboriginal Health Access Centres.

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

Eligibility

Clients will be eligible for the OSDCP if they:

- Are 65 years of age or older;
- Are residents of Ontario;
- Meet the Ministry of Health-specified income eligibility thresholds i.e., single seniors with annual incomes of $19,300 or less after taxes, or senior couples (one or both people aged 65 or older), with a combined annual income of $32,300 or less after taxes; and,
- Have no access to any other form of dental benefits, including through government programs such as the Ontario Disability Support Program, Ontario Works, or the Non-Insured Health Benefits Program.

Eligible clients will be enrolled for up to one benefit year at a time with eligibility re-determined on an annual basis. The benefit year for the OSDCP will align with the benefit year for the Healthy Smiles Ontario Program (i.e., from August 1st until July 31st of the following calendar year).

Basket of Services

The basket of dental services under this Program will be consistent with the Ministry of Children, Community, and Social Services Schedule of Dental Services and Fees, but with the inclusion of certain essential prosthodontics (e.g., dentures) in the basket of services. Eligible clients will be required to pay a 10% co-payment on the total cost of the prosthodontic to the Board of Health.

In addition to prosthodontics, key examples of services included are as follows:

- Examinations/assessments: new patient exam; check-up exam; specific exam; emergency exam.
- Preventive services: polishing; fluoride; sealants; scaling.
- Restorative services: services to repair cavities or broken teeth such as temporary fillings, permanent fillings, crowns.
- Radiographs.
- Oral surgery services to remove teeth or abnormal tissue.
- Anaesthesia.
- Endodontic services: services to treat infections and pain with root canals being the most common service.
- Periodontal services to treat gum disease and other conditions.

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

Program Enrolment

Program enrolment will be managed centrally and will not be a requirement of the Board of Health. The Board of Health will be responsible for local oversight of dental service delivery to eligible clients under the program within the Public Health Unit area.

Program Delivery

The OSDCP will be delivered through Public Health Units, Community Health Centres, and Aboriginal Health Access Centres across the province with care provided by salaried dental providers. These service delivery partners are well positioned to understand the needs of priority populations and provide high quality dental care to low-income seniors in their communities.

With respect to Public Health Unit service delivery under the OSDCP, Public Health Units may enter into partnership contracts on a salaried basis with other entities / organizations or providers/specialists as needed (e.g., to address potential access issues) to provide services to enrolled clients in accordance with the OSDCP schedule of services on behalf of the Public Health Unit.

Base funding for the OSDCP must be used by the Board of Health in accordance with the OSDCP-related requirements of the Oral Health Protocol, 2018 (or as current) for the ongoing, day-to-day requirements associated with oral health navigation and delivering eligible dental services to enrolled clients through public health unit service delivery and/or through local service delivery partners. The Board of Health can allocate base funding for this Program across the program expense categories, with every effort to be made to **maximize clinical service delivery and minimize administrative costs**.

The official start of the Program (i.e., Stage 1 program launch with the commencement of clinical service delivery to clients) is anticipated for late Summer 2019. Beginning April 1, 2019, the Board of Health can begin ramp-up activities in preparation for the late summer 2019 launch of the Program. Eligible ramp-up expenses (staff and/or overhead) effective April 1, 2019 are:

- Costs associated with program outreach for the purpose of identifying clients in the community;
- Costs associated with community outreach for the purpose of identifying and liaising with potential service delivery partners;
- Costs associated with project management to ensure readiness by late summer 2019;
- Information and information technology in accordance with Ministry of Health direction;
- Clinical and office equipment, materials, and supplies; and,

Type of Funding	***Base***
Source	***Public Health***

- Planning costs associated with Ministry of Health-approved capital projects in support of the OSDCP, in accordance with any terms and conditions identified through the capital approval process.

As part of implementation, eligible expense categories under this Program also include:

- *Clinical service delivery costs*, which are comprised of:
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff of the Public Health Unit or local service delivery partner which provide clinical dental services for the Program;
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff of the Public Health Unit or local service delivery partner which undertake ancillary/support activities for the Program, including: management of the clinic(s); financial and programmatic data collection and reporting for the clinic(s); and, general administration (e.g., reception services) at the clinic(s); and,
  - Overhead costs associated with the Program's clinical service delivery such as: clinical materials and supplies; building occupancy costs; maintenance of clinic infrastructure; staff travel associated with clinical service delivery (e.g., portable clinics, mobile clinics, long-term care homes, if applicable); staff training and professional development associated with clinical staff and ancillary/support staff, if applicable; office equipment, communication, and information and information technology.

- *Oral health navigation costs*, which are comprised of:
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff engaged in: client enrolment assistance for the Program's clients (i.e., assisting clients with enrolment forms); program outreach (i.e., local-level efforts for identifying potential clients); and, oral health education and promotion to the Program's clients.
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff that undertake the following ancillary/support activities related to oral health navigation: management, financial and programmatic reporting, and general administration (if applicable); and,
  - Overhead costs associated with oral health navigation such as: materials and supplies; building occupancy costs incurred for components of oral health navigation; staff travel associated with oral health navigation, where applicable; staff training and professional development associated with oral health navigation and ancillary/support staff, if applicable; office equipment, communication, and information and information technology costs associated with oral health navigation.

Operational expenses that are **not** eligible under this Program include:

- Staff recruitment incentives;
- Billing incentives;

Type of Funding	***Base***
Source	***Public Health***

- Client transportation unless otherwise approved by the Ministry of Health; and,
- Costs associated with any activities required under the Ontario Public Health Standards, including the Oral Health Protocol, 2018 (or as current), which are not related to the OSDCP.

Other Requirements

Marketing

- When promoting the OSDCP locally, the Board of Health is requested to align local promotional products with the provincial Program brand and messaging. The Board of Health is required to liaise with the Province to ensure use of the brand aligns with provincial standards.

Revenue

- The Board of Health is required to bill-back relevant programs for services provided to non-OSDCP clients using resources under this Program. All revenues collected under the OSDCP, including revenues collected for the provision of services to non-Program clients such as Ontario Works adults, Ontario Disability Support Program adults, Non-Insured Benefits clients, municipal clients, Healthy Smiles Ontario clients, etc., with resources under this Program must be reported as an offset revenue to the Province. Priority must always be given to clients eligible under this Program. The Board of Health is required to closely monitor and track revenue from bill-back for reporting purposes to the Province.
- The Board of Health is required to collect a 10% co-payment from clients receiving prosthodontics. The client is responsible for reimbursing the Board of Health for 10% of the total cost of the prosthodontic with the Board of Health paying for the remainder (90%) through base funding under this Program. The revenue received from the co-payment is to be used to offset the expenditures of the Program. The Board of Health must report the aggregate amount of the co-payment to the Province. The Board of Health is required to closely monitor and track revenue from co-payments for reporting purposes to the Province.

Community Partners

- The Board of Health must enter into discussions with all Community Health Centres and Aboriginal Health Access Centres in their catchment area to ascertain the feasibility of a partnership for the purpose of delivering this Program.
- The Board of Health must enter into Service Level Agreements with any partner organization (i.e., Community Health Centres, Aboriginal Health Access Centres) delivering services under this Program. The Service Level Agreement must set out clear performance expectations, clearly state funding and reporting requirements between the Board of Health and the local partner, and ensure accountability for public funds.

Type of Funding	***Base***
Source	***Public Health***

The Board of Health must ensure that base funding is used to meet the objectives of the Program, with a priority to deliver clinical dental services to clients, while staying within the base funding allocation.

Smoke-Free Ontario Strategy (100%)

The Smoke-Free Ontario Strategy is a multi-level comprehensive tobacco control strategy aiming to eliminate tobacco-related illness and death by: preventing experimentation and escalation of tobacco use among children, youth and young adults; increasing and supporting cessation by motivating and assisting people to quit tobacco use; and, protecting the health of Ontarians by eliminating involuntary exposure to second-hand smoke. These objectives are supported by crosscutting health promotion approaches, capacity building, collaboration, systemic monitoring and evaluation.

The Province provides base funding to the Board of Health to implement tobacco control activities that are based in evidence and best practices, contributing to reductions in tobacco use rates.

Base funding for the Smoke-Free Ontario Strategy must be used in the planning and implementation of comprehensive tobacco control activities across prevention, cessation, prosecution, and protection and enforcement at the local and regional levels.

The Board of Health must comply and adhere to the Smoke-Free Ontario Strategy: Public Health Unit Tobacco Control Program Guidelines and the Directives: Enforcement of the *Smoke-Free Ontario Act*. Operational expenses not covered within this program include information and information technology equipment.

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***One-Time***
Source	***Public Health***

Public Health Inspector Practicum Program (100%)

One-time funding must be used to hire the approved Public Health Inspector Practicum position(s). Eligible costs include student salaries, wages and benefits, transportation expenses associated with the practicum position, equipment, and educational expenses.

The Board of Health must comply with the requirements of the Canadian Institute of Public Health Inspectors Board of Certification for field training for a 12-week period; and, ensure the availability of a qualified supervisor/mentor to oversee the practicum student's term.

Type of Funding	***Other***
Source	***Public Health***

Vaccine Programs

Funding on a per dose basis will be provided to the Board of Health for the administration of influenza, meningococcal, and human papillomavirus (HPV) vaccines.

In order to claim the vaccine administration fees, the Board of Health is required to submit, as part of the Standards Activity Reports or other reports as requested by the Province, the number of doses administered. Reimbursement by the Province will be made on a quarterly basis based on the information.

The Board of Health is required to ensure that the vaccine information submitted on the Standards Activity Reports, or other reports requested by the Province, accurately reflects the vaccines administered and reported on the Vaccine Utilization database.

Influenza

- The Province will continue to pay $5.00/dose for the administration of the influenza vaccine.
- All doses administered by Public Health Units to individuals aged 6 months or older who live, work or attend school in Ontario.

Meningococcal

- The Province will continue to pay $8.50/dose for the administration of the meningococcal vaccine.
- Routine immunization program: Doses administered as part of the grade 7 school-based or catch-up program for eligible students up to grade 12.
    - Men-C-C doses if given in substitution of Men-C-ACYW135 for routine doses

Note: Doses administered through the high-risk program are not eligible for reimbursement.

Human Papillomavirus (HPV)

- The Province will continue to pay $8.50/dose for the administration of the HPV vaccine.
- Routine immunization program: Doses administered as part of the grade 7 school-based or catch-up program for eligible students up to grade 12.
- High-risk program: MSM <26 years of age.

SCHEDULE "C"

REPORTING REQUIREMENTS

The reports mentioned in this Schedule are provided for every Board of Health Funding Year unless specified otherwise by the Province.

The Board of Health is required to provide the following reports/information in accordance with direction provided in writing by the Province (and according to templates provided by the Province):

Name of Report	Reporting Period	Due Date
1. Annual Service Plan and Budget Submission	For the entire Board of Health Funding Year	March 1 of the current Board of Health Funding Year
2. Quarterly Standards Activity Reports		
Q1 Standards Activity Report	For Q1	April 30 of the current Board of Health Funding Year
Q2 Standards Activity Report	For Q2	July 31 of the current Board of Health Funding Year
Q3 Standards Activity Report	For Q3	October 31 of the current Board of Health Funding Year
Q4 Standards Activity Report	For Q4	January 31 of the following Board of Health Funding Year
3. Annual Report and Attestation	For the entire Board of Health Funding Year	April 30 of the following Board of Health Funding Year
4. Annual Reconciliation Report	For the entire Board of Health Funding Year	April 30 of the following Board of Health Funding Year
5. MOH/AMOH Compensation Initiative Application	For the entire Board of Health Funding Year	As directed by the Province
6. Other Reports and Submissions	As directed by the Province	As directed by the Province

Definitions

For the purposes of this Schedule, the following words shall have the following meanings:

"Q1" means the period commencing on January 1st and ending on the following March 31st.

"Q2" means the period commencing on April 1st and ending on the following June 30th.

"Q3" means the period commencing on July 1st and ending on the following September 30th.

"Q4" means the period commencing on October1st and ending on the following December 31st.

Report Details

Annual Service Plan and Budget Submission

- The Board of Health shall provide its Annual Service Plan and Budget Submission by March 1st of the current Board of Health Funding Year.
- The Annual Service Plan and Budget Submission Template sets the context for reporting required of the Board of Health to demonstrate its accountability to the Province.
- When completed by the Board of Health, it will: describe the complete picture of programs and services the Boards of Health will be delivering within the context of the Ontario Public Health Standards; demonstrate that Board of Health programs and services align with the priorities of its communities, as identified in its population health assessment; demonstrate accountability for planning – ensure the Board of Health is planning to meet all program requirements in accordance with the Ontario Public Health Standards, and ensure there is a link between demonstrated needs and local priorities for program delivery; demonstrate the use of funding per program and service.

Quarterly Standards Activity Reports

- The Quarterly Standards Activity Reports will provide financial forecasts and interim information on program achievements for all programs governed under the Agreement.
- Through these Standards Activity Reports, the Board of Health will have the opportunity to identify risks, emerging issues, changes in local context, and programmatic and financial adjustments in program plans.

Annual Report and Attestation

- The Annual Report and Attestation will provide a year-end summary report on achievements on all programs governed under the Agreement, in all accountability domains under the Organizational Requirements, and identification of any major

changes in planned activities due to local events.

- The Annual Report will include a narrative report on the delivery of programs and services, fiduciary requirements, good governance and management, public health practice, and other issues, year-end report on indicators, and a board of health attestation on required items.

Annual Reconciliation Report

- The Board of Health shall provide to the Province an Annual Reconciliation Report (as part of the Annual Report and Attestation) for funding provided for public health programs governed under the Accountability Agreement.
- The Annual Reconciliation Report must contain: Audited Financial Statements; and, Auditor's Attestation Report in the Province's prescribed format.

MOH/AMOH Compensation Initiative Application

- The Board of Health shall complete, sign, and submit an annual application in order to participate in this Initiative and be considered for funding.
- Application form templates and eligibility criteria/guidelines shall be provided by the Province.

SCHEDULE "D"

BOARD OF HEALTH FINANCIAL CONTROLS

Financial controls support the integrity of the Board of Health's financial statements, support the safeguarding of assets, and assist with the prevention and/or detection of significant errors including fraud. Effective financial controls provide reasonable assurance that financial transactions will include the following attributes:

- **Completeness** – all financial records are captured and included in the Board of Health's financial reports;
- **Accuracy** – the correct amounts are posted in the correct accounts;
- **Authorization** – the correct levels of authority (i.e., delegation of authority) are in place to approve payments and corrections including data entry and computer access;
- **Validity** – invoices received and paid are for work performed or products received and the transactions properly recorded;
- **Existence** – assets and liabilities and adequate documentation exists to support the item;
- **Error Handling** – errors are identified and corrected by appropriate individuals;
- **Segregation of Duties** – certain functions are kept separate to support the integrity of transactions and the financial statements; and,
- **Presentation and Disclosure** – timely preparation of financial reports in line with the approved accounting method (e.g., Generally Accepted Accounting Principles (GAAP)).

The Board of Health is required to adhere to the principles of financial controls, as detailed above. The Board of Health is required to have financial controls in place to meet the following objectives:

1. **Controls are in place to ensure that financial information is accurately and completely collected, recorded, and reported.**

   Examples of potential controls to support this objective include, but are not limited to:
   - Documented policies and procedures to provide a sense of the organization's direction and address its objectives.
   - Define approval limits to authorize appropriate individuals to perform appropriate activities.
   - Segregation of duties (e.g., ensure the same person is not responsible for ordering, recording, and paying for purchases).
   - An authorized chart of accounts.
   - All accounts reconciled on a regular and timely basis.
   - Access to accounts is appropriately restricted.
   - Regular comparison of budgeted versus actual dollar spending and variance analysis.
   - Exception reports and the timeliness to clear transactions.
   - Electronic system controls, such as access authorization, valid date range test, dollar value limits, and batch totals, are in place to ensure data integrity.

- Use of a capital asset ledger.
- Delegate appropriate staff with authority to approve journal entries and credits.
- Trial balances including all asset accounts that are prepared and reviewed by supervisors on a monthly basis.

2. Controls are in place to ensure that revenue receipts are collected and recorded on a timely basis.

Examples of potential controls to support this objective include, but are not limited to:

- Independent review of an aging accounts receivable report to ensure timely clearance of accounts receivable balances.
- Separate accounts receivable function from the cash receipts function.
- Accounts receivable sub-ledger is reconciled to the general ledger control account on a regular and timely basis.
- Original source documents are maintained and secured to support all receipts and expenditures.

3. Controls are in place to ensure that goods and services procurement, payroll and employee expenses are processed correctly and in accordance with applicable policies and directives.

Examples of potential controls to support this objective include, but are not limited to:

- Policies are implemented to govern procurement of goods and services and expense reimbursement for employees and board members.
- Use appropriate procurement method to acquire goods and services in accordance with applicable policies and directives.
- Segregation of duties is used to apply the three (3) way matching process (i.e., matching 1) purchase orders, with 2) packing slips, and with 3) invoices).
- Separate roles for setting up a vendor, approving payment, and receiving goods.
- Separate roles for approving purchases and approving payment for purchases.
- Processes in place to take advantage of offered discounts.
- Monitoring of breaking down large dollar purchases into smaller invoices in an attempt to bypass approval limits.
- Accounts payable sub-ledger is reconciled to the general ledger control account on a regular and timely basis.
- Employee and Board member expenses are approved by appropriate individuals for reimbursement and are supported by itemized receipts.
- Original source documents are maintained and secured to support all receipts and expenditures.
- Regular monitoring to ensure compliance with applicable directives.
- Establish controls to prevent and detect duplicate payments.
- Policies are in place to govern the issue and use of credit cards, such as corporate, purchasing or travel cards, to employees and board members.
- All credit card expenses are supported by original receipts, reviewed and approved by appropriate individuals in a timely manner.
- Separate payroll preparation, disbursement and distribution functions.

4. **Controls are in place in the fund disbursement process to prevent and detect errors, omissions or fraud.**

   Examples of potential controls include, but are not limited to:
   - Policy in place to define dollar limit for paying cash versus cheque.
   - Cheques are sequentially numbered and access is restricted to those with authorization to issue payments.
   - All cancelled or void cheques are accounted for along with explanation for cancellation.
   - Process is in place for accruing liabilities.
   - Stale-dated cheques are followed up on and cleared on a timely basis.
   - Bank statements and cancelled cheques are reviewed on a regular and timely basis by a person other than the person processing the cheques / payments.
   - Bank reconciliations occur monthly for all accounts and are independently reviewed by someone other than the person authorized to sign cheques.

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 031-19FFC

TO: Chair and Members of the Finance and Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 September 5

BY-LAW AND POLICY REVIEW

Recommendation

It is recommended that the Finance and Facilities Committee:

1) ***Receive Report No. 031-19FFC for information; and***
2) ***Approve the governance by-laws and policies outlined within this report, which relate to the financial operations of the Middlesex-London Health Unit to go to Governance Committee for final review.***

Key Points

- The Board of Health is responsible for the Health Unit's governance by-laws and policies.
- The approved policy model requires that governance by-laws and policies be reviewed at least every two years; review and revision of governance by-laws and policies can be initiated at any time as needed.
- The by-laws and policies brought forward to the Finance and Facilities Committee have been reviewed by staff and updated as necessary to ensure continuing compliance with applicable standards, legislation and agreements.
- Once the Finance & Facilities Committee is satisfied with its review, the by-laws and policies will be forwarded to the Governance Committee for final review.

Background

In 2016, the Board of Health approved a plan for developing and revising by-laws and policies based on a model that incorporates best practices from the Ontario Public Health Standards and advice obtained through legal counsel. Refer to Report No. 018-16GC.

Policy Review

The following by-laws and policies were prepared for review by the Finance and Facilities Committee in accordance with the two-year review cycle, found in Appendix A:

- G-180 Financial Planning and Performance
- G-190 Asset Protection
- G-210 Investing
- G-240 Tangible Capital Assets
- G-310 Corporate Sponsorship
- G-320 Donations
- G-330 Gifts and Honoraria

G-180 Financial Planning and Performance underwent revisions to replace reference to the annual preparation of Planning and Budget Templates to the Annual Service Plan, which is a more granular program-based analysis of services provided by the Health Unit.

G-190 Asset Protection underwent minor editorial revisions for designating responsibility to administer asset protection and to secure evidence of insurance from the Health Unit's broker.

G-210 Investing policy is unchanged from the prior revision.

G-240 Tangible Capital Asset underwent substantial revisions to align the policy with current financial statement disclosures and to better align asset categories with the Health Units current investment in capital assets. Amortization rates for leasehold improvements were adjusted to account for anticipated useful life for relocation fit-up costs.

G-310 Corporate Sponsorship is unchanged from the previous revision.

G-320 Donations policy had a minor editorial change to clarify what forms of cash were acceptable for donations.

G-330 Gifts and Honoraria was expanded to provide comprehensive guidance to identify types of gifts that can and cannot be accepted, internal protocol to monitor and disclose gifts received, and expansion of guidelines for treatment of honoraria received and for honoraria paid by the Health Unit.

Next Steps

The Finance and Facilities Committee has the opportunity to review the appended revised by-laws and policies.

Once the Finance & Facilities Committee is satisfied with its review, the by-laws and policies will be forwarded to the Governance Committee for final review.

This report was prepared by Healthy Organization Division.

Alexander Summers, Associate Medical Officer of Health

Maureen Rowlands, Director, Healthy Living

On behalf of Christopher Mackie, Medical Officer of Health / CEO

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MIDDLESEX-LONDON HEALTH UNIT

GOVERNANCE MANUAL

SUBJECT:	Financial Planning and Performance	**POLICY NUMBER:**	**G-180**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 3

IMPLEMENTATION:	June 15, 2017	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	

PURPOSE

To ensure that Health Unit budgeting and financial practices are performed in a fiscally responsible manner and that processes are in place that allow for responsible financial controls and the ability to demonstrate organizational performance.

POLICY

The Secretary-Treasurer prepares and controls the Annual Budget under the jurisdiction of the Board of Health and prepares financial and operating statements for the Board of Health in accordance with Ministry of Health and Long-Term Care policies and Public Sector Accounting Board Guidelines. The Finance and Facilities Committee (FFC) of the Board of Health reviews and recommends the annual budget for Board of Health approval. Additional financial planning and performance tools and processes include Annual Service Plan, Program Budgeting Marginal Analysis (PBMA), quarterly financial reporting, one-time funding requests, and the factual certificate.

PROCEDURE

Fiscal Year

The fiscal year of the Health Unit is January 1 to December 31 for all mandatory programs and any programs funded in whole or in part, by municipalities. For programs funded by other agencies, the fiscal year shall be determined by the agency providing funding.

Annual Budget Preparation

The annual budget will be developed based on a variety of factors including strategic directions, provincial and / or municipal guidance, previous years' base budgets, community need, new funding or legislative requirements. Budget planning and performance reporting is the responsibility of the Directors, Managers and other staff who manage budgets. The budget planning and approval cycle is attached as Appendix A. The planning and approval cycle has the following components:

1. Annual Service Plan

The Annual Service Plan replaces the Planning and Budget Templates and provides a comprehensive summary of each Health Unit program and helps the Board of Health and stakeholders to understand the program's purpose, costs, key performance indicators and other relevant information. The Annual Service Plan supports the annual budget that is approved by

the Board of Health, supports annual budget reporting by program to The Ministry of Health Long Term Care (MOHLTC) and assists with a broader understanding of the work of the Health Unit.

2. Program Budgeting Marginal Analysis

Program Budgeting Marginal Analysis (PBMA) is a criteria-based budgeting process that facilitates reallocation of resources based on maximizing service. This is done through the transparent application of pre-defined criteria and decision-making processes to prioritize where proposed funding investments and disinvestments are made.

3. Quarterly Financial Reporting

Health Unit staff provide financial analysis for each quarter and report the actual and projected budget variance as well as any budget adjustments, or noteworthy items that have arisen since the previous financial update that could impact the Middlesex-London Health Unit budget.

4. One-time Funding Requests

One-time funding request may be used for non-reoccurring expenditures or to temporarily enhance program objectives. Requests should be made during the budget preparation process, by making application to the provincial government for one-time funding when filing the Annual Service Plan. Once the need is established, the approval of the request will follow the policy G-200 Signing Authority based on the total value of the request.

5. Factual Certificate

Health Unit Management completes a factual certificate to increase oversight in key areas of financial and risk management. The certificate process ensures that the FFC has done its due diligence. The certificate is reviewed on a quarterly basis alongside financial updates.

6. Audited Financial Statements

The preparation of the financial statements is the responsibility of the Health Unit's Management and is prepared in compliance with legislation and in accordance with Canadian public sector accounting standards. The Finance & Facilities Committee meets with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

It is a requirement of the Board of Health to provide audited financial reports to various funding agencies for programs that are funded from April 1st – March 31st each year. The purpose of this audited report is to provide the agencies with assurance that the funds were expended for the intended purpose. The agencies use this information for confirmation and as a part of their settlement process.

These programs are also reported in the main audited financial statements of the Middlesex-London Health Unit which is approved by the Board of Health. This report includes program revenues and expenditures of these programs during the period of January 1st to December 31st.

RELATED POLICIES

G-200 Approval & Signing Authority

REVISION DATES (* = major revision)**:**
15-06-2017
22-08-2019

Annual Budget Planning and Reporting Cycle

January	• Annual budget submission to FFC
February	• Annual budget approved by Board of Health
March	• Budget submission to the Ministry of Health and Long-Term Care • Q4 Variance Reporting and Factual Certificate to FFC
April	
May	• Q1 Variance Reporting and Factual Certificate to FFC
June	• January 1 to December 31 – Audited Financial Statements to FFC
July	• PBMA criteria recommended to FFC • High-level planning parameters for upcoming year recommended to FFC
August	
September	• Q2 Variance Reporting and Factual Certificate to FFC • April 1 to March 31 Consolidated Financial Statements to FFC
October	
November	• Q3 Variance Reporting and Factual Certificate to FFC • PBMA proposals recommended to FFC
December	

MIDDLESEX-LONDON HEALTH UNIT

GOVERNANCE MANUAL

SUBJECT:	Asset Protection	**POLICY NUMBER:**	**G-190**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 2

IMPLEMENTATION:	June 15, 2017	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	

PURPOSE

To ensure that Health Unit assets, Board of Health members, employees, students, volunteers and any other persons legally engaged on the behalf of the Health Unit are adequately insured against physical damage and / or injury and errors and omissions.

POLICY

The Board of Health shall ensure that assets are reasonably protected and not placed at unnecessary risk or liability.

PROCEDURE

The Board of Health shall ensure that:

- Reasonable insurance coverage against fire, theft, casualty losses, with an appropriate deductible is maintained.
- Reasonable insurance coverage against liability losses for Board of Health members, employees, students, volunteers and any other persons legally engaged on the behalf of the Health Unit is maintained.
- Reasonable insurance coverage against losses due to errors and omissions for Board of Health members, employees, students, volunteers and any other persons legally engaged on the behalf of the Health Unit is maintained.
- Where risks are known, the Health Unit actively mitigates these risks through planning and policy development (e.g. building security planning).

Review of Insurance Coverage
The Manager, Finance or designate reviews all insurance policies annually with insurance professionals representing the Board of Health. The Manager, Finance or designate presents any substantive changes in these policies to the Finance and Facilities Committee of the Board of Health for their approval.

Request for Proof of Insurance – Insurance Certificates
From time to time, staff may be required to provide proof of the Health Unit's insurance, for example for renting facilities and equipment.

Staff must submit the request to the Manager, Finance or designate 10 business days prior to the date required by the 3rd party. The request should detail the following:

- Date of the event
- The location and description of the event
- The 3rd party contact information including name, address and fax number

The Manager, Finance or designate will liaise with the insurance agent to fill the request and ensure the 3rd party receives a copy of the insurance certificate.

The Manager, Finance or designate will keep all Insurance Certificates, and may provide a copy to the requestor if required.

REVISION DATES (* = major revision)**:**
1992-09-23
1997-09-25
2000-06-31
2005-03-02
2008-10-30
2014-06-01
2019-08-22

SUBJECT:	Investing	**POLICY NUMBER:**	**G-210**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 2

IMPLEMENTATION:	June 15, 2017	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	

PURPOSE

The purpose of the investment policy is to set out a framework for investing to maximize investment income at minimal risk to capital while meeting the daily cash requirements of the Board.

POLICY

The Middlesex-London Health Unit, pursuant to Section 56 (1) of the Health Protection and Promotion Act may enact by-laws and policies respecting banking and finance.

The Board of Health shall invest public funds in a manner that maximizes investment income and minimize investment risk while meeting the daily cash requirements of the Board and conforming with all related statutory and contractual requirements. The investment policy shall govern the investment activities of the Board's General Operating account, Reserves and Reserve Funds, and Trust Funds.

The Health Unit shall adhere to the following objectives in the consideration, purchase, disposal and administration of any Board of Health held investments:

a) **Adherence to Statutory Requirements**
All investment activities shall be in compliance with the relevant sections of any applicable legislation, related regulations, and applicable funding agreements.

b) **Preservation of Capital**
Safety of principal is a primary objective of the investment portfolio. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

c) **Liquidity**
The investment portfolio shall remain sufficiently liquid to meet all operating or cash flow requirements and limit temporary borrowing requirements. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets.

d) **Diversification**
The portfolio shall be diversified by asset class, issuer type, credit rating and by term to the extent possible, given legal and regulatory constraints.

e) **Yield**
The Health Unit shall maximize the net rate of return earned on the investment portfolio, without compromising the other objectives listed previously. Investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the assumed risk.

PROCEDURE

The Secretary-Treasurer shall have overall responsibility for the prudent investment of the Board's investment portfolio. The Secretary-Treasurer shall have the authority to implement the investment program and establish procedures consistent with this policy. Such procedures shall include the explicit delegation of the authority needed to complete investment transactions however the Secretary-Treasurer shall remain responsible for ensuring that the investments are compliant with legislations and this policy. No person may engage in an investment transaction except as provided under the terms of this policy.

The Secretary-Treasurer shall be authorized to enter into arrangements with banks, investment dealers and brokers, and other financial institutions for the purchase, sale, redemption, issuance, transfer and safe-keeping of securities in a manner that complies to applicable legislation.

APPLICABLE LEGISLATION

Health Protection and Promotion Act, R.S.O. 1990, c. H.7
Municipal Act, 2001, S.O. 2001, c. 25

RELATED POLICIES

G-B20 By-law #2 Banking and Finance

SUBJECT:	Tangible Capital Assets	**POLICY NUMBER:**	**G-240**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 4

IMPLEMENTATION:	June 15, 2017	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	

PURPOSE

The purpose of this policy is to prescribe the accounting treatment for tangible capital assets so that investments in property, plant and equipment are reflected on the Health Unit's financial statements in order to comply with Section 3150 of the Public Sector Accounting Board (PSAB) Handbook.

POLICY

The principle issue regarding tangible capital assets (TCA) is the recognition of the assets and the determination of amortization charges. This policy sets forth how the Health Unit gathers and maintains information needed to prepare financial statements in regards to tangible capital assets.

PROCEDURE

Capitalization and Asset Categories:
Tangible capital assets should be capitalized (recorded in the fixed asset sub-ledger) according to the following asset classes per year:

Asset Class	Useful Life – Years
Leasehold Improvements	5-20
Computer Systems	4
Motor Vehicles	5
Furniture and Equipment	7

* Assets under construction are not amortized until the asset is available for productive use.
*The Health Unit must have legal title to the assets in order for the asset to qualify as a capital asset.

Valuation of Assets
Tangible capital assets should be recorded at cost plus all related charges necessary to place the asset in its intended location and condition for use.

1. **Purchased assets**

The cost is the gross amount paid to acquire the asset and includes all non-refundable taxes and duties, freight and delivery charges, installation and site preparation costs etc., net of any trade discounts or rebates.

2. **Acquired, Constructed or Developed Assets**

The cost includes all costs directly attributable (e.g. construction, architectural and other professional fees) to the acquisition, construction or development of the asset. Capitalization of general administrative overhead is not permitted.

3. **Donated or Contributed Assets**

The cost of donated or contributed assets is equal to the fair value at the date of construction or contribution. Fair value may be determined using market or appraisal values.

Amortization

The cost, less any residual value, of a tangible capital asset with a limited life should be amortized over its useful life in a rational and systematic manner appropriate to its nature and use. (PSAB 3150.22)

Amortization should be accounted for as an expense in the statement of operations. A record is still required for assets still in use, but already fully amortized. Amortization does not commence until the asset is available for use. In the year an asset is put into service, half of the applicable amortization is expensed. The method of asset amortization, threshold levels and estimated useful life will be reviewed on an annual basis.

Disposal

Managers should notify the Manager, Finance when assets become surplus to operations. Disposal procedures for capital assets will be in accordance with Health Unit Procurement Policy.

Capital Leases

Any capital lease shall be accounted for in the same manner as acquiring a capital asset.

Reporting

PSAB 3150.40 requires that the financial statements should disclose, for each major category of tangible capital assets and in total:

a) Cost at the beginning of the period
b) Additions in the period
c) Disposals in the period
d) The amount of any write-downs in the period
e) The amount of amortization of the costs of tangible capital assets for the period
f) Accumulated amortization at the beginning and end of the period and
g) Net carrying amount at the beginning and end of the period.

Method for determining initial cost of each asset category:

Where feasible, an inventory of all assets will be conducted. A master list of assets will be created, identified by category and updated as assets are acquired or disposed of. Assets which are old and still in use past their normal amortization period will still be recorded.

Definitions

Tangible Capital Assets: are non-financial assets having physical substance that:

a) Are used on a continuing basis in the Health Unit's operations
b) Have useful lives extending beyond one year
c) Are not held for re-sale in the ordinary course of operations.

Amortization: is the accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life. (Also referred to as depreciation.)

Betterments: are subsequent expenditures on tangible capital assets that:

- Increase service capacity
- Lower associated operating costs
- Extend the useful life of the asset
- Improve the quality of the asset

These costs are included in the tangible capital asset's cost. Any other expenditure would be considered a repair or maintenance and expensed in the period in which the expense was incurred.

Capital lease: is a lease with contractual terms that transfer substantially all the benefits and risks inherent in ownership of property to the Health Unit. One or more of the following conditions must be met:

a) There is reasonable assurance that the Health Unit will obtain ownership of the leased property by the end of the lease term
b) The lease term is of such duration that the Health Unit will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.
c) The lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.

Capitalization threshold: is the minimum amount that expenditures must exceed before they are capitalized and are reported on the balance sheet of the financial statements. Items not meeting the threshold would be recorded as an expense in the period in which the expense was incurred. Management should use appropriate discretion for individual items under $100 in value with a service life exceeding four years (minimum amortization period for capital assets).

Group Assets (pooling): have an individual value below the capitalization threshold but have a material value as a group. Although recorded in the financial systems as a single asset, each unit may be recorded in the asset sub-ledger for monitoring and control of its use and

maintenance. Examples could include computers, furniture and fixtures, small moveable equipment etc.

Computer Software: all software expenditure is generally expensed when purchased.

Useful Life: is the shortest of the asset's physical, technological, commercial or legal life.

APPLICABLE LEGISLATION

Public Sector Accounting Board (PSAB) Handbook

REVISION DATES (* = major revision)**:**
2019-08-22
2010-01-01

SUBJECT:	Corporate Sponsorship	**POLICY NUMBER:**	**G-310**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 4
IMPLEMENTATION:	September 25, 1997	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	

PURPOSE

The MLHU welcomes and encourages sponsorship to advance the work of the organization. The purpose of this policy is to provide guidelines to maximize revenue opportunities while safeguarding the Health Unit's corporate values, image, reputation, assets and interests.

POLICY

In this policy, "sponsorship" refers to a mutually agreed to arrangement, prepared in writing, between the Health Unit and an external party (organization or individual referred to as the "sponsor") where the sponsor contributes money, goods or services to a Health Unit facility, program, project or special event in return for recognition, acknowledgement, or other promotional considerations or benefits.

This policy excludes donations, gifts in-kind or advice where no business relationship or association is contemplated or is required and where not reciprocal consideration is being sought. Refer to Donations Policy.

Reputational Risk

Conflict of Interest

The policy applies to all Staff / Board Members, and all relationships between the Health Unit and the sponsor. Staff / Board Members must not receive direct professional, personal or financial gain from an affiliation with the sponsor. The Health Unit must be vigilant at all times to avoid any real or apparent conflict of interest in accepting sponsorships. For more details on conflict of interest refer to Policy G-380 Conflict of Interest and Declaration.

Brand Preservation

The sponsorship must enhance, not impede, the Health Unit's ability to act in the best interest of the public. Agreements shall not in any way invoke future consideration, influence or be perceived to influence the day to day operations of the Health Unit. The Health Unit will maintain complete control of all funds provided from sponsors. The Health Unit's intangible intellectual assets, including name and logo, will be protected at all times. Sponsors will not be permitted to use Health Unit's name or logo for any commercial purpose or in connection with the promotion of any product. The Health Unit will not provide product or service endorsements or allow commercial product promotions. Use of the MLHU logo by other agencies must be approved by Communications.

The Health Unit aims to preserve and protect its image and reputation at all times, and therefore, will not solicit or accept sponsorship from companies whose products or services are inconsistent with MLHU's mission, vision, values or health promotion messaging. Under no circumstances will corporations in the production or distribution of breast milk substitutes be considered for sponsorship. Consideration can be given to subsidiary companies as long as the parent company is not promoted.

The Health Unit reserves the right to reject any unsolicited sponsorships that have been offered, and to refuse to enter into agreements for any sponsorships that may have originally been solicited by the Health Unit.

PROCEDURE

Impact Assessment
There may be legal, administrative, professional practice or other considerations (e.g. labour relations, budget, resourcing, health promotion messaging etc.) that should be reviewed and clarified before entering into any type of sponsorship agreement. Refer to Appendix A Corporate Sponsorship Assessment Form and Appendix B Corporate Sponsorship Agreement / Contract.

Sponsorship Agreement

Approval
All sponsorship opportunities must be reviewed by the Division Director with consultation as appropriate, before any agreement is signed. The Signing Authority Policy governs the approvals required for the execution of any sponsorship agreement. All sponsorships regardless of their value must have a signed agreement, which clearly outlines the responsibilities of all parties.

Multi-Year Agreements
Sponsorship agreements that are entered into, which span greater than one year, are to be evaluated on an annual basis by the Manager, Finance to ensure that the criteria have been met, and will continue to be met. Any changes by the Health Unit to the sponsorship agreement will be forwarded to the appropriate authorizing person as per the Signing Authority Policy.

Multi-Party Agreements
When activities are planned in partnership with other organizations, and a sponsorship agreement is involved, consensus about the corporate sponsorship must be achieved among all partners. All parties must sign off on the sponsorship agreement.

Sponsor Recognition
How the sponsor is recognized or acknowledged must be included in the sponsorship agreement.

Solicitation

The solicitation process for sponsorship does not need to follow the competitive procurement process for quotes. Any other situations that are an exception to this Policy will be reviewed by the Medical Officer of Health / Chief Executive Officer (MOH / CEO) and the Board of Health if required.

DEFINITIONS

Charitable Donation: A free or philanthropic contribution or gift, usually to a charity or public institution. It could be in the form of goods, services or funds given with expectation of a tax receipt.

Corporate Sponsorship: Is a marketing-oriented, contracted partnership between a corporation and a not-for-profit organization with obligations and benefits to both parties. What distinguishes corporate sponsorship from a charitable donation is the expectation for corporate recognition. A corporation may choose to sponsor an organization on a short or long-term basis by providing funding, goods or services. Corporations may use sponsorship as a deductible business expense. Examples of corporate sponsorship are:

- Donating products for contests
- Printing of materials
- Donating supplies, equipment, food or people
- Providing mailing services
- Funding for specific programs or activities
- Providing meeting space
- Naming rights

Sponsorship Arrangement: Is a business arrangement whereby the partner commits resources (monies and/or in-kind resources) to support a specific project or activity, but does not share in the profits or underlying risks of the project. The partner contributes funds to an event, program or even a capital project and receives a benefit (e.g., specific image and marketing opportunities) from the associated publicity.

Sponsorship Agreement: The document which outlines the terms and conditions of the Sponsorship Arrangement, and outlines the responsibilities of all parties.

Endorsement: A formal and explicit approval or a promotional statement for a product or service of a corporation.

Naming Rights: A type of sponsorship in which an external company, organization, enterprise, association or individual purchases the exclusive right to name an asset or venue (e.g., a library building, sports facility or part of a facility - an ice pad within a multi-pad facility, etc.) for a fixed or indefinite period of time. Usually naming rights are considered in a commercial context, which is that the naming right is sold or exchanged for significant cash and/ or other considerations under a long-term arrangement.

Solicitation: Act or instance of requesting or seeking bid, business, or information.

APPLICABLE LEGISLATION

Not applicable.

RELATED POLICIES

G-330 Gifts and Honorariums
G-200 Signing Authority

REVISION DATES (* = major revision)**:**
September 25, 1997
May 31, 2000
May 16, 2002
March 31, 2014

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Appendix A
Policy G-310

Governance Policy Manual – Corporate Sponsorship Assessment Form

1. Name of proposed sponsor: _____

   Name of sponsor contact person: _____

   Name of MLHU Contact Person

   (Division Director /Project Staff): _____

2. Any prior philanthropic association with the MLHU?
   Yes ☐ No ☐

   Describe: _____

   _____

   _____

3. What is the nature of the proposed sponsorship?

   Division: _____

   Project or Event: _____

   Describe: _____

   _____

   _____

4. How will this relationship advance the overall health of the community and/or the mission of the MLHU?

   _____

   _____

   _____

5. Is the sponsor's mission and project or service compatible with the Health Unit mission?

   Yes ☐ No ☐

6. Outline any potential conflict of interest (Real or Apparent).

   _____

   _____

   _____

7. Optimal timing for submission of requests for sponsorship proposal to company.

_____

8. Information on company sponsorship approval process.

_____

9. What does Corporate Sponsor require from MLHU for their approval process?

_____
_____
_____
_____
_____
_____
_____

10. Corporate Sponsor's Annual Report & Strategic Plan obtained:

Yes □ No □ N/A □

11. Has another MLHU Division or project stated an intention to solicit from this sponsor?

Yes □ No □

12. Probable response to this sponsorship relationship within:

	UNFAVOURABLE	NEUTRAL	FAVOURABLE
The Ministry of Health			
The Community			
Other MLHU Stakeholders			

13. Overall assessment of this sponsorship relationship:

1 2 3 4 5

Not Useful Useful Very Useful

14. According to MLHU policy have appropriate MLHU signators in the MLHU reviewed this Sponsorship Assessment Form?

Yes □ No □

Comments or Conditions:

_____
_____
_____

15. Division Director if applicable:

Accept □ Reject □

_____ _____

(name and position) (date)

16. Medical Officer of Health / Chief Executive Officer recommendation if applicable:

    Accept □ Reject □ N/A □

    _____ _____

    (signature and position) (date)

17. Board of Health recommendation if applicable:

    Accept □ Reject □ N/A □

    _____ _____

    (Chair of Board) (date)

18. Assessment form completed by:

    _____ _____

    (signature and position) (dates)

ATTACH A COPY OF THE PROPOSAL TO/FROM THE SPONSOR TO THIS FORM.

Governance Policy Manual – Corporate Sponsorship Agreement / Contract

BETWEEN:

Middlesex-London Health Unit (the "Health Unit")

AND

The "Corporate Sponsor"

_____

Corporate Name

_____

Address

_____

ACTIVITY:

_____

_____

(Indicate exact manner in which event is to be described)

LOCATION OF ACTIVITY:

_____

DESCRIBE THE DONATION:

_____

PURPOSE

The Corporate Sponsor has agreed to sponsor (the Activity indicated above).

The Agreement sets forth the respective roles, obligations and commitments of the Corporate Sponsor and the Health Unit regarding the Activity.

Each party agrees to observe this Agreement to the best of its ability.

Recognition/Promotion

In all promotional materials and publicity, the Activity will be described as indicated above. Describe the prominence of Health Unit/Corporate Sponsors names and logos in all promotional materials and signage used in connection with the Activity.

Describe content and style of promotion materials.

_____

_____

ADMINISTRATION

1.0 The Corporate Sponsorship Agreement/ Sponsorship Contract addresses the following:

1.1 Insurance Coverage if applicable.
1.2 Responsibilities, liabilities, obligations and benefits of MLHU and Corporate Sponsor.
1.3 Project timelines.
1.4 Describe content and style of promotional materials.
1.5 Commitments to suppliers/others.
1.6 Pricing of participation in the activity.
1.7 Revenue and expenditure budget.
1.8 Frequency of reports re project/program status to Corporate Sponsor.
1.9 Financial Considerations - receipts, proceeds, statements of account (describe the use of proceeds, services in kind and uses of the donation), audit requirements.

2.0 Termination

If the Corporate Sponsor is sponsoring the Activity on a "one time" basis state: "this Agreement will terminate when the Activity is concluded and all obligations with respect thereto have been satisfied".

If the Corporate Sponsor will be sponsoring the Activity on a "continuing" basis state: "this Agreement will continue in force until terminated by either party on at least 30 days prior written notice to the other party".

After termination of this agreement, the Corporate Sponsor will no longer be associated with the Activity. The Health Unit will be entitled to continue, discontinue or modify the Activity as it considers appropriate and the Activity, the name, style and any logos associated with the Activity, excluding any logos of the Corporate Sponsor, will remain the property of the Health Unit.

3.0 Modifications

This Agreement is subject to any additional matters agreed to be the parties described in any appendix attached hereto.

The Middlesex-London Health Unit

_____

Medical Officer of Health ***/*** Chief Executive Officer

_____

Date

The "Corporate Sponsor"

_____

Per

_____

Date

SUBJECT:	Donations	**POLICY NUMBER:**	**G-320**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 3
IMPLEMENTATION:	March 31, 2014	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	

PURPOSE

The Health Unit, while having charitable status, is not in the "business of fundraising" and therefore does not actively solicit donations. However, it may from time to time, receive donations from the public or other organizations. The purpose of this policy is to provide guidance to Health Unit staff on accepting donations that are appropriate, ethical, and consistent with the organization's values; and, on dealing appropriately with donors who have made a donation.

POLICY

Responsibility to MOHLTC
Although MOHLTC encourages agencies to raise funds, ministry funds cannot be used to support fundraising activities (e.g., salary for a fund raiser, supplies, advertising). Any fundraised dollars must be accounted for separately on the agency's audited financial statements. A reasonable amount of time spent at planning meetings is acceptable and would not be considered a fundraising activity.

Responsibility to Donors
The Health Unit must ensure that any donors or prospective donors are treated in an ethical and responsible manner at all times. At no time shall Health Unit staff exert undue pressure or influence on a donor or prospective donor. If there is any perceived conflict of interest with Health Unit staff, when dealing with a donor or prospective donor, that conflict of interest will be declared to the Medical Officer of Health / Chief Executive Officer (MOH / CEO), and the donor or prospective donor will also be made aware of the conflict of interest.

PROCEDURE

Consultation
Health Unit staff will encourage donors to consult with Professional Advisors of their choice, as well as with family members, prior to making a donation to ensure that the donor will not be disadvantaged by the donation.

Restricted Donations
The Health Unit shall, at all times, honour the conditions of donations accepted. Should the purpose for which the donation was made change, every attempt will be made to discuss the change with the donor. If the donor cannot be contacted, the MOH / CEO will realign the use of the donation, meeting as closely as possible, the donor's original intent. If the donor's wish is to

remain anonymous, the Health Unit will maintain anonymity. Otherwise, the Health Unit will ensure that the donor is appropriately recognized.

Receipts

A receipt will be issued to the donor for the value of the donation in accordance with Canada Revenue Agency (CRA) guidelines. All donor information will be kept in accordance with the Health Unit's Privacy Policy.

Accepting Donations

Gifts of Cash, Securities or Real Estate

Donations can be received directly or through bequests. Donations can be for general purposes or can be in support of a specific item, program or service, either capital or operational in nature. The Health Unit can only accept donations that are in the form of cash. Cash would include currency, cheques or electronic fund transfers. Any donations that are in the form of securities or real estate must be declined; however, the donor can be informed that if it converts the securities or real estate into cash, that the Health Unit will accept the donation.

Gifts In-Kind

Gifts in-kind are evaluated and accepted (or declined) based on need, ongoing maintenance requirements, suitability, storage and liability, amongst other criteria. Depending on the donor's wishes, the Health Unit may retain the gift or sell it and use the proceeds where they are needed most.

Canada Revenue Agency Guidelines

According to CRA, it is the donor's responsibility to have the value of the property appraised for receipting purposes. The Health Unit will issue a receipt in accordance with CRA guidelines.

Declining Donations

Health Unit staff shall decline any donation where one or more of the following may be true:

- Restrictions attached to the donation are not consistent with the mission, values or programs of the Health Unit. Under no circumstances will corporations in the production or distribution of breast milk substitutes be considered for receiving donations. Consideration can be given to subsidiary companies as long as the parent company is not promoted.
- Restrictions attached to the donation would cause undue hardship on the Health Unit
- The donor is attempting to unduly influence the Health Unit
- The donation is from illegal sources
- The donation is from a group whose ethics or business practices are inconsistent with the mission, values or programs of the Health Unit
- Donations of material property for which no reliable valuation can be made
- Donations that jeopardize the charitable status of the Health Unit
- Donations with undue physical or environmental hazards associated with them
- Donations that could improperly benefit an individual
- Donations that could harm the reputation of the Health Unit
- Sponsorship

DEFINITIONS

MOHLTC: Ministry of Health and Long-Term Care.

Board: Board of Health for the Middlesex-London Health Unit.

Securities: Are equity or debt instruments listed on a public exchange.

Personal Property: Anything that is not cash, securities or real estate. Personal Property includes, but is not limited to, artworks, automotive vehicles, rare books and equipment.

Bequest: Is the act of receiving personal property through a Will.

Restriction: Is a condition imposed on the use of a gift/donation.

Conflict of Interest: Is any event (whether actual or perceived) in which the Health Unit or anyone representing the Health Unit may benefit from knowledge of, or participation in, the acceptance of a donation.

CRA: Canada Revenue Agency.

Donation/Gift (cash): Is a voluntary transfer of personal property from a donor to a recipient. The transaction shall not result directly or indirectly in a right, privilege, material benefit or advantage to the donor or to a person designated by the donor.

Gift-in-Kind/In-Kind Gift (not cash): A donation of property, goods or services other than cash. An independent qualified appraiser typically determines the fair market value of the gift.

Professional Advisors: Professionals external to the Health Unit with the ability to provide expert tax, legal or financial planning advice to donors (or prospective donors) on their charitable giving, including lawyers, financial planners, insurance agents, trust professionals, accountants, or investment advisors.

APPLICABLE LEGISLATION

RELATED POLICIES

G-200 Approval and Signing Authority

REVISION DATES (* = major revision)**:**

SUBJECT:	Gifts and Honoraria	**POLICY NUMBER:**	**G-330**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 4
IMPLEMENTATION:	September 30, 1992	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	

PURPOSE

This policy addresses what is an acceptable gift/honoraria for Staff / Board Members to receive when acting in their capacity as Health Unit employees / public health professionals / members of the Middlesex-London Board of Health.

This policy applies to full time, part time and contract staff and Board Members unless otherwise stated. This policy applies at all times, whether during a traditional gift-giving season or not.

POLICY

Gifts/Gratuities

1.1 No staff/Board Member shall accept, solicit, offer or agree to accept a commission, fee, advance, cash, gift, gift certificate, bonus, reward or benefit that is connected directly or indirectly with the performance of his or her duties of office unless permitted by the exceptions listed section 1.3 below. No Staff/Board Member shall accept the use of property or facilities, such as a vehicle, office or vacation property at less than fair market value or at no cost.

1.2 For the purposes of this policy a commission, fee, advance, cash, gift, gift certificate, bonus, reward or benefit provided with the staff/Board Member's knowledge to a member's spouse, child or parent or to a staff/Board Member's staff that is connected directly or indirectly to the performance of theirs duties is deemed to be a gift to that Staff/Board Member.

1.3 Subject to the limitations described in paragraph 8.4 the following are recognized as exceptions:

a) gifts that are received as an incident of protocol or social obligation that normally and reasonably accompany the responsibilities of office;
b) token gifts such as souvenirs, mementoes and commemorative gifts that are given in recognition of service on a committee for speaking at an event or representing MLHU at an event;
c) food and beverages consumed at lunches, dinners, charity, fundraisers, banquets, receptions, ceremonies or similar events if the Member's attendance serves a legitimate organizational purpose, the value is reasonable and the invitations infrequent;

d) communications to the offices of a staff/Board Member including subscriptions to newspapers and periodicals;
e) compensation authorized by law;
f) political contributions that are offered, accepted and reported in accordance with applicable law;
g) services provided without compensation by persons volunteering their time;
h) gifts of admission to dinner, charity fundraisers, banquets, receptions, ceremonies, cultural events, sporting events, business galas, political events and similar events if the staff/Board Member's attendance serves a legitimate organizational purpose;
i) reasonable payment for participation in or organizing any reception, dinner, gala, golf tournament, or similar event to support charitable causes or fundraising event and food, lodging, transportation or entertainment from a not for profit non-government organization;

1.4 Within 30 days of receipt of any gift described in Section 1.3, Staff/Board Members shall file a disclosure statement in accordance with the format set forth in Appendix A attached with the Division Director/Board Chair for any gift that exceeds $100 in value. If the value of any gift described in Section 1.3 exceeds $100 or if the total value of such gifts received from any one source during one calendar year exceeds $500 the staff/Board Member shall file a disclosure statement with their respective Director/ the Secretary-Treasurer of the Board of Health within 30 days of the receipt of the gift. Every disclosure statement shall indicate: Appendix A.
(i) the nature of the gift;

(ii) its source and date of receipt;

(iii) the circumstances under which it was received; and

(iv) its estimated value.

1.5 Every disclosure statement shall be a matter of public record.

Honoraria

2.1 As part of their public service, Staff / Board Members may prepare and/or deliver health unit-related programs or information to community organizations. In these situations, the receiving organization may provide a nominal amount of remuneration to the Health Unit Staff / Board Members, in appreciation and recognition of the service delivered. Honorarium payments can be in the form of gift or gift cards and must be limited to a maximum value of $500. Notable exceptions might be for a distinguished or recognized professional key note address at a major event, conference or fundraising activity. When an honorarium is received, the employee will turn the gifts over to their immediate supervisor, or in the case of a Board Member, the Secretary-Treasurer of the Board of Health.

2.2 As part of their public service, other community organizations may prepare and/or deliver programs or information to Staff / Board Members. In these situations, Health Unit Staff may provide a nominal amount of remuneration to the community organization in appreciation and recognition of the service delivered. Honorarium payments can be in the form of gift or gift cards and must be limited to a maximum value of $500. Notable exceptions might be for a distinguished or recognized professional key note address at a major event, conference or fundraising activity. When an honorarium is provided the Health Unit staff must receive approval from their respective Director from an approved budget, or in the case of a Board Member, the Secretary-Treasurer of the Board of Health.

Funds received will be used to purchase resources within the Division, or the Board expenses budget.

To ensure full transparancy, Staff/Board Members shall file a disclosure statement in accordance with the format set forth in Appendix A

These details should then be reported to the Manager, Finance. Accurate records must be maintained in order to demonstrate the reasonableness and appropriateness of any gift. Awarding gifts must be compliant with Canada Revenue Agency rules.

DEFINITIONS

Gift: Is something acquired without compensation. This would include, for example, a meal, flowers, gift cards, gift certificates, or a ticket to a special event.

Honorarium: Is an ex gratia payment made to a person for their services in a volunteer capacity or for services for which fees are not traditionally required. It is typically a small payment made on a special or non-routine basis.

CRA: Canada Revenue Agency

T4A: Canadian tax information slip is a Statement of Pension, Retirement, Annuity, and Other Income

APPLICABLE LEGISLATION

RELATED POLICIES

REVISION DATES (* = major revision)**:**
September 30, 1992
June 15, 1994
August 2, 2000
March 2, 2005

SUBJECT: Gifts and Honoraria
SECTION: Financial and Organizational Accountability

POLICY NUMBER: **G-330**
PAGE: 4 of 4

October 2, 2014
August 22, 2019

APPENDIX A

Policy G-330

Disclosure Statement

MIDDLESEX-LONDON HEALTH UNIT

Governance Manual G-330 regarding the acceptance of gifts and honoraria, requires staff/Board Members to disclose the receipt of certain gifts and benefits if the dollar value of a single gift or benefit exceeds $100.00 or if the total value of gifts and benefits received from one source in a calendar year exceeds $500.00. This Disclosure Statement is to be used to report on such gifts and benefits and shall be filed with the Manager, Finance within 30 days of receipt of such gift or benefit, or upon reaching the annual limit. Disclosure Statements are a matter of public record.

Nature of Gift or Benefit Received:

_____
_____
_____

Source of Gift or Benefit:

_____
_____
_____

Circumstances under Which Gift or Benefit Received:

_____
_____
_____

Estimated Value of Gift or Benefit: $ _____

Date Gift or Benefit Received: _____

Signature of Staff/Board Member: _____

Date: _____

Date Statement Received by Finance Manager: _____