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**Subject:** Approval of 2020 Public Health General Program Audit

**Report to:** Public Health and Social Services Committee

**Report date:** Tuesday, September 14, 2021

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## Recommendations

1. That the draft audited schedule of revenue and expenses and the annual reconciliation return for the Public Health General Programs for the year ended December 31, 2020 (Appendix 1 and 2 to Report PHD 9-2021), **BE APPROVED**;
2. That staff **BE DIRECTED** to co-ordinate with the auditor to finalize the statements as presented; and
3. That Report PHD 9-2021 **BE FORWARDED** to the Region's Audit Committee for information.

## Key Facts

- The purpose of this report is to obtain approval of the audited schedule of revenue and expenses and the annual reconciliation return in accordance with the provincial requirements.
- The Ministry submission deadline for the program is June 30<sup>th</sup> but an extension has been granted given the current pandemic situation.
- As per the Financial Reporting and Forecasting Policy (C-F-020), other financial statements or schedules performed for Ministry funding purposes, will be recommended for approval to Council by the standing Committee with oversight of the program. Upon approval by Council, the department Commissioner, or delegated authority, and the Treasurer will be authorized to sign the auditor's representation letter to obtain the auditor's signed report. The approved statements will then be forwarded to Audit Committee for information.

## Financial Considerations

The schedule of revenue and expenses ("financial schedule") and annual reconciliation return have been prepared in compliance with legislation and in accordance with the requirements and policies stipulated by the Ministry of Health, specifically for the purpose of meeting the requirements as outlined in the service agreement with the funding Ministry.

Draft copies of the financial schedule and annual reconciliation return for the period ended December 31, 2020, are attached as Appendix 1 and 2 to Report PHD 9-2021.

The financial schedule for the Public Health General Programs is a Ministry requirement as noted in the audit report for the program as follows:

“The accompanying schedule of the Program for the year ended December 31, 2020, is prepared, in all material respects, in accordance with the financial reporting provisions in the Public Health Funding and Accountability Agreement between Her Majesty the Queen in right of Ontario as represented by the Ministry of Health (formerly the Ministry of Health and Long-Term Care) (the “Ministry”) and the Board of Health for the Niagara Region Public Health Department most recently amended effective January 1, 2020 (the “Guidelines”).”

“The schedule is prepared to assist the Region in complying with the financial reporting provisions of the Guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.”

Funding from the Ministry of Health for General Programs is no longer received and settled on a program-by-program basis. The following report was prepared in alignment with the settlement of funds provided through the Transfer Payment Agreement. The 2020 report will appear less detailed than prior years.

## **Analysis**

The program audit was completed by the Region’s external auditors, Deloitte. The auditors have indicated that, based on their review, nothing has come to their attention that causes them to believe that this information is not, in all material respects, in accordance with the Ministry requirements identified.

The recommendation for approval of audited schedules performed for Ministry funding purposes rests with the Committee to which the department responsible for the funding reports. Upon approval by the Committee, these schedules are referred to Audit Committee for information. Then the department’s Commissioner and Treasurer will be authorized to sign the auditor’s representation letter to obtain the auditor’s signed report.

The grant receivable from the Province of Ontario is subject to audit verification by the Ontario Ministry of Health. Grants receivable are non-interest bearing and are normally

received in the subsequent year. In the current year, there is a grant receivable of \$1,367,765.

The financial schedule is subject to minor wording changes once the schedule is finalized.

### **Alternatives Reviewed**

The audited financial schedule and annual reconciliation return are a Ministry requirement and therefore no alternatives are available.

### **Relationship to Council Strategic Priorities**

Providing formal financial reporting to Council and the public supports the Council Strategic Priority of Sustainable and Engaging Government.

### **Other Pertinent Reports**

None

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#### **Recommended by:**

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Commissioner (Acting) Public Health  
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#### **Submitted by:**

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This report was prepared in consultation with Amanda Fyfe, Program Financial Specialist.

## **Appendices**

Appendix 1 Public Health General Programs – Schedule of Revenue and Expenses

Appendix 2 Public Health General Program – Annual Reconciliation Return