
Subject: Approval of 2018-2019 Public Health Program Audits

Report to: Public Health and Social Services Committee

Report date: Tuesday, June 11, 2019

Recommendations

1. That the draft audited Schedule of Revenues and Expenses for Infant & Child Development Services for the calendar year ended December 31, 2018 (Appendix 1), **BE APPROVED**;
2. That the draft audited Schedules of Revenue and Expenses and Annual Reconciliation Return for the following programs for the fiscal year ended March 31, 2019 (Appendix 2 to 4), **BE APPROVED**;
 - a. Ambulance Communications Services— Schedule of Revenue and Expenses (Appendix 2)
 - b. Community Mental Health Program— Schedule of Revenue and Expenses (Appendix 3) & Annual Reconciliation Return (Appendix 4)
3. That staff **BE DIRECTED** to co-ordinate with the auditor to finalize the statements as presented; and
4. That this report **BE FORWARDED** to the Region's Audit Committee for information.

Key Facts

- The purpose of the report is to obtain approval of the audited schedules of revenues and expenses in accordance with the provincial requirement.
- The Ministry submission deadline for Infant & Child Development Services is anticipated to be July 31, 2019 (based on prior year reporting schedules, 2018-2019 reporting schedule not yet received).
- The Ministry submission deadlines for the Ambulance Communication Services and Community Mental Health are both June 30, 2019.
- In accordance with report AC-C 28-2018 dated June 18, 2018, respecting the Audit Committee Terms of Reference, which refers to “other audited financial statements”, to include special purpose and compliance-based schedules, are approved by the standing committees with oversight of the program and then referred to the Audit Committee for information.

Financial Considerations

The schedules of revenues and expenses (“financial schedules”) have been prepared in compliance with legislation and in accordance with the requirements and policies stipulated by the corresponding Ministry.

Draft copies of the schedules of revenues and expenses for the year ended December 31, 2018 and March 31, 2019 are attached as Appendix 1 – 4.

The financial schedules are prepared specifically for the purposes of meeting the requirements outlined in the service agreements with the funding Ministries.

The financial schedules of revenues and expenses have been prepared in compliance with legislation and in accordance with the requirements and policies stipulated by the corresponding Ministry.

The financial schedules for Public Health Programs are a provincial requirement as noted in the audit reports for each respective program as follows:

Infant & Child Development Services:

“The schedule is prepared to assist the Program to comply with the financial reporting provisions of the agreement between the Ontario Ministries of Children and Youth Services and Community and Social Services and the Regional Municipality of Niagara. As a result, the schedule may not be suitable for another purpose.”

Ambulance Communication

“The schedule is prepared to assist the Region in complying with the financial reporting provisions of the agreement dated May 28, 2010 between the Ontario Ministry of Health and Long-Term Care and the Regional Municipality of Niagara. As a result, the schedule may not be suitable for another purpose.”

Community Mental Health Program:

“The schedule is prepared to assist the Region in complying with the financial reporting provisions of the agreement dated April 1, 2018 between the Hamilton Niagara Haldimand Brant Local Health Integration Network and the Regional Municipality of Niagara. As a result, the schedule may not be suitable for another purpose.”

Analysis

The audits of these Public Health Programs were 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 approval of audited schedules performed for Ministry funding purposes rests with the Committee to which the department responsible for the funding reports. In the case of Infant & Child Development Services, approval by Committee and Council satisfies

the Ministry requirement of having approval from Niagara Region's Board of Health. 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 auditors signed report.

Below is a summary of the results of the audited schedules:

- Infant & Child Development Services – This program is not in a grant payable or receivable position as all funding from the Ministry was spent during 2018.
- Ambulance Communication Services – This program has no funds returnable for the current reporting period as the Region has expended \$500,152 in excess of the provincial grant for the period.
- Community Mental Health Program – This program is in a grant repayable position of \$118,789 as at March 31, 2019. This represents a decrease in the grant repayable of \$254,295 compared to the prior period repayable amount of \$373,084.

These financial schedules are subject to minor wording changes once schedules are finalized.

Alternatives Reviewed

The audited schedules are a Ministry requirement and therefore no alternatives are available.

Relationship to Council Strategic Priorities

Advancing organizational excellence through the preparation and audit of the financial schedules. These audits are Ministry requirements to ensure compliance with the funding agreements in order to continue to provide Ministry funded programs in the Niagara Region.

Other Pertinent Reports

None

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Appendices

- Appendix 1 Infant & Child Development Program – Audited Schedule of Revenues and Expenses
- Appendix 2 Ambulance Communications – Audited Schedule of Revenues and Expenses
- Appendix 3 Community Mental Health Program – Schedule of Revenue and Expenses
- Appendix 4 Community Mental Health Program – Annual Reconciliation Return