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**Subject:** Approval of 2019/2020 Community Services Program Audits

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

**Report date:** Tuesday, June 16, 2020

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## Recommendations

1. That the draft audited annual reconciliation return for the Community Support Service Program (Appendix 1) for the year ended December 31, 2019, **BE APPROVED**;
2. That the draft audited schedule of Revenue and Expenses for the Reaching Home Program (Appendix 2) for the year ended March 31, 2020, **BE APPROVED**;
3. That staff **BE DIRECTED** to co-ordinate with the auditor to finalize the statements as presented; and
4. That Report COM 11-2020 **BE FORWARDED** to the Region's Audit Committee for information.

## Key Facts

- The purpose of this report is to obtain approval for the audited schedule of revenue and expenses ("financial schedule") and the annual reconciliation return ("ARR") for the respective programs in accordance with the federal funding requirements.
- The Hamilton Niagara Haldimand Brant Local Health Integration Network (HNHB LHIN) submission deadline for the Community Support Service Program is June 30, 2020.
- The Ministry of Employment and Social Development Canada submission deadline for the Reaching Home Program is July 31, 2020.
- The Homelessness Partnership Strategy Program ended March 31, 2019 and was replaced by the Reaching Home Program which commenced April 1, 2019. The Reaching Home Program ends March 31, 2024.
- As per 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 ARR of the Community Support Service Program has been prepared in compliance with the guidelines of the Ontario Health Reporting Standards and the Community Financial Policy issued by the Ministry of Health and Ministry of Long-Term Care. A draft copy of the ARR is attached as Appendix 1.

The financial schedule for the Reaching Home Program has been prepared in compliance with legislation and in accordance with the financial reporting provisions of the agreement between the Ministry of Employment and Social Development Canada and the Regional Municipality of Niagara. A draft copy of the financial schedule is attached as Appendix 2.

The ARR and the financial schedule are prepared specifically for the purposes of meeting the requirements outlined in the service agreements with the funding Ministries. These reports are a provincial/federal requirement as noted in the audit report for the programs as follows:

### Community Support Services Program:

“The schedules are prepared to assist the Program in complying with the financial reporting provisions in the guidelines in Chapters 3 and 4 of the Ontario Healthcare Reporting Standards and the Community Financial Policy (2016) issued by the Ontario Ministry of Health and Long-Term Care and the Local Health Integration Network. As a result, the schedule may not be suitable for another purpose.”

### Reaching Home Program:

“The financial schedule is prepared to assist the Program in complying with the financial reporting provisions of the agreement between the Ministry of Employment and Social Development Canada and the Regional Municipality of Niagara. As a result, the schedule may not be suitable for another purpose.”

## **Analysis**

The ARR and the financial schedule were audited 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 aspects, in accordance with the requirements identified.

Upon approval by Committee and Council, the ARR and financial schedule will be submitted to the respective Ministry in accordance with the funding agreement requirements and will also be referred to Audit Committee for information.

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

- Community Support Service Program – this program has an overall surplus of \$8,561 as of December 31, 2019 which will be returned to the LHIN by way of a reduction in their future payments to the Region. (A change in the service delivery of the Adult Day Program caused an inconsistency in the timing of ministry funding received and services being delivered. The surplus is largely a result of ministry funding received for a discontinued service which was not fully clawed back in-year as well as reprioritization of existing base funding related to this service.)
- Reaching Home Program - commenced April 1, 2019 and ends March 31, 2024 and has no funds returnable for the current reporting period.

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

### **Alternatives Reviewed**

The audited financial schedule is 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  
Community Services

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**Submitted by:**

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Acting Chief Administrative Officer

*This report was prepared in consultation with Stephanie Muhic, CPA, CA, Program Financial Specialist and Jordan Gamble, CPA, CA, Program Financial Specialist.*

**Appendices**

Appendix 1 Community Support Service Program – 2019 Annual Reconciliation  
Return

Appendix 2 Reaching Home Program – 2020 Schedule of Revenue and Expenses