THIS PUBLIC HEALTH FUNDING AND ACCOUNTABILITY AGREEMENT effective as of the first day of January, 2014

B E T W E E N:

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Health and Long-Term Care

(the "Province")

- and -

Board of Health for the Middlesex-London Health Unit

(the "Board of Health")

BACKGROUND:

The Province provides grants to the Board of Health under the *Health Protection and Promotion Act* (Act) pursuant to section 76 of that Act.

By receiving the grant under section 76 of the Act, the Board of Health is expected to deliver mandatory and related public health programs and services that meet the Ontario Public Health Standards and other requirements of the Act.

It is acknowledged that the Board of Health may provide additional programs and services in response to local needs as indicated in the Ontario Public Health Standards published under section 7 of the Act and in section 9 of the Act. Provincial funding, however, is intended to support those programs that the Board of Health is required to provide under the Act (and other programs only if specifically authorized by the Ontario Government) and is not intended to cover the potential total scope of public health programming.

Under section 81.2 of the Act, the Minister of Health and Long-Term Care may enter into an agreement with the Board of Health of the Public Health Unit for the purpose of setting out requirements for the accountability of the Board of Health and the management of the Public Health Unit.

Provincial funding for mandatory and related programs is subject to the provisions of this Agreement, which has no fixed term and may only be terminated or amended in accordance with this Agreement.

CONSIDERATION:

In consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Parties agree as follows:

ARTICLE 1
INTERPRETATION AND DEFINITIONS

1.1 **Interpretation.** For the purposes of interpretation:

(a) words in the singular include the plural and vice-versa;

(b) words in one gender include all genders;

(c) the background and the headings do not form part of this Agreement; they are for reference only and shall not affect the interpretation of this Agreement;

(d) any reference to dollars or currency shall be to Canadian dollars and currency; and,

(e) "include", "includes" and "including" shall not denote an exhaustive list.

1.2 **Definitions.** In this Agreement, the following terms shall have the following meanings:

"Act" means the *Health Protection and Promotion Act*.

"Admissible Expenditures" are those considered by the Province to be reasonable and necessary for the Board of Health to achieve and/or maintain compliance with the Ontario Public Health Standards, the Organizational Standards, this Agreement, and other requirements of the Act and regulations and, as such, are eligible for reimbursement by the Province. These expenditures must be authorized in accordance with the policies of the Board of Health, consistent with government policies, and related to the delivery of mandatory and related programs.

"Agreement" means this Agreement entered into between the Province and the Board of Health and includes all of the schedules to this Agreement listed in section 27.1 and any Amending Agreement entered into pursuant to section 3.3.

"Compliance Variance" means any of: a) non-compliance with any aspect of the Act, its regulations, the Ontario Public Health Standards, or the Organizational Standards; or, b) any other matter that could significantly affect the Board of Health's ability to perform its obligations under this Agreement.

"Effective Date" means the date set out at the top of this Agreement.

"Event of Default" has the meaning ascribed to it in section 14.1.

"Funding Year" means:

(a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following December 31st; and,

(b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on January 1st following the end of the previous Funding Year and ending on the following December 31st.

"Grant" means the grant provided to the Board of Health by the Province pursuant to section 76 of the Act and this Agreement.

"Indemnified Parties" means Her Majesty the Queen in Right of Ontario, Her ministers, agents, appointees and employees.

"Minister" means Her Majesty the Queen in Right of Ontario as represented by the Minister of Health and Long-Term Care, and **"Ministry"** shall refer to the Ministry of Health and Long-Term Care.

"Non-Admissible Expenditures" are those considered by the Province to be unrelated to the provision of mandatory and related programs, the Ontario Public Health Standards, the Organizational Standards, the requirements of this Agreement, and other requirements of the Act or that are not compatible with applicable government directives. Examples of non-admissible expenditures include, but are not limited to: sick time and vacation accruals, donations to individuals or organizations, capital fund reserves, depreciation on capital assets/amortization, gym membership fees, alcoholic beverages, and providing administrative services on behalf of third parties.

"Notice" means any communication given or required to be given pursuant to this Agreement.

"Notice Period" means the period of time within which the Board of Health is required to remedy an Event of Default, and includes any such period or periods of time by which the Province considers it reasonable to extend that time.

"Ontario Public Health Standards" means the Ontario Public Health Standards published by the Minister of Health and Long-Term Care pursuant to section 7 of the Act.

"Organizational Standards" means the Ontario Public Health Organizational Standards as released by the Province in February 2011 or as updated and as provided to the Board of Health.

"Parties" means the Province and the Board of Health.

"Party" means either the Province or the Board of Health.

"Performance Indicator" means a measure of Board of Health performance for which a Performance Target is set, and to which the Board of Health will be held accountable for achieving results under the terms of this Agreement.

"Performance Target" means a planned result for a Performance Indicator against which actual results can be compared (as further specified in Table A of Schedule "D").

"Performance Variance" means the inability to achieve a Performance Target as set out in Schedule "D", as identified by the Province.

"Program(s)" means:

(a) Mandatory Program(s): the health programs and services the Board of Health must provide to its local communities in accordance with section 5 of the Act and the Ontario Public Health Standards;

(b) Related Program(s): the programs described in Schedule "B"; or,

(c) The Organizational Standards.

"Reports" means the reports described in Schedule "C".

"Tangible Capital Asset" is a physical asset (e.g., building and land, information technology and telecommunications equipment, vehicles, furniture and other equipment) that has a useful life of more than one year and is used on a continuing basis for the delivery of mandatory and related programs.

"Wind-Down Amount" means the amount the Province sets if this Agreement is terminated under sections 12.3(c) or 13.2(c).

ARTICLE 2
REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 **General.** The Board of Health represents, warrants and covenants that:

(a) it is, and shall continue to be for the term of this Agreement, a validly existing legal entity with full power to fulfill its obligations under this Agreement; and,

(b) unless otherwise provided for in this Agreement, any information the Board of Health provided to the Province in support of its requests for a Grant (including information relating to any eligibility requirements) was true and complete at the time the Board of Health provided it and shall continue to be true and complete for the term of this Agreement, unless otherwise reported in writing by the Board of Health to the Province.

2.2 **Execution of Agreement.** The Board of Health represents and warrants that it:

(a) has the full power and authority to enter into this Agreement;

(b) will fulfill the obligations set out in the schedules to this Agreement in accordance with their terms;

(c) will deliver programs and services that meet the Ontario Public Health Standards published under section 7 of the Act, and will comply with the Organizational Standards; and,

(d) has taken all necessary actions to authorize the execution of this Agreement including, where required, passing a Board resolution or municipal by-law authorizing the Board of Health to enter into this Agreement with the Province.

2.3 **Governance.** The Board of Health represents, warrants and covenants that it has, and shall maintain, in writing, for the period during which this Agreement is in effect:

(a) strategies, policies, and/or procedures to ensure compliance with the Organizational Standards*;*

(b) a code of conduct and ethical responsibilities for the Board of Health as an organization;

(c) strategies, policies, and/or procedures to ensure the ongoing effective functioning of the Board of Health;

(d) decision-making policies, procedures and/or mechanisms;

(e) strategies, policies, and/or procedures to provide for the prudent and effective management of the Grant;

(f) strategies, policies, and/or procedures to enable the successful completion of the obligations set out in this Agreement and in the schedules to this Agreement;

(g) strategies, policies, and/or procedures to enable the timely identification of risks to the Board of Health's ability to perform its obligations under this Agreement and mechanisms/strategies to address the identified risks;

(h) strategies, policies, and/or procedures to enable the preparation and delivery of all Reports required pursuant to Article 8; and,

(i) strategies, policies and/or procedures to deal with such other matters as the Board of Health considers necessary to ensure that the Board of Health meets its obligations under this Agreement.

2.4 **Supporting Documentation.** Upon request, the Board of Health shall provide the Province with proof of the matters referred to in this Article 2.

ARTICLE 3
TERM OF THIS AGREEMENT

3.1 **Term.** The term of this Agreement shall commence on the Effective Date and shall continue unless terminated pursuant to Article 12, Article 13 or Article 14.

3.2 **Application of Schedules during Term.** A schedule, or parts of a schedule, may apply for only part of the Term of this Agreement. Where a schedule, or part of a schedule, applies for only part of the Term of this Agreement, it shall be so indicated in the schedule.

3.3 **Amendments to this Agreement during Term.** The Parties agree that amendments to the Agreement and schedules may be made, on the written consent of both Parties, during the Term of this Agreement. Without limiting the generality of the foregoing, the schedules may be amended to reflect:

(a) updated allocations in Schedule "A";

(b) new polices and guidelines in Schedule "B";

(c) new reporting requirements in Schedule "C";

(d) updated Performance indicators, baselines and targets in Schedule "D"; and/or,

(e) updated financial controls in Schedule "E".

3.4 **Additional Schedules during Term.** The Parties agree that additional schedules may be added to this Agreement on the written consent of both parties during the Term of this Agreement.

3.5 **Review of Agreement.** The Parties agree to review this Agreement every five (5) years to determine if amendments are necessary and/or appropriate.

ARTICLE 4
GRANT

4.1 **Grant Provided.** The Province shall:

(a) provide the Board of Health a Grant for the purpose of carrying out the obligations set out in the Act, the regulations under the Act, the Ontario Public Health Standards, the Organizational Standards, and this Agreement including the schedules to this Agreement; and,

(b) deposit the Grant into an account designated by the Board of Health provided that the account resides at a Canadian financial institution and is in the name of the Board of Health.

4.2 **Limitation on Payment of the Grant.** Despite section 4.1, the Province:

(a) is not obligated to provide any Grant to the Board of Health until the Board of Health provides the insurance certificate or other proof as the Province may request pursuant to section 11.2;

(b) is not obligated to provide instalments of the Grant until it is satisfied with the progress of the obligations set out in this Agreement and the schedules;

(c) may adjust the amount of the Grant it provides to the Board of Health in any Funding Year based upon the Province's assessment of the information provided by the Board of Health pursuant to section 8.1;

(d) if, pursuant to the provisions of the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under this Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:

(i) reduce the amount of the Grant; or

(ii) terminate this Agreement pursuant to section 13.1 and cease providing Grant funding for a period or periods specified by the Province; and,

(e) may withhold 1% of the bi-weekly Grant payments from the Board of Health which are specified in Schedule "A" if the Board of Health's complete quarterly financial reports and annual reconciliation reports are not submitted by the deadline specified in any Funding Year until such time as all the financial reports are provided.

4.3 **Use of Grant Funding.** The Board of Health shall:

(a) use the Grant only for the purposes of the Act and to provide or to ensure the provision of the health programs and services in accordance with sections 4, 5, 6, and 7 of the Act and for the purposes of carrying out the obligations in the schedules;

(b) use the Grant only for the provision of the Programs described in this Agreement and the schedules;

(c) carry out the obligations in the schedules:

(i) in accordance with the terms and conditions of this Agreement; and,

(ii) in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Programs; and,

(d) spend the Grant only on Admissible Expenditures.

4.4 **No Changes.** The Board of Health shall not make any changes to schedules, the timelines and/or the use of the Grant without the prior written consent of the Province.

4.5 **Interest Bearing Account.** If the Province provides the Grant to the Board of Health prior to the Board of Health's immediate need for the Grant, the Board of Health shall place the Grant in an interest bearing account in the name of the Board of Health at a Canadian financial institution.

4.6 **Interest.** If the Board of Health earns any interest on the Grant, it must be reported. If interest income is not reported in the manner specified by the

Province, 1% of the Board of Health's cash flow may be withheld through future payments.

4.7 **No Interest Payable by Province.** The Board of Health agrees that the Province shall not pay interest on any amount to which the Board of Health may otherwise be entitled under this Agreement.

4.8 **Rebates, Credits and the Grant.** The Board of Health shall not use the Grant for any costs, including taxes, for which it has received, will receive, or is eligible to receive, a rebate, credit or refund.

4.9 **Revenues.** All revenues collected by the Board of Health for programs or services provided under the terms of this Agreement must be reported in accordance with the direction provided in writing by the Province.

ARTICLE 5
PERFORMANCE IMPROVEMENT

5.1 **Performance Improvement.** The Parties agree to adopt a proactive and responsive approach to performance improvement ("Performance Improvement Process"), based on the following principles:

(a) a commitment to continuous quality improvement;

(b) a culture of information sharing and understanding; and,

(c) a focus on risk-management.

5.2 **Performance Obligations.** The Board of Health shall use best efforts to achieve agreed upon Performance Targets for the Performance Indicators specified in Schedule "D".

5.3 **Elements of Performance Improvement Process.** The Board of Health's Performance Improvement Process shall include, but is not limited to:

(a) measuring the Board of Health's performance according to Performance Indicators set out in Schedule "D"; and,

(b) the use of tools including, but not limited to those specified in sections 5.4, 5.5, and 5.6.

5.4 **Compliance Reports.** If a Compliance Variance is identified by either the Province or Board of Health, the Board of Health shall submit in writing a completed Compliance Report to the Province as soon as possible and/or within the timeframe provided by the Province, which shall include:

(a) a description of the Compliance Variance;

(b) the cause of the Compliance Variance;

(c) an assessment of the impact of the Compliance Variance on achieving the obligations set out in this Agreement; and,

(d) a description of how the Board of Health plans to resolve the Compliance Variance and the timeline within which the Board of Health expects to resolve it.

5.5 **Performance Reports.** If a Performance Variance is identified by the Province, the Board of Health shall submit in writing a completed Performance Report upon request by the Province, within the timeframe provided by the Province. The Performance Report to the Province shall include:

(a) the cause of the Performance Variance;

(b) an assessment of the impact of the Performance Variance on program and service delivery;

(c) a description of how the Board of Health plans to resolve the Performance Variance and the timeline within which the Board of Health expects to resolve it; and,

(d) a description of how the Board of Health plans to resolve any impacts on program and service delivery and the timeline within which the Board of Health expects to resolve them.

5.6 **Action Plan.** The Province may request in writing, either before or after a Compliance Report(s) specified in section 5.4, or Performance Report(s) specified in section 5.5 has been requested or provided, that the Board of Health submit an Action Plan to address the Compliance Variance(s) or Performance Variance(s). The Action Plan shall describe:

(a) the remedial actions undertaken (or planned to be undertaken) by the Board of Health; and,

(b) the timeframe when the remedial action is expected to be completed.

5.7 **Approval of Action Plan.** The Action Plan must be approved by both the Province and the Board of Health prior to its implementation. Any revisions to the Action Plan also require the approval of both the Province and the Board of Health.

ARTICLE 6
ACQUISITION OF GOODS AND SERVICES, AND DISPOSAL OF ASSETS

6.1 **Acquisition.** If the Board of Health acquires supplies, equipment or services with the Grant, it shall do so through a process that promotes the best value for money. All procurement of goods and services should be consistent with the Organizational Standards, good procurement practices, and applicable government directives.

6.2 **Asset Management.** The Board of Health shall maintain an inventory of all Tangible Capital Assets developed or acquired with a value exceeding $5,000 or a value determined locally that is appropriate under the circumstances.

6.3 **Disposal.** The Board of Health shall not, without the Province's prior written consent, sell, lease or otherwise dispose of any asset purchased with the Grant or for which the Grant was provided, the cost of which exceeded $100,000 at the time of purchase.

ARTICLE 7
CONFLICT OF INTEREST

7.1 **No Conflict of Interest with Use of the Grant.** The Board of Health shall carry out the obligations set out in this Agreement and use the Grant without an actual, potential or perceived conflict of interest. Note that nothing in this Agreement applies to any other local or municipal conflict of interest not dealing with the use of the Grant.

7.2 **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:

(a) the Board of Health; or,

(b) any person who has the capacity to influence the Board of Health's decisions,

has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Board of Health's objective, unbiased and impartial judgment relating to its obligations under this Agreement and the use of the Grant.

7.3 **Disclosure to Province.** The Board of Health shall:

(a) disclose to the Province, without delay, any situation that a reasonable person would interpret as either an actual, potential or perceived conflict of interest; and,

(b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure. Note that the Province may determine that no further action is required if it determines that the conflict has been adequately addressed in accordance with the Board of Health conflict of interest policies.

ARTICLE 8
REPORTING, ACCOUNTING AND REVIEW

8.1 **Preparation and Submission.** The Board of Health shall:

(a) submit to the Province at the address provided in section 16.1 or at any other address specified by the Province, all Reports in accordance with the timelines and content requirements set out in Schedule "C", or in a

form as specified by the Province from time to time;

(b) submit to the Province at the address provided in section 16.1, or at any other address specified by the Province, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;

(c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and,

(d) ensure that all Reports and other reports are signed on behalf of the Board of Health by an authorized signing officer.

8.2 **Record Maintenance.** The Board of Health shall keep and maintain:

(a) all financial records (including invoices) relating to the Grant in a manner consistent with generally accepted accounting principles for a period of not less than seven (7) years; and,

(b) all non-financial documents and records relating to the Grant or otherwise in connection with Article 5 (Performance Improvement) and the schedules in accordance with applicable law and Board of Health policies.

8.3 **Inspection, Audit or Investigation.** The Province, its authorized representatives and/or an independent auditor identified by the Province may, at its own expense, upon 24 hours' Notice to the Board of Health and during normal business hours, enter upon the Board of Health's premises to review the Board of Health's expenditure of the Grant and/or assess compliance with this Agreement, and for these purposes, the Province, its authorized representatives or an independent auditor identified by the Province may:

(a) inspect and copy the records and documents referred to in section 8.2;

(b) remove any copies made pursuant to section 8.3(a) from the Board of Health's premises; and/or,

(c) conduct an audit or investigation of the Board of Health in respect of the expenditure of the Grant, and/or compliance with this Agreement.

8.4 **Assessment.** The Province may carry out an assessment of the Board of Health under section 82 of the Act if the legal requirements for an assessment under that section have been met. An assessment may be conducted under the terms of that section irrespective of whether or not an inspection is conducted under section 8.3 of this Agreement.

8.5 **Disclosure.** To assist in respect of the rights set out in section 8.3, the Board of Health shall disclose any information requested by the Province, its authorized representatives or an independent auditor identified by the Province, and shall do so in a form requested by the Province, its authorized representatives or an independent auditor identified by the Province, as the case may be, subject to applicable law.

8.6 **Province Right to Request Information.** The Province may request additional information, or may request meetings with the Board of Health to support compliance with any aspect of this Agreement, subject to applicable law.

8.7 **No Control of Records.** No provision of this Agreement shall be construed so as to give the Province any control whatsoever over the Board of Health's records.

8.8 **Auditor General.** For greater certainty, the Province's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

ARTICLE 9
FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

9.1 **FIPPA.** The Board of Health acknowledges that the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) (FIPPA) and that any information provided to the Province in connection with this Agreement may be subject to disclosure in accordance with FIPPA.

9.2 **MFIPPA.** The Province acknowledges that the Board of Health is bound by the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) (MFIPPA) and that any information provided to the Board of Health in connection with this Agreement may be subject to disclosure in accordance with MFIPPA.

9.3 **Confidentiality of records.** The Board of Health shall ensure that all personal information or personal health information in its custody or under its control is managed in accordance with the provisions of the Act and its regulations, the MFIPPA and its regulations, the *Personal Health Information Protection Act* (PHIPA) and any other applicable legislation.

ARTICLE 10
INDEMNITY

10.1 **Indemnification.** The Board of Health hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Programs or otherwise in connection with this Agreement, unless solely caused by the negligence or wilful misconduct of the Province.

ARTICLE 11
INSURANCE

11.1 **Board of Health's Insurance.** The Board of Health represents and warrants that it has, and shall maintain for the term of this Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out programs and services similar to the programs and services covered

by this Agreement would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars ($2,000,000) per occurrence. The policy shall include the following:

(a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Board of Health's obligations under, or otherwise in connection with, this Agreement;

(b) a cross-liability clause;

(c) contractual liability coverage; and,

(d) a 30-day written notice of cancellation, termination or material change.

11.2 **Proof of Insurance.** The Board of Health shall provide the Province with certificates of insurance, or other proof as may be requested by the Province, that confirms the insurance coverage as provided for in section 11.1. Upon the request of the Province, the Board of Health shall make available to the Province a copy of each insurance policy.

ARTICLE 12
TERMINATION ON NOTICE

12.1 **Termination on Notice.** The Province may terminate this Agreement at any time upon giving at least 120 days' Notice to the Board of Health.

12.2 **Termination of Specific Program.** Despite section 12.1, the Province may terminate any Program that is funded by the Grant under this Agreement with 120 days' Notice. If a Program funded by the Grant under this Agreement terminates for any reason, the Parties agree to amend this Agreement and schedules to incorporate any necessary changes to this Agreement.

12.3 **Consequences of Termination on Notice by the Province.** If the Province terminates this Agreement or a specific Program pursuant to sections 12.1 or 12.2, the Province may:

(a) cancel all further instalments of the Grant;

(b) demand the repayment of any Grant remaining in the possession or under the control of the Board of Health; and/or,

(c) assist the Board of Health to wind-down the Program, project, or other initiative purchased with the Grant; set the Wind-Down Amount; and,

(i) permit the Board of Health to offset the Wind-Down Amount against any Grant amount remaining in the possession or under the control of the Board of Health; and/or,

(ii) subject to section 4.7, provide a Grant to the Board of Health to cover the Wind-Down Amount.

ARTICLE 13
TERMINATION WHERE NO APPROPRIATION

13.1 **Termination Where No Appropriation.** If, as provided for in section 4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make under this Agreement, the Province may terminate this Agreement immediately by giving Notice to the Board of Health.

13.2 **Consequences of Termination Where No Appropriation.** If the Province terminates this Agreement pursuant to section 13.1, the Province may:

(a) cancel all further instalments of the Grant;

(b) demand the repayment of any Grant funds remaining in the possession or under the control of the Board of Health; and/or,

(c) assist the Board of Health to wind-down a Program, project or other initiative purchased with the Grant; set the Wind-Down Amount; and, permit the Board of Health to offset such Wind-Down Amount against the amount owing pursuant to section 13.2(b).

13.3 **No Additional Grant Funding.** For purposes of clarity, if the Wind-Down Amount exceeds the Grant remaining in the possession or under the control of the Board of Health, the Province shall not be required to provide additional Grant funding to the Board of Health.

ARTICLE 14
EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

14.1 **Events of Default.** Each of the following events may constitute at the sole option of the Province an Event of Default:

(a) the Board of Health breaches any representation, warranty, covenant or other material term of this Agreement, including failing to do any of the following in accordance with the terms and conditions of this Agreement:

(i) carry out its obligations in the schedules;

(ii) use or spend the Grant; and/or,

(iii) provide, in accordance with section 8.1, Reports or such other reports as may have been requested pursuant to section 8.1(b);

(b) the Board of Health's operations, or its organizational structure, changes so that it no longer meets one or more of the applicable eligibility requirements of the Program under which the Province provides the Grant; and/or,

(c) the Board of Health ceases to operate, is merged or otherwise dissolved.

14.2 **Consequences of Events of Default and Corrective Action.** If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

(a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Board of Health's obligations under this Agreement;

(b) provide the Board of Health with an opportunity to remedy the Event of Default;

(c) suspend the payment of the Grant for such period as the Province determines appropriate;

(d) reduce the amount of the Grant;

(e) cancel all further installments of the Grant;

(f) demand the repayment of any amounts of the Grant remaining in the possession or under the control of the Board of Health that is not already promised by legal agreement that the Board of Health has with another person;

(g) demand the repayment of an amount equal to any Grant the Board of Health used for purposes not agreed upon by the Province;

(h) demand the repayment of an amount equal to any Grant the Province provided to the Board of Health; and/or,

(i) terminate this Agreement at any time, including immediately, upon giving Notice to the Board of Health.

14.3 **Opportunity to Remedy.** If, in accordance with section 14.2(b), the Province provides the Board of Health an opportunity to remedy the Event of Default, it shall provide Notice to the Board of Health of:

(a) the particulars of the Event of Default; and,

(b) the Notice Period.

14.4 **Board of Health not Remedying.** If the Province has provided the Board of Health with an opportunity to remedy the Event of Default pursuant to section 14.2(b), and:

(a) the Board of Health does not remedy the Event of Default within the Notice Period;

(b) it becomes apparent to the Province that the Board of Health cannot completely remedy the Event of Default within the Notice Period; and/or

(c) the Board of Health is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province;

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections 14.2 (a), (c), (d), (e), (f), (g), (h) and (i).

14.5 **When Termination Effective.** Termination under this Article shall take effect as set out in the Notice.

14.6 **Ministry's Rights under the Act maintained.** Nothing in this Agreement shall limit the Province's or the Chief Medical Officer of Health's rights under section 82 of the Act to conduct an assessment of the Board of Health if the conditions under that section are met.

ARTICLE 15
RETURN OF THE GRANT

15.1 **Return of The Grant.** If the Province requests in writing the repayment of the whole or any part of the Grant; due, for example, to an Event of Default; the amount requested shall be deemed to be a debt due and owing to the Province and the Board of Health shall pay the amount immediately, unless the Province directs otherwise.

15.2 **Method of Return.** The Province may recover the Grant requested in section 15.1 through a cash-flow adjustment. If a cash-flow adjustment is not possible, the Board of Health shall repay the amount payable by cheque payable to the "Ontario Minister of Finance" and mailed to the Province at the address set out in the Province's request for repayment.

15.3 **Interest on the Grant Payable.** The Province reserves the right to demand interest on any amount owing by the Board of Health at the then current rate charged by the Province on accounts receivable. Interest shall accrue 30 days after Notice has been provided under section 15.1 for repayment of the Grant.

15.4 **Unused Grant.** The Board of Health agrees that it shall report to the Province in writing any part of the Grant that has not been used or accounted for by the Board of Health, either 30 days prior to the end of the Funding Year, in the quarterly financial reports, or in a report provided as soon thereafter as possible, and when the amount of the unused Grant is known.

15.5 **Carry Over of Grant Not Permitted.** The Board of Health is not permitted to carry over the Grant from one calendar year to the next, unless pre-authorized in writing by the Province.

15.6 **Return of Unused Grant.** Without limiting any rights of the Province under Article 13, or sections 15.1 or 15.2, if the Board of Health has not spent all of the Grant allocated for the Funding Year as provided for in the schedules, the Province may:

(a) demand the return of the unspent Grant; and,

(b) adjust the amount of any further instalments of the Grant accordingly.

ARTICLE 16
NOTICE

16.1 Notice in Writing and Addressed. Notice shall be in writing and shall be delivered by e-mail, postage-prepaid mail, personal delivery or facsimile, and shall be addressed to the Province and the Board of Health respectively as set out below or as either Party later designates to the other by Notice:

To the Province:

Public Health Division
Ministry of Health and Long-Term Care

393 University Ave., Suite 2100
Toronto ON M7A 2S1

Attention:
Brent Feeney
Manager, Funding and Accountability

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To the Board of Health:

Board of Health for the
Middlesex-London Health Unit

50 King Street
London ON N6A 5L7

Attention:
Dr. Christopher Mackie
Medical Officer of Health

Fax: 519-663-9413
E-mail: christopher.mackie@mlhu.on.ca

16.2 **Notice Given.** Notice shall be deemed to have been received:

(a) in the case of postage-prepaid mail, seven (7) days after a Party mails the Notice; or,

(b) in the case of e-mail, personal delivery or facsimile, at the time the other Party receives the Notice.

16.3 **Postal Disruption.** Despite section 16.2(a), in the event of a postal disruption:

(a) Notice by postage-prepaid mail shall not be deemed to be received; and,

(b) the Party giving Notice shall provide Notice by personal delivery, by facsimile, or by e-mail.

ARTICLE 17
CONSENT BY PROVINCE

17.1 **Consent.** The Province may impose any terms and conditions on any consent the Province may grant pursuant to this Agreement.

ARTICLE 18
SEVERABILITY OF PROVISIONS

18.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or

enforceability of any other provision of this Agreement. Any invalid or unenforceable provision shall be deemed to be severed.

ARTICLE 19
WAIVER

19.1 **Waivers in Writing.** If a Party fails to comply with any term of this Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article 16. Any waiver must refer to a specific failure to comply and shall not have the effect of waiving any subsequent failures to comply.

ARTICLE 20
INDEPENDENT PARTIES

20.1 **Parties Independent.** The Board of Health acknowledges that it is not an agent, joint venturer, partner or employee of the Province, and the Board of Health shall not take any actions that could establish or imply such a relationship.

ARTICLE 21
ASSIGNMENT OF AGREEMENT OR THE GRANT

21.1 **No Assignment.** The Board of Health shall not assign any part of this Agreement or the Grant without the prior written consent of the Province.

21.2 **Agreement Binding.** All rights and obligations contained in this Agreement shall extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

ARTICLE 22
GOVERNING LAW

22.1 **Governing Law.** This Agreement and the rights, obligations and relations of the Parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with this Agreement shall be conducted in the courts of Ontario, which shall have exclusive jurisdiction over such proceedings.

22.2 **Conflicts – Ontario.** In the event of a conflict between this Agreement and the Ontario Public Health Standards, the Organizational Standards or the Act or its regulations, the Ontario Public Health Standards, Organizational Standards or the Act or its regulations prevail.

22.3 **Conflicts – Municipal.** In the event of a conflict between any requirement of this Agreement and any municipal or local requirement at law to which the Board of Health is subject, the Board of Health shall comply with the stricter requirement.

ARTICLE 23
FURTHER ASSURANCES

23.1 **Agreement into Effect.** The Board of Health shall provide such further

assurances as the Province may request from time to time with respect to any matter to which this Agreement pertains, and shall otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of this Agreement to its full extent.

ARTICLE 24
JOINT AND SEVERAL LIABILITY

24.1 **Joint and Several Liability.** Where the Board of Health is comprised of more than one entity, all such entities shall be jointly and severally liable to the Province for the fulfillment of the obligations of the Board of Health under this Agreement.

ARTICLE 25
RIGHTS AND REMEDIES CUMULATIVE

25.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under this Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

ARTICLE 26
FAILURE TO COMPLY WITH OTHER AGREEMENTS

26.1 **Other Agreements.** If the Board of Health:

(a) has failed to comply (a **"Failure"**) with any term, condition or obligation under any other agreement with Her Majesty the Queen in the right of Ontario or a Crown agency;

(b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;

(c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and,

(d) such Failure is continuing,

the Province may suspend the payment of the Grant for such period as the Province determines appropriate.

ARTICLE 27
SCHEDULES

27.1 **Schedules.** This Agreement includes the following schedules:

(a) Schedule "A" – Program-Based Grants;

(b) Schedule "B" – Related Program Policies and Guidelines;

(c) Schedule "C" – Reporting Requirements;

(d) Schedule “D” – Performance Obligations; and,

(e) Schedule “E” – Board of Health Financial Controls.

27.2 **Purpose of Schedules.** The purpose of the schedules under this Agreement is to:

(a) specify the Grant to be allocated from the Province to the Board of Health to deliver public health programs and services that meet the Ontario Public Health Standards, the Organizational Standards, and other requirements of the Act;

(b) provide the Board of Health with further information on expectations related to the Grant;

(c) improve and strengthen the Province’s ability to effectively analyze the Board of Health’s expenditures and ensure accountability for the use of the Grant; and,

(d) contribute to a public health sector with a greater focus on performance improvement, accountability and sustainability.

ARTICLE 28
SURVIVAL

28.1 **Survival.** The provisions in Article 1, Article 4, Article 5, sections 8.1 (to the extent that the Board of Health has not provided the Reports or other reports to the satisfaction of the Province), 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, Articles 9, 10 and 11, sections 13.2, 14.2, 14.3 and 14.4, Articles 15, 18, 19, 21, 22, 24, 25, 26, 27, 28, 29 and 30, and all applicable Definitions, cross-referenced provisions and schedules shall continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement**.**

ARTICLE 29
COUNTERPARTS

29.1 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ARTICLE 30
ENTIRE AGREEMENT

30.1 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

30.2 **Modification of Agreement.** This Agreement may only be amended by a written agreement duly executed by the Parties.

The Parties have executed this Agreement on the dates set out below.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of **Health and Long-Term Care**

_____ _____
Name: Date
Title:

_____ _____
Name: Date
Title:

Board of Health for the Middlesex-London Health Unit

I/We have authority to bind the Board of Health.

_____ _____
Name: Date
Title:

_____ _____
Name: Date
Title:

SCHEDULE A-1
PROGRAM-BASED GRANTS

Board of Health for the Middlesex-London Health Unit

Base Funding (1)			2014 Approved Allocation
Mandatory Programs (75%)			$ 15,709,206
Chief Nursing Officer Initiative (100%)	# of FTEs	1.00	$ 121,414
Children In Need Of Treatment (CINOT) Expansion Program (75%)			$ 67,500
Enhanced Food Safety – Haines Initiative (100%)			$ 80,000
Enhanced Safe Water Initiative (100%)			$ 35,627
Healthy Smiles Ontario Program (100%)			$ 783,924
Infection Prevention and Control Nurses Initiative (100%)	# of FTEs	1.00	$ 90,066
Infectious Diseases Control Initiative (100%)	# of FTEs	10.50	$ 1,166,722
Needle Exchange Program Initiative (100%)			$ 234,991
Small Drinking Water Systems Program (75%)			$ 23,900
Smoke-Free Ontario Strategy: Prosecution (100%)			$ 25,300
Smoke-Free Ontario Strategy: Protection and Enforcement (100%)			$ 367,500
Smoke-Free Ontario Strategy: Tobacco Control Area Network - Coordination (100%)			$ 285,800
Smoke-Free Ontario Strategy: Tobacco Control Area Network - Prevention (100%)			$ 150,700
Smoke-Free Ontario Strategy: Tobacco Control Coordination (100%)			$ 100,000
Smoke-Free Ontario Strategy: Youth Tobacco Use Prevention (100%)			$ 80,000
Social Determinants of Health Nurses Initiative (100%)	# of FTEs	2.00	$ 180,448
Vector-Borne Diseases Program (75%)			$ 461,967
Sub-Total			**$ 19,965,065**

One-Time Funding (1)		2014 Approved Allocation
Healthy Communities Fund - Partnership Stream Program (100%) **(2)**		$ 98,235
Panorama (100%) **(2)**		$ 217,155
Smoke-Free Ontario Strategy: Expanded Smoking Cessation Programming for Priority Populations (100%)		$ 27,000
Sub-Total		**$ 342,390**

Total	**$ 20,307,455**

(1) Base and one-time funding is approved for the 12 month period of January 1, 2014 to December 31, 2014, unless otherwise noted.

(2) One-time funding is approved for the 12 month period of April 1, 2014 to March 31, 2015.

SCHEDULE B-1

RELATED PROGRAM POLICIES AND GUIDELINES

BASE FUNDING:

B1. Chief Nursing Officer Initiative (Public Health Division)

Under the Organizational Standards, the Board of Health is required to designate a Chief Nursing Officer. The Chief Nursing Officer role must be implemented at a management level within the Board of Health reporting directly to the Medical Officer of Health or Chief Executive Officer and, in that context, will contribute to organizational effectiveness.

The presence of a Chief Nursing Officer in the Board of Health will 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; and,
- By enabling quality public health nursing practice.

Furthermore, the Chief Nursing Officer articulates, models and promotes 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 heath, health promotion, health administration or other relevant equivalent OR be committed to obtaining such qualification within three (3) years of designation (this will be reviewed in 2014);
- 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.).

Funding for this position was originally secured through the 9,000 Nurses Initiative, a government commitment to increase the number of full-time nurses working in the Ontario healthcare sector as part of a broader health human resources strategy.

Base funding for this initiative must be used to create additional hours of nursing service (1.0 Full-Time Equivalent (FTE) minimum). Funding is for nursing salaries and benefits only and cannot be used to support operating or education costs. This funding is for the Chief Nursing Officer position and/or for nursing service to support the functions of the Chief Nursing Officer.

The Board of Health must confirm to the Province that a qualified Chief Nursing Officer has been designated and that a new public health nurse FTE has been established. In

addition, the Board of Health, at the discretion of the Province, may be required to submit to the Province an annual activity report related to the initiative confirming the maintenance of the funded 1.0 nursing FTE, and highlighting Chief Nursing Officer activities for the previous funding period. Other reports, as specified from time to time, may also be requested by the Province upon prior written notice.

B2. CINOT Expansion Program (Health Promotion Division)

The Children In Need Of Treatment (CINOT) Expansion Program provides coverage for basic dental care for children 14 through 17 years of age in addition to general anaesthetic coverage for children 5 through 13 years of age. The Board of Health must be in compliance with the Ontario Public Health Standards (OPHS) and the CINOT Protocol.

The Board of Health must use the Oral Health Information Support System (OHISS) application to process all CINOT Expansion claims. Financial report data should align with expenditures as recorded in OHISS and reflected in Age Profile and Procedure Code Profile Reports for the period January 1st through December 31st.

The Board of Health will not be permitted to transfer any projected CINOT Expansion Program surplus to its CINOT 0-13 year old budget.

B3. Enhanced Food Safety – Haines Initiative (Public Health Division)

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 OPHS. 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.

As part of the annual Program-Based Grants budget submission process, the Board of Health is required to provide an implementation plan which should detail the objectives of the activities proposed, how the funding will be applied to meet requirements of the Food Safety Program, and how the success of the activities will be evaluated. The Board of Health is also required to submit to the Province an annual activity report, detailing the results achieved and the allocation of the funding based on the implementation plan.

B4. Enhanced Safe Water Initiative (Public Health Division)

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 OPHS.

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

As part of the annual Program-Based Grants budget submission process, the Board of Health is required to provide an implementation plan which should detail the objectives of the activities proposed, how the funding will be applied to meet requirements of the Safe Water Program, and how the success of the activities will be evaluated. The Board of Health is also required to submit to the Province an annual activity report, detailing the results achieved and the allocation of the funding based on the implementation plan.

B5. Healthy Smiles Ontario Program (Public Health Division)

The Healthy Smiles Ontario (HSO) Program provides prevention and basic treatment services for children and youth, from low-income families, who are 17 years of age or under, and who do not have access to any form of dental coverage. The goal of HSO is to improve the oral health of children and youth in low-income families. HSO builds upon and links with existing public health dental infrastructure to expand access to dental services for children and youth.

The core objectives of the HSO Program are: Ontario-wide oral health infrastructure development; preventive and basic treatment services for the target population; and, oral health promotion.

Base funding for this program must be used for the ongoing, day-to-day requirements associated with delivering services (both prevention and basic treatment) under the HSO Program to children and youth in low-income families. Program expense categories include:

- Salaries, wages and benefits
  - Dental care providers – clinical
  - Administration
  - Oral health staff – non-clinical

- Fee-for-service delivery

- Administrative expenses which include: building occupancy, travel, staff training and professional development, material/supplies, office equipment, professional and purchased services, communication costs, other operating, and information and information technology equipment.

- Health Promotion (including Communication Costs for Marketing / Promotional Activities)
  - Funding used to promote oral health (communication costs, include marketing / promotional activities; travel; promotional materials; and, training).
  - Funding used for marketing / promotional activities must not compromise front-line service for current and future HSO clients.
  - The Board of Health is responsible for ensuring promotional / marketing activities have a direct, 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, please liaise with the Province's Communications and Marketing Division (CMD) 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 oral health activities required under the OPHS.

As part of the annual Program-Based Grants budget submission process, the Board of Health is required to report on the measures listed in the HSO Program Report Template.

Other requirements of the HSO Program include:

- All revenues collected under the HSO Program (including revenues collected for the provision of services to non-HSO clients) must be reported as income (i.e. revenue collected for CINOT, Ontario Works, Ontario Disability Support Program and other non-HSO programs). Revenues must be used to offset expenditures.

- The Board of Health must use OHISS to administer the HSO Program.

- The Board of Health must enter into Service Level Agreements with any organization they partner with for purposes of delivering the HSO Program. The Service Level Agreement must set out clear performance expectations and ensure accountability for public funds.

- Any significant changes to the Ministry-approved HSO business model, including changes to plans, partnerships, or processes, or otherwise as outlined in the Board of Health's Ministry-approved business case and supporting documents 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 dental services (both prevention and basic treatment) to HSO clients.

- The Board of Health is required to bill back the relevant programs for services provided to non-HSO clients.

B6. Infection Prevention and Control Nurses Initiative (Public Health Division)

The Infection Prevention and Control Nurses Initiative was established to support one (1) additional FTE Infection Prevention and Control Nurse for every Board of Health in the province. Funding for this position was originally secured through the 9,000 Nurses Initiative, a government commitment to increase the number of full-time nurses working in the Ontario healthcare sector as part of a broader health human resources strategy.

Base funding for the initiative must be used for the creation of additional hours of nursing service (1.0 FTE) and for nursing salaries/benefits and cannot be used to support operating or education costs. Qualifications required for these positions are:
(1) a nursing designation (Registered Nurse, Registered Practical Nurse, or Registered Nurse in the Extended Class), and (2) Certification in Infection Control (CIC), or a commitment to obtaining CIC within three (3) years of beginning of employment.

The majority of the Infection Prevention and Control Nurse's time must be spent on infection prevention and control activities. The Board of Health is required to maintain this position as part of baseline nursing staffing levels.

The Board of Health may be required at the discretion of the Province, to submit to the Province an annual activity report related to the initiative confirming the maintenance of the funded 1.0 nursing FTE, and highlighting infection prevention and control nursing activities for the previous funding period. Other reports, as specified from time to time, may also be requested by the Province upon reasonable notice.

B7. Infectious Diseases Control Initiative (180 FTEs) (Public Health Division)

In response to the SARS crisis of 2003, the Province announced that it would bolster its infection and communicable disease control and prevention capacity by increasing full-time positions for infection control practitioners in health facilities. This included 180 FTE infectious diseases control positions for local boards of health.

Base funding for this initiative must be used solely for the purpose of hiring and supporting 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.

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 the Infectious Diseases Control Initiative is 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.

The Board of Health may be required at the discretion of the Province, to submit to the Province an annual activity report related to the initiative confirming the maintenance of the funded positions, and highlighting infectious diseases control related activities for the

previous funding period. Other reports, as specified from time to time, may also be requested by the Province upon prior written notice.

B8. Needle Exchange Program Initiative (Public Health Division)

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.

The Board of Health is required to submit Needle Exchange Program activity reports to the Province. Information regarding this requirement will be communicated to the Board of Health at a later date.

B9. Small Drinking Water Systems Program (Public Health Division)

Base funding for this program must be used for salaries, wages and benefits, accommodation costs, transportation and communication costs, and supplies and equipment to support the ongoing assessments and monitoring of small drinking water systems.

Under this program, public health inspectors are required to conduct new and ongoing site-specific risk assessments of all small drinking water systems within the oversight of the Board of Health; ensure system compliance with the regulation governing the small drinking water systems; and, ensure the provision of education and outreach to the owners/operators of the small drinking water systems.

B10. Smoke-Free Ontario Strategy (Health Promotion Division)

Ontario's Action Plan for Health Care, released in January 2012 as part of the government's Healthy Change Strategy, outlines the plan for Ontario to become the healthiest place in North America to grow up and grow old. The patient-centred Action Plan encourages Ontarians to take charge and improve their health by making healthier choices, and living a healthy lifestyle by preventing chronic diseases and reducing tobacco use. The Action Plan identifies the Smoke-Free Ontario Strategy as a priority for keeping Ontario healthy and articulates Ontario's goal to have the lowest smoking rates in Canada.

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.
- 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 funding to the Board of Health to implement tobacco control activities that are based in 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. Operational expenses not covered within this program include information and information technology equipment. Specific questions about admissible expenditures should be directed to the Ministry program contact for the Smoke-Free Ontario Program.

The Board of Health is required to submit a Smoke-Free Ontario annual work plan and quarterly program activity reports to the Province on dates specified in Schedule C. Work plan and reporting templates will be provided by the Province.

Communications

1. The Board of Health shall:

(a) Act as the media focus for the Project;
(b) Respond to public inquiries, complaints and concerns with respect to the Project;
(c) Report any potential or foreseeable issues to CMD;
(d) Prior to issuing any news release or other planned communications, notify CMD as follows:
    i. News Releases – identify 5 business days prior to release;
    ii. Web Designs – 10 business days prior to launch;
    iii. Marketing Communications (e.g. pamphlets and posters) - 10 business days prior to production and 20 business days prior to release;
    iv. Public Relations Plan for Project – 15 business days prior to launch;
    v. Digital Marketing Strategy – 10 business days prior to launch;
    vi. Final advertising creative – 10 business days to final production; and,
    vii. Recommended media buying plan – 15 business days prior to launch and any media expenditures have been undertaken.
(e) Advise CMD prior to embarking on planned public communication strategies, major provider outreach activities and the release of any publications related to the Project;
(f) Ensure that any new products, and where possible, existing products related to the Project use the Ontario Logo or other Ontario identifier in compliance with the Visual Identity Directive, September 2006; and,
(g) Despite the time frames set out above for specific types of communications, all public announcements and media communications related to urgent and/or emerging Project issues shall require the Board of Health to provide the CMD with notice of such announcement or communication as soon as possible prior to release.

2. Despite the Notice provision in Article 18 of the Agreement, the Board of Health shall provide any Notice required to be given under this Schedule to the following address:

    Ministry of Health & Long-Term Care
    Communications & Marketing Division
    9th Floor, Hepburn Block, Toronto, ON M7A 1R3
    Fax: 416-327-8791, Email: Judy.Langille@ontario.ca

B11. Social Determinants of Health Nurses Initiative (Public Health Division)

The Social Determinants of Health Nurses Initiative (formerly called the Public Health Nurses Initiative) was established to support salaries and benefits for two (2) new FTE public health nursing positions for each Board of Health. Funding for these positions was originally secured through the 9,000 Nurses Initiative, a government commitment to increase the number of full-time nurses working in the Ontario healthcare sector as part of a broader health human resources strategy.

Public health nurses with specific knowledge and expertise on social determinants of health and health inequities issues will 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 in the Board of Health area.

The Board of Health is required to adhere to the following:

- Base funding for this initiative must be used for the creation of additional hours of nursing service (2.0 FTEs);
- The Board of Health must commit to maintaining baseline nurse staffing levels and creating two (2) new public health nursing FTEs above this baseline; and,
- Base funding is for public health nursing salaries and benefits only and cannot be used to support operating or education costs.

As these are public health nursing positions, required qualifications for these positions are: (1) to be a registered nurse, and (2) 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.

The Board of Health may be required at the discretion of the Province, to submit to the Province an annual activity report. Other reports, as specified from time to time, may also be requested by the Province upon reasonable notice.

B12. Vector-Borne Diseases Program (Public Health Division)

Base funding for this program must be used for the ongoing surveillance, public education, prevention and control of all reportable and communicable vector-borne diseases and outbreaks of vector-borne diseases, which include, but are not limited to, West Nile virus and Lyme Disease.

ONE-TIME FUNDING:

B13. Healthy Communities Fund – Partnership Stream Program (Health Promotion Division)

The Healthy Communities Fund – Partnership Stream is a community program with the goal of improving health outcomes through the development of local healthy eating and physical activity policies.

The Board of Health will bring community partners together to implement a shared vision and key priorities, develop partnerships and networks, and mobilize their communities to create and adopt healthy public policy.

Provincial Objectives of the Partnership Stream are to:

1. Increase the number of networks, community leaders, and decision-makers involved in healthy eating and physical activity policy development.
2. Mobilize communities to foster and develop policies that make it easier for Ontarians to be healthy.
3. Enhance local capacity of networks, community leaders, and decision makers to build healthy public policies.
4. Increase the quantity and impact of sustainable local and regional policies that effectively support physical activity and healthy eating.

One-time funding for this program must only be used for program costs that further the objectives of the program and must be focused on achieving the policy development outcomes.

The following items are not eligible for Healthy Communities one-time funding:

- Staff salaries and benefits;
- Rent for office space;
- Capital expenditures, including assets such as computers;
- Infrastructure development (e.g., tennis courts, renovation and/or maintenance of facilities, such as gymnasiums, etc.);
- Administrative fees, such as those to cover the work to manage project funds or staff; and,
- Partnership development activities not related to specific policy goal(s).

As part of the annual Program-Based Grants budget submission process, the Board of Health is required to submit a Policy Development Plan to the Province. Boards of Health should reference the current Healthy Communities Fund – Partnership Stream Guidelines to support the completion of the Policy Development Plans. The Board of Health is also required to submit to the Province a mid-year and annual activity report.

<u>Communications</u>

1. The Board of Health shall:

    (a) Act as the media focus for the Project;
    (b) Respond to public inquiries, complaints and concerns with respect to the Project;
    (c) Report any potential or foreseeable issues to CMD;
    (d) Prior to issuing any news release or other planned communications, notify CMD as follows:
        i. News Releases – identify 5 business days prior to release;
        ii. Web Designs – 10 business days prior to launch;
        iii. Marketing Communications (e.g. pamphlets and posters) - 10 business days prior to production and 20 business days prior to release;

iv. Public Relations Plan for Project – 15 business days prior to launch;
v. Digital Marketing Strategy – 10 business days prior to launch;
vi. Final advertising creative – 10 business days to final production; and,
vii. Recommended media buying plan – 15 business days prior to launch and any media expenditures have been undertaken.

(e) Advise CMD prior to embarking on planned public communication strategies, major provider outreach activities and the release of any publications related to the Project;

(f) Ensure that any new products, and where possible, existing products related to the Project use the Ontario Logo or other Ontario identifier in compliance with the Visual Identity Directive, September 2006; and,

(g) Despite the time frames set out above for specific types of communications, all public announcements and media communications related to urgent and/or emerging Project issues shall require the Board of Health to provide the CMD with notice of such announcement or communication as soon as possible prior to release.

2. Despite the Notice provision in Article 18 of the Agreement, the Board of Health shall provide any Notice required to be given under this Schedule to the following address:

Ministry of Health & Long-Term Care
Communications & Marketing Division
9th Floor, Hepburn Block, Toronto, ON M7A 1R3
Fax: 416-327-8791, Email: Judy.Langille@ontario.ca

B14. Panorama Solution (Health Services I&IT Cluster and Public Health Division)

One-time funding for this initiative must be used for costs incurred for the Panorama Solution Phase 1 (Immunization Module, Inventory Module and Student Information Exchange Module).

Specifically, one-time funding is allocated to the Board of Health for the following Panorama Solution Phase 1 activities which include the production implementation (and upcoming releases and enhancements) of the Immunization Module and Student Information Exchange Module (STIX) along with preparing for the implementation of the Inventory Module.

- Implement required changes to business processes and workflows, as per specific Board of Health requirements;
- Implement any defined workarounds;
- Complete and execute training plans for the Immunization Module and the Student Information Exchange tool and prepare training plans for the Inventory Module;
- Maintain local training material and programs for each implemented module(s), releases and enhancements of the Panorama Solution;
- Implement internal Board of Health support model including providing the Problem Resolution Coordinator (PRC) for the Panorama Solution and ensuring integration with the Ministry's service model as described in the Service Catalogue;
- Validate Panorama Solution production roles, access levels and required reports on

an ongoing basis;

- Assign required Panorama Solution roles, responsibilities, and accounts to staff members and complete all necessary registration processes for implementation per module;
- Participate in dry runs of IRIS data migration, validate migration results, duplicate record resolution and data cleansing;
- Implement and adhere to data standards, security and privacy policies according to defined best practices;
- Conduct ongoing data quality assurance and improvement processes for the Panorama Solution, including duplicate record resolution;
- Implement and support acceptable use and auditing policies and guidelines;
- Participate in performance and functional baseline testing by participating in mock business scenarios, as required;
- Confirm appropriate privacy, security, and information management related analyses, activities and training have been executed in accordance with: the Board of Health's obligations as a Health Information Custodian under the *Personal Health Information Protection Act* (PHIPA), other applicable law and local business practices and processes;
- Implement and maintain the security and technical infrastructure required for the operation of the Panorama Solution including the approved level(s) of the supported browser(s) and the use of encrypted drives and files;
- Ensure required security and privacy measures are followed including using Secure File Transmission mechanisms for transferring data, applying password protection and encrypting devices where personal health information is involved;
- Sign required agreements for Panorama and eHealth Ontario Hosting prior to production use of Panorama Solution;
- Implement Panorama's Immunization Module and the Student Information Exchange Module (STIX) into live production use;
- Participate in the development of use-case scenarios for future enhancements and release of the Panorama Solution, as required;
- Participate in reviews of prototypes for components of the Panorama Solution;
- Participate in surveys, questionnaires and ad-hoc reviews, as required;
- Provide Subject Matter Expert Functional Testing resources for selected enhancements or releases of the Panorama Solution, as required;
- Continue post implementation participation in quality improvement through the provision of human resources to provide support within at least one (1) of the following categories:
    - Business Practices and Change Management,
    - Deployment and Release Planning,
    - Information Governance,
    - Audit Policies and Guidelines,
    - Data Standards and Reporting,
    - User Experience, and
    - Technical (IT) Experience;
- Engage in continuous review of business processes to seek improvements and efficiencies; and,
- Maintain and execute a communication/information plan for both internal staff and external stakeholders.

If the Board of Health has agreed to be a *Builder and Early Adopter* it must also use the

one-time funding toward the following activities for the Panorama Solution Phase 1 (Immunization Module, Inventory Module and Student Information Exchange Module) as noted below:

- Provide special field support services to the Province to assist with resolution of field specific issues, assessment and testing of releases and enhancements, business process improvements, innovations, testing, pilots and proof of concept activity.

The Board of Health is also required to submit to the Province an annual activity report outlining the results of the activities noted above. Information regarding the report requirements will be communicated to the Board of Health at a later date.

B15. Smoke-Free Ontario Expanded Smoking Cessation Programming for Priority Populations (Health Promotion Division)

One-time funding must be used for the purchase and provision of nicotine replacement therapy (NRT) to complement smoking cessation interventions (counseling and follow-up support) for priority populations.

The one-time funding will expand cessation services offered to priority populations identified at a higher risk of tobacco-use and help reach more Ontario smokers in quitting. One-time funding is for the purchase and provision of NRT and cannot be used to support staffing costs such as salaries and benefits.

The Board of Health is required to submit third and fourth quarter program activity reports for this project to the Province on dates specified in Schedule C. Reporting templates will be provided by the Province.

OTHER:

B16. Medical Officer of Health / Associate Medical Officer of Health Compensation Initiative (Public Health Division)

The Province has committed to provide boards of health with 100% of the additional funding required to fund eligible physicians within salary ranges associated with the Medical Officer of Health/Associate Medical Officer of Health provisions related to this payment as per the 2012 Physician Services Agreement.

Base funding for this initiative must be used to provide additional salary/benefits/stipends for the individual Medical Officer of Health, Associate Medical Officer of Health or Acting Medical Officer of Health funded under this initiative and cannot be used to support other physicians or staffing costs. Any funding for additional compensation is made via an application process separate from the Program-Based Grants budget submission process.

The Board of Health is required to notify the Province in the case of any change in an eligible physician's base salary, benefits, FTE and/or position status as this may impact the total amount of additional compensation granted in that year.

B17. Vaccine Programs (Public Health Division)

Funding on a per dose basis will be provided to the Board of Health for the administration of the following vaccines:

Influenza

The Province will continue to pay $5.00/dose for the administration of the influenza vaccine. In order to claim the UIIP administration fee, the Board of Health is required to submit, as part of the quarterly financial reports, the number of doses administered. Reimbursement by the Province will be made on a quarterly basis based on the information.

Meningococcal

The Province will continue to pay $8.50/dose for the administration of the meningococcal vaccine. In order to claim the meningococcal vaccine administration fee, the Board of Health is required to submit, as part of the quarterly financial reports, the number of doses administered. Reimbursement by the Province will be made on a quarterly basis based on the information.

Human Papilloma Virus (HPV)

The Province will continue to pay $8.50/dose for the administration of the HPV vaccine. In order to claim the HPV vaccine administration fee, the Board of Health is required to submit, as part of the quarterly financial reports, 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 quarterly financial reports accurately reflects the vaccines administered and reported on the Vaccine Utilization database.

SCHEDULE C-1

REPORTING REQUIREMENTS

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

ONGOING FINANCIAL AND PROGRAM REPORTING REQUIREMENTS	
Name of Report	**Due Date**
1. 4th Quarter Financial Report (for the period ending December 31st)	January 31st
2. Enhanced Food Safety – Haines Initiative Annual Activity Report (for the period of January 1st to December 31st)	January 31st
3. Enhanced Safe Water Initiative Annual Activity Report (for the period of January 1st to December 31st)	January 31st
4. Financial Controls Checklist	January 31st (beginning 2015)
5. Smoke-Free Ontario 4th Quarter (Final) Program Activity Report (for the period ending December 31st)	February 15th
6. Program-Based Grants Budget Request and Supporting Documentation[1]	March 1st
7. 1st Quarter Financial Report (for the period ending March 31st)	April 30th
8. Smoke-Free Ontario 1st Quarter Program Activity Report (for the period ending March 31st)	April 30th
9. Annual Reconciliation Report and Auditors' Management Letter issued to the Board of Health[2, 3]	May 31st
10. 2nd Quarter Financial Report (for the period ending June 30th)	July 31st
11. Smoke-Free Ontario 2nd Quarter (Interim) Program Activity Report (for the period ending June 30th)	July 31st
12. 3rd Quarter Financial Report (for the period ending September 30th)	October 31st
13. Smoke-Free Ontario 3rd Quarter Program Activity Report (for the period ending September 30th)	October 31st
14. Smoke-Free Ontario Annual Work Plan	November 15th
15. Base Funding Activity Reports	As Requested

PERFORMANCE IMPROVEMENT REPORTING REQUIREMENTS	
Name of Report	**Due Date**
1. Year-end Reporting on Achievement of Performance Indicators for Prior Year	January 31st or As Required
2. Mid-year Reporting on Achievement of Performance Indicators for current year	July 31st or As Required
3. Compliance Reporting (as per a Compliance Variance in section 5.4)	As Required
4. Performance Reporting (as per a Performance Variance in section 5.5)	As Requested
5. Monitoring Indicator Reporting[4]	As Required

ONE-TIME REPORTING REQUIREMENTS[5]	
Name of Report	**Due Date**
1. Healthy Communities Fund – Partnership Stream Program Mid-Year Activity Report (for the period ending September 30, 2014)	October 31, 2014
2. Smoke Free Ontario Expanded Smoking Cessation Programming for Priority Populations 3rd Quarter Program Activity Report (for the period ending September 30, 2014)	October 31, 2014
3. Smoke Free Ontario Expanded Smoking Cessation Programming for Priority Populations 4th Quarter Program Activity Report (for the period ending December 31, 2014)	January 31, 2015
4. Panorama Plan Annual Activity Report (for the period of April 1st to March 31st)	April 30, 2015
5. Healthy Communities Fund – Partnership Stream Program Annual Activity Report (for the period of April 1st to March 31st)	May 15, 2015
6. One-Time Funding Project Activity Reports	As Requested

Notes:

1. Please refer to the current Program-Based Grants User Guide for further details on the supporting documentation required.

2. The re-evaluation of annual reconciliations by the Province is limited to one (1) year after the annual reconciliations have been provided to the Board of Health.

3. The Audited Financial Statements must include a separate account of the revenues and expenditures of mandatory programs, as a whole, and each "related" program. This must be presented in separate schedules by program or initiative category or by separate disclosure in the notes to the Audited Financial Statements. It is not necessary to identify the revenues and expenditures of the individual programs within mandatory programs, but each of the "related" programs must be identified separately.

4. Monitoring Indicators are measures for monitoring risks related to program delivery. Definitions for current Monitoring Indicators are provided in the Technical Document: Health Protection Indicators and the Technical Document: Health Promotion Division 2014 Public Health Funding and Accountability Agreement Indicators.

5. For a one-time project(s) approved for the period up to March 31, 2015, the Board of Health is required to confirm and report expenditures related to the project(s) as part of the: 2014 Program-Based Grants Annual Reconciliation Package, for the period up to December 31, 2014; 2015 1st Quarter Financial Report for the period up to December 31, 2014 and the period of January 1, 2015 to March 31, 2015; and, 2015 Program-Based Grants Annual Reconciliation Package for the period of January 1, 2015 to March 31, 2015. In addition to the 2015 Program-Based Grants Annual Reconciliation requirements, the Province requires a certification from a licensed auditor that the expenses were incurred no later than March 31, 2015 through a disclosure in the notes to the 2015 Audited Financial Statements.

SCHEDULE D-1

PERFORMANCE OBLIGATIONS

PART A

PURPOSE OF SCHEDULE

To set out Performance Indicators to improve Board of Health performance, support the achievement of improved health outcomes in Ontario, and establish performance obligations for both parties.

PART B

Definitions

1. In this Schedule, the following terms have the following meanings:

   "**Board of Health Baseline**" means the result for a performance indicator at a given point in time that provides a starting point for establishing Performance Targets for future Board of Health performance and for measuring changes in such performance.

   "**Developmental Indicator**" means a measure of performance or an area of common interest for creating a measure of performance that requires development due to factors such as, but not limited to: the need for new data collection, methodological refinement, testing, consultation or analysis of reliability, feasibility or data quality before being considered as a potential Performance Indicator.

FUNDING YEAR 2014

1. The **Province** will:

   (a) Provide to the Board of Health technical documentation on the Performance Indicators set out in Table A.

   (b) Provide to the Board of Health the values for the Performance Indicators set out in Table A as available.

   (c) Collaborate on the development of Developmental Indicators for areas of mutual interest including, but not limited to:

(i) Assess the effectiveness of public health unit partnerships regarding falls prevention: using a partnership evaluation tool;

(ii) Track progression on local alcohol policy development: policies that create or enhance safe and supportive environments;

(iii) Tobacco Prevention: Level of Achievement of Tobacco Use Prevention in Secondary School: progress towards implementation of tobacco-free living initiatives within secondary schools;

(iv) Obesity Prevention: Policy & Environmental Support Status: healthy eating and physical activity policy development and the creation of supportive environments that will help to reduce childhood obesity;

(v) Growth and Development – Parent access to the Nipissing District Developmental Screen™: promotion and implementation of healthy growth and development screen;

(vi) N. gonorrhea cases treated according to recommended Ontario treatment guidelines; and,

(vii) Implementation of infection control measures to address outbreaks.

2. The **Board of Health** will,

   (a) Use best efforts to achieve agreed upon Performance Targets for the Performance Indicators set out in Table A.

3. **Both Parties** will,

   (a) By December 2014 (or by such later date as mutually agreed to by the Parties), establish appropriate Board of Health Baselines for all Performance Indicators as required and available.

   (b) Develop Performance Targets for the Performance Indicators outlined in Table A (as applicable) once Board of Health Baselines are established.

Table A: Performance Indicators				
INDICATOR			**Year**	**Value**
1.2 Fall-related emergency visits in older adults aged 65+		Baseline	2013	TBD
		Target	2016	TBD
1.3 % of youth (ages 12-18) who have never smoked a whole cigarette		Baseline	2012 & 2013 combined	TBD
		Target	2016	TBD
1.4 % of tobacco vendors in compliance with youth access legislation at the time of last inspection		Baseline	2013	99.7%
		Target	2014	≥90%
1.5 % of secondary schools inspected once per year for compliance with section 10 of the *Smoke-Free Ontario Act* (SFOA)		Baseline	2014	TBD
		Target	2015	100.0%
1.6 % of tobacco retailers inspected for compliance with section 3 of the *Smoke-Free Ontario Act* (SFOA)		Baseline	2013	92.6%
		Target	2014	100.0%
1.7 % of tobacco retailers inspected once per year for compliance with display, handling and promotion sections of the *Smoke-Free Ontario Act* (SFOA)		Baseline	2013	97.2%
		Target	2014	100.0%
1.8 Oral Health Assessment and Surveillance: % of all JK, SK and Grade 2 students screened in all publicly funded schools	A) % of Schools Screened	Baseline	Sept. 2013 -June 2014	100.0%
		Target	Sept. 2014 -June 2015	100.0%
	B) % of JK, SK & Grade 2 Students Screened	Baseline	Sept. 2013 -June 2014	92.9%
		Target	Sept. 2014 -June 2015	100.0%
1.9 Implementation status of NutriSTEP® Preschool Screen		Baseline	2013	Initiation
		Target	2014	Preliminary
1.10 Baby-Friendly Initiative (BFI) Status		Baseline	2013	Advanced
		Target	2014	Designated

Table A: Performance Indicators			
INDICATOR		**Year**	**Value**
2.1 % of high-risk food premises inspected once every 4 months while in operation	Baseline	2013	99.7%
	Target	2014	100.0%
2.2 % of moderate-risk food premises inspected once every 6 months while in operation	Baseline	2013	97.3%
	Target	2014	100.0%
2.3 % of Class A pools inspected while in operation	Baseline	2013	100.0%
	Target	2014	100.0%
3.1 % of personal services settings inspected annually	Baseline	2013	100.0%
	Target	2014	100.0%
3.2 % of suspected rabies exposures reported with investigation initiated within one day of public health unit notification	Baseline	2014	TBD
	Target	2015	n/a
4.1 % of HPV vaccine wasted that is stored/administered by the public health unit	Baseline	2012/13	0.0%
	Target	2014/15	0.0%
	Target	2015/16	0.0%
4.2 % of influenza vaccine wasted that is stored/administered by the public health unit	Baseline	2012/13	0.2%
	Target	2014/15	0.2%
	Target	2015/16	0.2%
4.3 % of refrigerators storing publicly funded vaccines that have received a completed routine annual cold chain inspection	Baseline	2013	97.1%
	Target	2014	100.0%

SCHEDULE E-1

BOARD OF HEALTH FINANCIAL CONTROLS

Financial controls support the integrity of the Board of Health's financial statements and support the safeguarding of assets and assist with the prevention and/or detection of significant errors including possible fraud. The following control criteria ensure financial transactions 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** – of assets and liabilities and adequate documentation exists to support the item;
- **Error Handling** – errors are identified and corrected by those who have proper authority;
- **Segregation of Duties** – to ensure 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 that support the collection of accurate and complete financial information.**

   Examples of potential controls to support this objective include, but are not limited to:
   - Numbered documents such as sequentially numbered cheques to avoid duplication.
   - All accounts reconciled on a regular and timely basis.
   - Automated controls such as valid date ranges, dollar value limits.
   - Regular comparison of budgeted versus actual dollar spending and variance analysis.
   - Documented policies and procedures and clearly defined lines of authority for approving payments (e.g., documented Delegation of Authority).
   - Exception reports and the timeliness to clear transactions.
   - Segregation of duties (e.g., ensure the same person is not responsible for ordering, recording and paying for purchases).
   - System batch totals.

2. **Chart of accounts that are used to correctly record financial transactions.**

   Examples of potential controls to support this objective include, but are not limited to:
   - An authorized chart of accounts.
   - Use of a capital asset ledger.
   - Dedicated staff with authority to approve journal entries and credits.
   - Access to accounts is appropriately restricted.
   - Budget to actual comparisons (variance analysis) including cash flow analysis.
   - Trial balances including all asset accounts that are prepared and reviewed by supervisors on a monthly basis.

3. **Receivable balances are collected 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.
   - Reconcile trial balances with general ledger control accounts on a regular and timely basis.
   - Original source documents are maintained and secured to support all receipts and expenditures.

4. **Goods are purchased, received and accounted for and paid by someone with proper authority.**

   Examples of potential controls to support this objective include, but are not limited to:
   - Segregation of duties is used to apply the three way matching process (i.e. Supplier invoices are 1) matched with the applicable authorized purchase order, 2) matched with applicable validated packing slips, 3) reviewed for accuracy).
   - Duties are segregated with respect to those who set up a vendor versus those approving payment to the vendor, and those receiving goods.
   - Any discounts are accounted for (and recorded in accounts receivable); processes in place to take advantage of offered discounts.
   - Trial balance of accounts payable is reconciled to the general ledger control account on a regular and timely basis.
   - Evidence is on file to support the proper reimbursement of expenses (i.e. they've been submitted properly along with receipts with approval for payment and fall within internal policies and procedures).
   - Original source documents are maintained and secured to support all receipts and expenditures.
   - Regular monitoring to ensure compliance with applicable directives.
   - Monitoring for duplicate payments (e.g., invoice stamped as paid and matched with cheque copy, system controls or manual controls to ensure that duplicate invoices cannot be processed as well as proper and diligent review of invoices by authorized approver – oversight role).
   - Credit card expenses are monitored and authorized before payment is made.
   - Monitoring of breaking down large dollar purchases into smaller invoices in an attempt to bypass approval limits.

5. **Policy and procedures that prevent the event of potential errors, omissions or fraud through disbursement of funds including payroll.**

   Examples of potential controls include, but are not limited to:
   - General policies defining dollar limit for paying cash versus cheque.
   - Separate roles to approve purchases versus paying for purchases along with authorized dollar limits.
   - 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 the cancellation.
   - A 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.
   - Separate payroll preparation, disbursement and distribution functions.

6. **Accounting functions including authorizing and processing a financial transaction, recording and holding assets are segregated to substantially reduce the risk of misappropriation of funds.**

   Examples of potential controls include, but are not limited to:
   - Separating responsibilities between:
     - The person who records transactions and the person who is responsible for purchasing;
     - The person who handles accounts payable and the individual(s) who signs cheques;
     - The person who records invoices and accounts receivable and the person who opens the mail and makes bank deposits;
     - Record keeping is separate from operations and/or the handling and custody of assets; and,
     - Bookkeeper's duties exclude receiving cash or cheques, preparing bank deposits, signing cheques, and opening incoming mail.
   - Audit trails support the monitoring of transactions including those with override capabilities and the opportunity to spot-check for unauthorized activity.
   - Audit trails of recorded overrides are monitored by individuals who do not hold override capability and are responsible for overseeing the financial activities of the Board of Health.