



## **Contracted Financial Services Funding Policy**

### **1. Statement of Policy**

The Department of Municipal and Community Affairs may provide funding for contracted financial services to support community government to maintain sound financial practices and strengthen financial management.

### **2. Principles**

The Department of Municipal and Community Affairs will adhere to the following principles when implementing this policy:

- (1) Short term requirements for financial services may occasionally arise requiring funding that is additional to normal requirements.
- (2) Sound financial management practices play a vital role in sustainable and transparent community governance and should be encouraged.
- (3) Community governments should be encouraged and supported to maintain an adequate level of financial services.

### **3. Scope**

This Policy applies to all community governments.

### **4. Definitions**

The following term applies to this Policy:

Community government – A corporation established under or continued by the Charter Communities Act, the Cities, Towns and Villages Act, the Hamlets Act, the Community Government Act, or any Recognized First Nations Council.

### **5. Authority and Accountability**

#### **(1) General**

This policy is issued in accordance with Financial Management Board direction to delegate to Ministers authority to establish grants and contribution programs. Authority and accountability is further defined in Financial Administration Manual directives 805 and 810 and as follows:



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### (a) Minister

The Minister of Municipal and Community Affairs (the Minister) is accountable to the Financial Management Board for the implementation of this policy.

### (b) Deputy Minister

The Deputy Minister of Municipal and Community Affairs (the Deputy Minister) is accountable to the Minister and responsible to the Minister for the administration of this policy.

## (2) Specific

### (a) Minister

The Minister may:

- (i) approve changes to this policy;
- (ii) approve grants or contributions according to the terms and conditions outlined in this policy; and
- (iii) delegate the authority to approve grants and contributions to the Deputy Minister.

### (b) Deputy Minister

The Deputy Minister has the following authority and accountability, which he or she may delegate to regional superintendents or directors:

- (i) determine the need for funding assistance based on consultation with community governments and/or departmental officials.



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### 6. Provisions

#### (1) Application Process

- (a) Community governments must apply in writing to the Regional Superintendent, the Director of Community Operations or to the Manager of Community Financial Services in the Community Operations Division.

#### (2) Funding Limits

- (a) Funding for contracted financial services will be provided for up to 75% of the overall cost.
- (b) Funding for contracted financial services is not intended to address ongoing funding requirements or deficiencies.

#### (3) Eligibility Criteria

- (a) Community governments that require contracted financial services to meet accounting requirements or to build financial capacity are eligible to apply.

- (b) Eligible Expenses

Funding may be used for the following expenses:

- (i) independent financial management services,
- (ii) expert financial advice, and/or
- (iii) auditing and/or accounting assistance

#### (4) Review and Appeal

- (a) Review

- (i) Applications for funding are reviewed by the Regional Superintendent, and/or the Director of Community Operations.



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(ii) Applications are reviewed on a case-by-case basis based on the written application and according to the precepts of this policy.

(b) Appeal

(i) There is no applicable appeal mechanism to the funding decisions made under this policy.

### 7. Financial Resources

Financial resources required under this policy are conditional on approval of funds in the Main Estimates by the Legislative Assembly and there being a sufficient unencumbered balance in the appropriate activity for the fiscal year for which the funds would be required.

### 8. Prerogative of the Minister

Nothing in this policy shall in any way be construed to limit the prerogative of the Minister to make decisions or take actions respecting grants or contributions. In this regard, the Minister may make a special exception to the rules set out in this policy. Any exception will require substantiation in writing and must be recorded with the Department of Municipal and Community Affairs.

Caroline Cochrane

Minister

Date