

Employment and Social Development Canada

Delegation of Financial Authority Instrument – Supplementary Notes

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I. INTRODUCTION

These supplementary notes are companion to the Departmental Delegation Instrument.

The supplementary notes have been prepared to provide a quick reference regarding the Delegation Instrument. Management should not rely solely on them when making a decision. The supplementary notes are based on the Financial Administration Act (FAA), federal government regulations and Treasury Board policies, directives and guidelines. The supplementary notes do not override legislation, regulations or TB policy relating to financial administration. When there are conflicts between the supplementary notes and legislation or regulations or policy, the latter will apply. Any conflicts that arise should be sent to the Financial Delegation Unit at [NC-FAS-SFA-NHQ-ACCOUNTING-SERVICES-COMPT-AC-GD](#).

The Delegation of Financial Authority Instrument (hereafter referred to as the Delegation Instrument) is the official document whereby the Minister and Deputy Minister (DM) delegate financial authorities to departmental officials. It satisfies the requirement under the Treasury Board (TB) Directive on Delegation of Spending and Financial Authorities that the financial authorities are communicated in writing.

The departmental Delegation of Financial Authorities Instrument came into effect on **March 17, 2020**, the date that Minister of Employment, Workforce Development and Disability Inclusion (ESD) approved it and will remain in effect until the Minister approves a new Delegation Instrument or makes an amendment.

The appointment of a new Minister does not automatically nullify existing authorities. However, a new Delegation Instrument is to be prepared for signature by the Minister and DM within 90 days following the appointment of a new Minister.

The Delegation Instrument must be re-signed by the Minister and DM when there is an amendment to the delegated authorities. The Chief Financial Officer may update the Supplementary Notes as required, as long as they do not affect the amount or limits of delegation, and the level or position to which an authority has been delegated.

For positions that are not specified in the Delegation Instrument or delegated authorities are insufficient for the responsibilities of a position, the Chief Financial Officer (CFO) may also have the authority to review such position classification in order to declare the position equivalent to positions already specified in the Delegation Instrument. Please refer to Table of Equivalent Positions.

These notes refer to the policies and procedures required for the administration of Financial Signing Authorities and provide an understanding on the different types of Financial Signing Authorities, the requirements of Section 32, 33, and 34 of the FAA, the restrictions and how to interpret the Financial Delegation Instrument. The Delegation Instrument constitutes a key internal control mechanism that plays an essential role in the expenditure process and achieving departmental and government priorities and objectives.

The FAA, central agency policies, G&C program terms and conditions (T&C) and other acts, regulations and policies allow financial signing authorities and other authorities associated with the Expenditure Process to be delegated to departmental/commission officers and other bodies by the Minister of Employment, Workforce Development and Disability Inclusion (ESD). These authorities are incorporated in the Delegation Instrument.

II. DIRECTIVE ON DELEGATION OF AUTHORITIES INSTRUMENT

A. Responsibility

Responsibility for the control and spending of public money is placed on ministers and deputy heads by Parliament through appropriation acts, the FAA, and regulations under the FAA.

Through the Delegation Instrument, the Minister allows for delegation of spending and financial authorities to positions where responsibility can be most effectively exercised and where accountability for results can be determined.

B. Authority Limits

The Delegation Instrument reflects the authority limits that can be granted to ESDC's generic positions. The financial signing authorities may be subject to lower limitations imposed in specific circumstances by executive order or on the instruction of the Minister. All maximum limitations indicated are general limitations, and lower limitations may be imposed on a local basis, where desirable, at the discretion of the Manager. The incumbent of the position with delegated authority must follow all relevant policies and procedures aligned with managerial, budgetary and operational responsibilities and apply signing authority within the area of authority designated. The authority limits for any specific incumbent may include additional restrictions for operational purposes, as delegated by the proper authority. It is therefore important to refer to the Financial Signing Authorities (FSA) record to know the authorities actually vested in any given incumbent of a position.

The authority limits include all applicable taxes.

Departmental officials with delegated authority are granted only those authorities related to the delivery and administration of their approved programs and may only spend within their approved budget. Personnel authorized to exercise signing authority will be held accountable for all expenditures of public funds for which they are responsible.

C. Delegation Principles

Before an incumbent can exercise a financial authority, this authority must be formally delegated to the relevant position in accordance with the Delegation Instrument. In addition to the mandatory training, the incumbent of the position must also complete a Financial Signing Authority (FSA) record also known as a Specimen Signature Card and be formally designated by a superior to whom the incumbent reports.

A number of principles apply when exercising delegated authorities for financial administration. They are described below.

Delegation to Position

Authorities are delegated to positions, not to individuals identified by name. Delegated authority cannot be re-delegated in whole or in part by the incumbent of the position to which such authority has been delegated., i.e. a person who has been appointed to a position with delegated authority may not re-delegate his/her authorities to another position or person. However, the person may authorize the incumbent of a position under his/her responsibility to exercise the authorities delegated to the position in the Delegation Instrument by way of a signature card (FSA).

Before an incumbent can exercise a financial authority, this authority must be formally delegated to the relevant position in accordance with the Delegation of Authority

Instrument. The incumbent of the position must also complete a specimen signature card and be formally designated by an officer to whom the incumbent reports.

A person who does not have the delegated authority may not sign on behalf of an individual who does (i.e. over a superior's signature block) unless in an acting situation and appropriate authorities have been delegated in writing.

The Delegation Instrument indicates the lowest levels to which signing authorities are given. This means that all positions in the hierarchical order above this position also have at least this same delegation (some exceptions may apply).

Required training

As per the TB Directive on the Administration of Required Training, before any individual exercises a delegated authority, they must have successfully completed the assessments and **mandatory** training commensurate with their responsibilities to ensure they have the knowledge, skills and competencies needed to effectively exercise delegated signing authorities and carry out their duties. It is the employee's designated superior's responsibility to ensure that their employees are aware that failure to comply with these requirements within the specified timeframe will result in a suspension of delegated authorities until after successful completion of required training and assessments. Requests for information on the training requirements should be routed to the departmental required training coordinators at *nc-required training-information indispensable-gd*.

Before an incumbent's training expires, the group responsible for specimen signature cards will notify the incumbent by email that an on-line revalidation course must be successfully completed. If the deadline is not respected for the completion of on-line course, then the incumbent signing authority may get suspended.

Local Control Requirements

The Area of Responsibility indicated in the Delegation Instrument is a key limitation in the exercise of delegated authorities. A delegation by the Minister and DM does not eliminate the responsibility of Fund Center Managers (FCMs) to establish efficient control procedures within that person's area of responsibility. The delegation sets the lowest level of position at which financial authority may be exercised, and additional limitations may need to be imposed in order to meet local requirements for effective control.

Accountability

FCMs, through the prudent use of their delegated authorities, will be accountable for effectively and efficiently managing their resources and related deliverables in accordance with the FAA, Treasury Board (TB), other central agencies and departmental regulations, policies and directives. Persons to whom authorities for financial administration have been delegated are responsible for ensuring that they understand the extent of their authority and financial accountability.

Personal Benefit

No person shall exercise either payment or spending authority with respect to a transaction from which that person can personally benefit, such as expenditures for travel, relocation, hospitality, reimbursement of tuition fees, or membership dues. Furthermore, every person involved in a transaction which results in a personal payment must have the expenditure initiation portion of that transaction authorized by the person's superior officer.

Acting Appointments

No person occupying a position on an acting basis shall exercise the financial authorities given to that position unless properly authorized in writing by an officer to whom the normal incumbent of the position reports.

For individuals on acting assignment whom will be expected to exercise financial signing authorities, the FSA record must reflect the delegated authorities of the acting position and the supervisor of the delegated position must approve the FSA record.

The individual must have successfully completed a delegation of authority training before such authorities can be exercised. When the acting period exceeds 4 months, the incumbent acting in a position with delegated authorities will need to meet the training requirements for the level of the acting position before such delegation can be exercised. Please refer to Departmental Policy on the Delegation of Financial Signing Authorities and Specimen Signatures.

A formal Blanket Acting Designation Memorandum (BADM) listing the names and positions of the individuals designated to be acting during one fiscal year should be completed at the beginning of every fiscal year to authorize acting assignments on an annual basis. The BADM must be approved by the superior of the permanent incumbent of the position, and originals are to be forwarded by mail to the Financial Delegation Unit.

An activation email, indicating which incumbent from the Blanket Acting Designation Memorandum (BADM) will be acting and for what duration, must be sent to Financial Delegation Unit before a designated individual starts a specific acting assignment.

In cases a BADM was not done in advance a separate formal Acting Designation Memorandum (ADM) specifying the acting period must be approved by the superior of the permanent incumbent of the position, and the original forwarded by mail to Financial Delegation Unit. An email notification is acceptable on a temporary basis, but must be followed by the original.

Segregation of Authorities

Authority to confirm performance and price under Section 34 of the FAA, and payment authority under Section 33 of the FAA must not be exercised by the same individual with respect to a particular payment. This principle recognizes the need for a division of duties to maintain financial probity. Persons with delegated signing authority may exercise either spending or payment authority, but not both.

Further division of responsibility for expenditure initiation, commitment authority, transaction authority and confirmation of contract performance and price is an effective means of preventing the possibility of error or fraud. It is recognized however that there is a trade-off between risk and efficiency and this will determine the degree to which these functions are kept separate.

Withdrawal of Authorities

Authorities delegated to a position must be withdrawn by the superior of the position and/or by CFOB, if it is determined that the delegated authorities are being abused. Where delegated authorities are inadvertently exercised incorrectly or required training is not successfully completed or revalidated in prescribe timeframe, as a minimum there is a requirement for closer monitoring, which may include probationary periods. Authorities can be reinstated when the superior and CFOB is satisfied that the situation has been corrected and the abuse or improper use will not re-occur.

Annual Review of Signing Authority

At a minimum, controls pertaining to all delegated authorities are reviewed and updated annually. Non-compliance with this principle can lead to suspension or removal of delegated authority, disciplinary action, additional training and other measures as appropriate.

III. THE EXPENDITURE PROCESS

The Expenditure process (Figure 1) of the TB Directive on Delegation of Spending and Financial Authorities consists of the following types of authorities:

Spending authority: consists of the following three elements:

- Expenditure initiation authority (approval)
- Commitment authority (section 32 of the FAA)
- Transaction (contracting or signing of funding agreements) authority

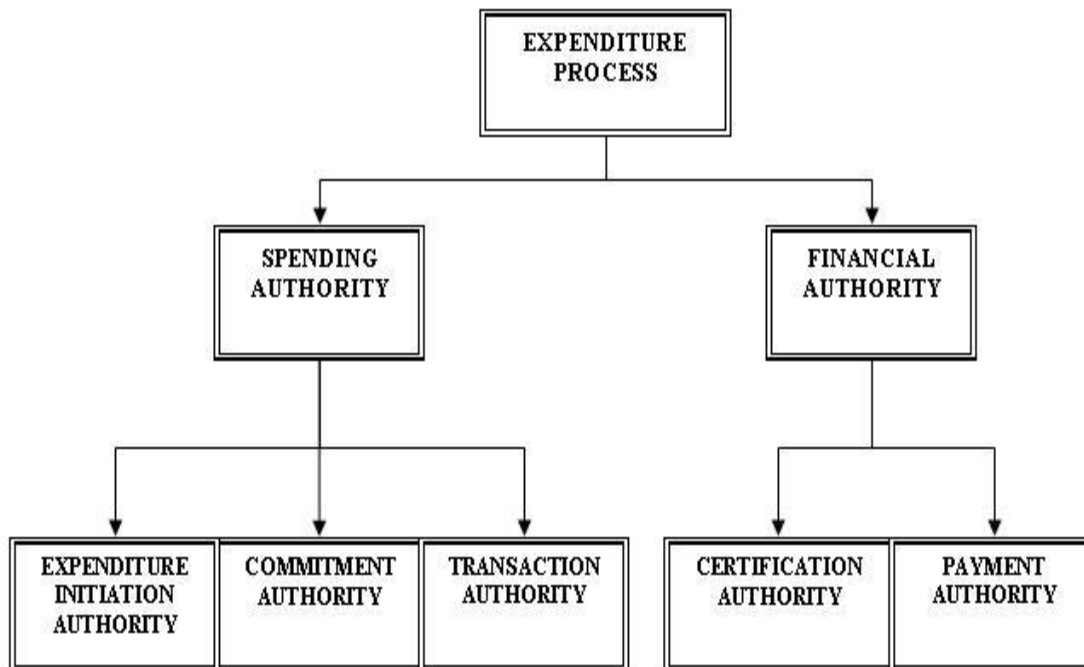
Financial authority: consists of the following two elements:

- Certification authority (section 34 of the FAA)
- Payment authority (section 33 of the FAA)

Other authorities:

- This represents specific authorities to account for such items as, but not limited to: losses, refunds, write-offs, and loans.

Figure 1. The Expenditure Process



A. Spending Authority

(i) Expenditure Initiation Authority

This is the first step in the expenditure cycle and occurs when a Manager wishes to acquire goods or services which will eventually result in an expenditure against his budget. Some examples are; the decision to hire employees, to order supplies or services or to authorize travel. The authority lies with managers responsible for budgets. However, in many instances, before the manager can acquire the goods or services, approval from a superior must be obtained in writing. The Delegation Instrument reflects the approval level required for specific goods and services.

(ii) Commitment Authority

Also known as Section 32, this is the second step in the expenditure cycle. This authority confirms that there are sufficient funds available in the appropriation to cover the proposed expenditure.

The authority to confirm the availability of funds before a contractual arrangement is entered rests with the manager who must commit funds within their budget. Specific FAA wording is as follows:

«32(1) No contract or other arrangement providing for a payment shall be entered into with respect to any program for which there is an appropriation by Parliament or an item included in estimates then before the House of Commons to which the payment will be charged unless there is a sufficient unencumbered balance available out of the appropriation or item to discharge any debt that, under the contract or other arrangement, will be incurred during the fiscal year in which the contract or other arrangement is entered into.

(2) The deputy head or other person charged with the administration of a program for which there is an appropriation by Parliament or an item included in estimates then before the House of Commons shall, as the Treasury Board may prescribe, establish procedures and maintain records respecting the control of financial commitments chargeable to each appropriation or item. »

(iii) Transaction Authority

Transaction Authority is the authority to enter into contracts or sign-off on legal entitlements. A contract is an agreement between a contracting authority and an individual or firm to provide a good, perform a service, construct a work, or lease real property. The contract document describes the subject of the transaction, the price and conditions agreed upon and the time within which the goods or services are to be delivered. As specified by the TB Contracting Policy, there are four basic types of contracts: goods contracts, service contracts, construction contracts and accommodation leases.

B. Financial Authority

(iv) Certification Authority

Also known as Section 34, this is the fourth step in the expenditure cycle. It confirms that the work has been performed as required, services and supplies have been satisfactorily provided, travel and relocation have been successfully carried out, employees have worked overtime and contract performance has been completed in accordance with contract arrangements and conditions. It is also used for G&C to confirm that the T&C of the particular program have been carried out.

This authority is delegated by the Minister to appropriate managers to certify under section 34 of the FAA. In some circumstances, authority to certify contract performance under section 34 of the FAA is delegated to positions outside of the fund center in common servicing arrangements. Such delegation is appropriate when invoices are received centrally and when it is feasible to accumulate centrally commitment, receiving, inspection and other documentation feasible to certify performance and prices without further reference to the FCM. Specific FAA wording, section 34 is as follows:

34(1) "No payment shall be made in respect of any part of the public service of Canada, unless, in addition to any other voucher or certificate that is required, the deputy of the appropriate Minister, or another person authorized by that Minister, certifies:

(a) in the case of a payment for the performance of work, the supply of goods or the rendering of services:

- 1. that the work has been performed, the goods supplied or the service rendered, as the case may be, and that the price charged is according to the contract, is reasonable,*
- 2. where, pursuant to the contract, a payment is to be made before the completion of the work, delivery of the goods or rendering of the service, as the case may be, that the payment is according to the contract, or*
- 3. where, in accordance with the policies and procedures prescribed under subsection (2), payment is to be made in advance of verification, that the claim for payment is reasonable, or*

(b) in the case of any other payment, that the payee is eligible for or entitled to the payment.”

34(2) “The Treasury Board may prescribe policies and procedures to be followed to give effect to the certification and verification required under subsection (1).”

As per 34(1) (b) of the FAA, eligibility assessment is also considered financial authorities and must be officially delegated in writing.

(v) Payment Authority

Also known as Section 33, this authority is the fifth and final step in the expenditure cycle and is given primarily to Financial Officers to requisition payments against the proper appropriation. Payment authority is exercised after the review of the legality of payments and exercising all appropriate financial controls.

This authority is delegated by the Minister primarily to financial officers under section 33 of the FAA. This delegation ensures that all payments and all other charges requisitioned against the Consolidated Revenue Fund (CRF) are timely, properly authorized and legal as prescribed by the Directives on Delegation of Spending and Financial Authorities and Payments.

The objective of establishing payment authority in accordance with this definition is to ensure that all the statutory and regulatory requirements for the control of funds and the requisitioning of payments are met. Due to the need for independent control, payment authority under section 33 should be vested with financial officers under the functional direction of the Chief Financial Officer (CFO).

Specific FAA wording is as follows:

« 33(1) No charge shall be made against an appropriation except upon the requisition of the appropriate Minister of the Department for which the appropriation was made, or of a person authorized in writing by that Minister

33(2) Every requisition for a payment out of the Consolidated Revenue Fund shall be in such form, accompanied by such documents and certified in such manner as the Treasury Board may prescribe by regulation

33(3) No requisition shall be made pursuant to subsection (1) for a payment that:

- 1. would not be a lawful charge against the appropriation;*
- 2. would result in an expenditure in excess of the appropriation; or*
- 3. would reduce the balance of the appropriation so that it would not be sufficient to meet the commitments charged against it*

33(4)The appropriate Minister may transmit to the Treasury Board any requisition with respect to which that Minister desires the direction of the Board, and the Board may order that payment be made or refused»

Reference Material

Directive on Delegation of Spending and Financial Authorities
Financial Administration Act

IV. FINANCIAL DELEGATION INSTRUMENT

A. Symbols and Definitions

Symbols

The symbols in the Delegation Instrument define the limitations of the delegated authority and shall be interpreted as follows:

- “**F**” indicates full authority within authorized budget and in accordance with relevant legislation, Treasury Board and government policy instruments.
- A specified amount indicates limits within authorized budget as prescribed in the Supplementary Notes, Treasury Board and ESDC policy instruments. The amounts are in dollar and “**K**” equals one thousand dollars and “**M**” equals one million dollars.
- * or ^{1,2}... indicates there is a foot note to clarify the intent or restrict the delegated authority

B. Operational and Functional Authorities

The Delegation Instrument consists of two main authorities: Operational Authorities and Functional Authorities.

Operational Authorities consist of general management authorities for a specific area of responsibility. The area of responsibility could apply to a specific sector, branch or responsibility center or to the entire department (Corporate authorities).

Functional Authorities consist of specialized authorities exercised on behalf of the Department or for specific programs. They are exercised by employees who carry out roles and responsibilities that require function-specific knowledge, skills and attributes in the following priority areas: finances, human resources, procurement, materiel management, accommodation management, and other positions.

Authority Restrictions

TB policy specifies that in most cases, delegated authorities to positions may be restricted by geographical location, organizational unit, operational activity and dollar amounts commensurate with the duties and responsibilities of positions. Delegation restrictions are a component of the Delegation Instrument and are contained within this supplementary notes document. Through the Delegation of Financial Signing Authorities and Specimen Signature Card, FCMs can impose further restrictions in order to meet local requirements for effective control.

Equivalent Positions

The CFO has the authority to assess delegated authorities and determine their continuing validity. For positions that are not specified in the Delegation Instrument or delegated authorities are insufficient for the responsibilities of a position, the CFO also has the authority to review such position classification in order to declare the position equivalent to positions already specified in the Delegation Instrument. See Appendix A for Table of Equivalency.

V. FINANCIAL SIGNING AUTHORITY (FSA) RECORDS

A. Procedural Requirements

The FSA record in the FSA database is the document used to formally delegate spending and financial authorities to a specific individual affiliated to a specific position within the department. The FSA record will include details of delegated signing authorities of the incumbent, along with any limitations or restrictions on dollar amounts and a specimen signature.

To delegate spending and financial authorities to an individual, the individual's supervisor must approve the FSA record and authenticate the specimen signature. Upon approval of the FSA record, the individual accepts the financial authorities given to him/her and acknowledges the accountability and responsibility associated with exercising those authorities.

B. Required Training

Individuals can only exercise financial signing authorities upon completion of the required training and knowledge assessment, as per the TB Directive on the Administration of Required Training. This directive requires that supervisors, managers and executives have the necessary knowledge to effectively exercise their delegated signing authorities. Individuals must also re-validate their knowledge of delegated signing authorities at least every 5 years; otherwise their signing authorities will be revoked.

Any individual who occupies a position on an acting basis can assume the delegated signing authority of that position only if he/she has completed the required training and knowledge assessment. Should the individual not have valid training, the individual can act but will not have delegated signing authorities.

When the acting period exceeds 4 months, the incumbent acting in a position with delegated authorities will need to meet the training requirements for the level of the acting position before such delegation can be exercised.

C. Enquiries

All enquiries should be addressed to the Financial Delegation Unit, CFOB at: NC-FAS-SFA-NHQ-ACCOUNTING-SERVICES-COMPT-AC-GD

VI. FINANCIAL AUTHORITIES – OPERATING FUNDS (Vote 1 and Special Votes)

This section of the Supplementary Notes provides information and other references on financial authorities related to operating funds (also known as Operations and Maintenance, i.e. O&M funds). It explains each type of expenditure and any applicable restrictions for which financial authorities have been delegated by the Minister. Each type of expenditures listed in the

Financial Delegation Instrument has been assigned a reference number that will be used in these Supplementary Notes to identify the specific expenditure being described.

A. Area of Authority

Operational and corporate services activities take place within an area of responsibility. The area of responsibility can range from the entire Department to a Funds Center (FC). The area of authority encompasses the FC operations for which an incumbent of a position is responsible and accountable or is assisting in the responsibility.

B. Expenditure Initiation Authority (Approval required)

In many instances, when a manager wishes to acquire goods or services which will eventually result in expenditures against his or her budget, approval must be obtained in writing. Formal approval procedures have been introduced within ESDC for each specific type of goods and services. The Financial Delegation Instrument reflects the approval level required for specific goods and services. However, managers should refer to the respective procedures to determine how the required approval should be obtained.

Reference numbers 1.01 to 1.07 within the Financial Delegation Instrument refer to expenditures that are governed by the TB Directive on Travel, Hospitality, Conference and Event Expenditures (THCEE). The following section summarizes the applicable level of approval required for Events and Operational Activities as per the Financial Delegation Instrument and the applicable restrictions specified in the THCEE directive and Departmental THCEE Policy.

1.01 - Events

This is the authority to approve all expenditure initiation related to Events.

For Event definition and details please refer to the Departmental THCEE Policy.

Expenditure Initiation Authority (Approval)

Refer to Table 1 and Table 2 (Financial Delegations – Expenditure Initiation for ESDC as per TB Directive on THCEE for specific delegations and restrictions.

Due to the various types of expenditures related to an Event, managers must refer to Table 1 and Table 2 to determine which level of approval is required. Where there is a conflict between approval levels in the Supplementary Notes 1.01 to 1.07, the higher level of approval must be obtained.

Reference Material

Directive on Travel, Hospitality, Conference and Event Expenditures
Departmental Travel, Hospitality, Conference and Event Expenditures Policy
Departmental Travel Website
Departmental procedures related to THCEE

Operational Activities

Operational activities as defined in the Departmental THCEE Policy are not considered as Events.

For more details on Operational Activities, please refer to the Departmental THCEE Policy.

1.02 International Travel

This is the authority to approve expenditure initiation related to international travel (including USA) in accordance with the NJC Travel Directive and TB Special Travel Authorities, THCEE directive and Departmental THCEE Policy, for activities that are not considered as Events, i.e. operational activities or training.

Expenditure Initiation Authority (Approval)

Refer to Table 1 (Financial Delegations – Expenditure initiation for ESDC as per TB Directive on Travel, Hospitality, Conference and Event Expenditures) for specific delegations and restrictions.

1.03 Domestic Travel (travel in Canada)

This is the authority to approve expenditure initiation for authorized government travel within Canada, in accordance with the NJC Travel Directive , TB Special Travel Authorities, THCEE directive and Departmental THCEE Policy, for activities that are not considered as Events, i.e. operational activities or training.

Expenditure Initiation Authority (Approval)

Refer to Table 1 (Financial Delegations – Expenditure Initiation for ESDC as per TB Directive on Travel, Hospitality, Conference and Event Expenditures) for specific delegations.

Reference material

Directive on Travel, Hospitality, Conference and Event Expenditures
Departmental Travel, Hospitality, Conference and Event Expenditures Policy
Departmental Travel Website
Departmental procedures related to THCEE
Special Travel Authorities

1.04 Local Travel

This is the authority to approve expenditure initiation related to travel for employees travelling within local area, for activities that are not considered as Events, i.e. operational activities or training.

For more details on local travel please refer to the [Departmental THCEE Policy](#).

Expenditure Initiation Authority (Approval)

Refer to [Table 1](#) (Financial Delegations – Expenditure Initiation for ESDC as per [TB Directive on Travel, Hospitality, Conference and Event Expenditures](#)) for specific delegations.

1.05 Hospitality

This is the authority to approve expenditure initiation related to hospitality for all operational activities.

For more details on hospitality please refer to the [Departmental THCEE Policy](#).

Expenditure Initiation Authority (Approval)

Refer to [Table 1](#) and [Table 2](#) (Financial Delegations– Expenditure Initiation for ESDC as per [TB Directive on Travel, Hospitality, Conference and Event Expenditures](#) and hospitality restrictions) for specific delegations and restrictions.

Reference Material

[Directive on Travel, Hospitality, Conference and Event Expenditures](#)
[Departmental Travel, Hospitality, Conference and Event Expenditures Policy](#)
[Departmental procedures related to THCEE](#)

1.06 Training/Tuition

This is the authority to approve expenditure initiation related to training/tuition.

For more details on training, please refer to the [Departmental THCEE Policy](#).

Reference Material

[ESDC Learning Policy](#)
[Departmental procedures related to THCEE](#)
[Conference Decision Tree](#)
[Departmental Conference vs Training list](#)
[Departmental Travel, Hospitality, Conference and Event Expenditures Policy](#)
[ESDC Guideline for Reimbursement of Tuition and Educational Leave](#)

1.07 Conferences

This is the authority to approve expenditure initiation related to conference fees.

For more details on conferences, please refer to the [Departmental THCEE Policy](#).

Level of Authority	Minister of Families, Children and Social Development	Deputy Minister of ESD				
	Minister of Employment, Workforce Development and Labour	Deputy Minister of Labour	ADM and equivalents	Director General	Director	Manager
	Minister of Sports & Persons with Disabilities	Chief Operating Officer for Service Canada				
		Senior Associate DM Associate DM				
Events Total Planned Costs including GST, HST and PST (including travel, hospitality**, conferences and other related costs)	F	Up to \$50,000 & max \$10,000 for Hospitality & subject to Table 2 restrictions	Up to \$25,000 & max \$3,000 for Hospitality & subject to Table 2 restrictions	Up to \$15,000 (no conferences) & max \$2,000 for Hospitality & subject to Table 2 restrictions	-	-
Event including International Travel	F	Up to \$50,000	Up to \$25,000 (CFO & Senior ADM of SSPB jointly for ESDC only, excluding SC and Labour)	-	-	-
OPERATIONAL ACTIVITIES - No Event approval required						
Deputy Minister Travel	F	-	F (CFO only)	-	-	-
International Travel	F	F	For ESDC: Full (CFO + Senior ADM of SSPB jointly only) For Service Canada : - For Labour : -	-	-	-
Domestic Travel	F	F	F	F	F	F
Local Travel	F	F	F	F	F	F
Companion Travel	F	F	-	-	-	-

Level of Authority	Minister of Families, Children and Social Development Minister of Employment, Workforce Development and Labour Minister of Sports & Persons with Disabilities	Deputy Minister of ESD Deputy Minister of Labour Chief Operating Officer for Service Canada Senior Associate DM Associate DM	ADM and equivalents	Director General	Director	Manager
North America Business Class Air Travel	F	F	-	-	-	-
Conference	F	Up to \$50,000	Up to \$25,000 (No sponsorship)	-	-	-
Hospitality **	F	Up to \$10,000	Up to \$3,000	Up to \$2,000	Up to \$1,000	-
Subject to Hospitality restrictions (Table 2 below)						

*Once an Event is approved by the proper delegated authority (DG or above level), the electronic approval in the travel system can be done by a lower level.

** An individual who is a participant at a hospitality activity may not approve the hospitality. The approval of higher authority is to be obtained. See also section 6.4.1. ii) of the Departmental THCEE Policy.

Table 2 – Expenditure Initiation - Hospitality Restrictions (column 1.05)

Level of Authority	Minister of Families, Children and Social Development Minister of Employment, Workforce Development and Labour Minister of Sports & Persons with Disabilities	Deputy Minister of ESDC Deputy Minister of Labour Chief Operating Officer for Service Canada Senior Associate DM Associate DM	ADMs and equivalents	Director General	Director
Total Planned Hospitality Costs where no restrictions below apply	F	Up to \$10,000	Up to \$3,000	Up to \$2,000	Up to \$1,000

Restrictions					
Alcoholic Beverage	F	-	-	-	-
Food and beverage costs in excess of maximum cost	F	F	-	-	-
Food and beverage costs in excess of standard cost but less than maximum cost	F	F	-	-	-
Entertainment	F	F	-	-	-
Provided to a person accompanying a participant	F	F	-	-	-
Hospitality paid by the fed gov't extended at the residence of a public servant	F	F	-	-	-
Other exceptional hospitality	F	F	-	-	-

1.08 Membership Fees

This is the authority to approve the payment or reimbursement of a membership fee, whether held in the name of the Department (Corporate) or an employee (Individual).

Expenditure Initiation Authority (Approval)

Appropriate level of financial authority will depend on the type of membership.

For Individual Memberships, Deputy Head approval is required except when the membership is provided for in a Collective Agreement.

For Corporate Memberships, financial authority is established according to the financial limits set in the Financial Delegation Instrument.

Private club membership fees are not permitted unless exceptionally approved by the Deputy Head.

Please consult the Departmental Membership Policy and the Financial Delegation Instrument at all times to determine expense eligibility and required financial authority.

Reference Material

Departmental Membership Policy

Collective Agreements for public service

Guide to Travel, Hospitality, Conference and Event Expenditures (THCEE)

Directive on Transfer Payments

1.09 Relocation

This is the authority to initiate and approve relocation expenditures. Relocation refers to the authorized move of an employee from one place of duty to another or the move of an employee from an employee's place of residence to the employee's first place of duty upon appointment to a position in the public service.

The [NJC Relocation Directive](#) applies to all relocations of public service employees within Canada, including employees relocated as a result of workforce adjustment. For relocations outside Canada, the [NJC Foreign Service Directive](#) applies. It is the policy of the government that in any relocation, the aim shall be to relocate an employee in the most efficient fashion, at the most reasonable cost to the public while having a minimum detrimental effect on the employee and his/her family and on departmental operations.

To qualify for relocation, an employee must meet the 40 km rule as outlined in [Section 1.4.3 of the NJC Relocation Directive](#). This Directive may apply, by mutual agreement of the employer and employee, to term employees whose period of employment is more than one year and indeterminate employees on assignment of more than one year.

Reference Material

NJC Relocation Directive

NJC Foreign Service Directive

Initial Appointees Relocation Program

Types of Relocation

The NJC Relocation Directive should be consulted as it is complex and covers a wide range of subjects. It is the employee's responsibility to review the respective Directive and understand their entitlements.

Some of the most common relocation provisions are listed below.

There are three types of Relocation, each with various relocation entitlements:

- Employer-requested Relocation (Section 2.9 of the NJC Relocation Directive);
- Employee-requested Relocation (Section 2.10 of the NJC Relocation Directive);

Initial appointee relocation (Section 2.11 of the NJC Relocation Directive and TB Initial Appointees Relocation Program).

Expenditure Initiation Authority (Approval)

The employer has the responsibility to authorize relocation and to ensure that all relocation arrangements are consistent with the provisions of the NJC Relocation Directive, which states that:

- The authorization shall be made in advance in writing (such as a signed letter of offer);
- The employer shall authorize the Contracted Relocation Service Provider (CRSP) in writing to provide relocation services to the employee referred;
- The CRSP is not authorized to reimburse any expenses that are not covered by this Directive, or expenses that are over and above the established contractual rates of this Directive.

The DM has the authority to approve exceptions to the provisions of the NJC Relocation Directive in unusual circumstances, up to a maximum of \$10,000. Expenses greater than \$10,000 require the approval from Treasury Board Secretariat (TBS).

Table 3 summarizes the level of approval required as per the NJC Relocation Directive for each type of relocation expenditures.

Table 3 - Relocation Restrictions (column 1.09)

Section	Description	Deputy Minister of ESDC Deputy Minister of Labour Chief Operating Officer for Service Canada	Senior Associate DM Associate DM ADMs and equivalents	Departmental National Coordinator (DNC)
1.2.6/ 1.2.7	Entitlements not identified within this Directive will not normally be reimbursed unless deemed to result from exceptional circumstances. Deputy Head authority is required for payment of such expenses.	\$10K	\$10K	-

Section	Description	Deputy Minister of ESDC Deputy Minister of Labour Chief Operating Officer for Service Canada	Senior Associate DM Associate DM ADMs and equivalents	Departmental National Coordinator (DNC)
2.1.2	The authorization shall be in advance in writing. A relocation is considered authorized when the relocation file has been successfully registered by the employer with the CRSP. The employee shall not incur any expenses under this directive until the initial consultation with the CRSP has taken place. This authorization shall be provided at least 30 days prior to the date the employee must report at the new workplace, as stated in the relevant staffing document, unless a shorter period is personally authorized by the Deputy Head or the delegated departmental authority.	F	F	F
2.1.5	In exceptional circumstances, the DNC, on behalf of the Deputy Head, may post authorize relocation expenses incurred up to 30 days prior to the date of registration with the CRSP. Unless authorized under this section, the employer shall not be responsible for expenses incurred prior to authorization of the relocation.	F	F	F
2.2.2	It is the responsibility of the employer, as outlined in Section 2.2.1(d) of the National Joint Council National Relocation Directive, to advise the relocating employee not to proceed with any relocation-related activities prior to the initial consultation with the CRSP. In cases where all expenses have been incurred prior to the authorization of the file with the CRSP, the National Relocation Office is unfortunately unable to proceed with the authorization of a relocation file with the CRSP. In instances where the employer has not fulfilled its responsibilities as listed in section 2.2.1(d), we conclude that the employer is at fault. For this reason, the Deputy Head will approve the employee's relocation expense claim request outside the National Relocation Directive.	F	F	-
2.13.4	Reimbursable expenses will vary according to the stage of the relocation. Reimbursable expenses are those which, in the opinion of the deputy head or delegated departmental authority, are reasonable given the circumstances, and do not exceed the limits prescribed in this directive.	F	F	F
8.12.3/ 8.12.7	The DNC is required to analyse the employee's monthly activity market report in order to determine if Temporary Dual Residence Allowance (TDRA) expenses are reasonable and justifiable. The Department is to approve 30 days at a time until 180 is reached from the core funds and any additional days from the customized/personalized funds. TDRA must cease upon the sale of the home at origin.	F	F	F
11.8.1/ 11.8.2	When an employee is relocated to an Isolated Post as defined in the NJC Isolated Posts and Government Housing Directive (IPGHD), and after consultation with the employee and in the opinion of the DNC, the shipment of some or all of the household goods and effects or Personal Motor Vehicle (or both) to the new workplace is not practical, the employer shall pay for certain expenses associated with Long-Term Storage under the Basic Core Fund. However, when the employee is again relocated to a location where the effects could be used, the DNC shall authorize Household Goods Removal Service (HGRS) to ship the effects from the place of storage to the new place of duty or to the former residence from which the effects were placed in storage.	F	F	F
11.8.3 (a)	To approve the reimbursement of storage costs when an employee's employment terminates beyond 7 days and up to 14 days.	-	-	F

Section	Description	Deputy Minister of ESDC Deputy Minister of Labour Chief Operating Officer for Service Canada	Senior Associate DM Associate DM ADMs and equivalents	Departmental National Coordinator (DNC)
12.1.2b	An employee may request an employee-requested relocation for personal or compassionate reasons. DNCs may approve an employee-requested relocation when (a) there is a vacant position at the appropriate group and level at destination, (b) the deputy head or senior delegated officer provides written certification that the relocation meets the intent as described in subsection 12.1.1, and (c) the employee acknowledges in writing that the relocation is employee-requested and that the benefits are limited to those outlined in this section.	F	F	F

1.10 Isolated Posts & Government Housing

This is the authority to authorize isolated post assignments which are designed to facilitate the recruitment, retention and deployment of a satisfactory number and quality of staff to serve the employer's need in isolated locations.

It refers to additional benefits available to public servants who occupy positions in locations, which are deemed by Treasury Board to be "Isolated Posts". Isolated Posts is governed by the NJC Isolated Posts and Government Housing Directive.

Expenditure Initiation Authority (Approval)

The employer has the responsibility to authorize isolated post assignments as per the NJC Isolated Posts and Government Housing Directive according to the following restrictions table.

Table 4 - Isolated Posts and Government Housing Restrictions **(column 1.10)**

RESTRICTIONS - ISOLATED POSTS AND GOVERNMENT HOUSING (1.10)
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Section	Description	Deputy Minister of ESDC Deputy Minister of Labour Chief Operating Officer for Service Canada Associate Deputy Minister ADMs and equivalents	Deputy Chief Financial Officer Senior Director General, Integrated Corporate Accounting and Accountability Directorate
Common-law Partner Declaration	The right to recover the amounts of money paid if the conditions as per the declaration cease to exist.	\$10K (Note 1)	-
1.3	To prescribe a reduction that is appropriate to the rates of a living cost differential, fuel and utilities differential and a special allowance.	F	F
1.4.2	To approve employees with dependants or without dependants for purposes of this directive.	F	F
1.17.9	To adjust the meals and rations rate during absences for extended periods for reasons.	F	F
1.19.3	To authorize the continued payment of allowances for not more than 60 additional days.	F	F
1.19.4	To authorize the payment of allowances for not more than 30 days when employees have been granted sick leave without pay. (Note 2)	F	F
1.20.1	Allowance to include dependant if dependant arrives at the headquarters within 90 days of that day.	F	F
1.20.3	Dependant's absence for a period in excess of 90 days	F	F
1.21.1	To declare dependants for the period.	F	F
2.2.3	To designate a location that is north of the 60 th parallel of latitude as an isolated post upon the written request of a deputy head, and shall be classified at environment level 1 or any higher level determined by the criteria set out in section 1 of Appendix H.	F	F
3.1.2	To authorize the reimbursement of the transportation and travelling expenses in respect of the medical or dental treatment.	F	F
3.1.4	To authorize the reimbursement of the transportation and travelling expenses of an escort to a person who is to receive medical or dental treatment.	F	F
3.1.5	To authorize the reimbursement to employees of the transportation and travelling expenses that are incurred in respect of themselves, their dependants and escort for non-elective medical or dental treatment.	F	F

3.9.1	To reimburse, to the employee, the transportation and travelling costs incurred when an employee adopts a child and must travel from the headquarters to accept physical custody of that child.	F	F
3.11.1	Authority to grant up to five additional days of leave with pay on each occasion that employees are granted the benefits of section 3.10, if satisfied that the time required to travel was prolonged by reason of transportation delays beyond the control of those employees.	F	F
3.11.2	Authority to grant additional leave with pay if satisfied that leave in excess of the leave granted pursuant to this section was required for the reason described in this section.	F	F
3.11.3	To authorize the reimbursement of transportation and travelling expenses incurred by employees and their dependants, if satisfied that the commercial carrier does not pay these expenses in those circumstances.	F	F
4.3.2	To reduce the weight of household and personal effects that may be transported at public expense.	F	F
4.3.4	To authorize reimbursement for the transportation of household and personal effects that exceeds the weight limits when employees transfer from one isolated post to another.	F	F
4.3.5	To authorize the additional costs incurred in transporting household and personal effects for shipment at government expense which exceed the weight limits, through no fault of the employees.	F	F
4.3.8	To authorize the shipment of private motor vehicles only to locations where there are roads and where employees normally use private motor vehicles.	F	F
4.4.2	To arrange for and authorize the payment of the cost to store household and personal effects when they are not transported to headquarters.	F	F
4.4.3	To authorize the reimbursement to employees of the storage costs incurred for up to two private motor vehicles.	F	F
4.4.5	Authorize payment of the costs of the continuation of the storage, or the shipment of the household and personal effects to the employee not later than five years after the household and personal effects were placed in storage.	F	F
4.7.1	Direct that employees be reimbursed for the extra charges actually incurred for transporting excess luggage of a weight that is not more than 90 kg.	F	F
5.1.3	To authorize reimbursement for transportation of the household and personal effects that exceed the weight limits up to a maximum of 450 kg in excess weight when employees have completed five or more continuous years at isolated posts and are transferred out of isolation.	F	F

5.3.1	Authorize a recoverable advance when employees resign and have not completed at least one continuous year of assignment at an isolated post, and have not completed their term of assignment.	F	F
5.10.3	The time period shall be extended to 30 days or such longer period as deemed necessary when an employee dies.	F	F
5.10.5	The President of the Treasury Board may, on written application, authorize the payment of amounts that are prohibited by this section.	\$10K*	-
5.11.1	When employees or their dependants die, the authority to reimburse employees or their estates of the expenses incurred in the preparation of the remains for transportation, the extra cost of a container and the transportation expenses in respect of the remains from the headquarters to the final place of rest.	F	F
5.11.4	When an employee dies and the surviving dependants travel from the headquarters to attend the funeral, the deputy head shall direct that the transportation and travelling expenses incurred by them in respect of that travel be reimbursed.	F	F

Note 1: Treasury Board approved the delegation of authority to Deputy Heads to approve up to \$10K extensions and exceptions to the provisions in the Travel Directive, Integrated Relocation Program Directive and the Isolated Posts and Government Housing Directive in unusual circumstances with the provision that such decisions for approval not be further delegated down below the Assistant Deputy Minister level (T.B. Minute #831523)

Note 2: When employees are, or are expected to be, absent for a period in excess of the periods above by reason of the illness or injury in respect of which they were granted leave, the President of the Treasury Board may authorize the continued payment of allowances to those employees.

Reference Material

NJC Isolated Posts and Government Housing Directive

1.11 Project Authority

The TB Policy on the Planning and Management of Investments defines a project as “*an activity or series of activities that has a beginning and an end. A project is required to produce defined outputs and realize specific outcomes in support of a public policy objective, within a clear schedule and resource plan. A project is undertaken within specific time, cost and performance parameters.*”

Decision Making Authority

All major projects (over \$1million) must be brought before Major Projects Review Committee (MPRC) and Major Projects and Investments Board (MPIB) for review. Failure to respect this principle may lead to suspension of a project and removal of relevant funds from the project lead’s budget. Where there is disagreement about whether or how a project should proceed, the

matter may be brought before the Portfolio Management Board Steering Committee (PMBSC) for a decision.

The multi-year Investment Plan and annual investment priorities go to the Portfolio Management Board (PMB) for approval, and provide a framework with which individual project proposals should be consistent.

Major procurements can only proceed if they are consistent with MPIB-approved procurement strategies in project or asset plans, unless a special exception is made by PMBSC.

Specific Restrictions

The TB Directive on the Management of Projects and Programmes (Appendixes C and D – Project Approval Limits and Program Approval, Project Approval and Expenditure Authority) sets departmental limits on projects above which TB approval must be sought.

In the Delegation Instrument, “F” reflects full authority within the limits dictated by Appendix C of the TB Directive on the Management of Projects and Programmes.

1.12 Staffing Action, Extra Duty

This is the authority to request for the classification of a position and/or the hiring of permanent, seasonal, part-time, term or casual staff. This excludes the hiring of temporary help services, which is covered through contracting.

Normally a Manager will need both the Financial and the Human Resources signing authorities to complete all the various documentation required for staffing action

Expenditure Initiation Authority (Approval)

Managers have authority to sign expenditure initiation documents for:

- appointments and classification
- extra duty pay
- acting pay
- leave payment authority
- emergency salary advances
- benefits

and thus, for their own areas of responsibility, within budgetary limitations and the delegation of Personnel Management Authorities, personnel policies and the terms of collective agreements. Where ESDC pays a commercial entity for the provision of training and/or seats at a course, the agreement is considered a contract for services and all contract regulations and contract authority delegations must be respected.

Authority to authorize extra duty (overtime) work of an employee includes associated allowances (e.g. meal allowances) and other personal costs which are in addition to regular salary and wage.

The manager who exercises this authority must be aware of the restrictions in the acts, regulations, directives and collective agreements related to personnel matters. The local personnel office should be contacted for assistance and advice.

Reference Material

Terms and Conditions of Employment for public service employees
Departmental Compensation & Benefits (HRSB)

1.13 Claims by and against the Crown (A, B, C and D)

This is the authority to initiate and approve expenditures for the settlement of liability claims against the Crown. A claim against the Crown is a request for compensation to cover losses, expenditures or damages sustained by the Crown. Claims can be settled out of court.

A claim against the Crown is a request for compensation that is settled in or out of court for monetary compensation to, or indemnity for, the loss, detriment, or injury of the claimant.

TB defines Claims as “*a claim in tort or extra-contractual claim for compensation to cover losses, expenditures or damages sustained by the Crown or a claimant. Claims also include requests or suggestions that the Crown make an ex gratia payment. Claims can be settled in or out of court.*”

A liability claim is a recognized liability at which the Crown is at fault. The claimant must provide a statement of facts on the claim at the earliest reasonable opportunity. A release is required in the case of a liability payment.

The Deputy Minister shall make every reasonable effort to obtain satisfaction of claims by the Crown, taking into account administrative expediency and cost-effectiveness.

For claims by and against servants of the Crown, the department must ensure that the indemnification and legal assistance policies are considered at the earliest opportunity.

Claims for public servants' effects must not be treated as *ex gratia* payments but as claims against the Crown. For a claim against an employee, the TB Policy on Legal Assistance and Indemnification must be consulted.

Expenditure Initiation Authority (Approval)

A legal opinion must be obtained for all claims against the Crown over \$25,000.

For dispute resolution cases please refer to the Instrument of Human Resource (HR) Signing Authorities.

Reference Material

Canadian Human Rights Act
Directive on Payments
Policy on Legal Assistance and Indemnification
Departmental Claims and Ex Gratia Payments Policy

A) Claims against the Crown – Other out-of-court settlements for Motor Vehicle Accident Claims

This is the authority to initiate and approve an out-of-court settlement of a claim payment where Crown-owned vehicles are involved in motor vehicle accidents and where a legal opinion has been obtained recommending payment.

Reference Material

Policy on Legal Assistance and Indemnification

Directive on Payments

Departmental Claims and Ex gratia Payments Policy

B) Claims against the Crown – Other out-of-court settlements

This is the authority to initiate and approve an out-of-court settlement of a claim payment where it includes claims for damages. It does not include claims in a contract, claims under Section 11 of the Canadian Human Rights Act (Equal Wages), or claims governed by other authorities such as losses and recovery of money, damages to servants' effects on relocation or the travel policy.

Service Canada office's directors and managers (including the Passport offices) have been exceptionally delegated the authority to approve Claims against the Crown for low value refunds (up to \$200) to citizens for lost or damaged passport photos and documentary evidence of citizenship.

Reference Material

Policy on Legal Assistance and Indemnification

Directive on Payments

Departmental Claims and Ex gratia Payments Policy

C) Claims against the Crown – Court Awards

This is the authority to initiate and approve a claim obtained by a claimant through a Court Award.

Reference Material

Directive on Payments

Departmental Claims and Ex gratia Payments Policy

D) Claims against the Crown – Human Rights Tribunal Awards

This is the authority to initiate and approve a claim obtained by a claimant through a Canadian Human Rights Tribunal Award.

Reference Material

Directive on Payments

Departmental Claims and Ex gratia Payments Policy

1.14 Ex Gratia

TB defines Ex Gratia payment as “*a benevolent payment made by the Crown. The payment is made in the public interest for loss or expenditure incurred where the Crown has no obligation of any kind or has no legal liability or where the claimant has no right of payment or is not entitled to relief in any form. An ex gratia payment is used only when there is no other statutory, regulatory or policy vehicle to make the payment.*”

An ex-gratia payment is "accorded as a matter of grace, favor or indulgence, as distinguished from a payment that may be demanded as a matter of right.

An ex gratia payment is one for which no liability is recognized, whether or not any value or service has been received, that is made as an act of benevolence in the public interest (e.g. compensation for personal losses while on duty or compensation for damages, for which the Crown is not liable).

Prior to an ex gratia payment being made, it is imperative that all other compensation sources are reviewed, i.e. statutory or regulatory schemes, other Treasury Board policies, program funding, grants and contributions. Ex gratia payments can only be made when there is no other source of funds or no liability on the part of the Crown.

Expenditure Initiation Authority (Approval)

FCMs with delegated authority to requisition payment are responsible for considering a number of factors when deciding whether to make an *ex gratia*.

Reference Material

Directive on Payments

Departmental Claims and Ex gratia Payments Policy

1.15 Recognition Awards

Recognition Awards refer to honoring, encouraging and supporting individuals and teams who contribute, through their dedication and talent, to the performance of the organization, by means of awards. In some cases, they refer to structured activities such as Awards of Excellence and National Public Service Week.

The activities related to recognition where gatherings are involved must be considered as events. The only portion of the recognition activity to be considered as recognition should be the award or reward itself. Consequently, events and recognition delegation must be considered.

Expenditure Initiation Authority (Approval)

FCMs with delegated authority to extent recognition awards can approve up to the limits as specified in the Delegation Instrument.

I = Individual awards (this should be used when recognizing an individual employee for a specific reason)

G = Group or team awards (this category should be used when recognizing a group of employees for the same reason)

The limit for informal recognition is \$500 per individual (including taxes and shipping). For team recognition, there is a maximum of \$1000 for the team (including taxes and shipping). Should the total amount for a group's award exceed \$1,000, the approval of the Deputy Minister or Chief Financial Officer is required in accordance with the financial delegation instrument.

Reference Material

[ESDC Recognition Program](#)

[ESDC Recognition Policy](#)

C. Expenditure Initiation Authority (No pre-approval required)

1.17 Arrangements Inter-Departmental and Federal/Provincial Institutions

A) Arrangements Inter-Departmental and Federal Institutions

This is the authority to enter into agreements with other federal government departments, agencies and Crown corporations for the provision of goods and services.

Memorandum of Understanding (MOU) is used to refer to agreements between federal government departments /agencies that may or may not have financial obligations. They could more usefully be called an Inter-Departmental Arrangement. A MOU between federal departments that transfers funds should look much like a formal contract, with clear financial information, performance indicators, accountability mechanisms, audit, etc.

Non-monetary transactions are exchanges of non-monetary assets, liabilities or services for other non-monetary assets, liabilities or services.

Cost-shared projects, where a government program cooperates with another party toward a common goal, are not considered to be non-monetary transactions.

Arrangements between departments:

- Includes Crown corporations
- Can contain a wide range of activities
- May be of direct use and benefit by departments
- Supports operations and/or meet program objectives
- Are considered not legally enforceable as both departments are part of the Government of Canada

Special Provisions for Courses with Canada School of Public Service (CSPS):

All training currently taken through the CSPS requires an Interdepartmental Letter of Agreement (ILA). The approval authority for ILAs (under Inter-Departmental Arrangements and Arrangements with Other Federal Institutions (1.17)) is restricted to DG level. The purpose of this delegation is to ensure the department has control over substantive expenditures or commitments of departmental resources made through inter-departmental arrangements.

To facilitate the efficient authorization of training, the Chief Financial Officer of ESDC has authorized the following:

- For individual employee training, the delegation for Training/Tuition (1.06) is the delegation to utilize for approving both the training and the ILA.
- For group training up to \$5,000, the delegation for Training/Tuition (1.06) is the delegation to utilize for approving training, but the ILA must be approved at the Director level or above.
- For group training over \$5,000, the delegation for Training/Tuition (1.06) is the delegation to utilize for approving training and the delegation for Inter-Departmental Arrangements and Arrangements with Other Federal Institutions (1.17) is the delegation to utilize for approving the ILA.

Note that all processes in place from the Service Canada College and branch/regional management must be respected.

Reference Material

Directive on Accounting Standards
Contracting Policy
College@ESDC

B) Arrangements - Inter-Governmental and Provincial Entities

Arrangements between ESDC and provincial entities, which transfer money or property, should properly be referred to as Inter-Governmental Arrangements (IGA). Although such arrangements may be negotiated outside the government contract regulations, they should include most of the clauses that appear in government contracts in order to provide appropriate financial and program accountability.

Contracts with third parties outside government are entered into in accordance with the Government Contract Regulations (GCRS) and the TB Contracting Policy.

Arrangements between departments and other levels of government:

- Includes universities and hospitals
- Wide range of activities
- May be of direct use & benefit by departments, other levels of government and/or Canadians and/or program target groups
- To support operations and/or achieve program objectives
- May be legally enforceable; consult your legal counsel

Reference Material

Directive on Accounting Standards
Contracting Policy

1.18 Standing Advances

This is the authority to approve an accountable advance to an employee for the following purpose:

- travel, relocation and posting (in exceptional circumstances only);
- establishing a change fund;
- establishing a petty cash or other impress fund.

Reference Material

Directive on Public Money and Receivables
Departmental CFOB Accountable Advances Policy

1.19 Requisition Authority - Goods, Services and Construction

This is the authority to request for the acquisition of goods and services and to carry-out construction.

May be further subdivided into “Internal Requisitions” where authority is required to request the receipt of supplies/services from a Central Administration Branch within NHQ and “Requisition to Central Agencies” where authority is required to issue purchase orders to centralized government agencies (i.e. PSPC) for the provisions of goods or services.

Expenditure Initiation Authority (Approval)

FCMs can approve up to the limits as specified in the Delegation Instrument.

Reference Material

Contracting Policy
Directive on Payments

Section 32 of FAA - Commitment Authority

Commitment authority is the authority delegated by the Deputy Minister to certify, prior to entering into a commitment/arrangement, that sufficient funds are available to discharge the expenditure at some future time.

Officers who are delegated payment authority rely on these records to meet their responsibility, under section 33(3) (c) of the FAA, to ensure that no balance of an appropriation will be reduced to the point where it is insufficient to meet all the commitments charged against it.

Reference Material

Directive on Delegation of Spending and Financial Authorities
Financial Administration Act
Departmental Policy on Commitment Control, Account Verification and Payment Requisitioning

1.20 Contracting Authority – Transaction Authority

This is the authority to enter into contracts for the acquisition of goods, services and construction. Contracting is a complex area, which is beyond the scope of these Supplementary Notes. Due to the complexities related to legislation, regulatory and policy directives in government contracting, managers are encouraged to consult with the TB Contracting Policy and to contact Procurement & Contracting Services for enquiries.

It should be noted that, with the exception of those instances where an acquisition card is used (refer to 1.21), contracting for the procurement of goods, services and construction is generally centralized within the Investment, Asset and Procurement Management Directorate of CFOB where functional specialists exercise Contracting Authority on behalf of Fund Centre Managers who have initiated the expenditures in accordance with Column 1.19 of the Financial Delegation Instrument, “Requisitioning Authority – Goods, Services and Construction”.

For positions with full authority identified in the Financial Delegation Instrument as “F”:

1. The TB Contracting Policy (Appendix C) sets departmental limits on departmental contracting authority above which TB approval must be sought.
2. Those with full authority as per the Financial Delegation Instrument can approve contracts within their authorized budget and in accordance with the TB Contracting Policy (Appendix C).

Reference Material

TB Contracting Policy

1.21 Acquisition Card Authority

For positions with restricted authority identified in the Delegation Instrument as “F²”:

1. This is the authority to use an acquisition card to meet operational requirements, at the request of individuals with delegated authority, within the monetary limits and restrictions established by Treasury Board’s Contracting Policy and the Acquisition Card Policy (7.3 Card Limits, 7.4 Departmental Guidelines).
2. When the acquisition card is issued for purchases under a Centrally Managed Cost Pool (CMCP), this authority is restricted to the CMCP Fund Centre.

Reference Material

Acquisition Card Policy, Procedures & Guidelines

TB Policy on Management of Materiel

TB Directive on Payments

Procurement Roadmap

1.22 Leasing Authority

The TB Policy on Management of Real Property sets departmental limits on departmental leasing authority above which Treasury Board approval must be sought. All enquiries and questions concerning real property management, including leases and other matters covered by the Federal Real Property Act and its Regulations, may be directed to the ESDC Executive Director, National Real Property, RPCMRS, CFOB.

Reference Material

TB Policy on Management of Real Property

Transaction Approval Limits and Conditions for the Acquisition or Disposition of Real Property

VII. OTHER FINANCIAL AUTHORITIES (Special vote)

This section of the Supplementary Notes provides information and other references on other financial authorities related to special votes.

1.23 Cash Loss Charge-Off to Appropriation

This authority includes all losses of money, however caused, as well as offences against the Crown and improprieties that involve money or public property - whether committed by employees, contractors or other suppliers.

Reference Material

Directive on Public Money and Receivables

Departmental Policy on Losses of Money and Illegal Acts Against the Crown

1.24 Deduction and Set-Off of Accounts (A, B)

This is the authority to authorize the retention or collection of the amount of indebtedness by way of deduction from or set-off against any sum of money that may be due or payable by Her Majesty in right of Canada to the person or the estate of that person.

A) Deduction and Set-Off of Accounts – ESDC Programs

This authority is in regard to indebtedness within and between ESDC programs and NHQ.

Authorize Deduction and Set-Off: Pursuant to Subsection 155(1) of the FAA, is the authority to retain any amount of indebtedness to Her Majesty in right of Canada for which the Minister is responsible to recover or collect by way of deduction from or set-off against any sum of money due or payable by Her Majesty in right of Canada to the debtor or the estate of the debtor.

Consent to Deduction and Set-Off: Pursuant to Subsection 155(4) of the FAA, is the authority to consent to the retention of any amount of indebtedness to Her Majesty in right of Canada for which another Minister is responsible to recover or collect by way of deduction for or set-off against any sum of money due or payable by ESDC to the debtor or the estate of the debtor.

Reference Material

Financial Administration Act
Departmental Policy on the Set-Off of Debts Owed to the Crown

B) Deduction and Set-Off of Accounts – OGD

This authority is in regard to an indebtedness to or from another federal department or agency.

Reference Material

Financial Administration Act

1.25 Garnishee Approval

A garnishment is a legal document allowing ESDC to garnish salaries and other remuneration paid to government employees, as well as for the garnishment of fees paid to a contractor engaged as an individual (as opposed to a corporation) under contract for services only.

This is the authority to authorize that a sum of money be withheld from an employee's pay check and subsequently be forwarded to the specified court upon receipt of a garnishee summons.

Reference Material

Directive on Payments
Guidelines for the Processing of Garnishments
Garnishment, Attachment and Pension Diversion Act
Departmental Policy on Garnishment of Salaries and Remuneration Payable to Government Employees and Other Person Under Contracts for Service

1.26 Refund (other than Passport)

This is the authority to authorize the repayment of monies previously received for any purpose that is not fulfilled, pursuant to subsections 20(2) and 20(3) of the FAA.

This is the authority that confirms that a refund is warranted as a result of an immigration service not being fulfilled. It is not the authority to requisition the payment. The payment is authorized through section 34 of the FAA.

Authority

In the context of refund only, sections 20 and 34 of the FAA can be exercised by the same person. Also in this case the person can either occupy a position with or without budget authority.

Reference Material

Financial Administration Act, section 20(2) (3)
Repayment of Receipts Regulation, 1997
Directive on Public Money and Receivables

1.27 Refund of Passport Application Fees (on debit or credit card)

This is the authority to refund service fees for Passport Canada transactions made via credit or debit card.

Reference Material

Passport and Other Travel Document Services Fees Regulations

VIII. FINANCIAL AUTHORITIES - LEGISLATIVE PROGRAMS

This section of the Supplementary Notes provides information and other references on financial authorities related to specific legislation.

2.01 - Wage Earner Protection Program Act

The Wage Earner Protection Program (WEPP) compensates eligible workers for unpaid wages, vacation, severance and termination pay they are owed when their employer declares bankruptcy or becomes subject to a receivership under the Bankruptcy and Insolvency Act.

Approval

Pursuant to sections 33 & 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Wage Earner Protection Program (WEPP).

2.02 - Government Employees Compensation Act

Government Employees compensation was one of the first additional employment benefits established for federal public employees. This was in 1918, the same year that the charter for civil service employment, the Civil Service Act, was passed. The original arrangement, whereby provincial workers compensation boards look after the treatment of injured employees and adjudicate and pay compensation claims on behalf of the Government of Canada, continues to this day. These costs are reimbursed by the employing Departments and agencies.

Employment and Social Development Canada (ESDC) - Labour Program receives, reviews and forwards claims from employees of federal departments and agencies to the appropriate provincial authority. ESDC-Labour Program remains involved until each claimant's case has been settled. A file is maintained on each claim and other records are kept for accounting and statistical purposes.

Employees of the Public Service of Canada, including those of Crown corporations and agencies, are eligible for the benefits provided by the Government Employees Compensation Act note-1 with respect to personal injury resulting from an accident or an occupational disease in the course of their employment.

Approval

Pursuant to sections 33 & 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Government Employees Compensation Act.

Reference Material

Government Employees Compensation Act

2.03 - Merchant Seamen Compensation Act

The Merchant Seaman Compensation Act provides compensation benefits for those seamen who are not eligible under any other federal or provincial act.

The benefits apply to merchant seamen who are injured while their ship is on a "hometrade" or "foreign" voyage, as defined in the Act, and who are not eligible to provincial workers' compensation benefits.

Employers are liable to pay benefits awarded by the Merchant Seamen Compensation Board and the administrative expenses relating to its operations. Employers must maintain insurance against the risk of claims and report all accidents to the Board.

Approval

Pursuant to sections 33 & 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Merchant Seamen Compensation Act.

Reference Material

Merchant Seamen Compensation Act

2.04 - Canada Pension Plan / Old Age Security Act (Benefits)

The Canada Pension Plan (CPP) provides pensions and benefits when contributors retire, become disabled, or die. Almost all individuals who work in Canada contribute to the CPP. The CPP operates throughout Canada, except in Quebec.

The Old Age Security (OAS) program is the Government of Canada's largest pension program. It is funded out of the general revenues of the Government of Canada.

Approval

Pursuant to sections 33 and 34 of the FAA, section 66 (3) of the Canada Pension Plan (CPP) Act and section 37(4) of the Old Age Security (OAS) Act, the positions listed under this delegation have the authority to exercise the duties and functions in relation to CPP/OAS programs.

The delegated authorities pertaining to Remissions under section 66 (3) of the Canada Pension Plan Act and section 37(4) of the Old Age Security Act have been removed from the body of the Legislative Program Financial Authorities Matrix and consolidated into the separate Matrix called Write-offs, Waivers, Remissions and other authorities. See Section X for descriptions.

Reference Material

Canada Pension Plan
Old Age Security Act

2.05 Canada Disability Savings Act & Regulations

The Canada Disability Savings Program (RDSP) is a long-term savings plan to help Canadians with disabilities and their families save for the future. The RDSP is delivered by: Canada Revenue Agency (CRA). The Grant and Bond are delivered by ESDC.

Approval

Pursuant to sections 33 and 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to Canada Disability Savings Program.

Reference Material

Canada Disability Savings Act

2.06 - Universal Child Care Benefit Act

The Universal Child Care Benefit (UCCB) program issues a taxable financial support of \$1,920 per year to families for each child under the age of six and \$720 per year for each child between six and eighteen years of age to help cover the cost of child. The UCCB is delivered by Canada Revenue Agency (CRA) on behalf of ESDC.

Approval

Pursuant to sections 33 & 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Universal Child Care Benefit Act.

Reference Material

Universal Child Care Benefit Act

2.07 - Canada Student Loans Program

The Government of Canada established the Canada Student Loans Program (CSLP) to help post-secondary students pay for their education. Canada Student Loans (CSLs) are available in all provinces and territories except Quebec, the Northwest Territories, and Nunavut. These jurisdictions receive alternative payments from the federal government to offer their own Student Assistance Programs.

The CSLP provides loans to full- and part-time students. Collateral or loan security is not required, although a credit check may be completed. Students are generally eligible provided their income, or that of their families, does not exceed a certain amount each year. Non-repayable grants are available; however, they are limited to specific groups, particularly those who have traditionally had difficulty accessing post-secondary education.

Approval

Pursuant to sections 33 & 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Canada Student Loans Act and the Canada Student Financial Assistance Act.

Reference Material

Canada Student Loans Act

Canada Student Loans Regulations

Canada Student Financial Assistance Act

2.08 – Canada Education Savings (CES) Grant under CES Act (section 5)

The Canada Education Savings Grant (CESG) is a program to assist with savings for Canadian children's higher education. Under the CESG program, the government will contribute an amount to a Registered Education Savings Plan (RESP) according to a formula, which is dependent on the amount contributed and the income level of the family in which the contributions are made.

Approval

Pursuant to sections 33 & 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the payment of the Canada Education Savings Grant under section 5 of the Canada Education Savings Act.

2.09 - Canada Learning Bond/Canada Education Savings Act (section 6)

The Canada Learning Bond (CLB) is a grant to assist low-income families with saving money for their children's post-secondary education. The CLB relies primarily on the National Child Benefit (NCB) program to determine which families may be eligible and the tax regulations for the Registered Education Savings Plan (RESP) to guide the eventual use of the CLB funds.

Approval

Pursuant to sections 33 & 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the payment of the Canada Learning Bond under section 6 of the Canada Education Savings Act.

2.10 - Indian Residential Schools – Common Experience Payment/Personal Credits

Common Experience Payment

The Common Experience Payment (CEP) is a component of the Indian Residential Schools Settlement Agreement. The CEP recognizes the experience of residing at an Indian Residential School and its impacts.

Eligible recipients received money for each school year of residence at one or more residential school as a one-time payment for their full CEP entitlement. Application deadline has now expired.

The CEP was delivered by Service Canada in partnership with Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC).

Approval

Pursuant to sections 33 and 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Indian Residential Schools Settlement Agreement - Common Experience Payment.

Personal Credits

The Personal Credits (PC) is the second component of the Indian Residential Schools Settlement Agreement. Since the CEP has come to an end, Personal Credits will be issued as the next step in the Indian Residential Schools Settlement Agreement.

Personal Credits allow CEP recipients to receive a non-cash Personal Credit of up to \$3,000, for either themselves or certain family members (including spouses, children and grandchildren), for educational programs and services.

The PC is delivered in partnership with CIRNAC.

Approval

Pursuant to sections 33 and 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Indian Residential Schools Settlement Agreement – Personal Credits.

2.11 Transactions against the Annuities Account

The purpose of the Government Annuities Act was to assist individuals and groups of Canadians to prepare financially for their retirement by purchasing government annuities. In 1975, the Government Annuities Improvement Act discontinued future sales of Government Annuity contracts. Annuities are deferred until their maturity date, at which time payments to annuitants begin. The Account is administered by ESDC and operated through the Consolidated Revenue Fund (CRF).

Receipts and other credits consist of premiums received, funds reclaimed from the CRF for previously untraceable annuitants, earned interest and any credit needed to cover the actuarial deficit. Payments and other charges represent matured annuities, the commuted value of death benefits, premium refunds and withdrawals, and actuarial surpluses and unclaimed items transferred to non-tax revenues. The amounts of unclaimed annuities, related to untraceable annuitants, are transferred to non-tax revenues.

Approval

Pursuant to sections 33 and 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the transactions against the Annuities Account.

Reference Material

Directive on Accounting Standards

2.12 Transactions against the Civil Service Insurance Account

This account was established by the Civil Service Insurance Act, introduced to enable the Minister of Finance to contract with a person appointed to a permanent position in any branch of the public service, for the payment of certain death benefits. No new contracts have been entered into since 1954, when the Supplementary Death Benefit Plan for the Public Service and Canadian Forces was introduced as part of the Public Service Superannuation Act and the Canadian Forces Superannuation Act, respectively. As of April 1st, 1997, ESDC assumed responsibility for the administration and the actuarial valuation of the Civil Service Insurance Act.

In support of its responsibility, management has developed and maintains books of account, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of the financial information, and to ensure that the transactions are in accordance with the Employment Insurance Act and regulation, as well as the FAA and regulation.

Approval

Pursuant to sections 33 and 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the transactions against the Civil Service Insurance Account.

Reference Material

Directive on Accounting Standards

2.13 Transactions against the Employment Insurance Operating Account

The Employment Insurance Operating Account was established to record all amounts received or paid out under the Employment Insurance Act. The Employment Insurance program provides financial support and other assistance to eligible workers. The Employment Insurance program is financed by contributions from employees and employers, via premiums paid on insured earnings up to the maximum insurable earnings.

Approval

Pursuant to sections 33 and 34 of the FAA, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Employment Insurance Operating Account.

Reference Material

Employment Insurance Act

2.14 Administrative transactions against the Canada Pension Plan Account

The Canada Pension Plan Account is used to record all amounts paid into and out of the CPP Account under the terms of the *Canada Pension Plan Act*. The Canada Pension Plan is not a part of the Government of Canada, but is administered by HRSDC. Part of the CPP funds have been turned over to the government and deposited in the CRF for use by HRSDC, and the net balance of all line objects in the account represents the net liability of the Government of Canada to the Canada Pension Plan for these funds.

Approval

Pursuant to sections 33 and 34 of the *FAA*, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Canada Pension Plan Account.

Reference Material

Canada Pension Plan

IX. FINANCIAL AUTHORITIES - GRANTS AND CONTRIBUTIONS (G&C)

(Vote 5)

Following Treasury Board (TB) approval of ESDC's grant and contribution programs terms and conditions, the Minister of Families, Children and Social Development uses the Delegation of Spending and Financial Authority Instrument – Vote 5 (hereafter referred to as the Delegation Instrument) as the official document to delegate financial authorities to departmental officials. It satisfies the requirement under the TB Directive on Delegation of Spending and Financial Authorities that the Minister formally delegates and communicates financial authorities in writing.

The Departmental Grants and Contribution Policy states that all approval of funding proposals, signing of agreements and amendments, and section 34 must be exercised in compliance with the department Delegations of Authority Instrument. Accordingly, the Delegation Instrument for Grants and Contributions is divided into 3 distinct columns (A, B, C):

A. Approval of proposals / Application / Major Amendment: is the approval by the Minister or delegated authority of applications and proposals for funding that have been recommended for funding by program management. This approval which is done under Column A of the Delegations of Authorities Instrument represents the department commitment to provide funding for a transfer payment project.

B. Signing of agreements / Minor Amendment: All funding agreements between the department and a recipient of a G&C must be signed by an individual with delegated authority pursuant to Column B of the Delegations of Authority Instrument. Signature of the agreement by the department can only occur after approval of the application/ proposal by the appropriate delegated authority. Minor amendments as described below may also be approved in accordance with column B of the Delegations of Authorities Instrument.

C. Certification Authority - Section 34 of the FAA: is the certification authority; that is, the authority to issue advance payments or approve progress payments claims submitted by recipients of funding. Section 34 is exercised on all eligible expenditures for which a recipient is entitled to receive funding in accordance with Column C of the Delegation of Authorities Instrument.

Amendments

An amendment is required when there are any financial changes in ESDC's overall contribution; or when there are significant administrative changes to the terms of the funding agreement (project duration, change of beneficiary, project objectives).

G&Cs financial amendments are classified into a major and minor category based on a 25% threshold:

Major: Cumulative amendment value is equal to or more than 25% of the last amount approved by the column A above. Major amendment must be approved by the appropriate delegated authority of column A for the total value of the amended agreement.

Minor: Cumulative amendment value of less than 25% of the last agreement amount approved by column A above. Minor amendment may be approved by the appropriate delegated authority of column B for the total value of the amended agreement.

X. FINANCIAL AUTHORITIES - WRITE-OFFS, WAIVERS, REMISSIONS AND SMALL AMOUNTS

This section of the Supplementary Notes provides information and other references related to the level of required signing authority specific to financial or program's Legislation for writing-off, waiving, remitting activities and other.

5.01 Write-off of Crown Assets

Write-off is the deletion from the financial records of crown assets that are obsolete or lost by fire, theft, accident, unauthorized destruction or other causes.

This is the authority to delete records of materiel due to inventory shortage, destruction, fire, theft, loss and other reasons. This refers to both equipment in use and to materiel held in stores.

Managers should recommend write-off or disposal to the appropriate departmental level, but managers should not have the authority to write-off or dispose of materiel for which they are directly responsible.

Materiel management maintains records to control the department's materiel and to record the write-off materiel. Materiel losses due to theft should be reported immediately to security and local police authority.

Divestment of surplus material via donation:

Deputy Head approval is required for the donation to a designated recipient of materiel that has market value greater than divestment cost, has not exceeded its expected life, or is being donated to an individual or for profit organization.

Reference Material

[Policy on the Planning and Management of Investments
Asset Management iService page](#)
[Directive on the Management of Material](#)

5.02 Write-off of Debts

This is the authority to remove debts owed to ESDC from the active Account Receivable records in accordance with the [Debt Write-off Regulations, 1994](#).

Debts include, but are not limited to, loans to students, all accounts receivable from non-government sources, accounts receivable for other federal governments, other accounts receivable from provincial governments and their agencies.

Debts for which all and every reasonable effort to collect and exhaust all possible avenues were made before considering write-off. Write-Off of Debts should not be used as a substitute for forgiveness but only for debts that are truly uncollectible.

Authority

Refer to Departmental Debt Write-off Policy for all debt write-offs delegation requirements.

In addition, as stated in section 25 of the FAA, all write-offs must comply with the provision of the Debt Write-off Regulations, 1994.

Reference Material

Financial Administration Act - Debt Write-off Regulations, 1994
Revised Debt Writ Off Regulations

5.03 Waivers

This is the authority to waive or reduce interest on overdue accounts and administrative charges for dishonored instruments, in accordance with section 155 of the FAA.

This authority does not apply to amounts owing by a federal government department or by a Crown Corporation.

When deciding to waive or reduce interest or administrative charge, sections 9 and 12 of the Interest and Administrative Charges Regulations must be consulted. Specific conditions in these sections are outlined and must be taken into consideration before making any decision.

Reference Material

Financial Administration Act, section 155
Guide to Interest and Administrative Charges
Interest and Administrative Charges Regulations
Departmental Policy on Charging Interest on Receivables

5.04 Remissions of Debts – Canada Pension Plan (CPP)

This is the authority to remit a debt or a portion of a debt under section 66 (3) of the Canada Pension Plan.

Reference Material

Canada Pension Plan

5.05 Remissions of Debts – Old Age Security (OAS)

This is the authority to remit a debt or a portion of a debt under section 37(4) of the Old Age Security Act.

Reference Material

Old Age Security Act

5.06 Small Amounts

This is the authority to determine that an amount is small, in that it does not exceed the threshold(s) set by the Treasury Board, that amount is deemed to be nil and is not to be collected or paid, with some exceptions, according to subsection 155.2(1) of the FAA.

Amount deemed nil

The regulations specify that the amount owed is zero if “deemed to be nil.” An amount is deemed to be nil if an appropriate Minister, or any other person authorized by that Minister, determines the following are at, or below the threshold established by the regulations:

- an amount owing by a person to the government (for example, receivables), or
- an amount payable by the government to a person (including public sector employees)

Under the authority of subsection 155.2(2) of the FAA, the Treasury Board made the regulations. The regulations establish two fixed thresholds for low-value amounts owed to or by the government as follows:

- a) 99 cents for all amounts payable by Her Majesty in right of Canada under the *Canada Pension Plan*, the *Employment Insurance Act* and the *Old Age Security Act*, as well as any regulations made under those Acts; or
- b) (b) two dollars in any other case.

Please refer to section 4.4 of the [Guide to Administering Low-Value Amounts](#) for exceptions.

Reference Material

Financial Administration Act, section 155.2(1)

Guide to Administering Low-Value Amounts

[Low-value Amounts Regulations](#)

Appendix A

Most commonly used Acronyms

BTA	Blanket Travel Authority
CES	Canada Education Savings (Grant)
CFO	Chief Financial Officer
CFOB	Chief Financial Officer Branch
CLB	Canada Learning Bond
CESG	Canada Education Savings Grant
CRF	Consolidated Revenue Funds
CSPS	Canada School of Public Service
DCFO	Deputy Chief Financial Officer
EBSM	Employment Benefits Support Measures
ESDC	Employment and Social Development Canada
FAA	Financial and Administration Act
FCM	Fund Center Manager
FSA	Financial Signing Authority
G&C	Grants and Contributions
ILA	Interdepartmental Letter of Agreement
LMDA	Labour Market Development Agreement
MPIB	Major Projects and Investments Board
MPRC	Major Projects Review Committee
NCB	National Child Benefit
NJC	National Joint Council
O&M	Operations and Maintenance
PMB	Portfolio Management Board
PMBSC	Portfolio Management Board Steering Committee
PSPC	Public Services and Procurement Canada
RESP	Registered Education Savings Plan
SFTO	Senior Full-time Travel Officer
SST	Social Security Tribunal
TB	Treasury Board
TBS	Treasury Board Secretariat
T&C	Terms and Conditions