

Employment and Social Development Canada

Delegation of Spending and Financial Authorities – Supplementary Notes

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I. INTRODUCTION

These supplementary notes are companion to the Delegated Authorities Manual.

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 Policy unit at [NC-CFOB-Financial Policy Questions Politique Financière-GD](#)

The Delegation of Spending and 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 Financial Authorities for Disbursements](#) that the financial authorities are communicated in writing.

The departmental Delegation of Spending and Financial Authorities instrument came into effect on **February 13, 2014**, the date the Minister of Employment and Social Development Canada (ESDC) 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 Branch (CFOB) 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) 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](#) of the Supplementary Notes for the Table of Equivalency.

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 [Financial Administration Act \(FAA\)](#), the Restrictions and how to interpret the Financial Delegation Instruments. 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 ESDC. These authorities are incorporated in the delegation instruments.

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 [Financial Administration Act \(FAA\)](#), 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 required 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 in the exercising of 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, i.e. a person who has been appointed to a position with delegated authority may not re-delegate the authority to another position or person. Furthermore, 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-formation indispensable-qd](#).

When an incumbent's training has expired, 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 Responsibility Center Managers (RCMs) 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

RCMs, 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 Financial Administration Act, 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 with an acting type of delegation, the supervisor of the delegated position must approve the FSA record. An acting signature card must be prepared for the specific period that the individual is acting, and this must be for a minimum period of 3 consecutive working days. Although it may be sufficient under some circumstances for the incumbent to simply provide his/her superior with notification of the acting appointment, if the individual acting in the position is expected to exercise financial signing authorities, the more senior superior must provide written authorization and the incumbent must have successfully completed a delegation of authority training before such authorities can be exercised. Please refer to [*Departmental Policy on Delegation of Financial Signing Authorities and Specimen Signatures*](#).

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.

Separation 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 for financial administration 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 Financial Authorities for Disbursements*](#) consists of the following types of authorities:

Spending authority: consists of the following three elements:

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

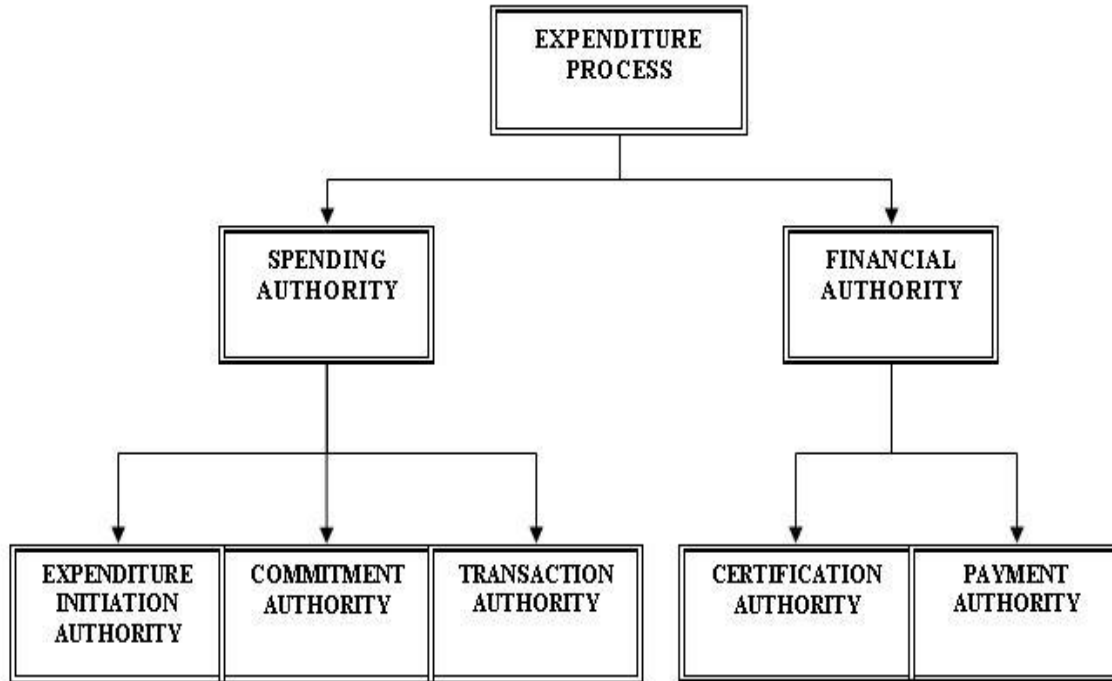
Financial authority: consists of the following two elements:

- 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, pre-approval must be obtained in writing. The delegation instrument reflects the pre-approval level required for specific goods and services.

(ii) Commitment Authority

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

This is the third 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 officers 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 responsibility 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 RCM. 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*

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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 are also considered financial authorities and must be officially delegated in writing.

(v) Payment Authority

This authority is the fourth 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 Policies on Account Verification and Payment Requisitioning.

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.”

Other Reference Materials

[TB Directive on Delegation of Financial Authorities for Disbursements](#)

[TB Directive on Expenditure Initiation and Commitment Control](#)

[Justice Canada 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.
-

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 are contained within this supplementary notes document. Through the Delegation of Financial Signing Authorities and Specimen Signature Card, RCMs 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 Policy unit, CFOB at: [NC-CFOB-Financial Policy Questions Politique Financière-GD](#)

VI. FINANCIAL AUTHORITIES – OPERATING FUNDS (Vote 1 O&M)

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 expenditures and any applicable restrictions for which financial authorities have been delegated by the Minister. Each type of expenditures listed in the 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 RC. The area of authority encompasses the RC operations for which an incumbent of a position is responsible and accountable or is assisting in the responsibility.

B. Expenditure Initiation Authority (Pre-Approval required)

In many instances, when a manager wishes to acquire goods or services which will eventually result in expenditures against his budget, pre-approval must be obtained in writing. Formal approval procedures have been introduced within ESDC for each specific type of goods and services. The delegation instrument reflects the pre-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 Delegation Instrument refers to expenditures that are governed by the [TB Directive on Travel, Hospitality, Conference and Event Expenditures](#). The following section summarizes the applicable level of pre-approval required for Events and Exempted Events as per the Delegation instrument and the applicable restrictions specified in the Treasury Board Directive on Travel, Hospitality, Conference and Event Expenditures.

1.01 - Events

This is the authority to initiate and pre-approve all expenditures related to events.

An event includes business meetings (working sessions, work planning meetings, advisory and management committees and staff retreats), conferences as well as any other formal gathering of public servants or non-public servants invited to participate in activities such as interviews for recruitment into the public service, prestigious ceremonies, awards and recognition ceremonies. This may include participants from other levels of government or foreign governments, foreign or political dignitaries, national or international organizations, industry representatives and public interest groups.

With the exception of emergency responses, travel within HQ area and formalized training, any potential event activities for enablers (HRSB, CFOB, IITB), including internal audits activities, are considered events.

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Events do not include meetings or activities whose sole purpose is the direct delivery of *core departmental mandate* or *formalized training*.

Expenditure Initiation Authority (Pre-Approval)

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

The level of pre-approval required is based on the total departmental cost of the event as per the [Table 1](#) and [Table 2](#) below. Expenditures associated with an event may include conference fees, professional services, hospitality, accommodation, transportation, meals and other relevant costs including those for participants on travel status. However, the pre-approval for travel, hospitality and conferences must also be applied in conjunction with the pre-approval for the event, where applicable.

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 pre-approval is required. Where there is a conflict between pre-approval levels in the Supplementary Notes 1.01 to 1.07, the higher level of pre-approval must be obtained.

Please refer to ESDC [Event Procedures](#) for details and sample of memo.

Other Reference Material

[TB Directive on Travel, Hospitality, Conference and Event Expenditures](#)

Exempted Events

Exempted Events are activities whose sole purpose is the direct delivery of *core departmental mandate* or *formalized training*.

1.02 International Travel Outside Canada

For international travel expenditures associated with an event, refer to '[Events](#)' Supplementary Notes (section 1.01).

This is the authority to initiate and approve expenditures related to international travel (including USA) in accordance with the [NJC Travel Directive](#) and [TB Special Travel Authorities](#) for activities that are not considered an event, i.e. activities that are in direct link to *core departmental mandate* or *formalized training*.

Expenditure Initiation Authority (Pre-Approval)

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

Arrangements for travel may be arranged only after the International Travel Plan or individual ad hoc request has been approved, provided the activity does not require further approval. Please refer to departmental [International Travel Plan Procedures](#) for details.

Blanket travel authorities (BTAs) do not apply to international travel. Each trip must be pre-approved by the appropriate delegated authority.

1.03 Domestic Travel (travel in Canada)

For domestic travel expenditures associated with an event, refer to '[Events](#)' Supplementary Notes (section 1.01).

This is the authority to initiate and approve expenditures for authorized government travel within Canada, in accordance with the [NJC Travel Directive](#) and [TB Special Travel Authorities](#), for activities that are not considered an event, i.e. activities that are in direct link to [core departmental mandate](#) or [formalized training](#).

Expenditure Initiation Authority (Pre-Approval)

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

If travel is part of an event, event approval must occur first before any travel arrangements are made. When pre-approving travel, a discussion between the employer and the employee must be undertaken to ensure that the most practical and economical means is utilized, and that all travel arrangements are consistent with the [NJC Travel Directive](#). The determination of travel arrangements shall best accommodate the employee's needs and the employer's operational requirements. Expenditures related to travel must be managed so that they demonstrate value for money and use the most economical options to minimize and reduce costs whenever possible.

The employer is responsible for authorizing and determining when government travel is necessary. He or she must authorize each individual trip, on the required forms, prior to the start of the business travel.

Employees on government business travel shall utilize government-approved suppliers, services and products selected in support of government business travel when these are available. [Government accommodation and car rental directory](#) shall serve as a guide for the cost, location and selection of accommodation.

The employee has the responsibility to become familiar with the provisions of the [NJC Travel Directive](#), obtain authorization to travel, and must complete and submit his or her travel expense claim as soon as possible after completion of the travel.

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The RCMs can exercise certification authority (section 34 of the FAA) only if the proper pre-approval has been obtained. RCMs cannot exercise their spending authority (pre-approval and section 32 of the FAA) and certification authority for their own travel request. Approvals must be obtained by a higher position level. The manager also has the responsibility to verify and approve travel expense claims for his/her subordinates before reimbursement.

Special Travel Authorities

The [TB Special Travel Authorities](#) outline the travel policy for ministers, Members of Parliament, exempt staff, heads of departments and agencies, deputy ministers and Governors in Council, members of the executive group, persons on contract (including volunteers and private sector experts where the only consideration for services rendered is the payment of all or part of the travelling expenses), and students.

The approval authorities do not apply for the minister and a minister's exempt staff for situations where they are travelling in support of the department's mandate. As such, all travels of the minister's exempt staff may be approved by the Chief of staff. However, departmental staff seconded to a minister's office and consultants being reimbursed travel expenses are subject the delegation of authorities for travel.

Other Reference material

[TB Directive on Travel, Hospitality, Conference and Event Expenditures](#)

1.04 Local Travel

For local travel expenditures associated with an event, refer to '[Events](#)' Supplementary Notes (section 1.01).

This is the authority to initiate and approve travel for employees travelling within local area, for activities that are not considered an event, i.e. activities that are in direct link to [core departmental mandate](#) or [formalized training](#).

For the purpose of obtaining approval as per the delegated instrument, ESDC has defined local travel as:

- a) Module I and part of Module II of the NJC Travel Directive (i.e. no overnight stay); and
- b) Transportation using means such as taxis, public transit, personal vehicle or government fleet vehicles; and
- c) Travel within a radius of 100 km from the assigned workplace (where the employee normally reports to), using the most direct, safe and practical road.

Note: Travel within the expanded workplace area does not include travel by air or by rail.

All travels are subject to restrictions of delegated authority as presented in [Table 1](#).

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Expenditure Initiation Authority (Pre-Approval)

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

1.05 Hospitality

For hospitality expenditures associated with an event, refer to [‘Events’](#) Supplementary Notes (section 1.01).

This is the authority to initiate and approve hospitality expenditures for activities that are not considered an event, i.e. activities that are in direct link to the core mandate of the department.

Hospitality consists of the provision of meals, beverages or refreshments to non-federal governmental persons at activities which are necessary for the effective conduct of government business and for courtesy, diplomacy or protocol purposes. In some circumstances and within restrictions, hospitality can also be provided to federal government persons (any person who is currently paid a salary or remunerated from the CRF which includes consultants, temporary help, casuals).

Hospitality expenditures are perceived as sensitive expenses by the authorities and the public therefore, all public servants are responsible for exercising rigorous management of hospitality, including taking measures to reduce, minimize and/or avoid costs.

Expenditure Initiation Authority (Pre-Approval)

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

All hospitality expenditures must be pre-approved. The level of pre-approval required is based on the total cost of the hospitality activity, attendees (federal or non-federal government persons), the form of hospitality provided and other characteristics of the hospitality activity. Financial limits include taxes, service charges (gratuities), a provision for contingency and any additional fees.

With the exception of the Minister, an individual cannot pre-approve a hospitality activity whereby he or she is one of the participants. In such circumstances, pre-approval is required from a higher authority. The only exception is that the CFO will pre-approve the DM’s hospitality activities whereby the DM is one of the participants, at the DM’s authority limit (applies even if the CFO also participates in the activity).

The Minister approval is required in the following situations when:

- i) Total hospitality costs exceed \$5,000;
- ii) The serving of alcoholic beverages;
- iii) Food and beverage costs exceed the maximum cost per person;
- iv) Entertainment: including but is not limited to tickets to musical, theatre, sporting or similar events, tours of local or other places of interest, and other similar activities for the reason of courtesy, diplomacy and protocol;
- v) Hospitality or entertainment to a spouse or to a person accompanying an event participant;

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- vi) Hospitality extended at the residence of a federal employee or in other similar informal settings. (Government-owned facilities should be used when they are appropriate and available.)

Section 34 of the FAA may be certified by the appropriate RCM. However, if the RCM participated in the hospitality activity, section 34 certification must be performed by a superior that has not benefited from the hospitality activity.

The RCM can exercise certification authority (section 34 of the FAA) only if the proper pre-approval has been obtained.

Other Reference Material

[TB Directive on Travel, Conference, Hospitality and Event Expenditures](#)

[Departmental Travel Website](#)

[Departmental Events Procedures](#)

1.06 Training/Tuition

For training expenditures associated with an event, refer to '[Events](#)' Supplementary Notes (section 1.01).

This is the authority to initiate and approve training courses and tuition fees expenditures. Training activities are considered events. Note that the only type of training not to be treated as an Event is the [formalized training](#). The following criteria define training that does not require an event approval. However, note that the appropriate level of approval is still required in accordance with the Delegations of Authority Instrument for training:

- a) Formalized programs approved and delivered by a department (Service Canada College) to departmental staff to ensure that staff are qualified to perform their assigned duties;
- b) Formalized program of instruction to ensure that staff are qualified to perform their assigned duties approved by a department and delivered by a third party such as the Canada School of Public Service, universities or colleges; or
- c) Formalized program of instruction or accreditation approved by a professional body as recognized by federal or provincial statute and delivered by organizations certified by the professional body, including for the purpose of acquiring or maintaining those accreditations required by staff as part of their duties.

All other trainings are to be considered as events and are subject to restrictions of delegated authority as presented in [Table 1](#).

Expenditure Initiation Authority (Pre-Approval)

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

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A [training application Form \(GC211\)](#) must be completed for all training requests (even when there are no costs associated with the course) and must be pre-approved by the appropriate level of authority.

All employees must have a [Performance and Learning Agreement \(PLA\)](#) or a Personal Learning Plan (PLP) to acquire and maintain the knowledge, skills and competencies to meet the organizations' needs and to help employees pursue their career objectives. Training courses to be undertaken during the fiscal year must be requested on the employee's PLA and approved by the appropriate RCM.

Other Reference Material

[TB Policy on Learning, Training, and Development](#)

[TB Directive on Travel, Hospitality, Conference and Event Expenditures](#)

[Service Canada College](#)

[Departmental Human Resources Authorities](#)

1.07 Conferences

Departmental conferences (for attendance or sponsored) are normally considered events and are subject to restrictions of delegated authority as presented in [Table 1](#). Exempted Events conferences are activities whose sole purpose is the direct delivery of *core departmental mandate*.

Expenditures related to a conference must be managed so that they demonstrate value for money and use the most economical options to minimize and reduce costs whenever possible.

This is the authority to initiate and approve expenditures related to conferences. A conference includes a congress, convention, briefing seminar or other formal gathering in one location where participants discuss, contribute to, or are informed about matters of common interest. Conferences may include attendees from other government departments or from non-governmental organizations, and guest speakers (government or non-government) are often part of a conference. Conferences normally include a pre-set agenda, presentations or panel discussions by subject matter experts, exhibits of subject matter related items. Normally, participants are not required to be members of a particular organization.

Conference Sponsorship

In the case where ESDC sponsors a conference, a memo to the DM must be prepared with a justification of the conference and an explanation of whether the conference sponsorship falls under Vote 1 type expenditure (Operating Funds expenditures) or Vote 5 type expenditure (G&C expenditures).

Expenditure Initiation Authority (Pre-Approval)

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

Other Reference Material

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[NJC Travel Directive](#)

[TB Directive on Travel, Hospitality, Conference and Event Expenditures](#)

[TB Information Bulletin – Financing of Conferences and Seminars](#)

Event and Exempted Event approval summary

The following table summarizes the applicable level of pre-approval required for Events and Exempted Events as per the Delegation Instrument (columns 1.01 to 1.07) and the applicable restrictions specified in the [TB Directive on Travel, Hospitality, Conference and Event Expenditures](#).

Table 1 - Financial delegations for ESDC as per TB Directive on Travel, Hospitality, Conference and Event Expenditures

	Minister of ESDC Minister of Labour Ministers of State	Deputy Minister of ESDC Deputy Minister of Labour Chief Operating Officer for Service Canada	Senior Associate DM Associate DM ADM and equivalents	Director General	Director	Manager
EVENTS – Expenditure Initiation*						
Events Total Planned Costs including GST, HST and PST (with travel or hospitality or conferences or training activities) **	Full	Up to \$25,000 max \$5,000 for Hospitality & subject to Table 2 restrictions**	Up to \$5,000 max \$1,500 for Hospitality & subject to Table 2 restrictions	Up to \$1,500 (no travel/no conferences) Hospitality subject to Table 2 restrictions	-	-
EXEMPTED EVENTS						
Core mandate and formalized training activities - No event approval required						
Deputy Minister Travel	Full	-	Full (CFO only)	-	-	-
International Travel*	Full	Full	Full (CFO + Senior ADM of SPR only)	-	-	-
Domestic Travel*	Full	Full	Full	-	-	-
Local Travel	Full	Full	Full	Full	Full	Full
Conference	Full	Up to \$25,000	Up to \$5,000	-	-	-
Training (formalized)	Full	Full	Full	Full	Full	Full
Hospitality ***	Full	Up to \$5,000 Subject to Hospitality restrictions (Table 2 below)	Up to \$1,500	Up to \$1,500	-	-

* Once an Event or travel related to core-mandate or formalized training is approved on paper (i.e. event plan, travel plan or ad hoc approval) by the proper delegated authority (ADM or above level), the electronic approval in the travel system can be done by a lower level.

** Deputy Minister has full authority for internal audit engagement activities.

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***An individual who is a participant at a hospitality activity may not approve the hospitality. The approval of higher authority is to be obtained.

Table 2 - Hospitality Restrictions (column 1.05)

Ministerial approval is required when the following hospitality components are present.

- (a) Total hospitality costs associated with an event exceed \$5,000;
- (b) The serving of alcoholic beverages;
- (c) Food and beverage costs exceed the maximum cost per person;
- (d) Entertainment: including but is not limited to tickets to musical, theatre, sporting or similar events, tours of local or other places of interest, and other similar activities for the reason of courtesy, diplomacy and protocol;
- (e) Hospitality or entertainment to a spouse or to a person accompanying an event participant;
- (f) Hospitality extended at the residence of a federal employee or in other similar informal settings. (Government-owned facilities should be used when they are appropriate and available.)

Hospitality Restrictions (column 1.05)

Level of Authority	Minister of ESDC	Deputy Minister of ESDC	Senior Associate DM	Director General and equivalents
	Minister of Labour	Deputy Minister of Labour	Associate DM	
	Ministers of State	Chief Operating Officer for Service Canada	ADMs and equivalents	
Total Planned Costs (a)	Full	Up to \$5,000	Up to \$1,500	Up to \$1,500
Alcoholic Beverage (b)	Full	-	-	-
Food and beverage costs in excess of maximum cost (c)	Full	-	-	-
Entertainment (d)	Full	-	-	-
Provided to spouse or accompanying person (e)	Full	-	-	-
Residence of employee (f)	Full	-	-	-

1.08 Memberships Fees

This is the authority to authorize the payment of a membership fee for departmental employees and corporate memberships.

Membership fees should only be paid when departmental membership in a particular organization is in direct support of a departmental program or when membership is a federal statutory requirement for individual employees to carry out the functions of their positions or when specified in a collective agreement. Such memberships shall be obtained in the name of the department. However, cases where

the membership cannot be held in the name of the department, or a departmental position, and therefore must be held in the name of the employee it should be clear that the benefits and publications accrue to the department.

Other Reference Material

[Departmental Memberships Policy](#)

[TB Collective Agreement](#)

Expenditure Initiation Authority (Pre-Approval)

Professional association membership fees will be reimbursed as per Human Resources Authorities and not Financial Authorities, in accordance with the terms of an employee's collective agreement. These must be certified under Section 34 by the RC managers, and are not subject to the financial delegations limits.

Table 3 - Membership Fees Restrictions (column 1.08)

Ministerial approval is required when the following memberships:

- a) Memberships in organizations that are primarily social, recreational or fraternal are highly exceptional.

Deputy Minister approval is required when the following memberships:

- b) Professional registration fees or memberships in the name of an individual;
- c) More than one membership in any organization in a given geographic location (region) for which there is no federal statutory requirement;
- d) Registration fees or memberships which are primarily in the interest of the employee;
- e) Memberships that are not directly related to the department's programs.

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RESTRICTIONS - MEMBERSHIP FEES (1.08)					
Level of Authority	Minister of ESDC Minister of Labour Ministers of State	Deputy Minister of ESDC Deputy Minister of Labour Chief Operating Officer for Service Canada Senior Associate DM Associate DM	ADMs and equivalents	Director General and equivalents	Director and equivalents
Memberships Fees (non-restricted)	Full	Full	\$700	\$700	\$700
Memberships in organizations that are primarily social, recreational or fraternal are highly exceptional (a)	Full	-	-	-	-
Professional registration fees or memberships in the name of an individual (b)	Full	Full	-	-	-
More than one membership in any organization in a given geographic location (region) for which there is no federal statutory requirement (c)	Full	Full	-	-	-
Registration fees or memberships which are primarily in the interest of the employee (d)	Full	Full	-	-	-
Memberships that are not directly related to the department's programs (e)	Full	Full	-	-	-

Note 1: Membership fees in excess of \$2,000 must be supported by a membership strategy.

Annual renewals of membership fees originally approved by the Minister, Deputy Minister (DM) or Chief Operating Officer (COO) may be delegated to the next lower level, provided the conditions of the original approval remain the same.

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 1.4.5 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.

Other Reference Material

[NJC Relocation Directive](#)

[NJC Foreign Service Directive](#)

[TB 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 his/her 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 2.6 of the NJC Relocation Directive](#));
- Employee-requested relocation ([Section 2.7 of the NJC Relocation Directive](#));
- Initial appointee relocation ([Section 2.8 of the NJC Relocation Directive](#) and [TB Initial Appointees Relocation Program](#)).

Expenditure Initiation Authority (Pre-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 state that:

- The authorization shall be made in advance in writing (such as a signed letter of offer);

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- 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). In both circumstances the DCFO which also assumes the role of the Senior Full-time Travel Officer (SFTO), and the Departmental Travel Coordinator must be consulted and must recommend to the DM or TBS for approval.

[Table 4](#) summarizes the level of approval required as per the [NJC Relocation Directive](#) for each type of relocation expenditures.

Table 4 - 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	Deputy Chief Financial Officer Senior Director General Integrated Corporate Accounting and Accountability Directorate	Departmental National Coordinator
1.2.5	Entitlements not identified within this Directive will not normally be reimbursed unless deemed to result from exceptional circumstances. Treasury Board Secretariat (TBS) approval is required for payment of such expenses.	\$10K*	\$10K*	-	-
1.2.5.1	Reimbursement of entitlements not identified within this Directive.	\$10K*	\$10K*	-	-
1.4.2	Payment of relocation expenses for part-time and term employees.	F	-	-	-
2.2.1.7	All requests for reimbursement that fall within the intent of this Directive, but whose special circumstances have not been specifically addressed, must be forwarded through normal channels directly to the designated Departmental National Coordinator, head office.	-	-	-	F

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2.7.1	In an employee-requested relocation assistance shall be provided in accordance with Part XII.	F	F	F	-
2.10.1 and 2.10.3	The payment of reasonable reimbursable expenses when an authorized relocation is cancelled.	F	F	F	-
4.2	Approval to proceed on a House Hunting Trip.	F	F	F	F
4.4.1	Authorization of additional travel time for house hunting trips.	-	-	-	F
4.18	Approval of a house hunting trip that is an exceptional case.	\$10K*	\$10K*	-	-
5.3.1	Approval to occupy interim accommodation is not automatic nor is it an entitlement. Prior approval for IAM&MA must be obtained from the Departmental National Coordinator or his/her designate within the department/region.	-	-	-	F
5.4.1	Authorization of 15 additional days (accommodation and meals) awaiting household goods and effects and/or accommodation.	-	-	-	F
5.5.3	In cases where additional time may be required for example for cleaning or inspection of the accommodation, a maximum of 2 days of additional IAM&MA may be authorized at the beginning of the move by the Departmental National Coordinator through the receiving manager and reimbursed from the Customized/Personalized Funds.	-	-	-	F
5.6	The Departmental National Coordinator shall authorize up to 60 days interim accommodation for employees who: are required to relocate on short notice; or are already on duty at the new location and cannot vacate their property at origin and relocate their HG&E immediately upon acceptance of letter of offer.	-	-	-	F
5.7	The Departmental National Coordinator is responsible to authorize IAM&MA requests beyond the initial 15 days and not to exceed 30 days in total.	-	-	-	F
5.7.1	Each IAM&MA request beyond 15 days must be approved by the Departmental National Coordinator or Regional Relocation Coordinator as assigned by the department upon registration with the CRSP.	-	-	-	F

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5.7.2	Approval of IAM&MA beyond the initial 15 days shall be authorized in the following situations: a market where there is a limited selection of housing; the HG&E were not available for delivery to the new residence because of delays caused by the moving company; an employee was denied a change in reporting date when such a change could have resulted in a reduction of the 15 days IAM&MA; or permanent accommodation has not been obtained/occupied or suitable alternate accommodation is not available.	-	-	-	F
5.7.4	In exceptional circumstances, employees may be reimbursed lodging expenses for any days in excess of 15 days when: the HG&E were not available for delivery to the new residence because of delays caused by the moving company; permanent accommodation has not been obtained/occupied or suitable alternate accommodation is not available.	-	-	-	F
6.3.1	Approval of exceptions to the family travelling by the approved mode of transportation to the new location.	-	-	-	F
7.4	Approval to reimburse rent or lease in excess of 3 months, or alternative arrangement in order to dispose of rented accommodation.	-	-	-	F
8.13.2	Employee Proceeds Unaccompanied An employee preceding the family to the new location has a choice of temporary/permanent accommodation. The costs of this accommodation shall be reimbursed as follows. Accommodation other than permanent accommodation must be approved by the Departmental National Coordinator before the employee secures such accommodation.	-	-	-	F

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8.16	When the old and new locations of work are within daily commuting distance and purchase of a residence at the new place of work meets the 40 km limitation as defined by the Income Tax Act, the employee may commute daily (subject to prior approval by management in consultation with the Departmental National Coordinator), while making the decision to acquire permanent accommodation at the new place of work. In those circumstances, the commuting allowance may be paid instead of the costs that would be incurred for temporary accommodation at the new place of work	F	F	F	-
8.18	Authorization of a return unaccompanied trip the previous place of duty to finalize the sale, where the exchange of documents via courier or electronically are not sufficient.	-	-	-	F
8.3, 8.20	Approval to sell a property for less than 95% of the appraised value.	-	-	-	F
9.18(b)	To approve the extension of the period for the reimbursement of certain expenses for an employee's short term personal loan for an additional six months in exceptional circumstances.	-	-	-	F
11.8.1	When an employee is relocated (Isolated Postings only), and after consultation with the employee and in the opinion of the Departmental National Coordinator, the shipment of some or all of the HG&E or PMVs, or both, to the new place of duty is not practical the employer shall pay for some associated storage costs.	-	-	-	F
11.8.2	When the employee is again relocated to a location where the effects could be used (Isolated Postings only), the Departmental National Coordinator shall authorize HGRS to ship the effects from the place of storage to: new place of duty; or former residence from which the effects were placed in storage.	-	-	-	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	-	-	-
11.10	Authorization of the movement of Household Goods and Effects in excess of 20,000 lb via the Household Goods Removal Service contracted service providers.	-	-	-	F

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11.13	Rental car costs incurred (while the employee's car is being shipped) are not reimbursable except in highly unusual circumstances beyond the employee's control	-	-	-	F
11.13	Shipment of second personal motor vehicle (PMV) in unusual circumstances.	-	-	-	F
12.1.2a	An employee-requested transfer that results in an authorized relocation to a position at the appropriate group and level which is vacant on arrival at the new place of duty shall be deemed to be an employer-requested relocation. The relocated employee shall be reimbursed relocation expenses within the limits prescribed in this Directive, unless the deputy head or senior delegated officer provides written certification that, had the vacant position not been filled as a result of an employee-requested transfer, it would have been filled through normal staffing procedures without relocation expenses being incurred.	F	F	F	-

1.10 Isolated Post & 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 Post is governed by the [NJC Isolated Post and Government Housing Directive](#).

Expenditure Initiation Authority (Pre-Approval)

The employer has the responsibility to authorize isolated post assignments as per the [NJC Isolated Post and Government Housing Directive](#) according to the following restrictions table.

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Table 5 - Isolated Post and Government Housing Restrictions (column 1.10)

RESTRICTIONS - ISOLATED POST AND GOVERNMENT HOUSING (1.10)			
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

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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 exceed 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

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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.

Other Reference Material

[NJC Isolated Post and Government Housing Directive](#)

1.11 Project authority

The [TB Policy on the Management of Projects](#) 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 Corporate Management Committee (CMC) 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 CMC.

Specific Restrictions

The [TB Policy on the Management of Projects](#) ([Appendix A](#) – Project Approval Authorities) 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 A](#) of the [TB Policy on the Management Projects](#).

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.

Expenditure Initiation Authority (Pre-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.

Other Reference Material

[TB Terms and Conditions of Employment](#)
[Departmental Compensation & Benefits \(HRSB\)](#)

1.13 Claims 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.

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Expenditure Initiation Authority (Pre-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](#).

Other Reference Material

[Department of Justice - Canadian Human Rights Act](#)
[TB Directive on Claims and Ex Gratia Payments](#)
[TB Guideline on Claims and Ex Gratia Payments](#)
[TB Policy on Legal Assistance and Indemnification](#)
[Departmental Policy on Claims and Ex Gratia Payments](#)

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.

Other Reference Material

[TB Policy on Legal Assistance and Indemnification](#)
[TB Directive on Claims and Ex Gratia Payments](#)
[Departmental Policy on Claims and Ex gratia Payments](#)

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.

Other Reference Material

[TB Policy on Legal Assistance and Indemnification](#)
[TB Directive on Claims and Ex Gratia Payments](#)
[Departmental Policy on Claims and Ex gratia Payments](#)

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.

Other Reference Material

[TB Directive on Claims and Ex Gratia Payments](#)

[Departmental Policy on Claims and Ex gratia Payments](#)

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.

Other Reference Material

[TB Directive on Claims and Ex Gratia Payments](#)

[TB Guideline on Claims and Ex Gratia Payments](#)

[Departmental Policy on Claims and Ex gratia Payments](#)

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 (Pre-Approval)

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

Other Reference Material

[TB Directive on Claims and Ex Gratia Payments](#)

[TB Guideline on Claims and Ex Gratia Payments](#)

[Departmental Policy on Claims and Ex gratia Payments](#)

1.15 Formal Recognition Awards

Recognition refers to validation through demonstrated appreciation, to acknowledgement and, in some cases, to awards. Recognition covers a range of formal and informal practices in the workplace that collectively express and reinforces values and the way that people work together.

Formal recognition refers to structured, scheduled activities (for example, the Awards of Excellence, National Public Service Week) and departmental-level recognition events. The credibility and integrity of formal recognition programs within organizations and institutions are crucial.

This is the authority to initiate and approve formal recognition to an employee for meritorious performance in the form of a sum of money, a citation, a certificate or any other type of recognition, including an Award of Appreciation.

Expenditure Initiation Authority (Pre-Approval)

RCMs with delegated authority to extent formal recognition awards can pre-approve up to the limits as specified in the Delegation Instrument.

Other Reference Material

[Departmental Pride and Recognition Program \(HRSB\)](#)

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

1.16 Recognition Awards - Informal

Informal recognition refers to everyday issues of trust, self-worth and working relationships with others. Informal recognition is extremely important in fostering pride, but is often overlooked. This type of recognition supports an employee's identification with the organization and its mission, and provides a foundation for formal recognition.

Day-to-day recognition is the act of acknowledging, on an informal and regular basis, the quality and value of employee/team contributions that further the achievement of the Department's mission and/or goals. Pride and Recognition (informal) are expenditures for awards and gifts provided under the "day-to-day" and informal components of the Pride and Recognition program in the context of recognizing attributes and behaviors that promote departmental values. Awards of appreciation include items such as pens, cards, plaques, frames, gifts from iBoutique.ca and other awards at the discretion of the RC manager (gifts may be taxable). Includes expenditures for frames bought for the Departmental Pride and Recognition Award certificate (the frame is not taxable).

Other Reference Material

[Departmental Pride and Recognition Program](#)

1.17 Arrangements Inter-Departmental and Federal/Provincial Institutions (A, B)

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.

Other Reference Material

[TB Policy on Accounting for Non-Monetary Transactions](#)

[TB Contracting Policy](#)

[Service Canada College website](#)

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

Other Reference Material

[TB Policy on Accounting for Non-Monetary Transactions](#)
[TB 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.

Other Reference Material

[TB Directive on Accountable Advances](#)
[Departmental Policy on Accountable Advances \(CFOB\)](#)

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. PWGSC) for the provisions of goods or services.

Expenditure Initiation Authority (Pre-Approval)

RCMs can pre-approve up to the limits as specified in the Delegation Instrument.

Other Reference Material

[TB Contracting Policy](#)
[TB Directive on Acquisition Cards](#)

Section 32 of FAA - Commitment Authority

Commitment authority is the authority delegated by the Deputy Minister to certify, prior to entering into a commitment, 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.

Other Reference Material

[TB Directive on Delegation of Financial Authorities for Disbursements](#)

[TB Directive on Expenditure Initiation and Commitment Control](#)

[Justice Canada - Financial Administration Act](#)

[Departmental Policy on Commitment Control, Account Verification and Payment Requisitioning](#)

1.20 Contracting Authority – Transaction Authority (restrictions)

This is the authority to enter into contracts for the acquisition of services. Contracting is a rather complex area which is beyond the scope of these Supplementary Notes. Due 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.

Expenditure Initiation Authority (Pre-Approval)

RCMs can pre-approve up to the limits as specified in the Delegation Instrument. Those with a specified amount can approve contracts within their authorized budget and in accordance with the [TB Contracting Policy](#) up to the amount specified in the Delegation Instrument.

Specific Restrictions

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 (identified in the Delegation Instrument as “F”) as per the Delegation Instrument, can approve contracts within their authorized budget and in accordance with the [TB Contracting Policy \(Appendix C\)](#).
3. For acquisition card purchases, where individual limits above \$5,000 have been approved by the Senior DG, Investment, Asset and Procurement Management, or the ESDC DCFO, these higher limits apply on acquisition card purchases only.
4. Full contracting authority given to the Chief Audit Executive applies to contracts for forensic audit services only. The Chief Audit Executive’s contracting for other services, goods or constructions are subject to the \$5,000 contracting authority limit.

Other Reference Material

[PWGSC Supply Manual](#)

[TB Contracting Policy](#)

[TB Policy on Management of Materiel](#)

[TB Directive on Acquisition Cards](#)

[TB Contracts Directive](#)

[Departmental Contracting and Procurement Policy](#)

1.21 Leasing Authority

The [TB Management of Real Property Policy](#) 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 [Procurement & Contracting Services](#), CFOB.

Other Reference Material

[TB Management of Real Property Policy](#)

Section 34 of FAA - Certification Authority

Section 34 of the FAA is the authority to certify that work has been performed as required; services and supplies have been satisfactorily provided; travel and relocation have been successfully carried out (subject to pre-audit of relocation travel claims and invoices by the purchasing organization); employee overtime has been worked and contract performance has been completed in accordance with contractual terms and conditions or is reasonable.

This also includes the authority delegated to appropriate officers to certify under Section 34(1)(a)(3) where a payment is to be made before completion of the work as it is so stated in the contract.

Section 34(1)(b) is specifically used to certify that terms and conditions/eligibility have been met for the payment of G&C or social programs (e.g. OAS/ CPP).

Primary responsibility to perform account verification on all payments and settlements rests with managers who are delegated the authority to certify under Section 34 of the FAA.

Functional specialists who perform account verification for specific types of expenditures, must be delegated section 34 authorities and per say must complete a valid FSA record.

No manager shall exercise Section 34 of the FAA with respect to a payment from which he or she personally can benefit, directly and indirectly.

This certification is a prerequisite to requisitioning a payment.

RCMs are responsible and accountable for the correctness of payment requests and ensuring all account verification procedures are carried out.

Other Reference Material

[TB Directive on Delegation of Financial Authorities for Disbursements](#)

[TB Directive on Account Verification](#)

[Justice Canada - Financial Administration Act](#)

Section 33 of FAA - Payment Authority

This authority cannot be exercised unless Section 34 has been exercised.

This authority is normally delegated to financial officers to requisition payments for charges against appropriations. This is done after reviewing the legality of payments before they are requisitioned and exercising all appropriate financial controls. Financial officers must also provide assurance of the adequacy of the Section 34 of the FAA account verification and be in a position to state that managers are properly and conscientiously following the process in place.

Exercising payment authority involves ensuring:

- The charge is a legal charge against the appropriation
- Expenditures in excess of the appropriation will not result from the payment
- Expenditures do not reduce the balance available in the appropriation to a level where previous commitments charged against it cannot be met.

No person shall exercise signing authority for both Sections 33 (payment) and 34 (contract performance) of the FAA for a particular payment.

No person shall be permitted to exercise spending or payment authority for a payment, which that person may personally benefit.

The Standard Payment System (SPS) requires an electronic signature for Section 33 of the FAA. The “Electronic Authorization and Authentication” (EAA) signature is created to authorize a Financial Officer to exercise Section 33 of the FAA through the PWGSC Mainframe.

Other Reference Material

[TB Directive on Delegation of Financial Authorities for Disbursements](#)

[TB Directive on Account Verification](#)

[TB Directive on Payment Requisitioning and Cheque Control](#)

[Justice Canada - Financial Administration Act](#)

VII. FINANCIAL AUTHORITIES – OTHER AUTHORITIES

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

1.22 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.

Other Reference Material

[TB Directive on Losses of Money or Property](#)

[Departmental Policy on Losses of Money and Illegal Acts Against the Crown](#)

1.23 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.

Other Reference Materials

[Department of Justice - 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.

Other Reference Materials

[Department of Justice - Financial Administration Act](#)

1.24 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 cheque and subsequently be forwarded to the specified court upon receipt of a garnishee summons.

Other Reference Materials

[TB Policy on Garnishment](#)

[Department of Justice - 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](#)

1.25 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.

Other Reference Material

[TB Policy Framework for the Management of Assets and Acquired Services](#)

[Asset Management iService page](#)

1.26 Write-Off of Debts

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.

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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 [Department of Justice- Financial Administration Act - Debt Write-off Regulations, 1994](#).

Other Reference Material

[Department of Justice- Financial Administration Act - Debt Write-off Regulations, 1994](#)
[TB Regulations on Debt Write-off](#)

1.27 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 [Financial Administration Act \(FAA\)](#).

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 [Treasury Board \(TB\) 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.

Other Reference Material

[Department of Justice - Financial Administration Act, section 155](#)
[TB Guideline on Interest and Administrative Charges](#)
[TB Interest and Administrative Charges Regulations](#)
[Departmental Policy on Charging Interest on Receivables](#)

1.28 Refund of Revenue (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 [Financial Administration Act \(FAA\)](#).

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 of revenue 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.

Other Reference Material

[Department of Justice - Financial Administration Act, section 20\(2\) \(3\)](#)

[Department of Justice - Repayment of Receipts Regulation, 1997](#)

[TB Directive on Receivables Management](#)

1.29 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.

Other Reference Material

[Passport Canada Website](#)

1.30 Social Security Tribunal

The following authorities with respect to the Social Security Tribunal are related to the following provisions of the [Department of Human Resources and Skills Development Act](#):

1) Payment of travel and living expenses incurred by full-time and part-time members of the Tribunal (ss. 49(2) and 49(3) of the Act).

49(2) Each full-time member of the Tribunal is entitled to reasonable travel and living expenses incurred by them while absent from their ordinary place of work in the course of performing their duties under this Act.

(3) Each part-time member of the Tribunal is entitled to reasonable travel and living expenses incurred by them while absent from their ordinary place of work in the course of performing their duties under this Act.

2) The authority for the Chairperson to reimburse any party for their travel and living expenses or pay any other allowance (s. 63)

63. The Chairperson may in any particular case for special reasons reimburse any party require to attend a hearing for travel or living expenses or pay to them any other allowance, including compensations for lost numeration as are fixed by the Minister.

VIII –LEGISLATIVE PROGRAMS FINANCIAL AUHTORITIES

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

2.01 - Wage Earner Protection Program

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 *Financial Administration Act (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 *Financial Administration Act (FAA)*, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the *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.

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The benefits apply to merchant seamen who are injured while their ship is on a "hometrade" or "foreign" voyage, as defined in the terms of the Canada Shipping 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 *Financial Administration Act (FAA)*, the positions listed under this delegation have the authority to exercise the duties and functions in relation to the *Merchant Seamen Compensation Act*.

2.04 - Canada Pension Plan / Old Age Security

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

Other Reference Materials

[Department of Justice - Canada Pension Plan Act](#)

2.05 Canada Disability Savings Program

The Canada Disability Savings Program 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 *Financial Administration Act (FAA)*, the positions listed under this delegation have the authority to exercise the duties and functions in relation to Canada Disability Savings Program.

Other Reference Materials

[Canada Disability Savings Act](#)

2.06 - Universal Child Care Benefit Act

The Universal Child Care Benefit (UCCB) program issues a taxable \$100 monthly payment to families for each child under the age of six 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 *Financial Administration Act (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*.

Other Reference Materials

[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.(1) 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 *Financial Administration Act (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](#).

Other Reference Materials

[Justice Canada - Canada Student Loans Act](#)

[Justice Canada – Canada Student Loans Regulations](#)

[Justice Canada - Canada Student Financial Assistance Act](#)

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Delegation of Spending and Financial Authorities – Supplementary Notes

2.08 – Canada Education Savings Grant (CESG)

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 *Financial Administration Act (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

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 *Financial Administration Act (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

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 receive money for each school year of residence at one or more residential school as a one-time payment for their full CEP entitlement.

The CEP is delivered by Service Canada in partnership with Aboriginal Affairs and Northern Development Canada.

Approval

Pursuant to sections 33 and 34 of the *Financial Administration Act (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.

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.

Receipts and other credits consist of premiums received, funds reclaimed from the Consolidated Revenue Fund 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 Financial Administration Act (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.

Other Reference Material

[Treasury Board of Canada Secretariat Directive on Recording Financial Transactions in the Accounts of Canada](#)

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 regulations](#), as well as the [Financial Administration Act and regulations](#).

Approval

Employment and Social Development Canada

Delegation of Spending and Financial Authorities – Supplementary Notes

Pursuant to sections 33 and 34 of the Financial Administration Act (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.

Other Reference Material

[Treasury Board of Canada Secretariat - Directive on Recording Financial Transactions in the Accounts of Canada](#)

2.13 Transactions - Annuities Agents

This authority is related to Annuities Agents' Pension Account. This account was established by Vote 181, appropriation Act No. 1, 1961, to provide pension benefits to former eligible government employees who were engaged in selling government annuities to the public.

Approval

Pursuant to sections 33 and 34 of the Financial Administration Act (FAA), the positions listed under this delegation have the authority to exercise the duties and functions in relation to the transactions – annuities agents.

Other Reference Material

[Treasury Board of Canada Secretariat - Directive on Recording Financial Transactions in the Accounts of Canada](#)

2.14 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 Financial Administration Act (FAA), the positions listed under this delegation have the authority to exercise the duties and functions in relation to the Employment Insurance Operating Account.

Other Reference Material

[Justice Canada – Employment Insurance Act](#)

IX – GRANTS AND CONTRIBUTIONS (G&C) FINANCIAL AUTHORITIES (Vote 5)

Following Treasury Board (TB) approval of ESDC's grant and contribution programs terms and conditions, the Minister of ESDC 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 Financial Authorities for Disbursements](#) 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: 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 /Amendments: 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. Section 34: 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 which was incorporated to the departmental Grants and Contributions Policy in 2002:

Minor amendment involves an increase in funding of 25% or less of the original total contribution or grant amount approved under column A. Where the total of all amendments to the project involve an increase in funding of 25% or less of the project funding, the individual with the delegated authority to sign agreements/amendments under column B of the Delegation of Authorities Instrument may sign the amendment (as long as the previous approval authority under column A is not exceeded). The % ceiling may be modified at any time by the Minister. Please refer to Note 2 for details.

Major amendment involves an increase of funding by 25% or more of the original total contribution or grant amount approved by the delegated authority under column A of the delegation instrument. If the cumulative value of all amendments to a project results in an increase in funding of more than 25%, then the amendment must be approved by the individual with the authority to approve proposals (under column A) and signed by the individual with the authority to sign agreements/amendments (under column B). The % ceiling may be modified at any time by the Minister. Please refer to Note 2 for details.

Note: Downward financial amendments and administrative amendments are considered minor. Therefore they can be signed by the position with the delegated authority to sign amendments (under column B).

Note 2: The Minister may decide to lower or increase the amendment % ceiling for all or specific G&Cs programs.

Appendix A

[Link to Table of Equivalency](#)

Appendix B

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
CMC	Corporate Management Committee
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
FSA	Financial Signing Authority
G&C	Grants and Contributions
HRSDC	Human Resources and Skills Development Canada
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
RCM	Responsibility Center Manager
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