

## **Annex A – Sample MOU where a department administers a program for another department**

**Western Economic Diversification Financial Arrangement MOU for situations where a department is requested to administer a program on behalf of another department.**

MEMORANDUM OF UNDERSTANDING (MOU)

BETWEEN

DEPARTMENT F, the Funding department,

AND

DEPARTMENT S, the Spending department,

FOR THE ADMINISTRATION OF xxx (name of the program)

**(To be used when Department S is requested to administer a program for which Department F has a mandate).**

### **Section 1, Purpose:**

Department F is delegating to Department S the required authority for the implementation of XXX (for example, the XXX program of Department F in Yukon) in accordance with administrative processes and procedures set out in this MOU and with the FIS Accounting Manual.

### **Section 2, Mandate:**

**Department F** certifies that it has the legislative authority by virtue of the **XX** Act to carry out the activities required by this MOU and to delegate to Department S the delegated activities described in the Annex. Department F remains accountable for the overall implementation of the program while Department S will carry out the activities in accordance with the terms and conditions of this MOU.

Department S is authorized to sign on behalf of Department F any contracts or agreements entered into with a third party to implement the delegated activities subject to the terms and conditions of the MOU. Any contract or arrangement should identify the government party as Her Majesty in Right of Canada as represented by the Minister of Department F represented by himself/herself by the Director General (or some other position) of Department S.

**Section 3, Delegated Financial Authority:**

Department S is authorized, (according to its own Financial Signing Authority Chart or *describe in the next paragraph the authorities*), to charge the expenses incurred for the delegated activities to Vote X Operating Expenditures and Vote X Grants and contributions of Department F as advanced by F to S.

*(Financial signing authority is delegated as follows. If the Financial Signing Authority Chart of Department S requires modification, please provide the same information as a Financial Signing Authority Chart would provide, i.e. the title of the person, the nature of the transaction, i.e. procurement or contribution, the purpose, i.e. certification of performance and requisition of payment, and the amount up to which the delegation is valid. Those delegations are required to be specified before the MOU is signed).*

**Section 4, Funds:**

Department F will advance the funds to Department S for the delegated activities on an annual basis as follows:

<b>Fiscal Year</b>	<b>Administrative Costs</b>	<b>Contribution</b>
1999-2000	<b>\$350,000</b>	<b>\$1,500,000</b>
2000-2001	<b>\$350,000</b>	<b>\$1,500,000</b>
2001-2002	<b>\$150,000</b>	<b>\$1,500,000</b>
2002-2003	<b><u>\$150,000</u></b>	<b><u>\$1,500,000</u></b>
Total	<b><u>\$1,000,000</u></b>	<b><u>\$6,000,000</u></b>

Department S cannot expend more than the annual amount advanced by Department F.

**Section 5, Administration:**

Department S will initiate, commit, and certify performance and make payments in accordance with the delegated financial signing authorities.

**Section 6, Accounting & Reporting:**

**Department S** agrees to provide **Department F** with an accounting of the use of the authority on, or before, the following dates:

For 1999-2000, on, or before January 31, 2000 for the period April 1 to December 31, 1999; and, on, or before, April 15, 2000 for the period January 1 to March 31, 2000.

For 2000-2001 and subsequent fiscal years, on, or before:

<b>Due Date</b>	<b>Report Period</b>
September 15	April 1 to August 31
January 15	September 1 to December 31
April 15	January 1 to March 31

The report will provide details on the Payee, the amount, and the financial reporting code i.e. Expense, and also the economic object.

**Section 7, Cash Flow Forecasting:**

**Department S** agrees to provide with each accounting a forecast of the expected requirements for the remainder of the fiscal year. Any expected non-utilization of the authority will need to be communicated to **Department F** as soon as possible, and normally on or before September 15th of the current fiscal year (Note: for purposes of the Annual Reference Level Update for grants and contributions).

**Section 8, Performance Reporting:**

No less frequently than twice annually, **Department S** agrees to submit a report detailing the work conducted and the results accomplished, in such detail as may be established by **department F**.

**Section 9, Period of the MOU:**

The period covered by this MOU is April 1, 1999 to March 31, 2003.
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**Section 10, Amendment:**

This MOU may be amended, during the period of the MOU, with the mutual consent of both parties.

**Section 11, Signatures:**

IN WITNESS WHEREOF, this MOU has been executed:

On behalf of **F**:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: (If the MOU includes delegation for certification of performance and payment of expenses, pursuant to s. 33 and 34 of the *Financial Administration Act* the MOU should be signed by the Minister of Department F or his or her Deputy)

On behalf of **S**:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: