



First Nations Health Authority
Health through wellness

FNHA Funding Arrangements Annual Financial Reporting

BC AFOA Audit Preparation Seminar
January 30, 2024

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Manager, Funding Arrangements



Overview

- Funding Arrangements
- Financial records and reporting
- HFA funding models and flexibilities
- Financial reporting requirements
- Key dates
- FNHA review and communications
- Key Considerations
- Key Contacts
- Q&A





FNHA Funding Arrangements

- Core health program funding through Health Funding Agreements (HFA). Other funding may be received for project/priority/term based initiatives and may include:
 - Joint project board contribution agreements (regional)
 - Health Actions contribution agreements (regional)
 - Capital construction contribution agreements
 - Grants





Financial records and reporting

- Financial statements prepared in accordance with GAAP
- Financial records maintained pursuant to the agreements
- Maintain financial records and supporting documentation for 7 years

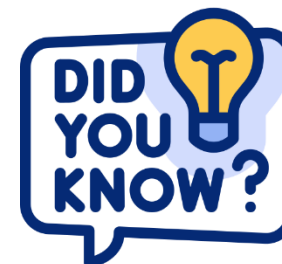
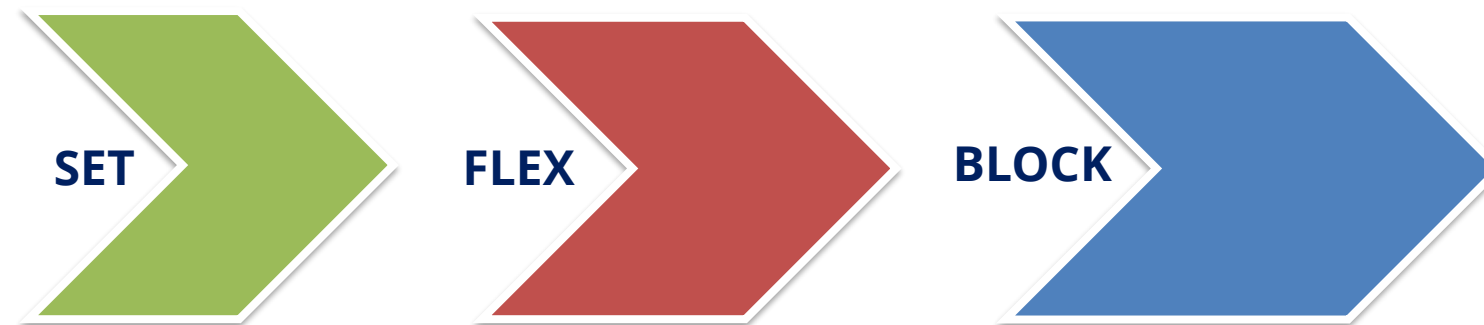


- Separate financial reports are required for each FNHA funding type (i.e. JPB, Health Actions, HFA).
- Separate financial reports for each HFA program/cluster are also required





HFA Funding Models: Overview



Agreements can feature more than one funding type (i.e. block/set)



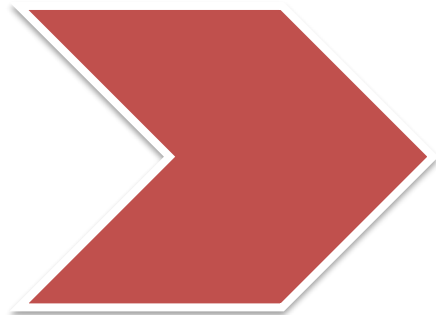
- Increases in flexibility, planning and management, duration, capacity
- Decreases in FNHA in management/administration



SET Funding

Funding Flexibility	<ul style="list-style-type: none">• Funding must only be used as indicated in the funding agreement, typically only within that particular program• May have other programs within the same functional area group• FNHA written approval required
Unspent Amounts	<ul style="list-style-type: none">• Carry-forward may be available for utilization in the following fiscal year within the same activity. Requires Surplus reinvestment plan and FNHA approval
Reporting	<ul style="list-style-type: none">• Financial Reports, Interim and Annual





FLEXIBLE Funding

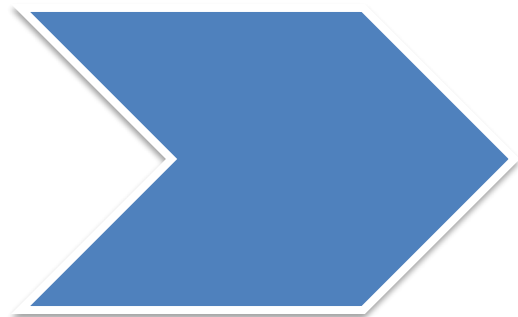
Funding Flexibility	<ul style="list-style-type: none">• Funding must only be used as indicated in the funding agreement• Funding may be reallocated to other programs within the same Program Activity, provided core programs are delivered
Unspent Amounts	<ul style="list-style-type: none">• Carry-forward permitted for utilization towards program objectives outlined in your community health and wellness plan (CHWP)
Reporting	<ul style="list-style-type: none">• Annual Audit



REMINDER

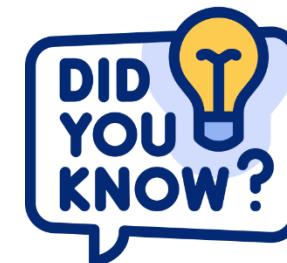
Consult your FA advisor or program lead to confirm reallocation eligibility





BLOCK Funding

Funding Flexibility	<ul style="list-style-type: none">• May reallocate funds among any Program Activity during the fiscal year
Unspent Amounts	<ul style="list-style-type: none">• May be retained for reinvestment in priorities listed in your CHWP or as otherwise approved by FNHA
Reporting	<ul style="list-style-type: none">• Annual audit



You can use BLOCK funding for SET programs, but not SET funding for BLOCK programs





Financial Reporting Requirements

Summary

SET	Financial report - Interim and annual	Report format used must be consistent with the Schedule "Program Funding" of the Health Funding Agreement (program breakdown provided)
FLEXIBLE	Annual Audit	Reporting presented at the program group level (consistent with the Activity Level in the FNHA Funding Model Activity Structure)
BLOCK	Annual Audit	Reporting presented at the BLOCK funding level



If you have BLOCK or FLEX, AND SET, don't forget SET financial reporting requirements!





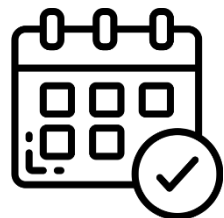
Sample Budget "Clusters"

Program	2020/2021	2021/2022	2022/2023
TIER 3 (BLOCK)			
Health Infrastructure Support - Health System Capacity - Health Facilities			
Capital facilities operations and maintenance (CFOM)	\$ 100,000	\$ 100,000	\$ 100,000
Health Infrastructure Support - Health System Capacity - Health Planning and Quality Management			
Accreditation Services (AS)	\$ 100,000	\$ 100,000	\$ 100,000
Health planning and management (HPM)	\$ 100,000	\$ 100,000	\$ 100,000
Primary Health Care - Health Promotion & Disease Prevention - Healthy Child Development			
Canada prenatal nutrition program (CPNP)	\$ 100,000	\$ 100,000	\$ 100,000
Maternal and child health (MCH)	\$ 100,000	\$ 100,000	\$ 100,000
Primary Health Care - Primary Care - Home and Community Care			
First Nations home and community care - Phase 3 (FNHCC/PH3)	\$ 100,000	\$ 100,000	\$ 100,000
Total for TIER 3 (BLOCK)	\$ 600,000	\$ 600,000	\$ 600,000
TIER 1 (SET)			
Primary Health Care - Health Promotion & Disease Prevention - Healthy Child Development			
Children's oral health initiative and oral health professional activities (COHI OHPA)	\$ 100,000	\$ 100,000	\$ 100,000
Primary Health Care - Public Health Protection - Environmental Health			
Environmental public health drinking water safety program (EPH DWSP)	\$ 100,000	\$ 100,000	\$ 100,000
Total for TIER 1 (SET)	\$ 200,000	\$ 200,000	\$ 200,000
TIER 3 (BLOCK)	\$ 600,000	\$ 600,000	\$ 600,000
TIER 1 (SET)	\$ 200,000	\$ 200,000	\$ 200,000
GRAND TOTAL	\$ 800,000	\$ 800,000	\$ 800,000





Key Dates & Details



■ July 29, 2023 for ALL agreement types (not just HFA!)

1. Audited Financial Statements
 - Auditors report
 - Statement of Financial Position (“balance sheet”)
 - Statement of Operations (“income statement”)
 - Statement of Net Financial Position
 - Statement of Cash Flow
 - Notes to the Financial Statements
2. Revenue and Expense Schedules for FNHA Health Programs
3. Year-end Financial Report (SET only)



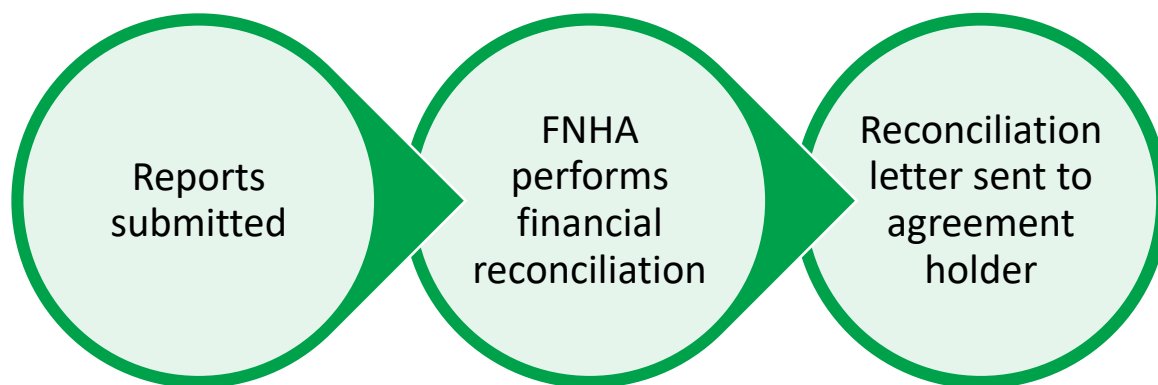
Our “one-window”
approach to receive all
Health Funding
Agreement Reporting

FNHA.Reports@fnha.ca





FNHA Review & Responses



- Once reports are submitted, FNHA performs a financial reconciliation to support communities with financial analysis, planning and investments.
- Upon completion, a reconciliation letter detailing the results is sent to the agreement holder, containing the following:
 - Details of any surplus/deficit
 - Amounts submitted and approved for carry-forward
 - Amounts repayable (if any)
 - Comments/suggestions for future reporting





Key Considerations

Reporting

- SET programs must be reported separately
- Do not include non-FNHA revenue and/or expenditures
- Separate reports for each FNHA funding agreement
- Expenses should be appropriately categorized
- Transfers in/out – please specify
- Adjust chart of accounts as necessary





First Nations Health Authority
Health through wellness

Key Contacts

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THANK YOU!



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