

Ministry of Justice

Financial Management of Emergency Response Costs during Provincial Activations

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Financial Management Support Annex

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Purpose

Emergencies can be expensive. Safeguarding the public, protecting property, and implementing other response objectives can require substantial short term expenditures that may present a financial challenge for responding agencies. Provincial legislation and policies are designed to assist when the burden of emergency response is excessive due to the scope and scale of the event. This support annex outlines the main financial management policies and procedures in effect when dealing with emergency response costs incurred during the activation of the provincial emergency management response structure.

Scope

Financial management processes directly related to the activation of the Provincial Emergency Coordination Centre (PECC), Provincial Regional Emergency Operations Centres (PREOCs) as well as to the management of eligible local authority and ministry emergency response claims are in scope.

The following financial management processes are out of scope:

- Payroll related to regular wages;
- Accounts payable outside of activations;
- Volunteer reimbursements and other incident response costs (such as Search and Rescue costs);
- Training costs;
- Business continuity costs;
- Business interruption losses (loss of revenue/income);
- Disaster Financial Assistance (DFA) including recovery costs; and
- Disaster Financial Assistance Arrangement (DFAA).

This document serves to provide guidance on the actual processes involved in managing response costs during the activation of the provincial emergency management structure. It does not serve as a commitment to spend money or to cover the expenditures of others. **Any mention of specific expenditures in this document is for illustrative purposes only.**

Response Costs

Response costs are those costs incurred when undertaking the emergency response activities required to save lives, reduce suffering, protect property, and implement other immediate objectives to reduce impacts of emergencies. Emergency response may begin before the impact of an emergency is felt if early information warns of an imminent event, and will continue as long as the event is in progress or the imminent threat exists.

Recovery Costs

Recovery costs are those costs incurred during the efforts to return infrastructure to a pre-emergency condition. This includes the repair or replacement of structures, equipment, and materials.

Authority and Guiding Documents

The authority for Emergency Management BC (EMBC) to access the consolidated revenue fund and to reimburse local authorities for eligible response costs incurred during emergency response activities resides within the:

- *Emergency Program Act (EPA)*,
- *Compensation and Disaster Financial Assistance Regulation (C&DFA)*, and
- *Financial Administration Act*.

Foundation documents that provide the guidance for financial management processes in the PECC and the PREOCs are:

- The Financial Assistance for Emergency Response and Recovery Costs: A Guide for BC Local Authorities and First Nations (referred to in this document as the “Local Government Guidelines”) outlines common eligible local authority and First Nations response costs;
- 1993 Letter of Understanding: Understanding to enable the provision of emergency response and recovery measures on Indian Reserves in British Columbia between the British Columbia Provincial Emergency Program and the British Columbia region of the federal department of Indian Affairs and Northern Development¹;
- The Government of British Columbia Core Policy and Procedures Manual contains Treasury Board financial and general management policy and the Comptroller General’s directives on procedures; and
- The PECC and the PREOC Operational Guidelines.

Financial Overview

Emergency Program Act (EPA) Vote

The EPA Vote represents an account within the Province’s consolidated revenue fund used to fund eligible provincial, local authority and Treaty First Nation emergency response and recovery activities under section 16 of the EPA.

All response activities funded under the EPA Vote are tracked through an EMBC tracking number referred to as the task number (see below).

Financial Management Roles and Responsibilities

When an emergency or disaster results in the activation of a provincial emergency management structure, the following sections/positions within a PREOC and of the PECC are responsible for managing response expenditures. Outside of PECC and PREOC activations, managing response expenditures is the responsibility of EMBC regional office and ministry Corporate Services staff.

Finance Section

Within a PREOC, the Finance Section is responsible for:

- Tracking daily PREOC expenditures including overtime wages;
- Tracking estimated local authority expenditures when provided;
- Supporting local authority finance sections as required;
- Recording and tracking approved Expenditure Authority Forms from local authorities;
- Providing estimated expenditures to the Provincial Emergency Coordination Centre; and
- Managing PREOC contracts as required.

Within the PECC, the Finance Section is responsible for:

- Tracking daily PECC expenditures including overtime wages;
- A roll-up of estimated event costs from all active PREOCs;
- Supporting the PREOC finance sections as required;
- Preparing and reporting a summary of estimated expenditures for the event; and

¹ The federal agency name has changed from Indian and Northern Affairs Canada (INAC) to Aboriginal Affairs and Northern Development Canada (AANDC)

- Managing PECC contracts as required.

Logistics Section

Within a PREOC, the Logistics Section is responsible for:

- Sourcing resources required by the PREOC, or by a local authority or First Nations (where applicable);
- Acquiring and directly paying for resources as appropriate; and
- Providing the Finance Section with current information on resource requests and estimated daily expenditures including PREOC personnel hours.

Within the PECC, the Logistics Section is responsible for:

- Sourcing provincial resources, such as sandbags and resources that have been deemed critical;
- Acquiring and directly paying for resources, as appropriate;
- Providing the Finance Section with current information on resource requests and estimated daily expenditures including PECC personnel hours.

Director

Within a PREOC, the Director is the primary expense authority and is responsible for:

- Approving all resource requests and associated expenditures;
- Approving local authority requests for expenditure authorization for extraordinary expenses; and
- Consulting with the PECC as necessary on extraordinary expenditures including expenditures that exceed the PREOC Director’s expense authority.

Within the PECC, the Director is the primary expense authority and is responsible for:

- Approving provincial resource requests including the allocation of regionally approved resource requests, and associated expenditures; and
- Consulting with the EMBC Executive Committee (EXCOMM) or the Central Coordination Group (CCG), as appropriate, regarding extraordinary expenditures.

Expense Authority

EMBC maintains the following Expense Authority Matrix for expenses incurred at the PREOC or PECC level. There is currently no expense authority set up for the Executive Director position within the PREOC or PECC.

PREOC Function	Expense Authority
Director	\$250K per line item
Deputy Director	\$250K per line item
Finance Section Chief	\$50K per line item
Logistics Section Chief	\$50K per line item
Operations Section Chief	\$50K per line item

PECC Function	Expense Authority
Director	Full authority
Deputy Director	Full authority
Finance Section Chief	\$250K per line item
Logistics Section Chief	\$250K per line item
Operations Section Chief	\$250K per line item

While some section chief functions have expense authority, expenditures other than incremental costs such as meals and office supplies, must be approved by the Director. Once the Director has approved an activity, a section chief may act as expense authority for that expenditure.

A line item may be any group of items dependent upon each other that were purchased at the same time. For example, the acquisition of computer desktops, monitors, and printers when purchased at the same time in order to set up an emergency operations facility would constitute one line item.

The following matrix describes expense authority delegation for positions within EMBC in regards to the processing of emergency response cost claims:

EMBC Position	Expense Authority
Fire and Emergency Management Commissioner	No \$ Limit
Executive Officer	No \$ Limit
Executive Director, Strategic Business Services	No \$ Limit
Executive Director, Emergency Coordination	No \$ limit
Executive Director, Strategic Planning & Legislation	No \$ limit
Executive Director, Mitigation	No \$ limit
Manager, Finance & Administration	No \$ limit
Asst Exec. Director, Emergency Coordination	No \$ limit
Senior Regional Manager	\$50,000 per transaction (salaries, benefits and operating costs only)
Manager, Recovery and Funding Programs	No \$ limit
Regional Manager	\$5,000 per transaction (salaries, benefits and operating costs only)

Financial Management Processes

During an emergency event, PREOC and PECC Finance Section staff have the responsibility for tracking all eligible and approved emergency response costs and the expenditure authorization forms that indicate EMBC approval of an extraordinary cost not captured in the Local Government Guidelines. Many of the actual costs are not confirmed until invoices are received, either by the local authority or FN community or by EMBC after the PREOCs and the PECC have demobilised. It is the responsibility of the Finance Section to ensure the tracked costs are as accurate as possible and available to EMBC staff for reference; however, it is acknowledged that the costs tracked generally represent an acceptable estimate of the actual expenditures.

Task Numbers

Task numbers are the primary tracking mechanism used by EMBC to track emergency response expenditures.² Emergency response task numbers serve three functions:

1. Identifying that a situation qualifies as an emergency or disaster under the *Emergency Program Act*;
2. Tracking financial aspects of a unique incident or regional event; and
3. Identifying the Province's commitment to provide third party liability protection and worker's compensation coverage for all registered volunteers.

Task numbers are hazard-specific (for example, a local authority that is managing both a wildland urban interface fire situation as well as a flood situation would have two task numbers). They are generated by the Emergency Coordination Centre (ECC) Operations Logging System in conjunction with an emergency incident report and may have any number of related individual incidents. Individual incidents, however, cannot be related to more than one task number. The issuance of a task number does not indicate EMBC pre-approval of any extraordinary response expenditures. Using established guidelines, ECC Operations Officers may authorize funding up to \$5000 per task to provincial and local government representatives to undertake response activities.

Process for issuing an operational task number

Local authority and Treaty First Nation task numbers

An Emergency Program Coordinator (EPC) or designate will generally be responsible for requesting a task number from EMBC when a local authority or a Treaty First Nation (TFN) is engaged in an emergency response, as defined by the *Emergency Program Act*, requiring the support of the Province. Up to date information on Treaty First Nations can be found at: <http://www.gov.bc.ca/arr/treaty/default.html>. The EPC will contact EMBC through the Emergency Coordination Centre (ECC) and describe the circumstances requiring the issuance of a task number. The ECC may consult with and receive approval from the Regional Duty Manager for that area if the respective PREOC is not activated or from the PREOC Director if activated. A task number is then issued by the ECC.

There may be instances where the request for a task number will come from an active EOC. In this case the request will be directed from the EOC to the Operations Section of the PREOC (who will then obtain the task number from the ECC).

² Task numbers are also used to track expenditures other than emergency response costs. These expenditures include incidents (for example, search and rescue, emergency social services in conjunction with a structure fire within a local authority, road rescue, hazardous material spills), training, and other non-emergency operations that do not require the activation of a PREOC or the PECC. Task numbers issued for these purposes are out of scope of this annex.

Task numbers are generally unique to each local authority and TFN. In the event that an emergency response is coordinated across several local authorities (for example, a regional district and a municipality share resources and undertake joint response activities) each local authority and TFN should have its own task number.³ Response costs incurred before a task number is issued may not be eligible for reimbursement by the Province.

Non-treaty First Nation task numbers

Currently, task numbers covering emergency response in First Nation (FN) communities on federal reserve lands are issued regionally based on the EMBC regions. The procedure for issuing a task number for a FN community on reserve is similar to the procedure for issuing a task number to a local authority. The first request for a FN task number to track emergency response expenses on reserve lands will trigger the issuance of a regional “AANDC” task number for use by the EMBC regional office or activated PREOC. This regional task number will be used to track expenses for all other FN communities that are impacted by the same event in that EMBC region.

Aboriginal Affairs and Northern Development Canada (AANDC) or the FN community emergency program may acquire the regional FN task number from the ECC or a PREOC based on incident reports that describe the EMBC region, event type and year (for example, AANDC Spring Freshet 2012 NWE [where NWE denotes the Northwest Region]).

PREOC and PECC Task Numbers

Readiness Task Numbers

In the case of annual events such as spring freshet flooding and summer urban interface wildfires (fire season), the ECC, at the request of the Executive Director, Emergency Coordination, assigns PREOCs and the PECC with readiness task numbers in order to track expenditures incurred directly by a PREOC or the PECC based on the assessed threat. Readiness activities may include:

- The acquisition and mobilisation of resources in support of local authorities and First Nations (such as sandbags and sandbag filling machines) prior to the onset of freshet flooding; and
- The enhancement of emergency coordination advanced planning activities including:
 - Facilitating seasonal readiness workshops and conference calls with regional emergency management stakeholders;
 - Updating supplier lists;
 - Pre-positioning of resources; and
 - Providing hazard-specific emergency response training for EMBC staff, Temporary Emergency Assignment Management System (TEAMS) staff, and local authority and First Nations response personnel.

In general, AANDC regional readiness task numbers are not issued. A provincial AANDC readiness task number may be issued to facilitate the tracking of PECC expenditures for the provisioning of sandbags to FN communities during freshet readiness activities.

³ Exceptions to this may involve regional integrated emergency response claims as described in the Emergency Response Cost Claims section.

Response Task Numbers

The ECC issues unique response task numbers to the PREOCs and the PECC in order to track the expenditures incurred directly by a PREOC or the PECC in coordinating the provincial response. These expenditures may include, among other items:

- Expenditures incurred based on provincial emergency response policies and directives;
- Expenditures incurred for the provisioning of critical resources to local authorities and FN communities⁴;
- Expenditures incurred to activate, operate, and demobilise a PREOC or the PECC including staffing, worker care, technology, utilities, etc.; and
- Expenditures incurred for the after action review of an emergency event.

Expenditure Authorization Forms (EAFs)

An expenditure authorization form is used to capture the Province's approval to pay for specific emergency response costs. EAFs are a form of resource request, specifically a request for money, used by local authorities and ministries to obtain and record provincial authorization for extraordinary emergency response costs. These include costs that:

- Are not covered by the Local Government Guidelines;
- Represent an exception to current provincial policy and guidelines regarding emergency response expenditures; and
- Represent an expenditure that is a large expense item and/or exceeds the normal average costs for this type of an emergency response activity such that the local authority or ministry requires assurance that the expenditure will be reimbursed under the EPA.

EAF resource requests are completed by a PREOC or PECC Operations or Logistics Section and are approved by the corresponding Director. Should an EAF have an expenditure that exceeds the PREOC Director's expense authority limit, the EAF must be assigned to the PECC for authorization. For EAFs describing expenditures that are an exception to current policy and guidelines, the PREOC must assign the request to the PECC for authorization.

EAF resource requests form a critical part of the event documentation. The PREOC/PECC Operations or Logistics Section enters them as resource requests into ETeam, the provincial emergency management information system, and the resource requests approved by the Province are included by local authorities, First Nations, and ministries in their claim submissions. EMBC may refuse to reimburse any extraordinary response expenditure that is not accompanied by an approved EAF. The actual cost of the expenditure must be within a reasonable and justifiable range of the EAF estimated cost.

⁴ PREOCs and the PECC will track expenditures specific to First Nations under the regional or provincial AANDC task numbers in order to facilitate cost recovery

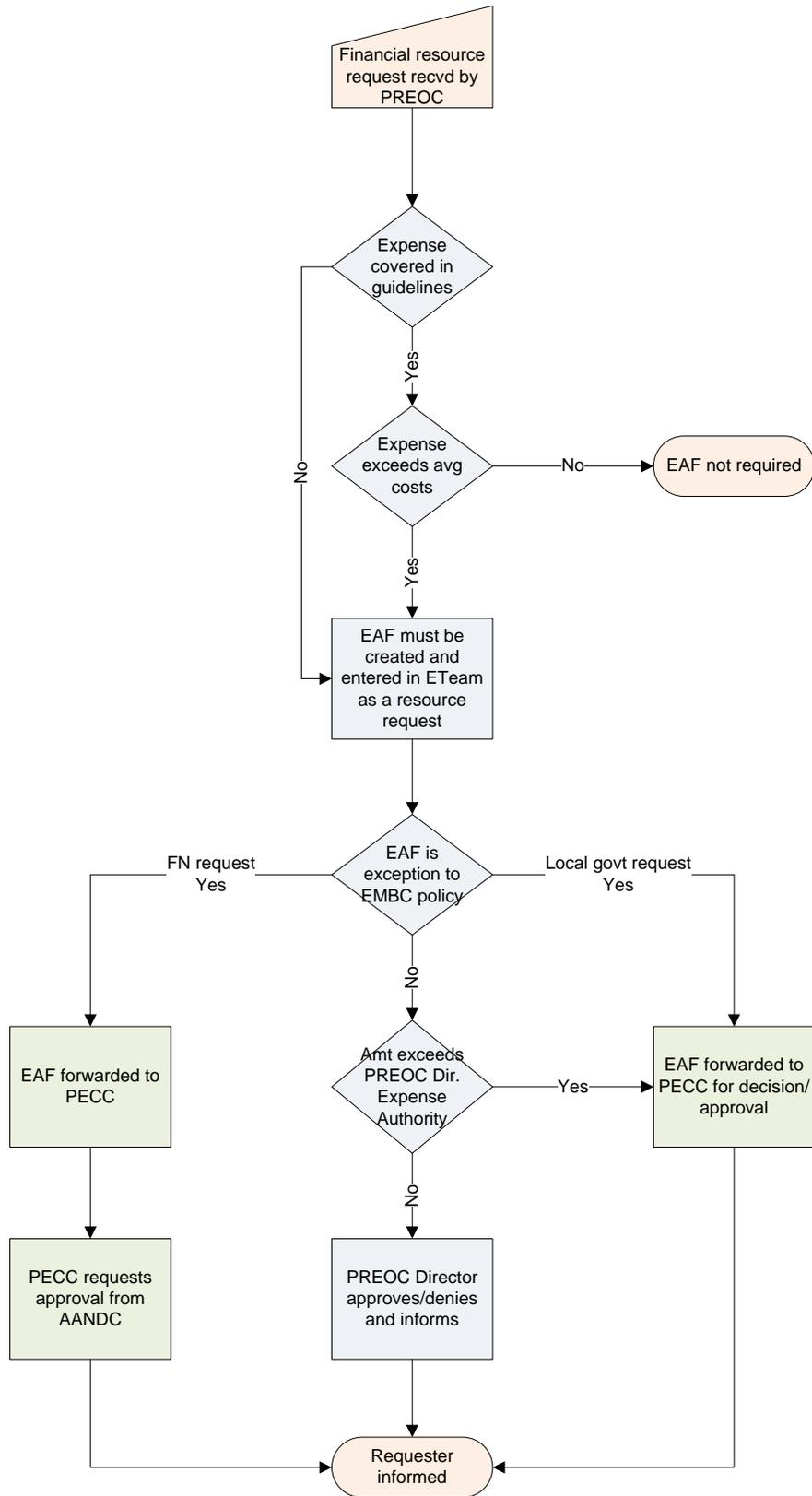


Figure 1: Procedures for addressing expenditure authorization requests

Financial Tracking

Personnel

Estimated personnel overtime costs are captured for personnel signed in and working in a PREOC or the PECC. The Logistics Section collects the classification and grid levels immediately prior to personnel beginning their first shift either by way of the completion of an extended sign in/sign out sheet (pay information columns not visible to other staff), the completion of a staff information sheet, or some other method. For provincial employees whose work is governed by a collective agreement with the Province of BC estimated overtime hours are entered in the personnel worksheet based on data collected daily from the sign in/sign out sheets. For provincial employees who are excluded, overtime hours are also tracked for personnel resource tracking purposes. The personnel worksheet also includes estimated daily iExpense (travel) costs for those personnel on active travel status.

Personnel are often sent (deployed) from their home region (PREOC or PECC) to another region or to the PECC depending on the emergency event. These personnel are then on travel status, requiring transportation, meals and accommodation during their work away from their home region. The responsibility for tracking travel costs is split between the sending (deploying) and the receiving centre. The deploying centre tracks any airfare costs of personnel sent out from the centre. The receiving centre tracks staff overtime (including on the travel day out) as well as estimated daily meal and accommodation costs. When personnel are sent home (deactivated), their travel costs, including airfare, and any overtime incurred during the trip home will be estimated and tracked by the center where they worked their last shift.

When PREOC or PECC personnel are deployed to a local authority center or directly to site, the centre that deployed them must track their travel costs both ways and any overtime they incur.

PREOC Cost Tracking

PREOC Finance Section staff use standard prebuilt spreadsheets for capturing and reporting on:

- Local authority response costs;
- First Nations' response costs;
- Ministry regional response costs;
- Other regional resource costs; and
- PREOC costs:
 - PREOC facility costs, such as:
 - Equipment;
 - Maintenance;
 - Utilities; and
 - Rent (for surge capacity space, for example).
 - PREOC personnel costs:
 - Overtime;
 - Transportation;
 - Accommodations; and
 - Meals.

These costs are rolled up on a daily basis and reported to the PECC Finance Section.

Estimated local authority response costs include eligible costs as outlined in the Local Government Guidelines and estimated extraordinary costs authorized by way of an Expenditure Authorization Form. In the PREOC spreadsheets, estimated costs for Emergency Social Services (ESS) are included for each local authority regardless of whether these costs will be charged by local suppliers to the local authority or directly to EMBC. Local authorities incurring response costs should forward daily financial reports to the PREOC Finance Section in their region. These reports capture the estimated daily costs for their emergency response activities.

PREOC Finance Section personnel monitor the resource requests approved by the PREOC Director and entered into ETeam to ensure that the costs of obtaining the approved resources are included in the PREOC Finance Section tracking spreadsheet. EAFs requested by local authorities should already be included in the individual local authority daily cost estimate reports.

PECC cost tracking

The financial tracking activities of the PECC Finance Section are similar to those of their counterparts in the PREOC, with the added responsibility for the provincial roll up of all expenditures associated with an event. The PECC Finance Section collects all PREOC tracking information from all activated PREOCs as well as:

- Daily provincial total for First Nations emergency response costs on reserve lands;
- Ministry requested response costs;
- Other provincial resource costs; and
- PECC costs.

The PECC roll up provides senior officials with a daily financial overview of an emergency event. The Central Coordination Group (CCG) and the Ministers Deputies' Emergency Committee (M-DEC), when making strategic and provincial policy decisions, will take this roll up of costs into consideration. The roll up of costs may also inform the public through the Public Information Officer of the PECC.

Resource Requests

The ETeam resource request form is used to capture the request for any provincial resource and the status of these requests is tracked in ETeam. An Expenditure Authorization Form (EAF) is a specific type of resource request form used to track the Province's commitment to reimburse the local authority for the cost of resources that the local authority has obtained and paid for directly. EAF's are discussed in detail in a preceding section.

All other resource request forms describe resources the Province obtains in support of a local authority, First Nations community, provincial ministry or PECC/PREOC operations. Suppliers of these resources invoice EMBC for their costs.

Resource requests initiate the logistics activity of obtaining equipment, personnel and consumables (such as sandbags). Where there is a cost associated with this logistics activity, the resource request form will include an estimated dollar amount. If the PREOC completed the logistics activity, this dollar amount should be included in the PREOC daily cost reports. If the logistics activity is escalated to the PECC, this dollar amount should be included in the PECC daily cost reports. The PREOC or PECC Finance Section must monitor all incoming resource requests to ensure all committed expenditures are tracked.

Often, a PREOC will forward a resource request to the PECC for action. For example, in the days leading up to freshet flooding, local authorities will contact a PREOC for a quantity of sandbags to be prepositioned in areas likely to be impacted. These sandbags and their transportation are managed centrally by the PECC. Resource requests are logged and managed by the PECC in ETeam. The cost of the sandbags is borne directly by the Province and the PECC Finance Section will track the costs. These costs are not included in the resource request as the sandbags are in the Provincial inventory and must be estimated and added to the PECC financial tracking spreadsheet. The costs incurred to supply sandbags to First Nations communities must be tracked separately as Aboriginal Affairs and Northern Development (AANDC) will reimburse the Province for eligible costs.

This process flow chart describes three scenarios:

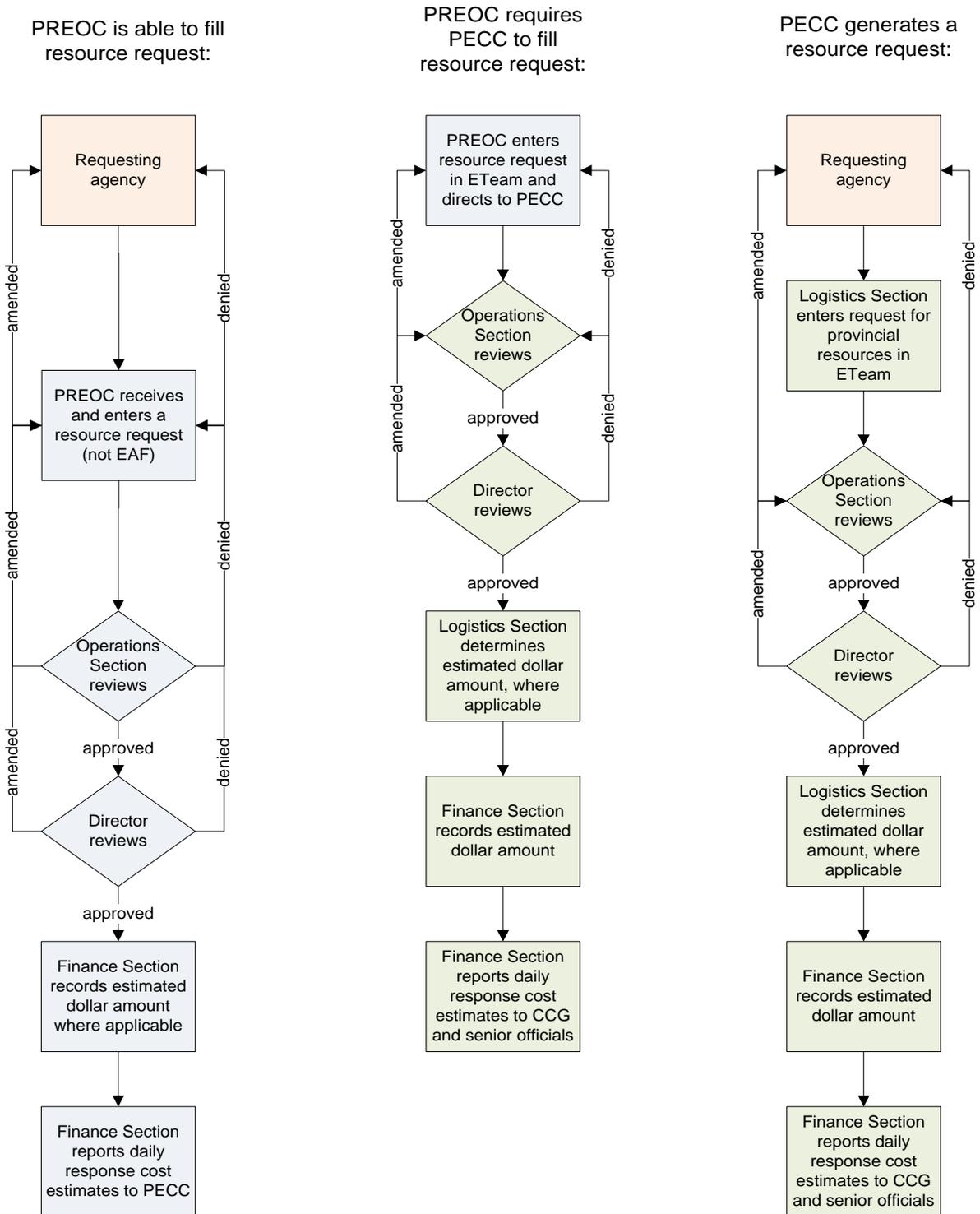


Figure 2: Financial procedures for addressing a resource request within a PREOC or the PECC

Emergency Response Cost Claims

Local authorities including Treaty First Nations

Under the authority of the *Emergency Program Act* and the *Compensation and Disaster Financial Assistance (C&DFA) Regulation*, a local authority may be reimbursed for 100 percent of eligible response costs incurred and paid during an emergency incident or event that has been assigned an EMBC task number. The C&DFA describes these eligible costs and the Local Government Guidelines provide further details as well as documentation requirements.

As discussed previously, task numbers are *always* unique to the hazard-specific event. For example, a road rescue incident would be assigned a different task number from a flood response even if both incidents were occurring simultaneously and in the same jurisdiction. A task number is *generally* unique to a local authority as this provides a direct method of tracking expenditures by local authority during the event. The assignment of a task number to any incident or event does not infer that all response costs incurred under the task number will be reimbursed. Nor does it exclude the use of the same task number by other local authorities engaged in response to the same event. For example, where two or more local authorities have chosen to integrate their response activities during a specific event, the assignment of task numbers, and the division of claims can be handled as follows:

1. Each local authority is issued a unique task number. The cost of activating and operating the joint emergency operations centre (EOC) is included in the emergency response claim of one of the local authorities using the task number issued to that local authority. It is the responsibility of the local authority that has included the EOC costs in its claim to distribute the funds received from the Province among the participating local authorities.
2. A joint EOC is issued a single task number which is then used by all participating local authorities:
 - a. Individual local authority claims are submitted, however, all claims use the same task number. The local authorities may choose to include their portions of the EOC costs in their individual claims or have one local authority include all the EOC costs and distribute the proceeds later. The Province reimburses each individual local authority according to the claims received.
 - b. One claim is submitted by one local authority that covers all the eligible emergency response costs for the event. The Province reimburses that one local authority, which then distributes the proceeds to the remaining participating local authorities.

It is strongly recommended that each local authority use a unique task number. Expenses are tracked and claimed individually, where possible, to avoid duplicated or missed expenditures and potential confusion regarding the division of the proceeds received from the Province.

Local authorities submit their emergency response claims to their appropriate regional office for initial processing. An emergency response claim will not be accepted by EMBC unless there is adequate proof of payment for all invoices and services. Once the claim has been reviewed and approved at the regional office (qualified receiver), it is forwarded to EMBC headquarters for authorization (expense authority) and payment by the Province⁵.

⁵ Note: in order to act as a qualified receiver or expense authority an EMBC staff member must also complete the appropriate PSA training

The following flow chart outlines the processing of a local authority emergency response claim:

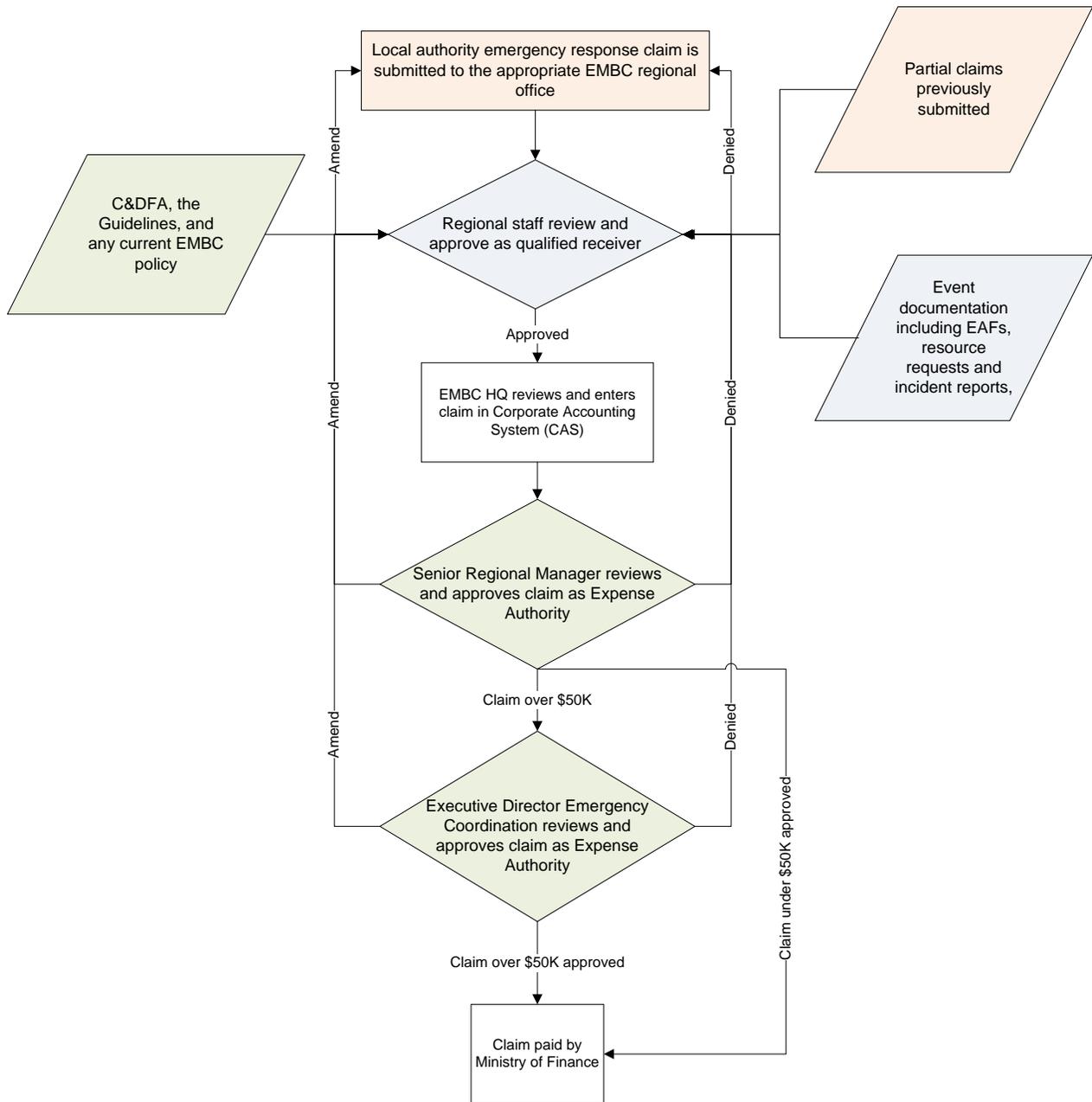


Figure 3: Processing local authority response claims.

Claims Submission Timetables:

After an event, EMBC regional office staff must determine, through the event documentation, which local authorities were engaged in emergency response activities and were issued task numbers. Regional office staff must contact these local authorities to determine if these local authorities intend to submit emergency response claims.

Local authorities should submit their emergency response claims within six months of the end of an event.⁶ Regional office staff will work closely with local authorities to assist them in compiling and submitting their emergency response claims in the format described in the Local Government Guidelines. Four months after the end of an event, any local authorities who have not submitted their claims after indicating their intention to do so will be contacted by the regional office to ensure claims are submitted within the 6 month time frame.

Partial Claims:

Some events can be in the response phase for a long period of time. Local authorities may submit partial claims for reimbursement of emergency response costs while still undertaking emergency response activities. Regional office staff, through the review process, will ensure that duplicate invoices and payments are avoided. Partial claims may also be submitted after the end of an event in cases where the claim is complex and time consuming to create.

Claims Submission Review:

A successful request for financial assistance includes evidence that supports the claim. Expenditures are only eligible if they are documented by invoices for goods or services in which the reason for their purchase is given and their applicability to response operations is clear. When reviewing a local authority claim, regional office staff will use the following documentation:

- Situational awareness material from the event that indicates the emergency response activities that were undertaken;

- Expenditure Authorization forms indicating the Province's authorization of expenditures not outlined in the Local Government Guidelines:
 - Does the EAF submitted with the claim correspond to the EAF included in the PREOC event documentation?
 - Is there material included in the claim to justify the EAF (such as an engineering report, photos of the damage, etc.)?
 - Does the amount being claimed exceed the estimated costs on the EAF and, if so, is the overage justified?
 - Was the EAF amended to reflect a substantial change in the cost estimate and is the amendment recorded in PREOC event documentation?

⁶ Note: for the purposes of emergency response claims, the end of the event is the date at which the local authorities in an EMBC region cease to undertake emergency response activities that are eligible for reimbursement by the Province.

- Invoices:
 - Copy of contract, if applicable;
 - Name and address of resource provider;
 - Justification that the purchase was essential to the emergency response;
 - Invoice must include a list of the items purchased;
 - Invoice amount;
 - Date the materials or services were used; and
 - Proof of payment (this may be a copy of the general ledger detail pertaining to the event response costs or a list of expenses claimed complete with copies of the cheques issued).
- Overtime costs⁷:
 - Timesheets; and
 - Payroll records.
- GST/HST calculations. Claim must include only those GST/HST costs where a GST/HST rebate is not applicable
- Task number. Separate accounts must be maintained for each assigned task number; and
- Response Claim Submission form:
 - Is this a final or a partial claim?
 - Does the task number correspond to the task number included in the PREOC event documentation?
 - Does the form list all invoices and bills of sale that are part of the claim?
 - Does the form summarize all overtime costs?
 - Is each claim numbered? This is important where a series of partial claims are being submitted or where a local authority has participated in a number of unique emergency events over a short timeframe.
 - Is the reason for each purchase given and the applicability to the response operations clear?

Forms have been provided for local authority and Treaty First Nation submissions by EMBC on the Internet at http://www.pep.gov.bc.ca/Community/Financial_Assistance_Emergency_Response_Forms_Index.pdf.

Some local governments have chosen to revise the forms to include additional information that they want to capture or track as part of their event documentation.

First Nation communities on reserve lands:

Emergency response costs for First Nations (FN) communities on reserve lands in BC are the fiscal responsibility of AANDC. Through an agreement with AANDC, FN claims and payments are administered through EMBC. EMBC regional office review processes do not differentiate between First Nations' claims and local authority claims. Eligible costs and documentation requirements are outlined in the Local Government Guidelines.

Whether FN communities prepare and submit their own claims or the First Nation's claim is combined and submitted by an assisting local authority, FN emergency response costs must be tracked using the appropriate EMBC designated task number that identifies the costs as 100% reimbursable by AANDC.

⁷ Banked time is not eligible for reimbursement. Benefits on overtime wages are also not eligible for reimbursement unless the local authority can provide additional documentation to show that the benefit costs were an actual expense paid to a third party.

Where a local authority incurs emergency response costs on behalf of a FN community, the local authority can submit an emergency response claim with two task numbers such that EMBC is able to extrapolate the First Nations' emergency response costs for submission to AANDC. In this case, the local authority will receive the proceeds of the two claims and distribute the proceeds.

EMBC headquarters invoices AANDC for all emergency response costs incurred on behalf of FN communities.

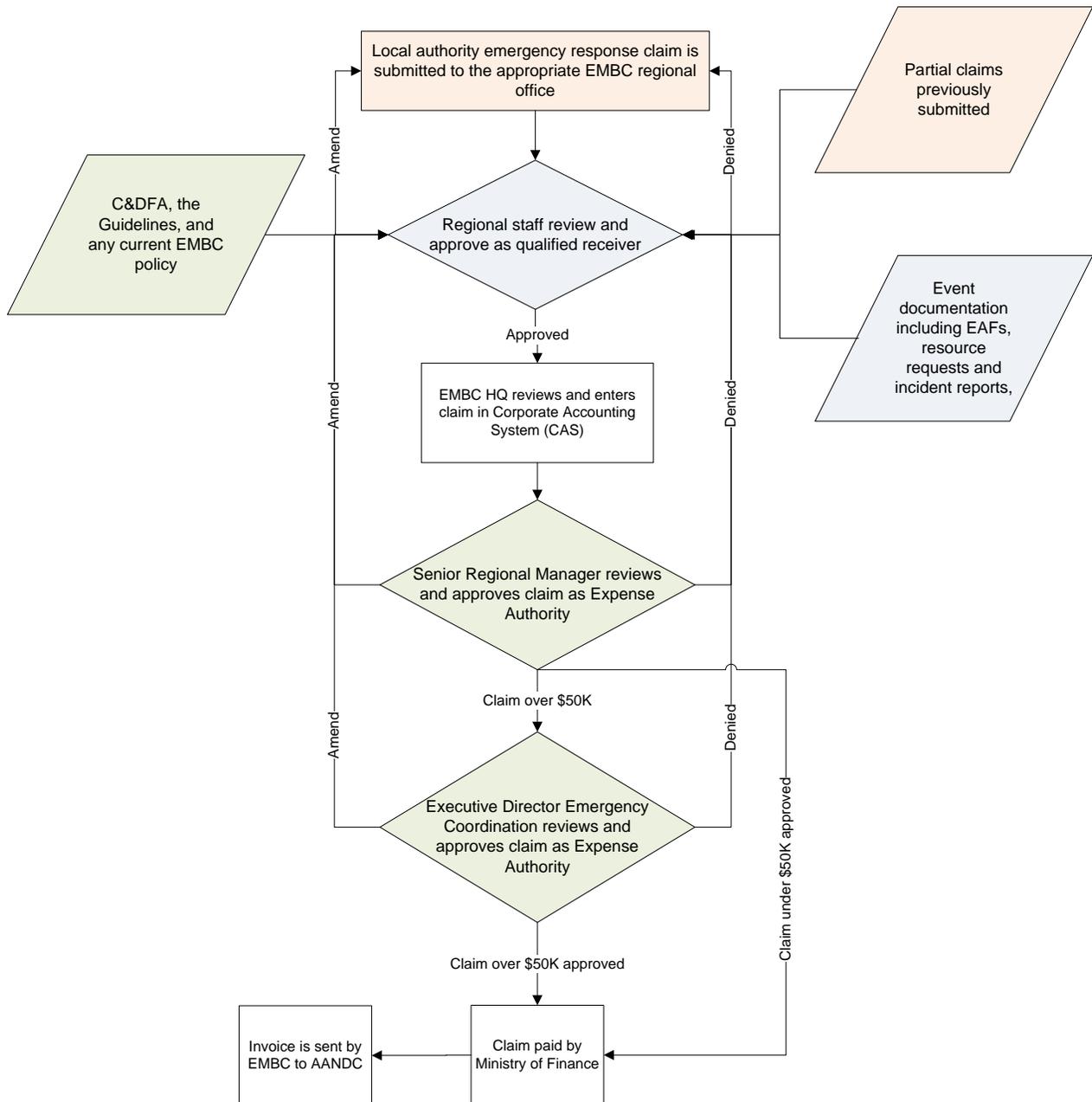


Figure 4: Processing First Nation emergency response claims.

Ministry Costs

Any emergency response costs incurred by ministries in fulfilling their mandate are not eligible expenses against the EPA Vote and must be funded from their ministry budgets. As well, any ministry emergency response costs related to business continuity and recovery issues must be paid for out of the impacted ministry's own budget. The exceptions to this are:

- An event of sufficient scale that provincial emergency response and recovery costs are eligible under DFAA;
- Emergency response costs incurred by a ministry whose services were requested by EMBC. (The provision of Wildfire Management Branch personnel by Forests Lands and Natural Resource Operations to assist in sandbagging during flood events is an example); and
- The following costs for Temporary Emergency Assignment Management System (TEAMS) members:
 - Overtime costs (regular wages are paid by the participating ministry); and
 - Travel costs.

During response, the PREOCs and the PECC may create or receive resource requests from ministries for eligible response costs as detailed above. Once the resource request is approved, the ministry will be provided with a copy of the authorized resource request and must include a copy of this document in support of its response claims.

Emergency Management Provincial TEAMS member costs:

TEAMS members provide their home ministries with documentation regarding their overtime costs and any travel expenses⁸ incurred during deployment to a PREOC or the PECC. The home ministry for each TEAMS member acts as the qualified receiver and expense authority for the payment of overtime wages through the Time on Line system and the reimbursement of travel expenses through iExpense. The Core Policy and Procedures Manual (CPPM) and the Collective Agreement that is relevant to the TEAMS member are used to determine appropriate compensation and reimbursement.

The TEAMS member's home ministry will submit a journal voucher to EMBC for these costs along with the following background document:

- Overtime: copies of overtime forms/timesheets or screenshots of the employee's timecard from the payroll (Time On Line) system;
 - A copy of the Payroll Expenditure Report from the Corporate Human Resource Information and Payroll System (CHIPS) showing the overtime was paid out⁹; and
 - Travel: Copies of approved travel expense (iExpense) reports, receipts and the general ledger.

If the TEAMS member was deployed to a PREOC, the EMBC regional manager will act as the *qualified receiver* for the ministry journal voucher covering deployment overtime and travel costs. The regional manager will review the background documentation submitted by the TEAMS member home ministry against event documentation, including sign in/out sheets and the cost tracking reports. If the TEAMS member was deployed to the PECC, the Operations Specialist will act as the qualified receiver.

⁸ Travel expenses reimbursed by EMBC are net of GST/HST

⁹ Banked time (referred to as CTO or ETO) is not eligible for reimbursement.

Journal Vouchers

Ministry emergency response costs that are eligible for reimbursement from the EPA Vote are submitted by a ministry to EMBC through journal vouchers accompanied by appropriate backup documentation. EMBC Emergency Coordination staff must review these journal vouchers before they are forwarded to Corporate Management Services Branch staff working within EMBC.

Journal vouchers resulting from ministry regional activities (including the use of TEAMS members) that were managed out of a PREOC should be sent directly to the relevant EMBC regional office. A regional office staff member must approve the journal voucher and sign as the qualified receiver. Regional journal vouchers are then forwarded to the Senior Regional Manager for expense authority approval if the claim is within the Senior Regional Manager's expenditure authority limit, currently \$50K. Claims over \$50K must be forwarded to the Executive Director, Emergency Coordination, for expense authority approval.

All ministry journal vouchers that involved the PECC should be sent to EMBC headquarters. The Operations Specialist shall review these journal vouchers and approve as the qualified receiver before forwarding the journal vouchers to the Executive Director, Emergency Coordination, for expense authority approval.

A ministry journal voucher should contain the following information:

- Ministry name, including contact name and phone number of the person preparing the journal voucher;
- EMBC task number;
- The account coding for the ministry issuing the journal voucher and a signature for the "issuing authority; and
- Copies of invoices for goods or services and the applicability to response operations.

Other ministry costs:

Other ministry costs that are submitted to EMBC as journal vouchers must include a copy of the resource request obtained during the PREOC/PECC activation and a copy of all paid invoices. If the resource request was authorized by a PREOC, the EMBC regional manager will act as the qualified receiver. If the resource request was authorized by the PECC, the Operations Specialist will fulfill this role. In each case, the qualified receiver must use review the submitted documentation against event documentation before approving.

The Executive Director, Emergency Coordination will act as *Expense Authority* for all journal vouchers covering other ministry costs. Once payment has been authorized, the Corporate Management Services Branch staff assigned to EMBC will forward the journal vouchers to the Ministry of Justice Financial Operations for processing.

Appendix

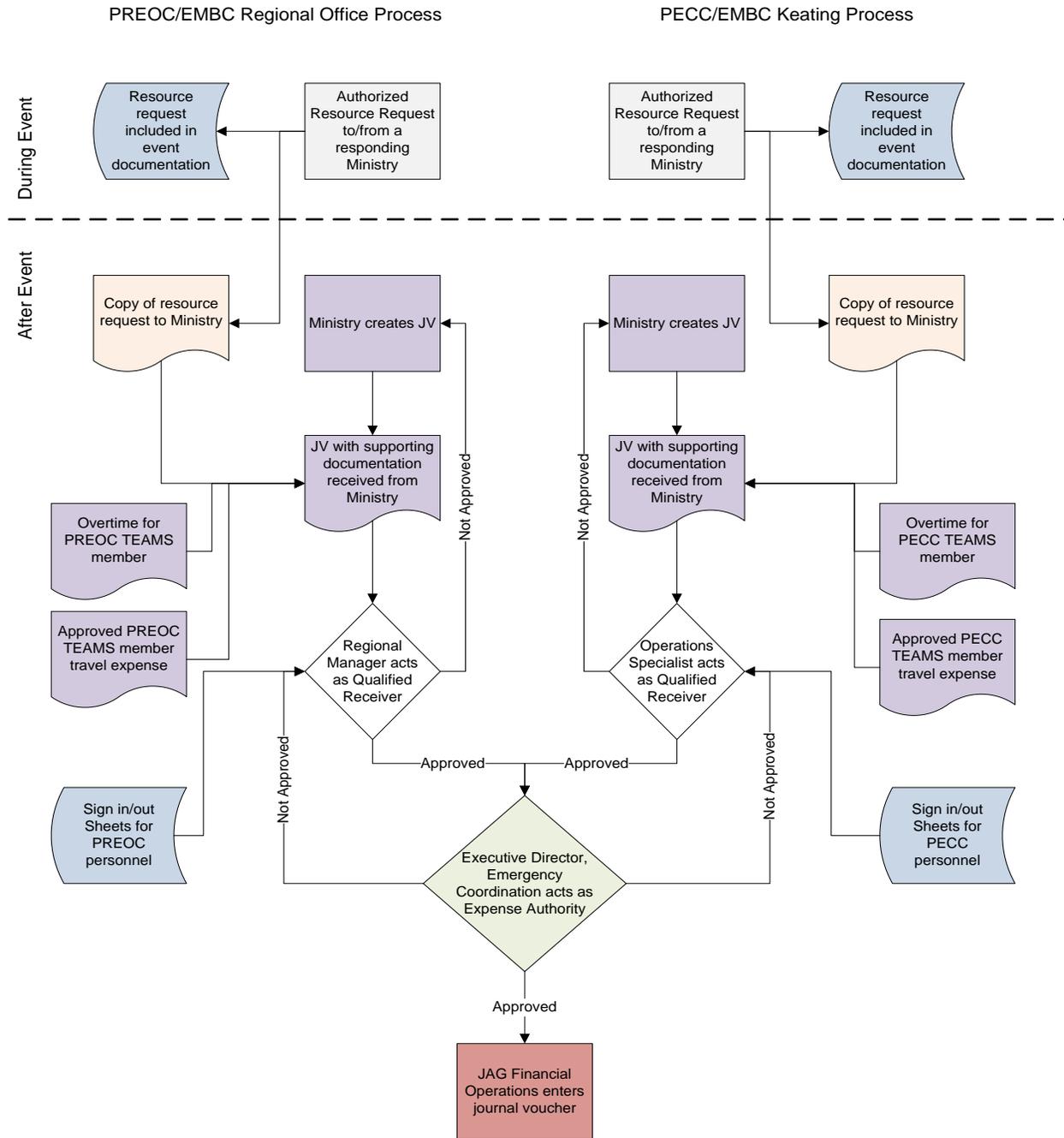


Figure 5: Ministry Journal Voucher Process