

# Perquisites

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Expiry Date:

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## DIRECTIVE

The Management Board of Cabinet has issued this directive under the authority of the *Broader Public Sector Accountability Act, 2010* (Part IV.1: Perquisites).

The Act sets out provisions for perquisites that are allowable and those that are not. A perquisite refers to a privilege that is provided to an individual or to a group of individuals, provides a personal benefit, and is not generally available to others.

The requirements set out in this document raise the level of accountability and transparency for designated broader public sector (BPS) organizations, contributing to greater alignment with the high standards expected in ministries and agencies of the Government of Ontario.

### Purpose, Application and Scope

The purpose of this directive is to set out the requirement for the designated BPS organizations to establish rules on perquisites where these are provided through public funds. The rules apply to any person in a designated BPS organization, including the following:

- appointees,
- board members,
- elected officials (e.g. school trustees), and
- employees.

This directive does not apply to the following:

- provisions of collective agreements
- insured benefits
- items generally available on a non-discriminatory basis for all or most employees (e.g. an employee assistance program, pension plans)
- health and safety requirements (e.g. provision of work boots)
- employment accommodations made for human rights and/or accessibility considerations (e.g. special workstations, work hours, religious holidays)
- expenses covered under an organization's rules on travel, meals and hospitality (established in accordance with the BPS Expenses Directive)

Note that in this directive, the term, Chief Executive Officer (CEO), refers to the head of operations in a designated broader public sector organization.

In addition, this directive serves as a guideline to all other publicly funded organizations. This means that

these other organizations can consider this directive in any review or development of their policies and practices related to perquisites.

Designated BPS organizations must comply with this directive. In addition, every funding agreement between a designated BPS organization and a ministry or agency of the Government of Ontario is deemed to include the requirements of this directive.

Where an agreement addresses the subject matter of this directive, this directive prevails over the relevant terms of the agreement if there is any conflict or inconsistency between them.

This directive does not prevail over a collective agreement between an organization and a bargaining agent representing employees of the organization.

## **Principles**

This directive is based on three key principles.

- A. Accountability: Organizations are accountable for their use of public funds. All expenditures support business objectives.
- B. Transparency: Organizations are transparent to all stakeholders. The rules for perquisites are clear and easily understood.
- C. Value for Money: Taxpayer dollars are used prudently and responsibly.

## **CCAS GOVERNANCE POLICY:**

The Society is an BPS organization, and as such, has established rules with respect to perquisites that are consistent with legislation. These rules cover all individuals in the Society.

A perquisite is not allowable if it is not a business-related requirement. To be allowable, a perquisite must be a business-related requirement for the effective performance of an individual's job.

The Society observes the following requirements with regard to perquisites.

1. The following perquisites are not allowed under any circumstance:
  - club memberships for personal recreation or socializing purposes, such as fitness clubs, golf clubs or social clubs
  - seasons tickets to cultural or sporting events
  - clothing allowances not related to health and safety or special job requirements
  - access to private health clinics – medical services outside those provided by the provincial health care system or by the employer's group insured benefit plans
  - professional advisory services for personal matters, such as tax or estate planning
2. These privileges cannot be provided by any means, including:
  - an offer of employment letter, as a promise of a benefit,
  - an employment contract, or
  - a reimbursement of an expense.
3. Perquisites that are not related to business requirements are not allowed.
4. Perquisites may only be approved by members of the Executive Team to ensure accountability and

appropriate governance.

5. Approval of perquisites is subject to good record-keeping practices for verification and audit purposes. The Department of Finance, Administration and IT is responsible for record-keeping in relation to perquisites.
6. A perquisite is allowable only in limited and exceptional circumstances where it is demonstrated to be a business-related requirement for the effective performance of an individual's job.
7. Summary information about allowable perquisites will be made publicly available by publication of the Operating Document on the Society website. Personal information will not be provided.

## **Cross-References**

## **Attachments**