



COUNCIL POLICY

Financial Management

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FINANCIAL MATTERS

Auditor

- 1.1. At each annual meeting of the registrants, a registrant of, or a firm licensed by the Chartered Professional Accountants of Manitoba, must be appointed as auditor.

Office

- 1.2. The office of CPSM shall be at such place in Manitoba as the Council from time to time determines.

Fiscal year

- 1.3. The fiscal year of CPSM commences on May 1 and ends on April 30 of the following year.

Contracts

- 1.4. All deeds, contracts and agreements entered into on behalf of CPSM shall be in form and content approved and signed by one of the President, President Elect or Past President and by one of the Registrar or an Assistant Registrar, except that the following may be approved and signed by the Registrar alone or in the Registrar's absence, an Assistant Registrar:
 - 1.4.1. Employment contracts (other than the Registrar's contract which shall be approved and signed by the President);
 - 1.4.2. Contracts or agreements for the provision of services by an individual or a medical corporation;
 - 1.4.3. Contracts, agreements, memoranda with no financial commitment; and
 - 1.4.4. Agreements or contracts, other than in (a) or (b) above, where the total financial commitment over the term of the agreement or contract is less than \$75,000.

Cheques

- 1.5. All cheques or other negotiable instruments to be sent out or requiring endorsement of CPSM require two signatures and
 - 1.5.1. For transactions of \$75,000 or less may be signed by any two of the President, President-Elect, Registrar, Assistant Registrar, or the Chief Operating Officer of CPSM; and
 - 1.5.2. For transactions above \$75,000 one of the signatures must be the President or President-Elect.

Banking

- 1.6. The Council or, subject to any directions given by the Council, the Registrar, may establish and maintain such accounts with a chartered bank, trust company or credit union as Council determines necessary from time to time.

Investments

- 1.7. The Audit and Risk Management Committee or, subject to any directions given by that committee, the Registrar, may invest funds of CPSM in accordance with Council's investment requirements set out in the Council Policy- **Investment Policy** (established June 2025).

Restricted Accounts in the Accumulated Surplus:

- 1.8. In order to protect the fiscal soundness of future years and to build organizational capability sufficient to achieve ends in future years, the Registrar must maintain funds in the accumulated surplus of CPSM, as restricted accounts for the following specified purposes:
 - 1.8.1. To cover the potential costs of Inquiry cases. The level of reserve shall be determined by considering important factors such as average cost per case, average case volume, and nature and complexity of cases based on recent history. This reserve shall be funded entirely from Inquiry case cost recoveries, accumulated surplus, special levy, or any combination thereof.
 - 1.8.2. To maintain an operating reserve to cover unanticipated operating deficit not covered by the above Inquiry reserve. The operating reserve should be the equivalent of one month's worth of core expenditures.
 - 1.8.3. To maintain \$500,000 reserve every five years to cover periodic IT upgrades, including, but not limited to, the registrant database software upgrade.
 - 1.8.4. To cover the potential wind-up costs should CPSM be required to cease operations. The fund level shall reflect the estimated costs of winding down operations in a period of six months.

- 1.9. To allow the Registrar flexibility to react quickly to operational needs, the Registrar may appropriate an amount of no more than \$100,000 in a single year towards any discretionary program without requiring the approval of the President and President-Elect, or the Council.
- 1.10. The Registrar shall:
 - 1.10.1. Evaluate the adequacy and appropriateness of the reserves at the end of each year, and incorporate in the budget of the following year a plan that supports or enhances the prescribed reserves, subject to the approval of the Audit and Risk Management Committee.
 - 1.10.2. Determine the need for a special levy in case of any deficiency to the above reserves, provided the Registrar explores all other options first subject to the debt guidelines set forth in 1.11 below and with the approval of the Council.

Restrictions on Registrar Discretion in Management of CPSM Funds

- 1.11. The Registrar must not expend more funds than have been received in the fiscal year to date unless both CPSM debt guidelines are met:
 - 1.11.1. Not borrow more than \$125,000 in order to obtain a financial advantage superior to cashing in investments.
- 1.12. The Registrar must:
 - 1.12.1. settle CPSM payroll and debts in a timely manner.
 - 1.12.2. aggressively pursue receivables after a reasonable grace period.
 - 1.12.3. file all reports and make all payments required by government accurately and on time.

Requirements for Protection of CPSM Assets

- 1.13. For the protection of CPSM assets, the Registrar must:
 - 1.13.1. Require staff with access to material amounts of CPSM funds to be bonded.
 - 1.13.2. Receive, process, or disburse funds under controls which meet the Council-appointed auditor's standards.
 - 1.13.3. Give due consideration to quality, after-purchase service, value for dollar, and opportunity for fair competition when making purchases.
 - 1.13.4. Have the approval in writing of the President or President-Elect for any purchase not contemplated in the budget for an amount in excess of \$75,000.
- 1.14. The Registrar is authorized to acquire, encumber or dispose of land or buildings (“property”) subject to the following conditions:
 - 1.14.1. Acquisition Conditions:
 - 1.14.1.a. Needs Assessment: A thorough assessment of the CPSM’s needs must be conducted to justify the acquisition of property. This includes evaluating the necessity, benefits, and alignment with strategic goals.

- 1.14.1.b. Due Diligence: Comprehensive due diligence must be performed, including legal, financial, and environmental assessments. This ensures the property is free from encumbrances and suitable for the intended use.
 - 1.14.1.c. Approval Process: All acquisitions must be approved by the Finance Audit and Risk Management Committee, and the Executive Committee and finally to a vote at Council.
 - 1.14.1.d. Funding: The source of funds for the acquisition must be identified and approved. This includes ensuring that the acquisition does not adversely affect the organization's financial stability.
 - 1.14.1.e. Ethical Considerations: The property must align with the organization's ethical standards and mission. Properties associated with industries or activities that conflict with the organization's values should be avoided.
 - 1.14.1.f. The property is used directly for CPSM operations;
- 1.14.2. Disposition Conditions
- 1.14.2.a. Strategic Review: A strategic review must be conducted to determine the necessity and timing of the disposition. This includes evaluating the impact on the organization's operations and financial health.
 - 1.14.2.b. Market Analysis: A market analysis should be performed to determine the fair market value of the property. This ensures the organization receives a fair price for the disposition.
 - 1.14.2.c. Approval Process: All dispositions must be approved by Council.
 - 1.14.2.d. Use of Proceeds: The use of proceeds from the disposition must be clearly defined and approved. This includes ensuring that the funds are used in a manner that supports the organization's mission and objectives.
 - 1.14.2.e. Transparency: The disposition process must be transparent, with regular reporting to the Council and relevant stakeholders. This includes providing detailed information on the transaction and its impact on the organization.
- 1.14.3. Reporting & Documentation
- 1.14.3.a. Record Keeping: Detailed records of all property transactions must be maintained, including contracts, assessments, approvals, and financial statements.
 - 1.14.3.b. Regular Reporting: The Finance, Audit and Risk Management Committee must receive regular reports on property transactions, including updates on acquisitions, dispositions, and their impact on the organization's financial health.

COUNCIL AND COMMITTEE REMUNERATION AND EXPENSES

Council and Committee Expenses

- 2.1. The philosophy underlying honoraria and expenses recognizes the individual physician as a contributing registrant of the profession. Accordingly, honoraria and expense reimbursement are not intended as inducements. They are based on the wish of Council that there be no significant barriers to the participation of any registrant in the self-governing process.

Remuneration

- 2.2. Councillors, officers, and committee members are entitled to:
- 2.2.1. be reimbursed by CPSM for reasonable expenses necessarily incurred in connection with the business of CPSM in accordance with Council policies governing reimbursement established from time to time; and
 - 2.2.2. receive honoraria for attending meetings (whether attendance is in person or by electronic communication) in connection with the business of CPSM in accordance with Council policies governing honoraria established from time to time.
 - 2.2.3. Notwithstanding clauses a. and b., members of a subcommittee of the Central Standards Committee, except for the Area Standards Committees, are not entitled to be reimbursed by CPSM or to receive honoraria by CPSM. Members of all other subcommittees of the Central Standards Committee may be entitled to honoraria pursuant to the policies of their “sponsor” organization.
- 2.3. The members of Council, Council committees, designated subcommittees and the President’s working groups are entitled to receive honoraria, travel time and reimbursement of expenses, all in accordance with the provisions of this section, at the rates determined annually by Council.
- 2.4. Honoraria and Stipends
- 2.4.1. Honoraria are intended to replace time away from fee generating practice. A member may choose not to submit a claim for honorarium and instead submit only a claim for expenses.
 - 2.4.2. The following policies govern the payment of honoraria:
 - 2.4.2.a. In submitting claims, “Morning” is the period preceding 12:30 p.m., “Afternoon” is from 12:00 noon - 6:00 p.m., and “Evening” is any period after 4:00 p.m.
 - 2.4.2.b. A member who leaves at noon for a meeting scheduled for the afternoon is entitled to claim for the ½ day session, regardless of the actual time taken in the meeting.
 - 2.4.2.c. A member who attends any meeting scheduled for 4:00 p.m. or later is entitled to claim for the evening rate regardless of the actual time taken in the meeting.

- 2.4.2.d. A member may claim an hourly rate up to the maximum of a half day or full day rate, with the exception of 2.4.2.c.
- 2.4.2.e. A member who attends meetings scheduled for 6 or more hours in one day is entitled to claim the full day rate.
- 2.4.2.f. The maximum that can be charged for a 24-hour period is the full day rate.
- 2.4.2.g. Full day Council meetings, regardless of the day of the week, will be compensated.
- 2.4.2.h. When a member participates in a meeting by telephone or in person, the member is considered to be in attendance and is entitled to full payment.
- 2.4.2.i. If a member is scheduled to attend a morning, afternoon or all-day meeting, arrived late and/or left early, the member is not entitled to the full honoraria, but is entitled to be paid for the hours the member was present.
- 2.4.2.j. Canada Revenue Agency (CRA) regulations state that all honoraria payments are considered personal taxable income under the Income Tax Act of Canada and subject to withholding taxes and CPP deductions. A T4 slip will be issued for each calendar year. Council and Committee members may not bill honoraria through their corporations.
- 2.4.2.k. As the CRA permits individuals who are at least 65 years old but under 70 years old and who are receiving a Canada Pension Plan retirement pension to exercise an election to stop making CPP contributions by filing a CRA Form with CPSM and any other employer of that eligible individual. Members are advised to seek independent financial advice in this regard. Eligible members are responsible to file the completed CRA Form with CPSM if they do not wish to contribute to the CPP plan.
- 2.4.2.l. Annual stipends are paid in recognition of the formal administrative roles held by the President, the President-Elect, the Investigation Chair and Vice-Chair. The stipend is intended to recognize the extra administrative time spent in discussions with the Registrar and staff (other than attendance at Committee meetings or other formal CPSM meetings covered by the payment of honoraria) in addition to covering the other administrative functions required by the holders of these positions to conduct the business of CPSM.

2.5. Travel Time

- 2.5.1. Subject to the exclusions for travel time, an hourly rate is billable for travel time for members, subject to the following policies, which govern the payment of travel time to meetings in Winnipeg.
 - 2.5.1.a. Members who reside in the City of Winnipeg are not compensated for travel time to meetings held within the city.
 - 2.5.1.b. Members who reside outside of the City of Winnipeg and who commute to meetings in Winnipeg may claim for travel time where the **total commute exceeds one hour from the Winnipeg perimeter or approximately 100 km's from the Winnipeg perimeter**. This claim is

- in addition to the claim for honoraria in relation to attendance at the meeting.
- 2.5.1.c. Members who reside outside of Winnipeg and meet the criteria in 2.5.1.b above, may charge for:
- 2.5.1.c.i. mileage for the round trip from the closest town or village to their residence to CPSM offices in Winnipeg provided they drive. The distance travelled will be calculated by CPSM staff using an internet satellite tracking system, selecting the “fastest time” calculation; and
- 2.5.1.c.ii. travel time as calculated by CPSM staff using an internet satellite tracking system’s fastest time calculation for the round trip rounded up to the nearest half hour unless the member flies to the meeting.
- 2.5.1.c.iii. if the member flies to the meeting, the calculation of time will be based on the flight time estimate provided by the airline used for travel. Time would be rounded up to the nearest half hour. No mileage will be paid for the portion of travel by air.
- 2.5.1.c.iv. Total expense for a member travelling will be set at a maximum of what is calculated in 2.5.1.c.iii. For example, if a Council member chooses to drive from their location, then the maximum expense allowable between, mileage + travel time is equal to or less than the flight time estimate and the cost of the flight. This only applies for travel where the option of a regularly scheduled commercial flight exists.
- 2.6. Expenses
- 2.6.1. CPSM will not reimburse any expense incurred unless the member provides the supporting receipt, with the sole exception of claims for parking at a meter. The following policies govern claims for reimbursement of expenses:
- 2.6.1.a. CPSM must have a receipt documenting the GST in order to claim the GST input tax credit. Accordingly, credit card slips are not accepted in lieu of receipts. Members must submit the actual receipt. **Expenses will not be reimbursed if the member does not submit the actual receipt.**
- 2.6.1.b. CPSM anticipates that members travelling on CPSM business may incur reasonable expenses for transportation, meals and accommodation. Any expense outside of these items would be regarded as unusual and must be specifically authorized by the Registrar. Expenses will be reimbursed in accordance with CPSM Expense Policy. **Expenses will be considered for members whose total commute exceeds one hour from the Winnipeg perimeter or approximately 100 km’s from the Winnipeg perimeter.**

2.6.1.c. **Meals** - CPSM will reimburse expenses for meals on a per diem basis. Councillors and Committee members may claim the meal per diems only if the corresponding meal was not provided at the meeting/conference attended. Meals will be reimbursed at the following established per diem rates:

- Breakfast: \$17
- Lunch: \$27
- Dinner: \$40
- Incidentals: \$12 (for business travel the exceeds 24 hours)

Receipts are not required – only adherence to the per diem rates. Alcoholic beverages are not eligible for reimbursement.

2.6.1.d. **Mileage** – This covers the actual costs of transport to and from the meeting for those travelling from outside Winnipeg. For those who use their cars, the calculation must be shown on the claim form. For other forms of transport, attach a receipt. Airfare is paid at the scheduled economy rate. The reimbursement rate per kilometer will be consistent with the rate used by Shared Health. This is applicable to all reimbursable mileage claims (ie Area Standards, MANQAP, Council members, etc.)

2.7. Annual Review

2.7.1. Annually, the Council must:

- 2.7.1.a. review the honoraria paid by CPSM,
- 2.7.1.b. review the stipend paid to the President, President-Elect, Investigation Chair and Investigation Vice-Chair,
- 2.7.1.c. review preparation time paid by CPSM,
- 2.7.1.d. fix the honoraria , stipends and preparation time for the next fiscal year. In setting honoraria stipends and preparation time

2.7.2. Council must take into account:

- 2.7.2.a. the amount of the honoraria stipends, and preparation time paid by other organizations of a like nature;
- 2.7.2.b. the philosophy set forth above; and
- 2.7.2.c. the Finance, Audit & Risk Management Committee recommendation to Council as to the appropriate level for honoraria, stipends and preparation time.

2.8. Honoraria and Stipends

2.8.1. Honoraria

Hourly	\$160
Half Day	\$600 (where meetings exceed 3 hours follow the definition in 2.4.2.a.)
Full Day	\$1,200 (where meetings exceed 6 hours)
Evening	\$200 (flat rate for meetings occurring after 4:00 pm)
Chair	\$80 (per meeting)

2.8.2. Preparation Time

Investigations Committee – eligible for \$160/hour for up to a maximum of 2 hours of preparation time per committee meeting

Inquiry Committee – eligible for \$160/hour for up to a maximum of 2 hours of preparation time per inquiry meeting.

Preparation time beyond 2 hours must be pre-approved by the chair of the Committee and is only to be approved in exceptional circumstances.

2.8.3 Stipends

President	\$13,125	plus annual Certificate of Practice fee
President-Elect	\$5,250	plus annual Certificate of Practice fee
Investigation Chair	\$10,500	plus annual Certificate of Practice fee
Investigation Vice-Chair	\$6,300	plus annual Certificate of Practice fee

2.9. Remuneration for Area Standards Committee

2.9.1. Notwithstanding remunerations provisions for other Committee members, members of an Area Standards Committee shall be entitled to be:

2.9.1.a. paid \$160.00 per hour of meeting time to a total provincial committee maximum of \$84,000 per year (based upon 7 standards committees X 5 members x 16 hours x \$160 = \$89,600)

2.9.1.b. reimbursed for mileage from their office to the meeting place provided that the member works outside of the municipality where the meeting is held. The reimbursement rate per kilometer will be consistent with the rate used by Shared Health.