



Freedom To Create.  
Spirit To Achieve.

# Children and Youth Services



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**Annual Report**  
2008-2009

**Government of Alberta ■**



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## Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta released June 30, 2009 contains Ministers' accountability statements, the consolidated financial statements of the Province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Children and Youth Services contains the Minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry, including the Department of Children and Youth Services and 10 Child and Family Services Authorities for which the Minister is responsible; and
- other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.

## Minister's Accountability Statement

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The ministry's annual report for the year ended March 31, 2009, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 23, 2009 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by Honorable Janis Tarchuk]

*Janis Tarchuk*  
*Minister of Children and Youth Services*

## Message from the Minister

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It's a pleasure to present the 2008-09 Alberta Children and Youth Services annual report. This year, ministry staff and partners worked hard to support Alberta's families and communities in becoming stronger, keep children and youth safe, and protect and promote their development and well-being. We made tremendous progress on our mandated priorities:

- expanding support for Aboriginals and immigrants and improving access to existing programs for Albertans affected by family violence;
- supporting the creation of 14,000 new child care spaces by 2011; and
- providing a subsidy for low- and middle-income families with children in grades 1 to 6.

### **Keeping children, youth and families safe and promoting their well-being**

The heart of our business continues to be ensuring the safety and well-being of Alberta's vulnerable children and youth. August 2008 marked the province-wide implementation of the Casework Practice Model - a new way of working with families that better supports our staff in intervening early to prevent a crisis, by thoroughly assessing a family's situation and working with families and their support networks to build on their strengths, so they can provide a safe and nurturing environment for their children.

In cases where a child or youth placed in our care is unable to return to their family, the ministry strives to find these young people a permanent, loving home as soon as possible. In 2008-09, Children and Youth Services worked successfully with community partners to find permanent homes for 550 children and youth in care through adoption and private guardianship - exceeding the ministry target for the year.

The ministry is grateful for the continued dedication and compassion of Alberta's foster parents and Aboriginal caregivers who open their homes and hearts to thousands of children and youth in government care. Last year, a review of the foster care system in Alberta was completed and the ministry implemented all eight recommendations made by the review panel to help make the system stronger. We also increased compensation rates to assist foster families with parenting costs. In addition, we launched a provincial recruitment campaign to attract new foster parents and Aboriginal caregivers in October 2008, which resulted in 239 new foster homes and 159 new kinship care homes, as of March 31, 2009.

### **Ensuring families have access to quality, affordable child care choices**

Alberta parents have told us they need access to quality, affordable child care for their children. In May 2008, we announced *Creating Child Care Choices* - a comprehensive three-year plan to support the creation of 14,000 new spaces in a variety of child care settings.

## Message from the Minister

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In year-one of the plan, the ministry supported the creation of 8,254 child care spaces. In addition, 445 more child care professionals are now working in the field across the province. This increase is thanks, in large part, to recruitment incentives like wage top-ups, the Child Care Bursary, scholarships, and enhanced child care equivalencies to certify professionals coming from other human services disciplines who want to work in child care.

To help make child care more affordable for low- and middle-income parents, we expanded the child care subsidy to include eligible families with children in grades 1 to 6, increased the preschool child care subsidy by 3.5 per cent and boosted the preschool kin child care subsidy by 26 per cent.

To ensure safety and a high standard of care for children, we introduced a new Child Care Licensing Regulation, increased Quality Funding Grants to programs participating in accreditation and developed an accreditation model for school-age child care programs.

### **Safe Communities and expanding Support for Aboriginal people and immigrants affected by family violence**

Children and Youth Services is one of nine partnering ministries in the government's Safe Communities Initiative, which includes efforts to prevent family violence and bullying and support at-risk children, youth and families. In 2008-09, we invested \$1 million to assist Aboriginals and immigrants affected by family violence, including translating our various help resources into different languages and providing cultural training to caseworkers, police and treatment providers about the impacts of family violence and how to help those affected.

In addition, we awarded 93 Community Incentive Fund grants to support local awareness and prevention projects and provided funding for 79 more beds in women's emergency shelters across Alberta. We also expanded our safe visitation program from five to seven communities, so that children in high-risk family violence situations have a safe, supervised place to visit a non-custodial parent.

### **Thank You**

I would like to commend all of the dedicated men and women across Alberta - both inside the ministry and those who work with us - who play an important role ensuring the safety and well-being of Alberta's children, youth, and families. You are heroes in our communities, and all Albertans are grateful for the difference you make in the lives of others every day. On behalf of Children and Youth Services, thank you for your ongoing commitment to children, youth and families and to the Province of Alberta.

[Original signed by Honorable Janis Tarchuk]

*Janis Tarchuk*  
*Minister*

*September 4, 2009*

# Management's Responsibility for Reporting

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The Ministry of Children and Youth Services includes: the Department of Children and Youth Services and the Child and Family Services Authorities.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Children and Youth Services. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The performance measures are prepared in accordance with the following criteria:

- reliability - information agrees with the underlying data and with the sources used to prepare it;
- understandability and comparability - actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information; and
- completeness - performance measures and targets match those included in the 2008 Budget. Actual results are presented for all measures.

## Management's Responsibility for Reporting

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As Deputy Minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and Enterprise and the Minister of Children and Youth Services any information needed to fulfil their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

[Original signed by Fay Orr]

*Fay Orr*  
*Deputy Minister*  
*September 4, 2009*

# Overview of the Ministry





# Operational Overview

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Alberta is home to approximately 815,000<sup>1</sup> children and youth (under the age of 18). The Ministry of Children and Youth Services supports the development and well-being of Alberta's children, youth and families; helps keep them safe and protected; and promotes safe and strong communities for Albertans.

From providing support to families raising a child with a disability, assisting at-risk youth, working to prevent family violence and bullying, and increasing child care choices for families, the ministry helps caregivers and communities provide safe, nurturing environments for children where they can reach their full potential.

## **OUR VISION**

*Strong children, youth, families and communities.*

## **OUR MISSION**

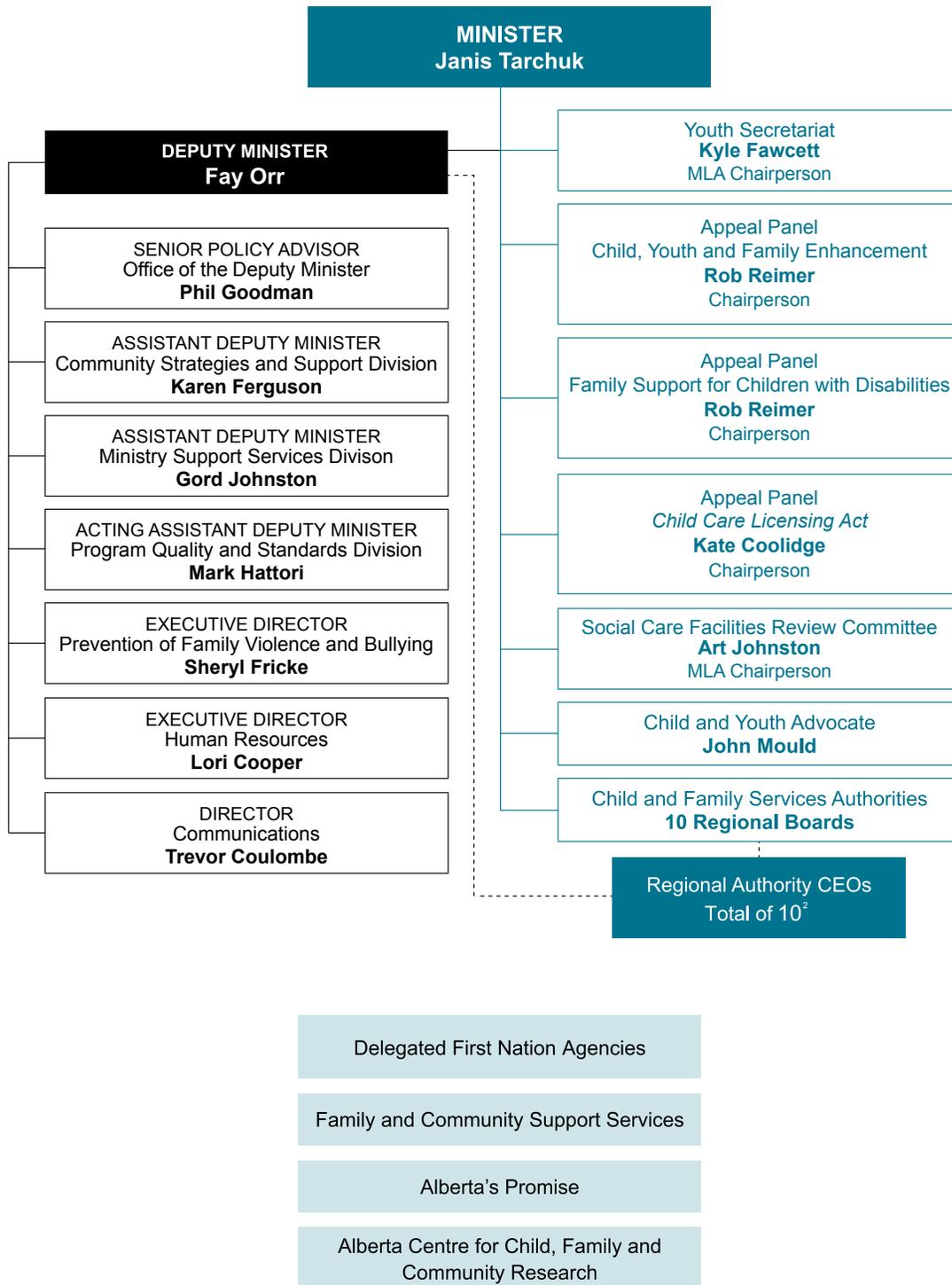
Working together to enhance the ability of families and communities to develop nurturing and safe environments for children, youth and families.

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<sup>1</sup>Based on Alberta Health and Wellness Populations for 2008.

# Alberta Children and Youth Services Organization

As at March 31, 2009



<sup>2</sup>Dotted lines represent a dual reporting relationship for CEOs.

## Description of the Organization

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The provincial government is responsible for providing services for the safety, security and well-being of children and families. The Ministry of Children and Youth Services fulfils these obligations through the following entities:

### Department of Children and Youth Services

#### Community Strategies and Support

The Community Strategies and Support Division provides leadership that supports the implementation of preventive programs and builds capacity to effectively use partnerships to enhance community-based services for children, youth and families. Key responsibilities include:

- supporting parents to access quality child care services for their children that promote early childhood development and well-being;
- sustaining community partnerships (for example, Family and Community Support Services, Parent Link Centres and the Fetal Alcohol Spectrum Disorder Initiative), and cross-ministry initiatives;
- supporting Board governance, the Appeal Secretariat and the Social Care Facilities Review Committee;
- engaging youth (for example, the Advancing Futures Bursary Program and the Youth Secretariat); and
- building research and program evaluation capacity.

#### Prevention of Family Violence and Bullying

The Prevention of Family Violence and Bullying Division provides leadership in the development and implementation of a coordinated and collaborative provincial response to preventing family violence and bullying, and supporting those affected. Key responsibilities include:

- preventing and reducing the incidence of family violence and protecting victims of family violence through the remedies enabled by the *Protection Against Family Violence Act* and the *Child, Youth and Family Enhancement Act*;
- supporting communities in working towards coordinated provincial and community responses to family violence and bullying that include a comprehensive range of prevention, protection, outreach and follow-up services and supports for children and other family members affected by family violence and bullying;
- working with women's emergency shelters and sexual assault centres to support individuals and families affected by family violence to live safely in their homes and communities;
- working with government ministries, provincial and national organizations and communities to affect positive social change and build provincial leadership toward an Alberta free of family violence and bullying; and
- leading and coordinating a nine-ministry interdepartmental committee to provide a coordinated provincial response to prevention of family violence and bullying.

### Program Quality and Standards

The Program Quality and Standards Division provides strategic leadership and policy and program support to ensure vulnerable children, youth and families receive optimal services that ensure better outcomes. Key responsibilities include:

- developing program policy and service design for Child Intervention Services, which includes foster care, group care and adoption; and the Family Support for Children with Disabilities and Protection of Sexually Exploited Children Programs;
- developing and monitoring quality assurance standards for the Child Intervention, Family Support for Children with Disabilities and Protection of Sexually Exploited Children Programs and evaluating outcomes;
- supporting Child and Family Services Authorities (CFSAs) and Delegated First Nation Agencies (DFNAs) with training, case consultation, mentoring, mediation and assurance of provincial standards; and
- providing program and policy expertise through First Nation Liaison Units to ensure Aboriginal issues are considered by program areas within the ministry.

### Ministry Support Services

The Ministry Support Services Division provides strategic and operational support for policy and program development and service delivery. The division supports ministry operations by:

- leading business planning and corporate strategic operations;
- managing performance measurement and reporting strategies;
- providing legal policy advice, legislative planning and litigation support;
- leading financial planning, budgeting, analysis and monitoring processes;
- maintaining data resources, records management, information systems and technology infrastructure;
- providing advice relating to the *Freedom of Information and Protection of Privacy Act*; and
- liaising with other jurisdictions and providing advice to the Minister and senior management staff on inter-governmental initiatives.

### Human Resources

The Human Resources Branch provides human resource strategies and services to support the ministry's workforce in achieving the ministry's mission and vision. The branch builds human resource capacity by:

- leading strategic human resource initiatives, including staff recruitment and retention;
- supporting change management and organizational effectiveness strategies;
- managing employee relations; and
- providing workforce development resources.

### Communications

The Communications Branch supports Children and Youth Services in its ongoing two-way dialogue with Albertans and ministry staff. Key responsibilities include:

- informing Albertans about the ministry's key initiatives, programs and services by providing communication planning, media relations and writing and editing services;
- providing guidance and support to ministry staff for public awareness campaigns, website development and marketing; and
- supporting the effective flow of information in the ministry.

## Child and Family Services Authorities

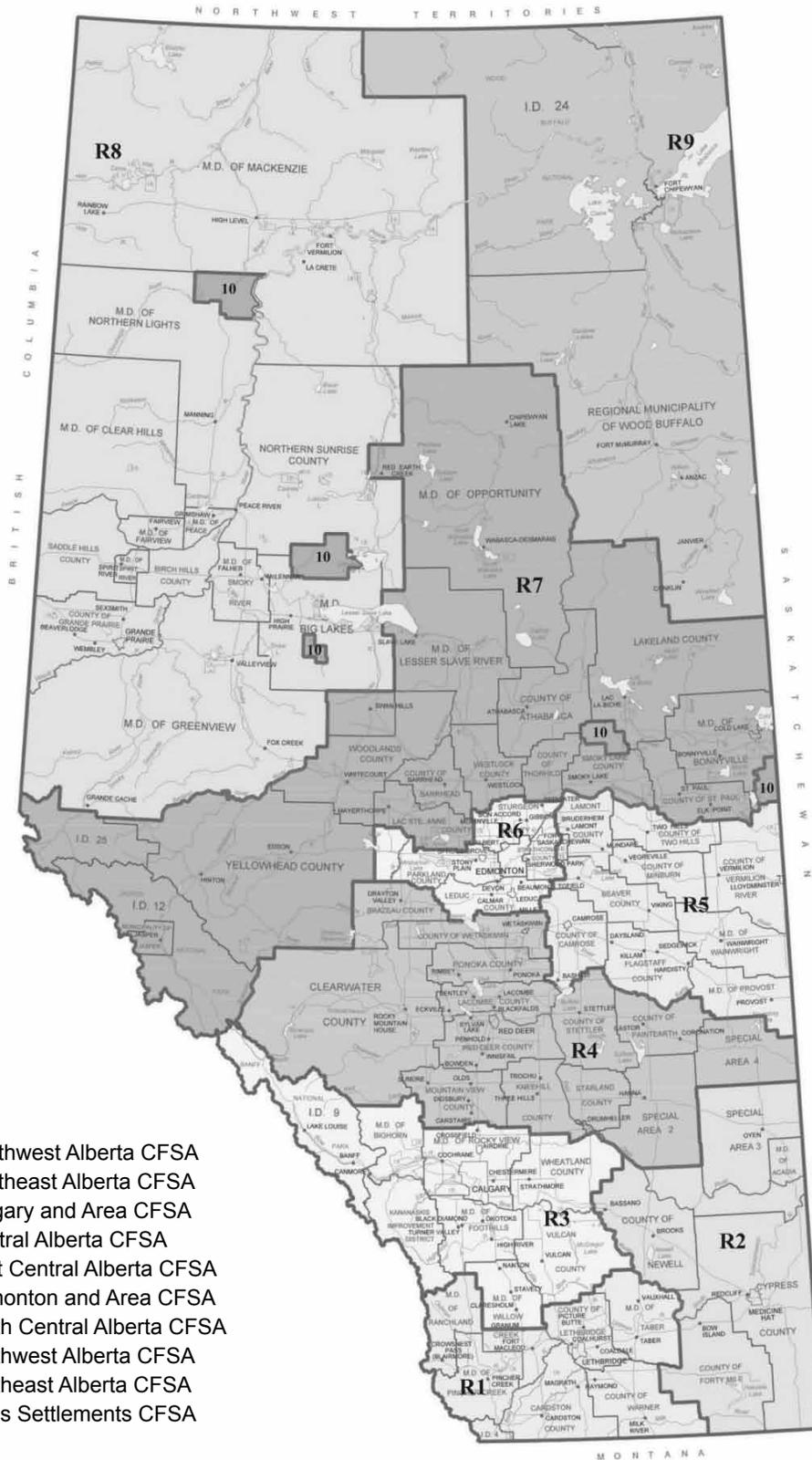
Child and Family Services Authorities (CFSAs) provide support and services to children, youth and families by meeting local needs while following provincial policies and standards. The Minister of Children and Youth Services appoints a board of community members to govern each CFSA. There are 10 regions, including one specifically dedicated to services within the eight Métis Settlements. The *Child and Family Services Authorities Act*, along with a memorandum of understanding and an annual business plan approved by the Minister, establishes roles and responsibilities for each board.

In each region, two co-chairs are appointed, with one being Aboriginal. As well, a Chief Executive Officer (CEO) ensures CFSA effectiveness and reports to both the Deputy Minister and the respective CFSA Board. The CEO oversees the execution of the board's policies and decisions. Approximately 2,700 staff employed by Children and Youth Services work in the province's 10 CFSAs. CFSAs may contract with community-based agencies to deliver some services.

Services provided by CFSAs include:

- providing casework services in programs such as Child Intervention Services and Supports for Families with Children with Disabilities;
- licensing and monitoring child care, including day care centres, family day homes and foster care homes, and providing child care subsidies to parents;
- ensuring provincial policies and standards are followed;
- monitoring and assessing the quality of its programs for child, youth and families;
- contracting with community agencies to deliver additional services, including family enhancement and early intervention supports and a range of out-of-home placement options;
- engaging with the community to assess needs, set priorities and plan and allocate resources; and
- working with other CFSAs, DFNAs, public and private bodies and government to coordinate services for children, youth and families.

# Child and Family Services Authorities



- Region 1** Southwest Alberta CFSA
- Region 2** Southeast Alberta CFSA
- Region 3** Calgary and Area CFSA
- Region 4** Central Alberta CFSA
- Region 5** East Central Alberta CFSA
- Region 6** Edmonton and Area CFSA
- Region 7** North Central Alberta CFSA
- Region 8** Northwest Alberta CFSA
- Region 9** Northeast Alberta CFSA
- Region 10** Métis Settlements CFSA

## Delegated First Nation Agencies

To better meet the unique needs of First Nations children and youth living on-reserve, Children and Youth Services recognizes and values the need for the First Nations communities to have a role in the design, implementation and evaluation of child intervention services. In some First Nations communities, this involves collaboration between CFSAs and First Nations to ensure CFSAs provide appropriate on-reserve services. However, for the rest, this is accomplished through formal agreements among the ministry, Indian and Northern Affairs and 18 DFNAs, representing 40 of the 47 First Nations in Alberta that provide services under the *Child, Youth and Family Enhancement Act*. Through these agreements, each DFNA is accountable and responsible for:

- ensuring that children in need of intervention on the member First Nations reserves receive the statutory child intervention services that they require;
- delivering these services within the funding provisions of Indian and Northern Affairs Canada; and
- developing community-based early intervention and family enhancement services.

## Family and Community Support Services

Family and Community Support Services (FCSS) is a funding partnership between the province and municipalities or Métis Settlements. A total of 316 municipalities and Métis Settlements, organized into 205 programs, provide FCSS-funded services throughout Alberta. The Ministry of Children and Youth Services funds 80 per cent of the annual budget, while municipalities and Métis Settlements provide the remaining 20 per cent for community-based preventive social services. Under FCSS legislation, communities have local autonomy for:

- designing and delivering preventive social programs to promote and enhance well-being among individuals, families and communities; and
- engaging community resources and volunteers to support the management and delivery of programs and services.

## Youth Secretariat

The Premier appoints an MLA to chair the Youth Secretariat; the current Chair is Kyle Fawcett, MLA for Calgary North-Hill. The Youth Secretariat works with youth, MLAs, ministry representatives, government departments and stakeholders by:

- receiving feedback on and addressing issues facing Alberta's youth;
- convening a new Youth Advisory Panel each year with members representing a variety of backgrounds and experiences including Aboriginal youth and youth who have received intervention services; and
- supporting the Panel to provide the Chair and staff of the Secretariat with input and advice on proposed strategies, recommendations and findings.

## Children and Youth Services Appeal Panels

The Minister appoints the *Child, Youth and Family Enhancement Act* (CYFE) Appeal Panel, the *Family Support for Children with Disabilities Act* (FSCD) Appeal Committee and the *Child Care Licensing Act* (CCL) Appeal Panel (collectively referred to as Appeal Panels). The CYFE and FSCD Appeal Panels are chaired by Rob Reimer and the CCL Appeal Panel is chaired by Kate Coolidge. These citizen panels provide fair, impartial and independent reviews of ministry decisions for Albertans who are affected by an appealable decision under the respective legislation by:

- hearing appeals; and
- making decisions that confirm, reverse/rescind or vary the decisions under review.

## Social Care Facilities Review Committee

The Lieutenant Governor-In-Council appoints the Social Care Facilities Review Committee Members. The committee reports directly to the Minister and is chaired by Art Johnston, MLA for Calgary-Hays. This citizen panel is responsible for:

- reviewing the quality of service provided in the facility and the manner in which the facility is operated; and
- investigating complaints upon the Minister's request.

## Child and Youth Advocate Office

The Office of the Child and Youth Advocate ensures due consideration of the rights, interests and viewpoints of children and youth who receive services under the *Child, Youth and Family Enhancement Act* and the *Protection of Sexually Exploited Children Act* by:

- helping children and youth receiving services under these acts to exercise their rights effectively, access needed services and have their viewpoints considered when decisions are made about them; and
- appointing lawyers to represent children and youth under the *Child, Youth and Family Enhancement Act* and *Protection of Sexually Exploited Children Act* through the Legal Representation for the Child and Youth Office.

## Alberta's Promise

The Premier's Council of Alberta's Promise is composed of individuals from the private and not-for-profit sectors and community leaders from across Alberta. An Executive Board acts on behalf of the Premier's Council. Premier and Mrs. Marie Stelmach are Chair and Honourary Chair; the Minister and Deputy Minister of Children and Youth Services also serve as members of the Council. In November 2008, the *Premier's Council on Alberta's Promise Act* was extended for an additional five years to 2013. Now with more than 1,164 partners, Alberta's Promise meets its mandate by:

- encouraging the community to direct resources to enhance and build capacity to further the well-being of children, youth and families;
- working with the ministry to identify priority needs and issues; and
- educating the funding community about which investments have the greatest impact in creating positive outcomes for children, youth and families.

## Alberta Centre for Child, Family and Community Research

The Alberta Centre for Child, Family and Community Research (ACCFCR) is an innovative, arm's-length, not-for-profit organization that builds Alberta's capacity for high-quality research on services related to children, families and communities. The ACCFCR accomplishes this by:

- supporting leading-edge scientific research and evaluation projects, such as the Child and Youth Data Laboratory - an innovative research initiative that studies how provincial government programs can work together to achieve positive outcomes for children and youth; and
- distributing research findings to government ministries and stakeholders who serve Alberta's children, youth and families.

## Ministry Core Businesses

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Children and Youth Services works in partnership with other ministries and other levels of government to provide a wide range of supports and services to achieve positive outcomes for vulnerable and at-risk Alberta children, youth and families. Children and Youth Services, under the direction of the Minister, takes the lead in three core businesses:

### **CORE BUSINESS ONE:**

#### *Promoting the development and well-being of children, youth and families*

Goal One: Children and youth will have a healthy start in life and the supports they need to reach their potential

### **CORE BUSINESS TWO:**

#### *Keeping children, youth and families safe and protected*

Goal Two: Families will be safe, healthy and able to promote children's development

Goal Three: Children in need will be protected and supported by permanent, nurturing relationships

### **CORE BUSINESS THREE:**

#### *Promoting healthy communities for children, youth and families*

Goal Four: The well-being and self-reliance of Aboriginal children, youth, families and communities will be promoted and supported

Goal Five: Communities will have the capacity for shared planning and delivery of services that promote the well-being of children, youth and families

## Summary of 2008-09 Key Activities

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- Worked with Alberta's Safe Communities Initiative; a partnership of nine government ministries, law enforcement, community groups, municipalities, businesses and social agencies to address the impact crime is having on our communities, and find meaningful, long-term solutions.
- Developed, strengthened and evaluated community-based projects funded by Safe Communities, including early intervention supports for at-risk children, youth and families, immigrant services and programs for Aboriginal communities.
- In consultation with Aboriginal and immigrant stakeholders, expanded supports to communities affected by family violence:
  - enhanced public awareness and education resources (originally released during November 2008's Family Violence Prevention Month), including implementation of culturally-sensitive advertising to promote the Family Violence Info Line. The Family Violence Info Line now has translation services available in 170 languages. Translated the "Healthy Relationships" information sheet into five languages, and partnered with Employment and Immigration to include family violence and bullying information in the "Welcome to Alberta" newcomers' publication;
  - developed the first phase of a provincial Family Violence and Bullying Training Framework for frontline responders (i.e., social workers, police, women's shelters) about how to help children exposed to family violence; and
  - developed six victim supports and outreach pilot projects to specifically reach Aboriginal people and immigrant children, youth and families (two each in Edmonton and Calgary, and two in rural Alberta).
- Invested an additional \$1.76 million in women's emergency shelter beds, expanded support to first responders and victims and amended the Protection Against Family Violence Regulation to ensure the availability of Justices of the Peace to hear applications for Emergency Protection Orders.
- Evaluated and expanded the Provincial Safe Visitation Initiative, which allows children of separated and divorced parents to visit safely with their non-custodial parents.
- During Family Violence Prevention Month, celebrated youth who participated in The Art of Peace Challenge, which invited youth between the ages of 14 and 20 to create artistic works that motivate Albertans to reach out and help those affected by family violence or bullying.
- Funded community mentoring programs for at-risk youth and created the Alberta Mentoring Partnership Leadership Team so ministries, government-funded organizations and community agencies can collaborate to mentor youth.
- Delivered Parent Link Centre (PLC) programs and services in more than 160 communities, through main centres, satellite sites and outreach services in community locations such as schools and libraries.
- Implemented the Triple P - Positive Parenting Program, an internationally recognized, evidence-based parent education and support program, at 19 PLCs within three CFSAs.
- Developed a new *Child Care Licensing Act*, which was proclaimed on November 1, 2008.
- Created 8,254 new child care spaces and improved subsidies for low- and middle-income families.
- Helped child care centres attract and retain staff through the Staff Attraction Incentive Allowance, wage top-ups and a new program that certifies individuals with equivalent credentials.

- Strengthened child care programming by introducing a new out-of-school care accreditation program and continued to accredit day care centres and family day home agencies.
- Developed the Provincial Protocol Framework in partnership with Alberta Education; a strategy to increase success in school and high school completion rates for children and youth in care.
- Provided bursaries to a total of 493 youth in care through the Advancing Futures Bursary Program to help them achieve their educational goals.
- Continued implementation of the Government of Alberta 10-Year Fetal Alcohol Spectrum Disorder (FASD) Strategic Plan by expanding the FASD Service Network Program to a total of 12 networks, each providing a single point of access to FASD services in areas across Alberta. Access to assessment and diagnosis services was increased by expanding the number of clinics from 10 to 19, and learning opportunities were provided to caregivers, professionals and individuals affected by FASD. In addition, an FASD Community of Practice was created in four CFSAs, to ensure better outcomes for children in care affected by FASD.
- Launched provincial foster parent and Aboriginal caregiver recruitment campaigns, which led to the approval of 239 new foster homes and 159 new kinship care homes.
- Attended a meeting of Ministers from British Columbia, Alberta, Saskatchewan and Manitoba on September 29-30, 2008 in Banff to discuss Aboriginal child welfare issues. Participants agreed to continue collaborating on the development of a best practices inventory on supporting Aboriginal children, youth and families living in urban areas. A follow-up meeting was held by Western Deputy Ministers to discuss implementation of Jordan's Principle, early intervention and prevention initiatives on-reserve, issues management in child welfare systems and child advocacy. Both groups have planned future meetings.
- Released the Foster Care Review Report in June 2008 and trained 690 staff in Structured Analysis Family Evaluation (SAFE), a new home study model which will improve the quality and consistency of home studies.
- Completed the provincial implementation of the Casework Practice Model, which builds on leading practices; gives children, youth and families more input into decisions; and helps caseworkers build stronger relationships with families. All CFSAs and all 18 DFNAs are using the model.
- Provided child intervention services to more than 9000 children, youth and families, monthly.
- Assisted 550 children and youth, in the permanent care of the Director, to find permanent homes through adoption or private guardianship arrangements.
- Reunited approximately 1,100 children and youth in temporary or permanent care with their families.
- Developed new standards for the *Protection of Sexually Exploited Children Act* Program and launched a targeted campaign to help educate staff who work in Alberta's hospitality industry about child sexual exploitation, the signs to watch for, and what to do if they see something suspicious.
- Improved the ministry's capacity to develop evidence-based policy and practice by publishing and implementing the ministry's first research plan, and by collaborating with the Alberta Centre for Child, Family and Community Research and nine other ministries to create the Child and Youth Data Laboratory.
- Received commitments from 1,164 Alberta's Promise Partners to renew their investments in Alberta children and youth until 2013. From 2003 to 2009, Alberta's Promise funding partners invested more than \$250 million in charities that support children and youth.

# Results Analysis





## Message from the Deputy Minister

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Over the past year, Children and Youth Services continued its important work to enhance the ability of communities to develop nurturing and safe environments for their most vulnerable children, youth and families. The ministry is committed to continuous improvement of its legislation, policies and services, keeping Albertans informed about how it does its work, and doing everything it can to improve outcomes for children, youth and families in the province.

A significant part of our efforts to support at-risk children and families involves working with contracted social service agencies. One of the challenges partnering agencies have faced in recent years is the recruitment and retention of high quality staff. In 2008-09, we approved funding for an additional \$11 million to help them address staffing pressures and continued to work with them to come up with long-term solutions. As a result of our ongoing dialogue and collaboration, we reached an agreement to develop an outcomes-based service delivery system to strengthen our partnership and further improve outcomes for children and families.

In June 2008, the ministry was pleased to establish the new Alberta Mentoring Partnership Leadership Team together with Alberta Education and Big Brothers Big Sisters. Having a mentor gives children and youth the valuable opportunity to learn from a positive role model, experience the gift of friendship and build their self esteem. The Mentoring Partnership brings together a number of government, community agencies and youth in the first association of its kind in Canada to give Alberta's children and youth new opportunities to benefit from caring role models who can make a positive and lasting difference in their lives.

This year, the ministry strengthened the *Child, Youth and Family Enhancement Act* with amendments that will help caseworkers continue to provide the best possible services and care for children and families. The changes, mostly administrative and procedural, are based on nearly four years of observation and feedback from front-line workers, casework supervisors and managers. Ultimately, these amendments will help our staff spend more of their valuable time supporting children, youth and families in building on their strengths and achieving their full potential.

When given the opportunity to succeed, young people in care achieve tremendous things for themselves and for their community. In 2008-09, we supported 493 youth (who are or have been in government care) through the Advancing Futures Bursary to cover the costs of attending post-secondary education, learning a trade, earning a license, upgrading high school marks or earning a diploma. The ministry also provides ongoing guidance to help bursary students succeed in their studies while they receive support from the program.

It's often said that Alberta's youth are the leaders of tomorrow; but when it comes to speaking up for those silenced by family violence and standing up to stop bullying, they are leaders of today as well. During November's Family Violence Prevention Month, the ministry recognized outstanding youth who participated in The Art of Peace Challenge, which invited Albertans between the ages of 14 and 20 to create artistic works that motivate Albertans to reach out to victims of family violence or bullying.

The sexual exploitation of children and youth is a disturbing and increasingly emerging issue that crosses all social and economic boundaries. This past year, we partnered with the Alberta Hotel and Lodging Association (AHLA) to develop an awareness campaign to help educate hotel and lodging accommodation owners, operators and employees about child sexual exploitation. The campaign informs people who work in the hospitality industry about signs to watch for and what to do if they see something suspicious. Together, we can help protect children and youth from a life of sexual abuse.

More than 23,000 Albertans are affected by Fetal Alcohol Spectrum Disorder (FASD), including many children and youth in government care. In 2008-09, as part of the government's 10-year strategic plan and cross-ministry initiative, the ministry invested additional funding to create five more FASD service networks that will provide prevention, diagnosis, assessment and lifelong supports for Albertans affected by the disorder. There are now 12 networks across the province, which help people affected by FASD and provide support to their caregivers.

We know that it takes all members of a community to raise a child. That's why the ministry commends the commitment from 1,164 Alberta's Promise Partners to renew their investments in Alberta's children and youth until 2013. Since 2003, Alberta's Promise funding partners have invested more than \$250 million in charities that support children and youth.

The ministry has approximately 9,000 children and youth in its care. Ensuring the safety and well-being of Alberta's vulnerable children and families is our first priority, and it will continue to be job number one for us in the coming year. Children and Youth Services staff and partners are passionate and devoted individuals who believe deeply in their ability to help others and inspire hope for the future. I look forward to working with all ministry staff and community partners in the year ahead to continue achieving our common goal of supporting stronger children, youth, families and communities in Alberta.

[Original signed by Fay Orr]

*Fay Orr*  
*Deputy Minister*  
*September 4, 2009*

# Review Engagement Report

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To the Members of the Legislative Assembly

I have reviewed the performance measures identified as “Reviewed by Auditor General” included in the Ministry of Children and Youth Services’ *2008-09 Annual Report*. These performance measures are prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years’ information.
- Completeness – performance measures and targets match those included in Budget 2008. Actual results are presented for all measures.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Ministry. My review was not designed to provide assurance on the relevance of these performance measures.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these performance measures.

Based on my review, nothing has come to my attention that causes me to believe that the “Reviewed by Auditor General” performance measures in the Ministry’s *2008-09 Annual Report* are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of these performance measures.

[Original signed by Fred J. Dunn, FCA]

Auditor General

*Edmonton, Alberta  
August 19, 2009*

## Management Discussion

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In prior years, the Office of the Auditor General applied specified procedures to all ministry performance measures included in the annual report. In the current year the Office of the Auditor General conducted a limited assurance engagement (review) of a selection of performance measures that are identified in the annual reports as “Reviewed by Auditor General”. The measures were selected for review by ministry management based on the following criteria established by government:

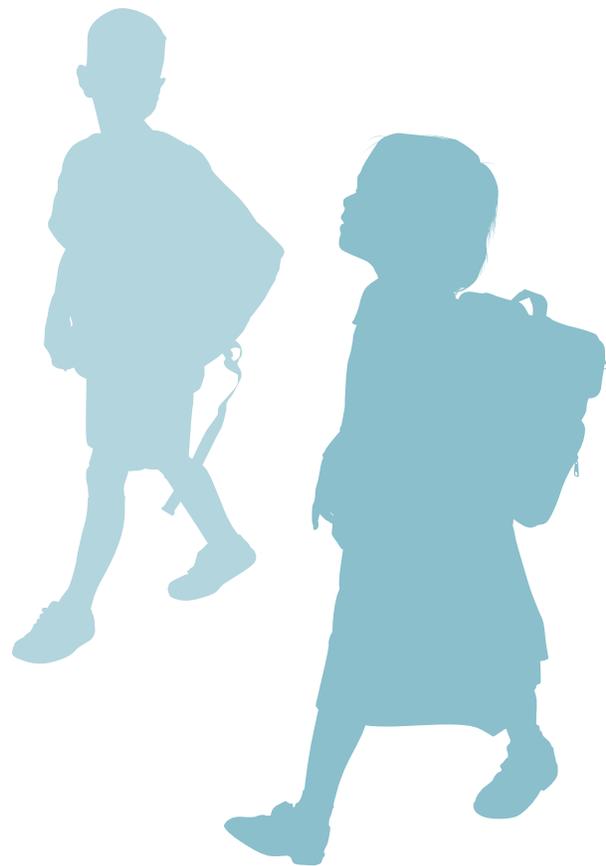
- enduring measures that best represent the goal and mandated initiatives;
- measures that have well established methodology and reporting of data;
- measures that have outcomes over which the government has a greater degree of influence; and
- each goal has at least one reviewed performance measure.

For the 2008-09 Children and Youth Services Annual Report, the following performance measures were reviewed:

- 1a – Percentage of licensed day care centres and contracted family day home agencies that are accredited;
- 1b – Percentage of families accessing the Family Support for Children with Disabilities Program that indicate the services provided had a positive impact on their child;
- 2b – Percentage of families accessing Ministry programs that indicate positive impacts for their children. Ministry programs surveyed are Foster Care, Adoption, and Child Care Subsidy;
- 3a – Percentage of children who suffer injury that results in hospitalization or death while receiving protective services;
- 3b – Number of children, in the permanent care of the Director, for whom Adoption or Private Guardianship Orders are granted;
- 4a – Percentage of Aboriginal children in foster care/kinship care who are placed with Aboriginal families; and
- 5a – Percentage of expenditures in the children/youth/families project and service category of Family and Community Support Services.

# Core Business One:

Promoting the development and well-being of children, youth and families



**GOAL 1:**

## Children and youth will have a healthy start in life and the supports they need to reach their potential

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### Strategies

- 1.1. Lead the implementation of the cross-ministry Prevention of Family Violence and Bullying Initiative action plan to support individuals, families, communities and governments to work together towards an Alberta free of family violence and bullying.
- 1.2. Lead and build on Alberta's Bullying Prevention Strategy in collaboration with cross-ministry partners and community stakeholders.
- 1.3. Enhance cross-sector capacity to respond to the needs of children and youth with special and complex needs and their families by improving coordination and access to services and supports.
- 1.4. Continue to support youth who display high risk behaviours to achieve and maintain positive outcomes through the implementation of the High Risk Youth Initiative and enhancements to the Protection of Sexually Exploited Children and Youth program.
- 1.5. Provide leadership by enhancing mentoring opportunities through coordination of services and supports to youth.
- 1.6. In collaboration with other ministries and government agencies, implement strategies aimed at preventing Fetal Alcohol Spectrum Disorder and substance abuse.
- 1.7. Work with municipalities and Métis Settlements to assess the outcomes of Family and Community Support Services programs and services delivered to children, youth and families and implement the approved recommendations from the Family and Community Support Services program review.
- 1.8. Enhance continuous improvement processes for ongoing implementation of the Family Support for Children with Disabilities legislation.
- 1.9. Enhance parental involvement in the ongoing implementation of the Family Support for Children with Disabilities legislation.
- 1.10. Enhance child care, through accreditation and program and staff support funding, to ensure parents and families have access to quality child care that gives their children the best possible start in life and the supports they need to reach their potential.
- 1.11. Continue to implement the Parent Link Centre initiative to provide parents with supports that promote healthy child development.
- 1.12. Implement a new *Child Care Licensing Act* and Child Care Licensing Regulations.
- 1.13. Work with Education to implement pilot strategies that focus on improving outcomes, including school performance and high school completion for children in care.
- 1.14. Enhance access to the Advancing Futures Bursary program to help increase the educational attainment of youth in care.

## Accomplishments

- Received approval from all partnering deputy ministers for the 2008-11 cross-ministry Prevention of Family Violence and Bullying Action Plan. Nine ministries will collectively address the plan and its updated priorities.
- Posted the 2008 Albertans' Perceptions of Family Violence and Bullying survey results on the ministry website. The survey results will inform future public awareness and education initiatives.
- Released the 2008 Taking Action on Family Violence and Bullying Report to Albertans. The report describes key accomplishments since the 2004 Alberta Roundtable on Family Violence and Bullying.
- Evaluated the Provincial Safe Visitation Initiative and used the findings to expand the program from five to seven sites: Calgary, Edmonton, Fort McMurray, Grande Prairie, Lethbridge, Lloydminster and Red Deer. When there is a high risk of violence between separated or divorced parents, safe visitation sites allow children to visit safely with their non-custodial parents. In 2008-09, 97 families accessed the service, for a total of 507 visits.
- Implemented year three of a provincial public awareness and education strategy during November's Family Violence Prevention Month. The strategy included re-airing the "Fight Circle" TV commercial, developing new radio ads to promote the Family Violence Info Line, distributing 1.3 million postcards with resource information to Alberta homes and posting new resources on the revamped family violence website ([www.familyviolence.gov.ab.ca](http://www.familyviolence.gov.ab.ca)).
- Supported November's National Bullying Prevention Week through a multi-faceted media campaign and a partnership with Global Television. Global's four-part series targeted adults and youth, exploring what bullying is and sharing information and resources on cyber-bullying.
- Provided \$1.1 million in grant funding to support communities to address bullying. Three hundred and seventy two Alberta classrooms benefited from Roots of Empathy, a community-based anti-violence program that aims to reduce aggression by teaching empathy. The grants also helped to fund six Taking Action on Bullying partnerships between schools and Parent Link Centres to provide strategies and skills to parents and children to deal with bullying.
- Increased the capacity of the ministry and its partners to serve children and youth with complex needs. Enhanced single-window access to services and provided regional support coordinators a forum to network, discuss common issues and share best practices that will lead to better supports for children and youth with complex needs.
- Collaborated on the development of an information brochure to assist parents of children and youth with complex needs to access services.
- Addressed the needs of high-risk youth at the local level by:
  - partnering with other ministries and agencies;
  - adopting a risk reduction model; and
  - reviewing and discussing current provincial methods and services to enhance supports to meet the needs of high-risk youth.
- Launched the Alberta Mentoring Partnership Leadership Team, a new strategic approach to mentoring, which will work to enhance mentoring opportunities for at-risk youth. This unique partnership of 10 ministries, three government-funded organizations, 16 community agencies and youth representation is a first of its kind in Canada.

- Funded community agencies that support youth through mentoring programs.
- Increased Fetal Alcohol Spectrum Disorder (FASD) prevention by expanding the Parent-Child Assistance Program (PCAP) from 11 to 21 programs across Alberta. PCAP is a home-visitation prevention and support program for women of childbearing age that improves maternal health and parenting skills, and increases placement stability for mothers and children.
- A total of 76 local Family and Community Support Services (FCSS) Programs contributed data for the 2007 provincial aggregate annual report, compared to 34 in 2006. Analysis of the report helps to better understand trends and plan for specific services.
- Established a Provincial FCSS Outcome Measures Steering Committee to oversee and guide the FCSS Outcome Measures Initiative, which measures the success of the FCSS Program. The committee will ensure that the necessary training and support is provided and that challenges and barriers are reduced so that all FCSS Programs can implement outcome measurement and contribute outcome data.
- Addressed the 16 recommendations included in the 2006 FCSS Review Report and continued to work with FCSS Programs, CFSAs, the FCSS Association of Alberta and the Provincial FCSS Outcome Measures Steering Committee to improve outcomes.
- Reviewed the Family Support for Children with Disabilities (FSCD) Multi-Disciplinary Team process, which supports access to specialized services for children and youth with disabilities. The goal is to improve the efficiency and effectiveness of the process.
- Developed and distributed orientation packages for new parents joining the Provincial Parent Advisory Committee (PPAC) and continued to involve the PPAC in enhancing FSCD services and in the review of the Multi-Disciplinary Team process.
- A new *Child Care Licensing Act* and Regulation was proclaimed on November 1, 2008. Conducted 29 information sessions regarding the new Regulation for child care operators and their workers in September and October 2008 to ensure they were informed about regulatory requirements. The Regulation introduced two more child care program categories - group family and innovative child care - thereby increasing choices for parents.
- Created 8,254 new child care spaces in licensed day care centres and kin child care, preschools, out-of-school care programs and approved family day homes, and increased preschool child care subsidy rates by 3.5 per cent for low- and middle-income families.
- Introduced a new subsidy for eligible families with school-aged children using out-of-school care programs or kin child care arrangements.
- Encouraged staff retention by topping up wages for approximately 7,000 staff in day care centres and family day home agencies and 2,500 staff in out-of-school care programs.
- Designed a new out-of-school care accreditation program and piloted it in 12 licensed programs in Alberta.
- Continued to accredit day care centres and family day homes. As of March 31, 2009, 444 of 586 licensed day care centres and approved family day homes in Alberta were accredited.
- Provided the Staff Attraction Incentive Allowance to child care programs, which used the allowances to child care programs to help recruit 1,164 staff.

- Certified 1,407 staff who have human service credentials equivalent to child care credentials. Most of these staff are new to child care; others were working in child care and now have a higher level of certification.
- Offered an online child care orientation course to 2,781 students.
- Reached more than 160 Alberta communities through the growing Parent Link Centre (PLC) initiative. In 2008-09, PLCs served over 69,000 Albertans, including approximately 34,100 children ages zero to six, 4,400 children and youth ages seven to 18 and 30,700 parents and caregivers.
- Continued to support the operation of the provincial network of PLCs. Launched an online networking site to improve collaboration and information-sharing among PLCs.
- Implemented the multi-level Triple P - Positive Parenting Program in 19 PLCs in three CFSAAs with funding from the Safe Communities Initiative. Through Level Two of Triple P, parents receive parenting advice on specific parenting issues through community seminars, and/or individual sessions with families. Through Level Three, parents received four individual sessions with PLC staff that incorporate learning and practicing new parenting skills.
- PLC staff in the pilot sites received training in leading Triple P - Level Four groups, through which parents receive intensive training in positive parenting skills through an eight-session group program led by a Triple P group facilitator.
- Provided training and resources to all 46 PLCs to expand the use of the Ages and Stages Questionnaire (ASQ) and the ASQ-Social Emotional scale. These tools help with the early identification of children with potential social-emotional or behavioural difficulties.
- Through a contract with Bow Valley College, presented one provincial professional development event and 31 regional workshops to PLCs across the province.
- Developed the Provincial Protocol Framework in partnership with Alberta Education; a strategy to increase success in school and high school completion rates for children and youth in care. The framework will guide the development of 10 regional agreements that will customize the provincial protocol to meet the needs of each region. Four demonstration sites representing urban, rural and Aboriginal communities will provide valuable information on systemic issues. This information will tell us more about strengthening relationships between children and youth in care and their caseworkers, teachers, caregivers and other professionals.
- Expanded the Advancing Futures Bursary budget in 2008-09, providing bursaries to a total of 493 youth in care to help them achieve their educational goals. This is an increase of 34 students (7.5 per cent) over the previous year.

## Child and Family Services Authorities Highlights

- The Southwest Alberta CFSA cross-ministry Regional Children and Youth with Complex Needs Review Team, with representatives from the CFSA, Health and Wellness – Southwest Area, Lethbridge Association for Community Living and local school divisions, celebrated its fifth year of operation. This team continues to fund support services for children and youth with complex needs who would not otherwise be served. The team also funded the recertification of workers in contracted agencies through the Supporting Individuals Through Valued Participation Program. This proactive approach to supporting children and youth with complex needs offers an alternative to crisis intervention and restrictive methods of behavior management.
- The ministry's Creating Child Care Choices plan, a three-year plan to create 14,000 child care spaces throughout the province, marked its first full year in 2008-09. Several CFSA's reported they had significantly exceeded their regional targets for child care space creation. For example, the North Central Alberta CFSA exceeded its three-year target in the first year. The Southwest Alberta CFSA and Northeast Alberta CFSA reported reaching 50 per cent or more of their three-year targets in year one. Calgary and Area CFSA and Northwest Alberta CFSA also reported they had exceeded their targets for child care space creation for the 2008-09 year.
- The Métis Settlements CFSA participated in one of the four provincial demonstration projects called Success in School. Approximately 25 students from the Kikino and the Buffalo Lake Métis Settlements were part of the project. The project's goal is to improve educational outcomes and high school completion rates for children and youth in care, preparing them for success as adults.

## Outcomes and Performance Measures

### Expected outcomes:

- Children and youth are physically, emotionally, socially, intellectually and spiritually healthy.
- Children and youth meet individual developmental milestones.

### PERFORMANCE MEASURE 1A

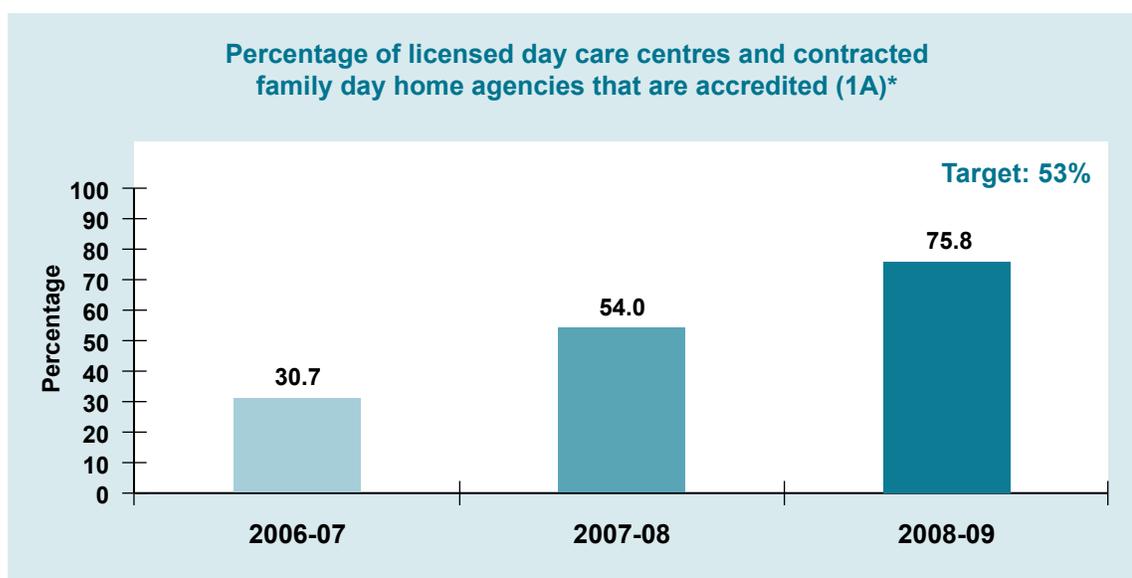
#### *Percentage of licensed day care centres and contracted family day home agencies that are accredited.*

Accreditation is voluntary. Programs that have successfully been accredited are positioned to:

- support children's optimal development;
- provide practitioners with the tools they need to support and maintain high-quality services; and
- provide families with the information they need to select high-quality care for their children.

In 2008-09, 75.8 per cent of licensed and approved day care centres and contracted family day home agencies (444 out of 586) met the child care standards of excellence and were officially accredited.

A policy change in 2007 required child care programs to complete their accreditation self-study and request their site visit within 15 months. This resulted in an increased demand for accreditation services in 2007-08 and 2008-09. It was anticipated that the 2007 policy change would lead to increased accreditation rates. However, the pace of this increase was difficult to forecast, so previous targets were left unchanged. The 2008-09 performance target of 53 per cent was exceeded by 22.8 per cent, an increase of 21.8 per cent over 2007-08.



Data Source: Child Care Information System (CCIS), Alberta Children and Youth Services; and accreditation certificates from the Alberta Association for the Accreditation of Early Learning and Care Services

\*Reviewed by Auditor General

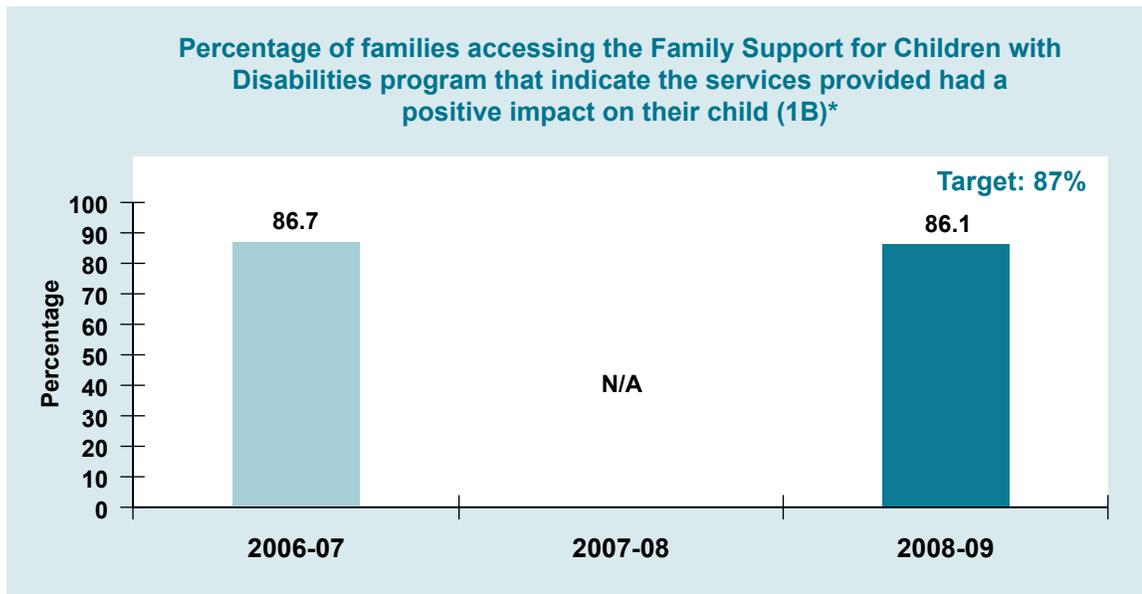
**PERFORMANCE MEASURE 1B**

***Percentage of families accessing the Family Support for Children with Disabilities program that indicate the services provided had a positive impact on their child.***

Research indicates the impact of service provided directly to a child with a disability increases significantly when the service is family-centred, the family is satisfied with the service and the family perceives benefits for the child. Parent/guardian perception of benefits, in conjunction with supporting indicators of family centredness and satisfaction, is therefore a valid indicator to measure the effectiveness of the Family Support for Children with Disabilities (FSCD) Program.

In 2006, the ministry conducted an initial survey of families receiving services through the FSCD Program to determine their level of satisfaction and the degree to which they felt the program was having a positive impact on the children and families served. This survey is to be conducted every two years. The 2006-07 Annual Report was the initial year of reporting on this performance measure; the result of 86.7 per cent is the baseline for comparing future performance.

For the 2008-09 fiscal year, 86.1 per cent of the 1,748 families surveyed agreed that involvement with the FSCD Program had a positive impact on their child. This is a 0.6 per cent decrease over the 2006 results and falls 0.9 per cent short of the target of 87 per cent; however, the overall margin of error for the survey results was equal to +/- 2.0 per cent, 19 times out of 20. The 2008-09 results were drawn from a much smaller, but still statistically valid, sample population than the baseline survey, which targeted all families receiving support through the FSCD Program. The results of the next survey will be reported in 2010-11.



Data Source: FSCD Family Survey 2008-09, Alberta Children and Youth Services

Note: Survey is conducted biennially

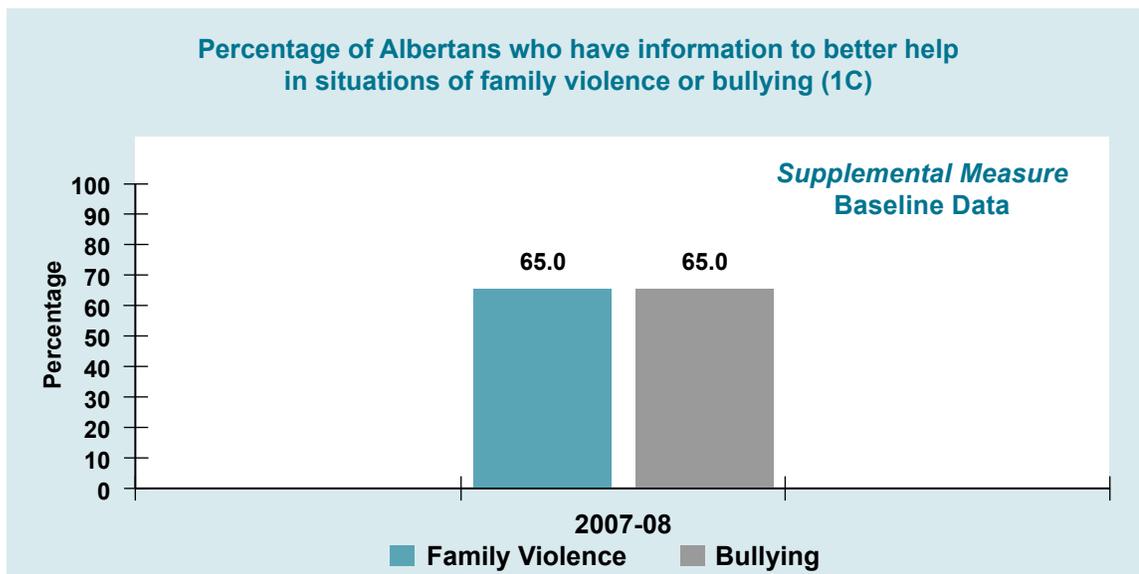
\*Reviewed by Auditor General

## SUPPLEMENTAL PERFORMANCE MEASURE 1C

### *Percentage of Albertans who have information to better help in situations of family violence or bullying.*

In 2008, the ministry conducted an initial survey of Albertans 16 years and older to examine public awareness and understanding of family violence and bullying. The results for this measure are based on survey questions about exposure to information about family violence and bullying and the extent this information enabled respondents to feel better able to help in a family violence or bullying situation. Out of a sample of 1,571 respondents, 65 per cent reported they had information, or access to information, to assist or support those affected by family violence or bullying. These results are accurate within +/- 2.8 per cent, 19 times out of 20. This measure is used to track long-term changes in access to information and the usefulness of information accessed.

In the 2008 survey, 65 per cent of respondents indicated they have access to information that will aid them to better respond to situations of family violence and bullying. This initial survey established baseline data against which future results will be benchmarked. The results of the next survey will be reported in 2009-10.

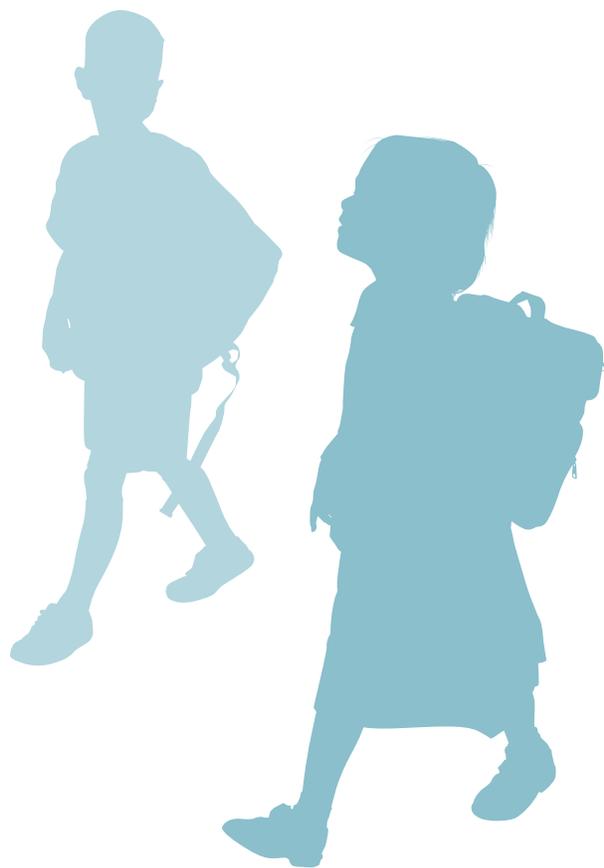


Data Source: The Albertans' Perceptions of Family Violence and Bullying Survey 2007-08, Alberta Children and Youth Services



# Core Business Two:

Keeping children, youth and families safe and protected



**GOAL 2:**

## Families will be safe, healthy and able to promote children's development

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### Strategies

- 2.1. Implement and strengthen the coordinated provincial response to family violence and bullying with culturally sensitive and accessible community-based services and supports to increase the safety and healthy development of children and families in family violence and bullying situations, including emergency shelters for victims of family violence.
- 2.2. Continue to implement and monitor the government-approved amendments to the *Protection Against Family Violence Act* and implement approved recommendations from the Women's Emergency Shelter Review.
- 2.3. Support increased collaboration between Child and Family Services Authorities and the Family and Community Support Services Program.
- 2.4. Collaborate with other ministries and government agencies, to improve supports for children, youth and families impacted by substance abuse including those affected by Fetal Alcohol Spectrum Disorder.
- 2.5. Continue to enhance the continuum of placement options for children in care, including foster care and kinship care, to ensure that children who cannot remain in their parental homes receive quality care.
- 2.6. Implement recommendations from the Foster Care Review.

### Accomplishments

- Developed community-based outreach services and supports to help both Aboriginal and immigrant children, youth and families affected by family violence.
- In consultation with both Aboriginal and immigrant stakeholders, expanded supports to communities affected by family violence:
  - enhanced public awareness and education resources (originally released during November 2008's Family Violence Prevention Month) including implementation of culturally-sensitive advertising to promote the Family Violence Info Line. The Family Violence Info Line now has translation services available in 170 languages. Translated the "Healthy Relationships" information sheet into five languages, and partnered with Employment and Immigration to include family violence and bullying information in the "Welcome to Alberta" newcomers' publication;
  - developed the first phase of a provincial Family Violence and Bullying Training Framework for frontline responders (i.e., social workers, police, women's shelters) about how to help children exposed to family violence; and
  - developed six victim supports and outreach pilots to specifically reach both Aboriginal and immigrant children, youth and families (two each in Edmonton and Calgary, and two in rural Alberta).

- Amended the Protection Against Family Violence Regulations to ensure the availability of Justices of the Peace to hear applications for Emergency Protection Orders (EPOs). Applications for EPOs have increased since the 2006 amendments, indicating that individuals and the community have greater awareness of the legislation. Between April 1, 2008, and March 31, 2009, 1,690 EPOs were sought, more than 1,300 (77 per cent) by the victims themselves.
- Invested an additional \$1.76 million to fund 79 additional beds in women's emergency shelters. Consulted with the Alberta Council of Women's Shelters and individual shelters to ensure shelters with the highest occupancy rates received the funding.
- Helped establish the foundation for continued positive working relationships between the Family and Community Support Services Programs and Child and Youth Services Authorities (CFSAs) through the Community Partnership Enhancement Program. The increased awareness and understanding of each other's mandates; increased professional capacity and training opportunities; increased understanding of demographics and trends related to children and families; and improved practices has meant that more children, youth and families are able to access and benefit from available programs and services.
- Continued implementation of the Government of Alberta's Fetal Alcohol Spectrum Disorder (FASD) 10-Year Strategic Plan by developing the FASD Service Network Program. Added five additional service networks, bringing the total number to 12. The service networks give individuals across Alberta a single point of access to FASD services and resources.
- Provided learning opportunities to professionals, caregivers and individuals affected by FASD. Held a provincial FASD conference on February 12-13, 2009, and an FASD Learning Series, delivering 10 of the 21 sessions via videoconference to locations around Alberta and beyond. The remaining 11 sessions will take place in 2009-10. These opportunities support individuals affected by FASD across the lifespan and help them achieve their potential.
- Researched, in collaboration with University of Calgary experts, leading practices in FASD prevention, intervention and support. In four CFSAs, an FASD community of practice pilot project will help ensure better outcomes for children in care, foster children and their families. The Community of Practice tests new standards of care (called promising practices) for children affected with FASD. These promising practices work toward improved outcomes by providing more supports to the FASD affected children, their caregivers and the community.
- Launched provincial foster parent and Aboriginal caregiver recruitment campaigns, with posters, brochures, displays, websites, DVDs and other promotional materials that CFSAs and Delegated First Nation Agencies (DFNAs) can customize. From the October 2008 launch to the end of March 2009, the ministry approved 239 new foster homes and 159 new kinship care homes.
- Released the Foster Care Review Report in June 2008. All eight review recommendations were accepted. The Structured Analysis Family Evaluation (SAFE) model, which addresses three of the recommendations, will improve the quality and consistency of home studies used to evaluate prospective caregivers for foster care, kinship care, adoption and private guardianship. By the end of the fiscal year, 690 ministry and contracted agency staff had received SAFE home study model training.
- Implemented policies to assess new foster homes after six months, assess alternate caregivers and address exceptions to the maximum number of children placed in a foster home.

## Child and Family Services Authorities Highlights

- The Central Alberta CFSA worked with the North Central Alberta CFSA to share foster parent training via video conferencing, making mandatory foster parent training more accessible for foster parents across the province. This training opportunity was also extended to DFNA foster parents in central Alberta.
- In March 2009, a forum on Approaches and Solutions to Bullying Behaviour was held for the first time by the Edmonton and Area CFSA. The event was developed jointly by the Community Initiatives Against Family Violence - Bullying Prevention Project Team and CFSA staff. The forum was attended by professionals from health, education, children and youth services and law enforcement. It identified many successes, challenges, insights, gaps and opportunities for future collaboration among service providers.
- The Northwest Alberta CFSA established a second FASD network. Five new multi-partner agreements will receive funding and deliver programs in Grande Prairie, High Prairie, Grande Cache, Peace River and High Level (Mackenzie).

## Outcomes and Performance Measures

### Expected Outcomes:

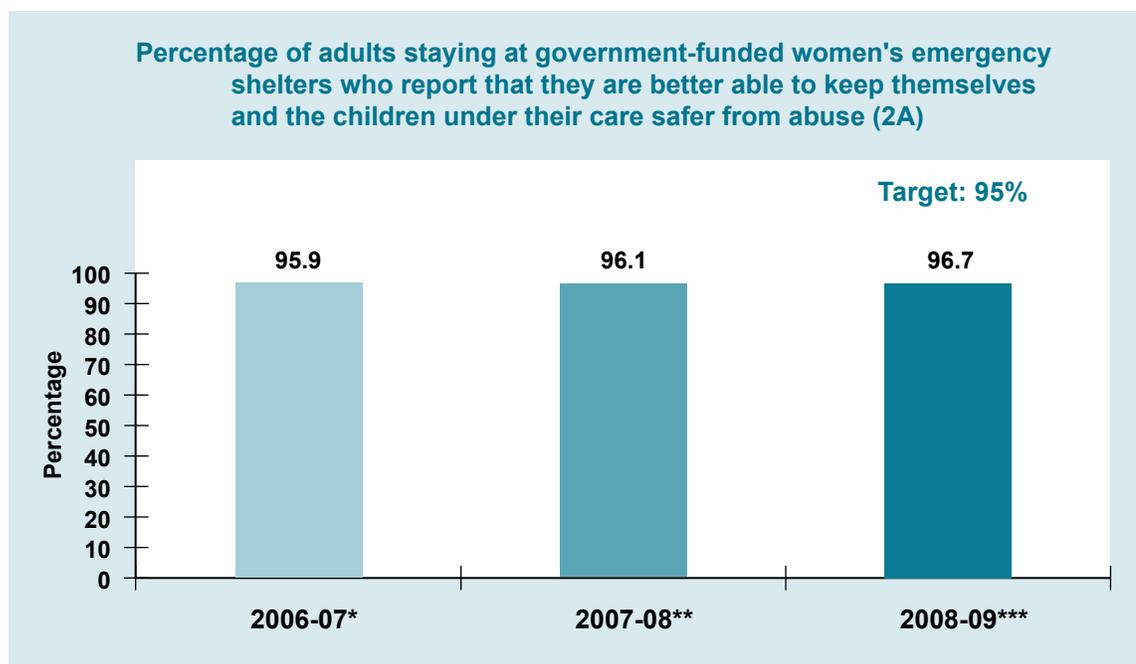
- Children, youth and families overcome at-risk circumstances.
- Children, youth and families are safe, healthy, resilient and self-reliant.

### PERFORMANCE MEASURE 2A

*Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse.*

Women's emergency shelters provide services and temporary safe places for families who are dealing with family violence to help them become safer and more self-reliant. This measure is based on a women's emergency shelter exit survey conducted between April 1, 2008 and March 31, 2009. It provides an indication of the extent to which shelter services have helped to lessen the vulnerability and reduce the future risk of abuse for women and their children who were shelter residents.

The result reported is in response to the question: "As a result of my shelter stay, I am more able to keep myself (and the children in my care) safer from abuse." The 2008-09 result of 96.7 per cent exceeded the target of 95 per cent.



Data Source: Women's Emergency Shelter Outcome Exit Survey, Alberta Children and Youth Services

\* Representing all government-funded women's emergency shelters (31). Some valid surveys may have been excluded in this calculation, as different versions of the survey were used by shelters in 2006-07.

\*\* Representing 25 of 31 government-funded women's emergency shelters for the period of April 1 to September 30, 2007.

\*\*\* Representing 29 of 31 government-funded women's emergency shelters for the period of April 1 to September 30, 2008.

## PERFORMANCE MEASURE 2B

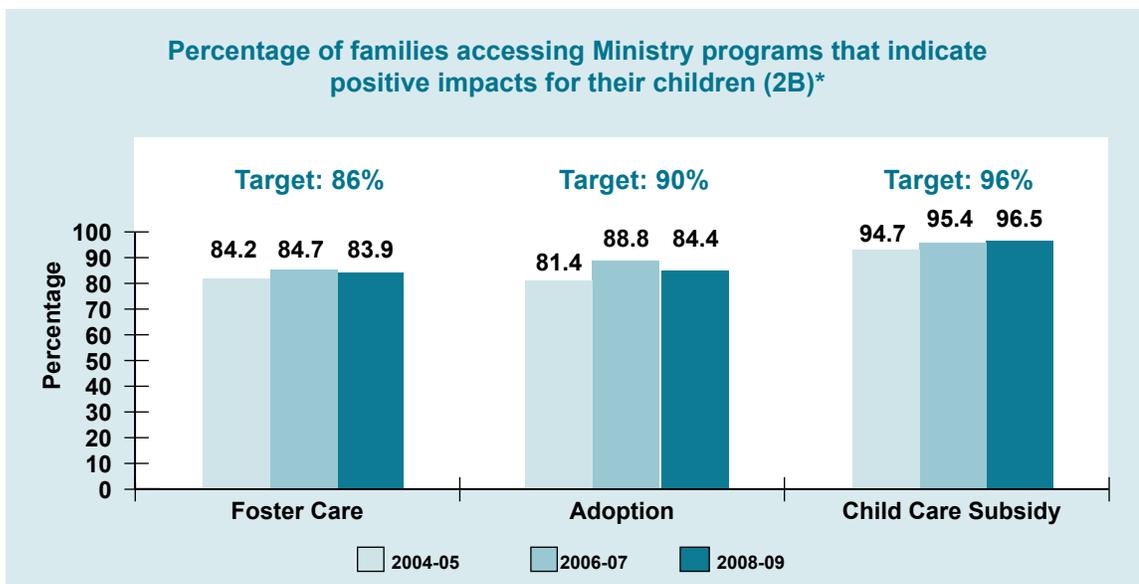
### *Percentage of families accessing ministry programs that indicate positive impacts for their children.*

Every two years, Children and Youth Services conducts satisfaction surveys of three key client groups: Albertans who access the foster care program, adoption program and/or child care subsidy program. Families are asked if ministry programs have had positive impacts on their children or the children in their care. The last surveys were conducted in 2008-09. The results for foster care, adoption and child care subsidy were 83.9 per cent, 84.4 per cent and 96.5 per cent, respectively.

Despite an increase in the percentage of foster parents satisfied with the services of the foster care program (84.9 per cent in 2008, compared to 82.4 per cent in 2006), the percentage indicating that the program had a positive impact on their foster child decreased slightly (83.9 per cent in 2008, compared to 84.7 per cent in 2006). This is a 0.8 per cent decrease over the 2006 results and falls 2.1 per cent short of the target of 86 per cent; however, the overall margin of error for the survey results was equal to +/- 2.1 per cent, 19 times out of 20.

The result of the measure for the adoption survey was 84.4 per cent, which is below the target of 90 per cent. The survey was considered to be accurate +/- 3.2 per cent, 19 times out of 20. The survey has been conducted four times. Results for this measure have varied from a low of 81.4 per cent in 2004-05 to a high of 88.8 per cent in 2006-07. This year's result is just slightly below the average of the results for the four surveys of 85.1 per cent. One of the main concerns adoptive parents noted in the survey this year was the length of time of the adoption process. Finding the right placement for each child is of the utmost importance and, depending on the circumstances, can take more time than some families expect. Adopting a child is about relationship building and the time taken to complete an adoption will vary on a child-by-child basis.

The result of the measure for the child care subsidy survey was 96.5 per cent, which exceeds the target of 96 per cent. Results are considered to be accurate +/- 5 percent, 19 times out of 20. Results for this measure have consistently increased each time the survey has been conducted (94 per cent in 2002-03, 94.7 per cent in 2004-05, and 95.4 per cent in 2006-07). The results indicate that service quality has not only continued at the same high level, it has indeed demonstrated increased success. The child care subsidy survey question was deleted from performance measure 2B in the 2009-12 ministry business plan and it will not be reported in future annual reports. The program is examining other performance measure options for the future.



Data Source: Foster Care Program, Adoption Program and Child Care Subsidy Program Surveys 2008-09, Alberta Children and Youth Services

Note: Surveys are conducted biennially by external survey firm.

\*Reviewed by Auditor General

**GOAL 3:**

## Children in need will be protected and supported by permanent, nurturing relationships

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### Strategies

- 3.1. Implement the Casework Practice Model, which will support the caseworker's ability to improve the safety and well-being of children, involve families and children in decision-making, assure quality services to promote children's development, shorten the time children spend in government care and unite children with their families or place them in other permanent, nurturing homes.
- 3.2. Continue to develop and maintain quality assurance mechanisms including the Appeal Secretariat and the Social Care Facilities Review Committee.
- 3.3. Implement legislative and practice changes to the Protection of Sexually Exploited Children program to ensure effective services for sexually exploited children and youth, and provide prevention education related to child sexual exploitation and new technologies.

### Accomplishments

- Completed provincial implementation of the Casework Practice Model in all 10 Child and Family Services Authorities (CFSAs). As of March 31, 2009, all 18 Delegated First Nation Agencies (DFNAs) were also using the Casework Practice Model.
- Consulted frontline staff, supervisors and administrative support from the CFSAs and DFNAs for expert input on the Intervention Services Information System training approach.
- Successfully recruited and oriented 10 new panel members to the Appeal Panels.
- Provided ongoing training and development to the Appeal Panels and the Social Care Facilities Review Committee (SCFRC) and established electronic systems (i.e., SharePoint) to assist panel members with their work.
- Established an Appeal Panel under the *Child Care Licensing Act*.
- Developed and delivered training about the Appeal Panels to Legal Representation for Children and Youth staff and CFSA staff.
- Tabled the SCFRC 2007-08 Annual Report in the Legislature on February 12, 2009.
- Provided ongoing support and training to the SCFRC Committee Members. Training topics included women's emergency shelters and Aboriginal children in care.
- Designed and implemented an assessment process for the evaluation of SCFRC Members. Completed assessments for the vice-chair and committee as a whole.

- Developed *Protection of Sexually Exploited Children Act (PSECA)* Program standards and distributed the new standards to CFSA and DFNA staff.
- Aligned practice under the PSECA Program with the Casework Practice Model (CWPM) and ensured program area needs will be integrated into the Intervention Services Information System.
- Developed and launched a targeted public awareness campaign in partnership with the Alberta Hotel and Lodging Association to educate hospitality industry staff about child sexual exploitation, the signs to watch for and what to do if they see something suspicious.
- Implemented the Voluntary Service Agreement Assessment to better assess children, youth and families receiving services under the *Protection of Sexually Exploited Children Act (PSECA)* Program.

## Child and Family Services Authorities Highlights

- In partnership with the Southeast Alberta CFSA, the Southwest Alberta CFSA established a shared CWPM resource staff position. This staff member provided CWPM casework expertise and additional training for caseworkers, and was a key liaison between the regions and the CWPM project team.
- The Southeast Alberta CFSA had continued success in finding permanent homes for children in care: 26 children had Adoption or Private Guardianship Orders granted, 12 more than its target. This is the second year in a row in which the region significantly exceeded its permanency targets.
- Building on the CWPM, the Calgary and Area CFSA embarked on Phase I of a three-phase project to create a fundamental shift in day-to-day business with contracted agencies, key stakeholders and staff. By focusing on outcomes-based service delivery and working with contracted-agencies more collaboratively, this project will ultimately yield better outcomes for children, youth and families receiving child intervention services.

## Outcomes and Performance Measures

### Expected outcomes:

- Children and youth in need are protected from further abuse and neglect.
- Children and youth in care are placed in secure and stable environments that allow for the development of life-long relationships and connection to family, culture and community.

### PERFORMANCE MEASURE 3A

#### *Percentage of children who suffer injury that results in hospitalization or death while receiving protective services.*

This measure describes the proportion of children receiving child protective services who experience an injury that results in hospitalization<sup>3</sup> or in death, regardless of the type of injury (for example, accidental or self-inflicted injuries). Children and youth receiving child protective services may be in the care of their parents or the Director of the *Child, Youth and Family Enhancement Act*.

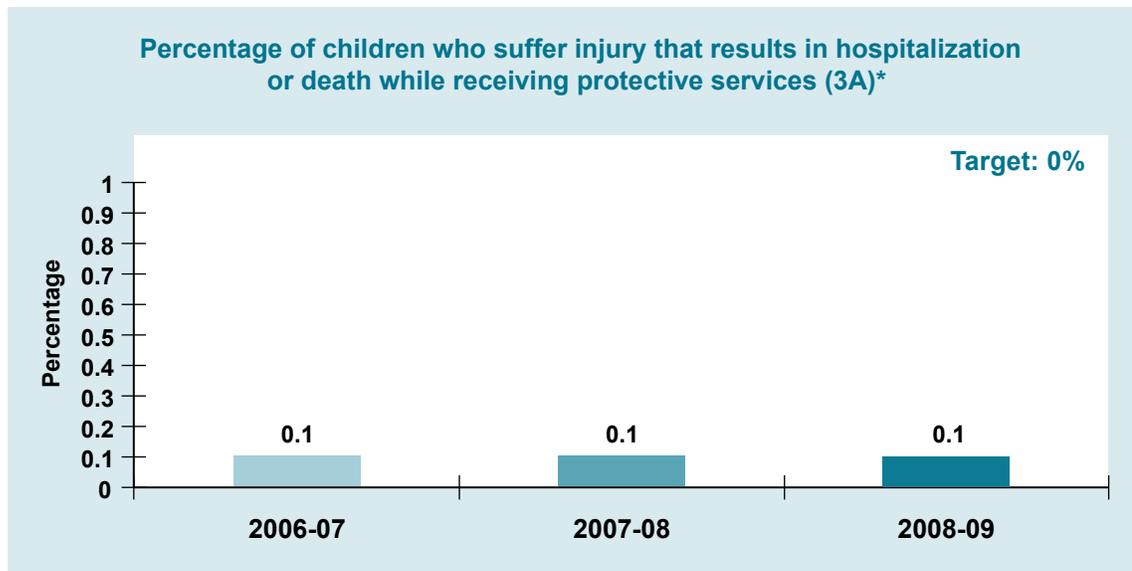
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<sup>3</sup>Hospitalization refers to a child who received medical intervention that required an overnight stay in a hospital.

The ministry has set the target at zero, the highest possible standard for practice, and is committed to continuous improvement to ensure children in care are safe. However, as every parent knows, despite our best efforts to protect our children, at times, they can still get hurt. In 2008-09, 0.1 per cent of children (11 children) suffered an injury that resulted in hospitalization or death while receiving protective services. Therefore, the target was not met and the result for this measure is similar to last year's. Four of the 11 children died. Two children died from an accidental drug overdose, one child died from an alleged assault, and the other death was a suicide. The remaining seven children required hospitalization from injuries caused by a motor vehicle accident (hit by a car), a stabbing, non-accidental trauma (suspected abusive head trauma, formerly known as shaken baby syndrome), a self-inflicted (non-suicidal) action, participation in a sports activity and two accidental drug overdoses. Of the children and youth who were hospitalized or died as the result of a serious injury, four of the injured and all four of the deaths were Aboriginal children.

In Canada, more children die annually from injuries than from all childhood diseases combined. Falls are the number one cause of child injury in the general child population and motor vehicle collisions are the leading cause of child deaths caused by injuries. For youth between the ages of 15 and 19, self-inflicted injuries are the second highest reason for hospital admissions<sup>4</sup>. Overall, the ministry's results for this measure are better than those of the general child population in Alberta (0.77 per cent)<sup>5</sup>.

The ministry continues to take actions to improve results for this measure. Recommendations from each special case review, conducted as a result of a serious injury or death of a child in the care of the Director, are implemented and may result in changes to policy or practice.



Data Source: Child Youth Information Module (CYIM), Alberta Children and Youth Services

\*Reviewed by Auditor General

<sup>4</sup>Alberta Centre for Injury Control and Research, Children and Youth Injuries in Alberta.

<sup>5</sup>Compared to statistics gathered from Alberta Health and Wellness, Alberta Centre for Injury Control and Research, Injury database. Unpublished.

### PERFORMANCE MEASURE 3B

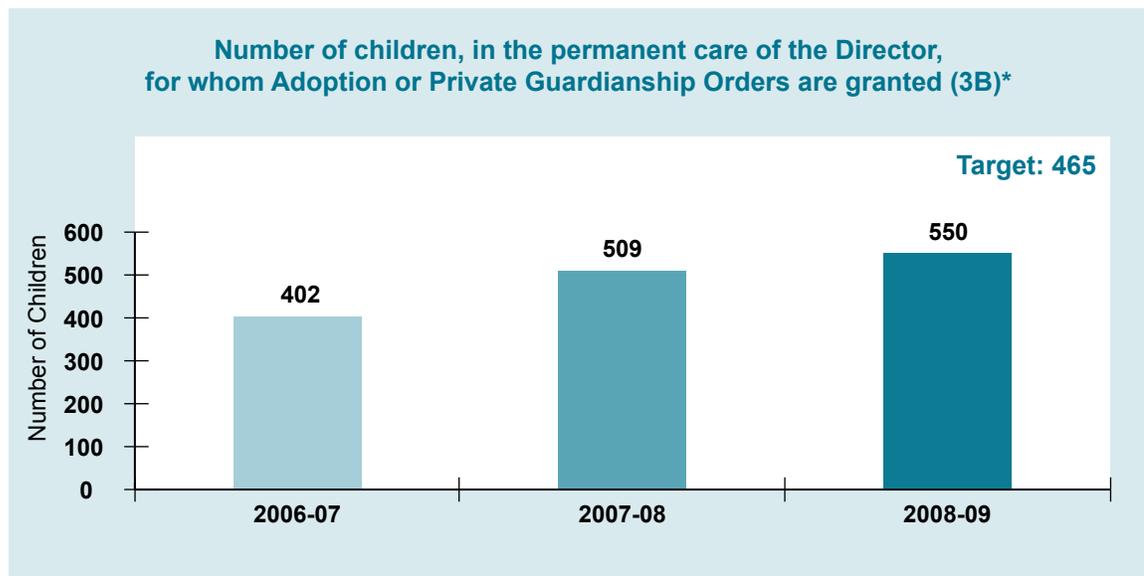
#### *Number of children, in the permanent care<sup>6</sup> of the Director, for whom Adoption or Private Guardianship Orders are granted.*

All children have a right to a loving and nurturing home environment and a right to belong to a family. The *Child, Youth and Family Enhancement Act* places emphasis on securing a permanent family placement for children and youth who are not able to return to their parents' care by encouraging early and ongoing planning for adoption or private guardianship.

Engaging with families and supporting them to meet their needs is a focus of intervention services. There are, however, situations where it becomes necessary to remove children from their natural family to ensure their safety and well-being. Although reunification with the natural family is always the desired outcome, there are circumstances that prevent this from occurring for some children.

When a child is unable to return to the natural family, alternative permanent homes are sought. The permanency plan and placement options vary depending upon the unique needs of each child. This performance measure is an indicator of the ministry's ability to place children who are in the permanent care of the Director of the *Child, Youth and Family Enhancement Act* into stable, long-term, adoptive or private guardianship homes.

In 2008-09, 550 children were placed in permanent homes, exceeding the target of 465. Of these, 332 were by Adoption Orders and 218 were by Private Guardianship Orders.



Data Source: Child Youth Information Module (CYIM), Alberta Children and Youth Services

Note: This measure has been restated for 2008-09, combining the totals for Adoption and Private Guardianship Orders. Previous years' results have been restated as well to provide comparability.

\*Reviewed by Auditor General

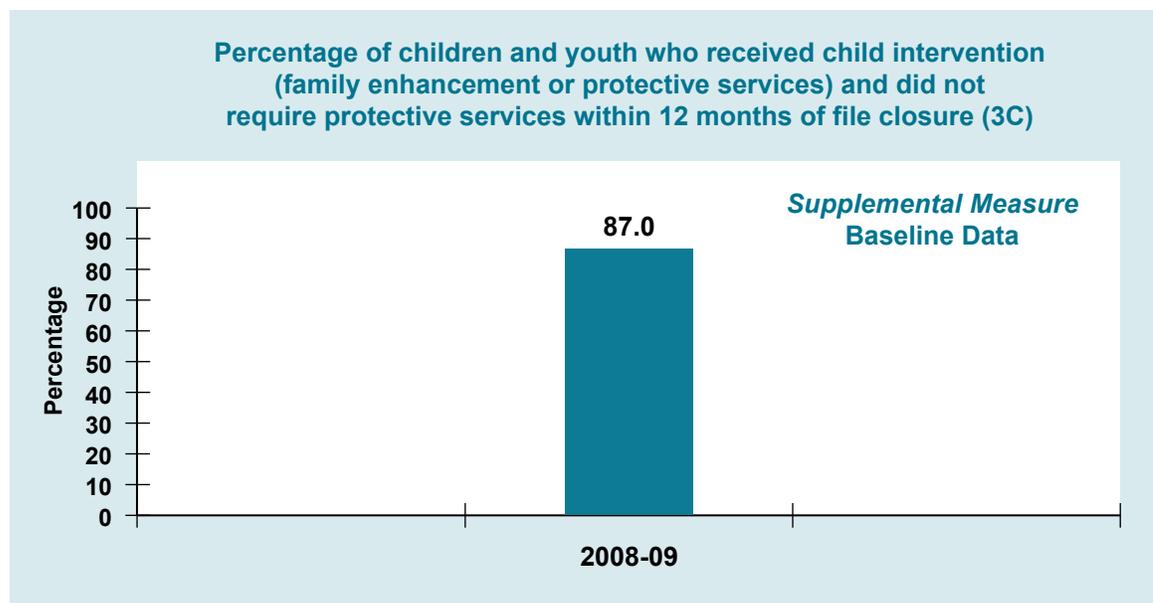
<sup>6</sup> Permanent care refers to children in the following legal authorities under the *Child, Youth and Family Enhancement Act*: Permanent Guardianship Orders, Permanent Guardianship Agreements.

### SUPPLEMENTAL PERFORMANCE MEASURE 3C

*Percentage of children and youth who received child intervention (family enhancement or protective services) and did not require protective services within 12 months of file closure.*

This measure is based on one of the 10 indicators in the Canadian National Child Welfare Outcomes Indicator Matrix and is being reported on for the first time. This measure describes the proportion of children who did not require child protection services within 12 months after their child intervention file closure. A child intervention file closure refers to the termination of either family enhancement or child protection supports. This is a replacement for the measure of repeat child maltreatment, which was last reported in the 2007-08 annual report.

The baseline data established this year reveals that 87 per cent of children and youth who received child intervention services did not require protective services within 12 months of file closure.

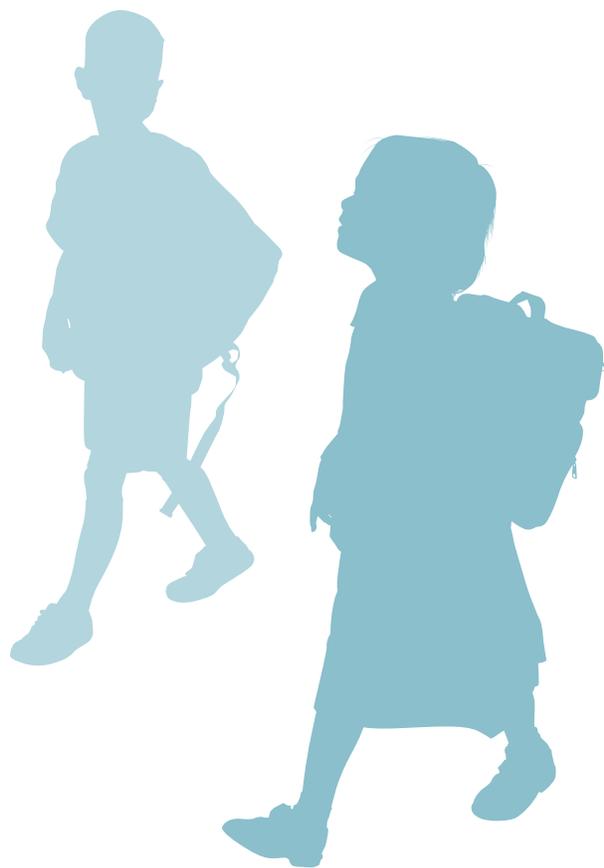


Data Source: Child Youth Information Module (CYIM), Alberta Children and Youth Services



# Core Business Three:

Promoting healthy communities for children, youth and families



**GOAL 4:**

## The well-being and self-reliance of Aboriginal children, youth, families and communities will be promoted and supported.

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### Strategies

- 4.1. Enhance accountability reporting on program and service delivery through Delegated First Nation Agencies.
- 4.2. Work with Métis Settlements, Region 10 Child and Family Services Authority and Métis Nation of Alberta Association to better meet the needs of Métis children, youth and families.
- 4.3. Provide opportunities for ongoing dialogue and collaboration between Child and Family Services Authorities and Delegated First Nation Agencies to address common issues related to meeting the needs of Aboriginal children, youth and families, including a focus on promoting permanency.
- 4.4. Support Delegated First Nation Agencies to implement enhanced services, in alignment with the Casework Practice Model, which are culturally appropriate and meet the needs of children, youth and families living on First Nations reserves.
- 4.5. Continue to support the increase of involvement of Métis and non-status Aboriginals in the delivery of social service programs through the provision of educational assistance in the form of a bursary.

### Accomplishments

- Negotiated the renewal of all Delegated First Nation Agencies (DFNA) agreements.
- Worked with the DFNAs to coordinate file reviews and to create work plans based on the findings.
- Established quarterly meetings with DFNAs and Indian and Northern Affairs Canada to review business plans, highlight successes and best practices and identify areas that require further attention.
- Ensured DFNA staff received training for the Infomart data system, enabling all staff to access reports, thus promoting greater accountability through enhanced supervision and reporting between all levels of staff and the DFNA Boards.
- Entered into a sub-agreement with the Métis Nation of Alberta Association to fund services to Métis children and families that are consistent with the ministry's business plan and priorities. The agreement led to:
  - meetings with Child and Family Services Authority (CFSA) staff to improve their understanding of Métis culture;
  - increased focus on permanency planning for Métis children and youth;
  - a recruitment strategy for Métis foster and kinship homes; and
  - Métis genealogy services for Métis children and youth receiving child intervention services.

- Completed 449 Métis permanency and cultural planning file reviews. A final report will highlight best practices and provide each CFSA with regional recommendations for Métis-specific policy and practices.
- Consulted with Elders to learn more about how to approach culturally appropriate placements. Planned permanency and placement strategies for Aboriginal children and youth.
- Enhanced collaboration and ongoing dialogue between CSAs and DFNAs by successfully collaborating with a Provincial Aboriginal Committee to develop and implement the provincial Foster Parent and Aboriginal Caregiver recruitment campaign.
- Provided ongoing strategic and operational support to DFNAs to implement new family enhancement funding on reserves and to improve recruitment and training of family enhancement caseworkers.
- Enrolled 18 full-time and three part-time students for post-secondary education in the social services field through the Métis and Non-Status Bursary Program for 2008-09. Funding is available to students for three years per program of study to a maximum of eight years. The bursary program may provide up to \$19,200 for full-time applicants.
- Supported the Minister's participation in a meeting of Ministers from British Columbia, Alberta, Saskatchewan and Manitoba on September 29-30, 2008 in Banff to discuss Aboriginal child welfare issues. Ministers agreed to continue collaboration on the development of a best practices inventory for supporting Aboriginal children, youth and families living in urban areas. A follow-up meeting was held by Western Deputy Ministers to discuss implementation of Jordan's Principle, early intervention and prevention initiatives on-reserve, issues management in child welfare systems and child advocacy. Both groups have planned future meetings.

## Child and Family Services Authorities Highlights

- The Central Alberta CFSA offered a parenting skills program three times on Sunchild First Nation. The program offered training to all families on-reserve and was an early intervention option for families with child protection concerns.
- The North Central Alberta CFSA used videoconferencing technology to reach out to Aboriginal leaders and Elders in the region. This technology helped the region gain valuable insight into First Nations' priorities and learn more about working together to better meet the needs of Aboriginal children, youth and families.
- The Northeast Alberta CFSA implemented recommendations of the Aboriginal Permanency Planning Initiative - Moving Forward Report to enhance permanency and maintain cultural connections for Aboriginal children and youth in care.
- The Edmonton and Area CFSA focused on increasing the number of children and youth living in kinship care placements, which resulted in a total of 186 Aboriginal children and youth living in kinship care placements in 2008-09, compared to 123 in 2007-08, an increase of 51 per cent.

## Outcomes and Performance Measures

### Expected outcomes:

- Aboriginal communities have increased support to help meet the needs of their children, youth and families.
- There are a reduced number of Aboriginal children represented in the child intervention caseload.
- Aboriginal children, youth and families receive culturally appropriate services.

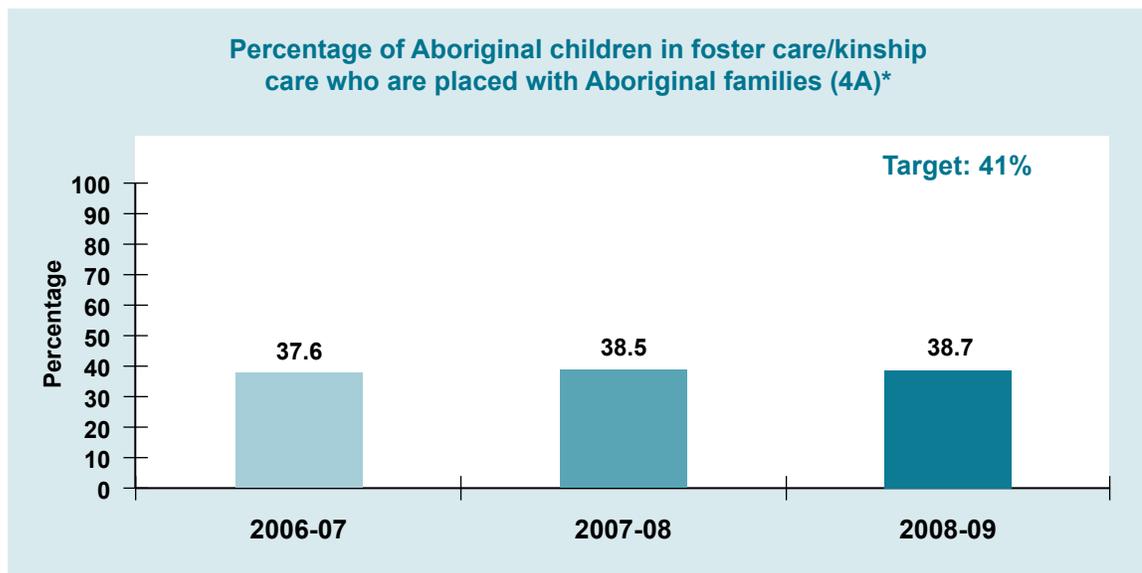
## PERFORMANCE MEASURE 4A

### *Percentage of Aboriginal children in foster care/kinship care who are placed<sup>7</sup> with Aboriginal families.<sup>8</sup>*

This measure is an indicator of Aboriginal children and youth receiving culturally appropriate services, through foster care or kinship care (with extended family members or others who have a significant relationship with the child).

In 2008-09, 38.7 per cent of Aboriginal children in foster care or kinship care were placed with Aboriginal families. This result falls slightly below the target of 41 per cent; however, results have been gradually improving since 2005-06.

Several factors may have influenced the result this year. For instance, the number of foster homes has been declining over the last three years. Foster parents are committed to the care and nurturing of children, and many have adopted the children in their home and are no longer interested in fostering. In addition, foster parents are aging and retiring from their employment as well as from fostering. However, at the same time, the number of kinship care homes has increased over the last three years. Kinship care is often the preferred option for placement, particularly for Aboriginal families, given the pre-existing relationship between the child and caregiver. The ministry has invested in an ongoing provincial recruitment campaign for additional foster parents and Aboriginal caregivers.



Data Source: Child Youth Information Module (CYIM), Alberta Children and Youth Services

\*Reviewed by Auditor General

<sup>7</sup>Placement refers to the primary location (parental or extended family home, adoptive home, foster home, group home or treatment centre) in which a child or youth receiving intervention services resides. Placements can range from one day to an indefinite period of time.

<sup>8</sup>The data source used for this measure provides information on a child's racial origin. Approximately 5.9 per cent of 2008-09 child protection cases in the CYIM did not specify racial origin. Therefore, these results may not include all Aboriginal children receiving child protection services. For this measure, a foster or kinship care family is determined to be Aboriginal when the foster care home is denoted as Aboriginal or the caregiver's racial origin is identified as Aboriginal in CYIM. For approximately 10.6 per cent of foster homes in 2008-09, it was not known if the foster care family is Aboriginal or non-Aboriginal. Therefore, the percentage of Aboriginal children in foster care who are placed with Aboriginal families may be slightly different than reported.

**GOAL 5:**

## Communities will have the capacity for shared planning and delivery of services that promote the well-being of children, youth and families

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### Strategies

- 5.1. Strengthen the provision of strategic leadership to cross-ministry work that supports children and youth in becoming caring, contributing and self-reliant citizens.
- 5.2. Develop and enhance the capacity of Child and Family Services Authority Boards to effectively govern the regional authorities.
- 5.3. Promote policy-relevant research and effective practices to improve the outcomes for children, youth, families and communities through collaboration with cross-jurisdictional partners, national partners, universities, other ministries, the community and the Alberta Centre for Child, Family and Community Research.
- 5.4. Implement the Child and Youth Data Laboratory under the Alberta Centre for Child, Family and Community Research's management and in collaboration with cross-ministry partners to provide government programs, service providers and researchers with improved capacity to access and use information for research, analysis and decision-making.
- 5.5. Support the continuing operations of Alberta's Promise, a public-private partnership dedicated to finding unrealized resources leading to new and better ways of working together to give children the opportunity to lead happy, healthy and successful lives.
- 5.6. Support community engagement strategies to enhance collaborative, coordinated responses to family violence and bullying, including the Community Incentive Fund.
- 5.7. Facilitate, promote and recognize youth engagement by supporting youth forums, youth networks and youth consultations.
- 5.8. Support the work of the Youth Secretariat and Youth Advisory Panel to identify and address issues facing youth.
- 5.9. Build a research network of international, national and provincial partners to help provide an evidence base for Alberta's prevention of family violence and bullying policy and program development.

## Accomplishments

- In collaboration with nine participating ministries, established a new structure for the Alberta Children and Youth Initiative. This new approach is designed to be less formal, more flexible and driven by policy issues affecting children and youth.
- Provided governance and executive support to the Child and Family Services Authorities (CFSA) Assembly of Co-chairs and its committees and managed a successful recruitment process for new board members. New appointments and reappointments were made to all three Appeal Panels, the Social Care Facilities Review Committee and the 10 CFSAs. Aboriginal representation on the CFSA Boards has been achieved, as each board has at least one Aboriginal Co-chair. Provincial orientations for new board members and co-chairs, the Board Leadership Conference for CFSA Boards and region-specific workshops have all contributed to the increased skill level of CFSA Board Members.
- Revised the CFSA Board Assessment Guide and distributed it to all regions to assess co-chairs, individual board members and the boards as a whole.
- Compiled an Aboriginal initiatives inventory and facilitated conversations with the CFSA Assembly of Co-chairs and ministry Senior Management Team on an Aboriginal framework for improved services for Aboriginal people and communities.
- Worked with ministry agencies and the Governance Secretariat to ensure ministry compliance with the Government of Alberta Governance Framework.
- Collaborated with stakeholders to create a model and develop an evaluation plan for outcomes-based service delivery to transform business relationships with contracted social service agencies to improve outcomes for at-risk children, youth and families.
- Published and implemented the ministry's first research plan, which is available to researchers and stakeholders on the Alberta Centre for Child, Family and Community Research (ACCFCR) website ([www.research4children.com](http://www.research4children.com)). The research plan identifies nine major research priorities and helps to ensure that the ministry's research investments result in the development of information that is directly relevant to policy and practice.
- Collaborated with the ACCFCR and nine provincial government ministries to develop the procurement process for the Crosswalk component of the Child and Youth Data Laboratory (CYDL). Crosswalk is the process of linking provincial ministry data and transmitting it to the CYDL for analysis and reporting. The CYDL, the first data-linking research initiative in the world to focus exclusively on children and youth, will substantially advance our understanding of the impact of government policies and programs on child health and well-being.
- Promoted evaluation practices that enhance the ministry's capacity to assess the effectiveness of service delivery. Led and supported major internal and cross-ministry evaluations that support evidence-based decision-making and determine the extent to which outcomes for children, youth and families have improved.
- Received commitments from 1,164 Alberta's Promise Partners to renew their investments in Alberta's children and youth until 2013. From 2003 to 2009, Alberta's Promise funding partners together invested more than \$250 million in child and youth charities across the province.
- Delivered five rural professional development workshops (Fort McMurray, Grande Prairie, Jasper, Camrose, Lethbridge) to 80 not-for-profit agency partners to help them build sustainability.

- Provided more than \$2 million to 12 communities so they could offer community grants that support local agencies (Victims Supports) delivering a coordinated, collaborative response to victims of family violence and bullying.
- Developed six victim support and outreach pilot projects specifically for Aboriginal and immigrant children, youth and families.
- During Family Violence Prevention Month, celebrated youth who participated in The Art of Peace Challenge, which invited youth between the ages of 14 and 20 to create artistic works that motivate Albertans to help those affected by family violence or bullying. Participating youth shared their perspectives through dance, film and video, music, literary compositions, theatre, visual art or a multidisciplinary approach. Advisors, family members, professional artists and government officials honoured The Art of Peace Challenge award recipients and their artistic work at a showcase in Edmonton on November 15, 2008.
- Supported Youth Engagement in CFSA's. Approximately 800 youth participated in regional youth engagement activities. Two of those youth joined the Child and Youth Advocate Review Committee, and their input became part of the final report and recommendations.
- Recruited nine new members to Alberta's Prevention of Bullying Youth Committee, bringing the membership to 18. The nine new members increased the diversity of the committee and enhanced provincial coverage. The committee provided input into the government's bullying and prevention strategy as well as feedback about how to enhance Alberta's bullying prevention websites to effectively reach children and youth. The members also began to engage children, youth and adults at a local level (in partnership with community stakeholders) to begin new bullying prevention activities.
- Recruited 18 youth to the Youth Advisory Panel, ensuring representation from youth in care; rural, urban, Métis, Aboriginal and immigrant communities; and each CFSA. The panel offered advice to the government about:
  - Alberta Education's Health Curriculum;
  - Inspiring Education: A Dialogue with Albertans;
  - the Alberta Mentoring Partnership's social marketing campaign; and
  - youth homelessness.
- With the Interdepartmental Committee on Family Violence and Bullying, drafted a performance measurement framework for the Prevention of Family Violence and Bullying Initiative to monitor its success and long-term impact, and for ongoing accountability.
- Informed policy and research by developing a research and evaluation inventory of priorities implemented within the Prevention of Family Violence and Bullying Initiative.
- Established committees and working groups and hosted meetings with national partners to expand the evidence base for policy and program development of Alberta's Prevention of Family Violence and Bullying Initiative. The University of Calgary appointed the Executive Director of the Prevention of Family Violence and Bullying Division to the advisory committee for the new Brenda Strafford Chair in the Prevention of Domestic Violence. Alberta was also nominated for a two-year term as co-chair of the Federal/Provincial/Territorial Family Violence Initiative Working Group with the Public Health Agency of Canada.

## Child and Family Services Authorities Highlights

- The Southeast Alberta CFSA held a one-day youth forum: Open Your Eyes - Open Your Mouth - Change the World, in February 2009. The forum brought together teachers, community and agency representatives, RCMP members, other groups and 140 Grade 7 to 12 students. It provided information about existing community services within Brooks and the surrounding area, created a forum for discussion on community issues and asked youth for input about ways to improve the community.
- Signatories to the East Central Alberta CFSA Partnering Agreement - which included regional senior staff from Health and Wellness, Persons with Developmental Disabilities Program, Children and Youth Services and local school divisions - met in March to re-confirm their commitment to a strong collaborative approach to improving responses to children, youth and families who access more than one service system. A parent of a child with disabilities described the challenges she encountered dealing with multiple service systems from her child's prenatal to teenage years.
- The Northwest Alberta CFSA helped develop formal youth councils in local communities. These councils assist town administrators solve youth issues. They also work with the CFSA and offer developmental opportunities for youth.
- In February 2009, the Métis Settlements CFSA staff, along with the Youth Network leadership team, planned and held a High Prairie youth forum with 91 youth attending. Workshops focused on teen pregnancy, suicide, bullying, gang involvement, racism, and career planning. Special guests included the Hobbema and the High Prairie Youth Cadets and representatives from the Métis Settlements General Council. On the final day, youth told members of the Métis Settlements CFSA Board of Directors what they had learned and how the forum affected them.

## Outcomes and Performance Measures

### Expected outcomes:

- Communities are responsive to issues/needs faced by children, youth and families.
- Children, youth and families participate in decisions that affect them.

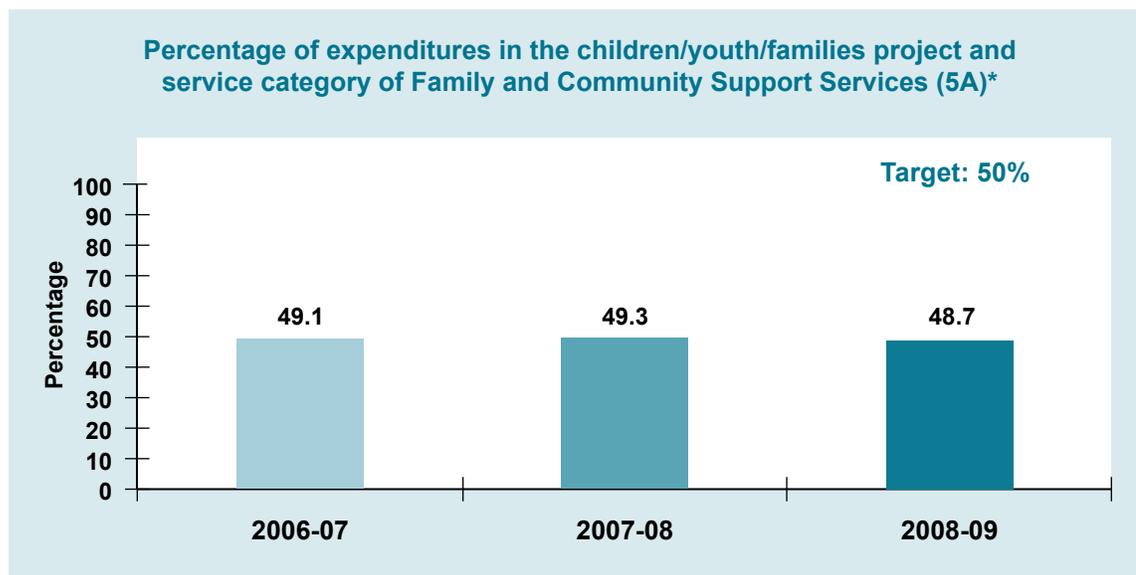
### PERFORMANCE MEASURE 5A

#### *Percentage of expenditures in the children/youth/families project and service category of Family and Community Support Services.*

The ministry, participating municipalities and Métis Settlements jointly fund preventive social programs through Family and Community Support Services (FCSS) that serve all ages groups, including seniors. Programs and services provided by FCSS help ensure that Alberta's children and families have access to a strong network of prevention supports before there is a need for crisis intervention.

The project and service categories for children, youth and families received 48.7 per cent of the expenditures (Section 2, Category A and B, of the Annual FCSS Program Report). This result was slightly below the 2008-09 target of 50 per cent. The 2008-09 result is based on the 2007 Overview Report, as highlighted in the graph, and has been expanded this year to include expenditures in the family category. Due to this change, the results for 2008-09 are significantly different than previous years. However, to provide comparability, previous results have been restated to include the family project and service category.

Local autonomy is a key FCSS Program principle. Since each participating municipality or Métis Settlement determines how best to allocate its funding to serve community needs, some fluctuation in meeting the projected target is expected. The result represents expenditures of \$50.1 million in the children/youth/families category in 2007. Expenditures reported in all FCSS projects and service categories totalled \$102.8 million (Children and Youth Services contributed \$65.7 million, and municipalities, Métis Settlements and other revenue sources contributed \$37.1 million).



Data Source: Annual FCSS program reports, Alberta Children and Youth Services

Data for this measure are collected by calendar year and are formally reported in the next fiscal year.

Note: This measure has been restated for 2008-09 to include the expenditures under the families project and service category.

The 2006-07 and 2007-08 results have been restated as well to provide comparability.

\*Reviewed by Auditor General

## PERFORMANCE MEASURE 5B

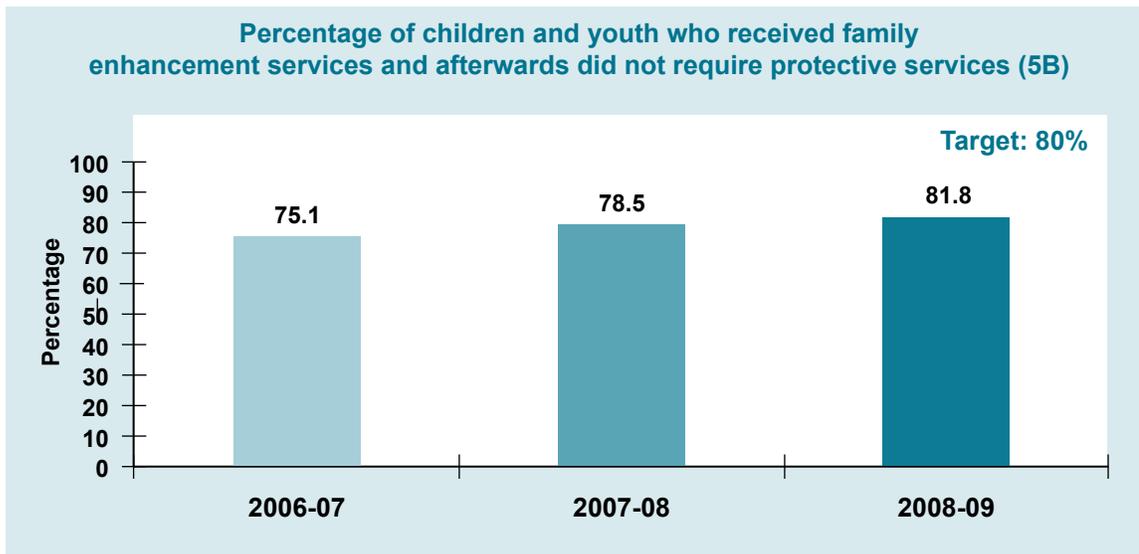
***Percentage of children and youth who received family enhancement services and afterwards did not require protective services.***

This measure addresses the differential response outlined in the *Child, Youth and Family Enhancement Act*. When a family is willing and believes it has the capacity to address identified concerns, short-term, solution-focused intervention can be less disruptive. Differential response (family enhancement versus protective services) allows the ministry to provide these less disruptive family enhancement services. The intent of family enhancement services is to provide short-term intensive supports to children, youth and families before situations become high-risk, and to connect families to community-based services for ongoing supports. This intervention approach decreases the likelihood of protective services being needed in the future.

Children who may be in need of intervention services are identified from concerns raised by the community. Additionally, families who recognize they need some assistance may self-refer to a regional CFSA or DFNA. Additional information is gathered to assess the current situation and plan for how best to address the concern. This measure reflects the number of children whose needs were met through family enhancement services and who did not subsequently require child protection services.

In 2008-09, 81.8 per cent of families who received family enhancement services did not require child protection services within one year. This result exceeds the target of 80 per cent and has increased from 2007-08 by more than three per cent.

The ministry has implemented the new Casework Practice Model (CWPM) province-wide. The CWPM is built on leading practices and focuses on assessing, collaborating and providing the right services to children, youth and families at the right time. Building on the foundation of the *Child, Youth and Family Enhancement Act*, the CWPM supports intervening earlier in a case and focusing on family strengths during assessment.



Data Source: Child Youth Information Module (CYIM), Alberta Children and Youth Services

## Ministry-wide Corporate Objectives:

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The ministry-wide corporate objectives support goal achievement across all three core businesses. The Ministry Support Services Division provides strategic and operational support for policy and program development and service delivery and for the Ministry as well as support services to our community-based regional delivery system. The division coordinates and provides the ministry support services in the matters of: planning, reporting, measurement, human resource and financial management, assurance and advisory services, information management and technology, legal services and intergovernmental initiatives. Children and Youth Services corporate objectives are to:

### Strategies

1. Support decision-making, corporate policy development, accountability, strategic planning and effective implementation of the ministry Business Plan goals.
2. Provide human resource strategies to ensure there is organizational capacity to meet service delivery requirements and to enhance organizational effectiveness including workplace health initiatives.
3. Identify and evaluate risks and/or safeguard resources, recommend improvements and assess if opportunities exist to improve business capacity, reduce administrative effort or costs.
4. Develop and implement leading edge strategic financial and accounting policies and practices, re-engineer budget planning, forecasting and reporting, and implement internal controls that enhance accountability, decision-making and use of financial resources, including transparency of Departmental grants.
5. Develop and implement technologies and management strategies for better accountability and collaboration, through a focus on information as a key ministry asset requiring secure, accessible, innovative, dependable and adaptable service delivery and support.
6. Develop strategies and capacity to support the ministry's requirement for legal services, identify legal risks and respond to legal issues, legislative needs and requirements for legislative development.
7. Provide leadership on international, national and interprovincial initiatives that address the safety, well-being and development of children, youth and families and promote women's issues.

## Corporate Strategy Outcomes

- Completed one of the ministry's most inclusive processes to date for stakeholder engagement and input to the ministry's business plan. The process included meetings with the CFSA Assembly of Co-chairs, department directors and managers, the FCSS Association of Alberta (FCSSAA), FCSS regions and DFNAs.
- Implemented strategies to ensure the ministry has the organizational capacity to meet service delivery requirements and workplace health initiatives. Enhanced the department's employee program and introduced flexible and alternate work options. A Caseworker Intern Program resulted in the successful recruitment of 22 full-time caseworker interns. The program included career fairs and out-of-province recruitment initiatives, which targeted northern and hard-to-recruit areas.
- Strengthened the ministry's capacity for business continuity and consequence management by updating department and CFSA business continuity plans, facility emergency response plans and consequence management and disaster recovery plans. Launched web-based information resources to provide information to staff on emergency planning and preparedness and training to the department and CFSA business continuity planning teams.
- Developed and implemented leading-edge strategic financial and accounting policies and practices, evaluated and made recommendations for improvement to the ministry's resource allocation framework, collaborated with stakeholders to develop strategies for outcomes-based service delivery, enhanced executive forecast reporting and implemented a monthly forecasting process.
- Developed and implemented technologies and management strategies for better accountability and collaboration, focusing on information as a key ministry asset which requires secure, accessible, innovative, dependable and adaptable service delivery and support.
- Continued to adapt new cross-ministry software to incorporate ministry business needs and processes and worked with the Office of Official Statistics and Information (OSI) to improve Government of Alberta access to standardized statistical information. Provided Official Statistics Fact Sheets for inclusion into the OSI's data repository, Datalink.
- Worked with Indian and Northern Affairs Canada to enhance on-reserve social services for First Nations in Alberta, including a women's emergency shelter and family enhancement services for children, youth and families under the jurisdiction of the *Child, Youth and Family Enhancement Act*. This is the first in Canada and the model is now being adopted by other jurisdictions.
- Supported senior and elected officials' participation in the National Aboriginal Women's Summit; Western Ministers' and Deputy Ministers' Meetings on Aboriginal Issues; Women in Non-Traditional Occupations (CCWEST) meeting; Western Minister and Deputy Minister Retreat; and ministerial missions to China and New York City.

# Financial Analysis

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## RESULTS OF OPERATIONS

The Ministry of Children and Youth Services managed its expenses within the 2008-09 authorized budget of \$1.1 billion, ending the year with a surplus of \$6.1 million, or 0.6 per cent.

In 2008-09, the ministry's total spending increased by \$110.9 million, or 11 per cent, compared to the previous year. This is consistent with the approved budget increase in 2008-09 for the delivery of core programs.

## REVENUES

Consolidated revenue was \$404.1 million, \$26.3 million, or seven per cent, higher than budget. This is because the ministry's share of the federal government's Canada Social Transfers increased as the adjustment to prior years' estimates was positive and the entitlement rose as a result of growth in population.

The ministry's consolidated revenue was approximately \$67.6 million, or 20 per cent, higher than in the previous year. This reflects increases in transfers from the Government of Canada and the Alberta Lottery Fund, targeted to support social programs.

## EXPENSES

### Comparison of 2008-09 Budget to 2008-09 Actuals

#### Family Support for Children with Disabilities (FSCD)

The *Family Support for Children with Disabilities Act* ensures greater consistency in families' access to supports and services across the province, and it recognizes and respects the ability and responsibility of families as the primary source of care for their child. The FSCD Program provides a range of family-centred services to strengthen families' ability to promote their child's growth and development while enabling them to care for their child in the family home. The program assists with some of the extraordinary costs of raising a child with a disability.

Program expenses were \$12.8 million over-budget, which is attributable to increases in specialized services and out-of-home placements.

#### Child Care

The Child Care Program is intended to promote the development and well-being of children and to ensure that families have access to quality, affordable child care.

The child care budget was under-spent by \$19.2 million because fewer families than expected accessed the subsidies that were available. This occurred primarily because a higher proportion of the spaces were utilized by middle and upper-income families who do not qualify for subsidy. Eligibility is based on the family's total household income. Also, the program was under-spent because of a delay in the purchase and installation of modular units for school boards as the vendor was not able to complete the order before the end of the 2008-09 fiscal year. The surplus was used to offset cost pressures in programs such as Child Intervention and FSCD.

### **Fetal Alcohol Spectrum Disorder (FASD)**

The FASD Initiatives strengthen the capacity and self-reliance of communities to deliver services that support the well-being of families affected by FASD. The services, built on a foundation of stakeholder engagement, include awareness and prevention, assessment and diagnosis, supports for individuals and caregivers, and activities in the areas of research, strategic planning, training and education.

The under-expenditure of \$9.6 million in the FASD Program is primarily due to delaying 2008-09 approved grants to the 2009-10 fiscal year. This action was taken to align the FASD Network funding on a fiscal year basis (April to March) rather than on a calendar year basis (January to December). FASD is a leading cause of birth defects and subsequent lifelong disabilities. In 2008-09, five new FASD Networks were established as part of the Cross-Ministry 10-year FASD Strategic Plan, bringing the total number of Networks to 12. The Networks provide a comprehensive and coordinated response to individuals diagnosed with FASD symptoms by ensuring a full continuum of services to those individuals and their families.

### **Child Intervention Services**

The Child Intervention Service Program spending includes: Family Enhancement Services, Child Protection Services, Supports for Permanency and Early Intervention. **Family Enhancement** includes supports provided to assist the family in adequately caring for the child. **Protection** is defined specifically to include those services provided to a family when their child has entered out-of-home care or when the child is the subject of a supervision order. **Supports for Permanency** provides services to families who are providing permanent homes to children who were previously in the care of the Director. The **Early Intervention** Program mandate includes home visitations and parenting skills development.

The Child Intervention program experienced a \$14.2 million over-expenditure. The over-expenditure is primarily due to: additional resources provided to contracted agencies to hire and retain staff; ongoing success in finding more permanent homes which increased the Supports for Permanency costs; and resources required to finalize the implementation of the Casework Practice Model.

## Community Initiatives

The program is intended to strengthen the capacity and self-reliance of communities for shared planning and delivery of services to meet the needs of children, youth and families.

The program recorded an under-expenditure of \$1.4 million due to delay in implementing some initiatives and cost reduction strategies implemented to help with pressures in other priority areas.

## Prevention of Family Violence and Bullying

The program is intended to prevent family violence and bullying and support those affected by it. Funding is provided to women's emergency shelters; programming in two second-stage housing projects and three First Nations shelters; sexual assault centres; community-based family violence and bullying initiatives; and provincial public awareness and education initiatives.

Program expenses were approximately \$1 million under-budget due to various cost reduction strategies implemented to help with pressures in other priority areas. This was partially offset by funding provided for 79 additional beds in highly utilized women's emergency shelters across Alberta.

## Amortization Expense

An under-expenditure of \$1.5 million occurred because a significant portion of Intervention Services Information System (ISIS) is still considered to be work-in-progress and cannot be amortized in 2008-09.

## Comparison of 2008-09 Expenses by Core Business

<b>Core Business</b>	<b>2008-09 Authorized Budget (\$000)</b>	<b>2008-09 Actuals (\$000)</b>	<b>2007-08 Actuals (Restated) (\$000)</b>
1. Promoting the development and well-being of children, youth and families.	465,957	448,939	364,508
2. Keeping children, youth and families safe and protected.	548,823	563,265	528,015
3. Promoting healthy communities for children, youth and families.	17,284	15,508	16,072
<b>TOTAL MINISTRY EXPENSE ***</b>	<b>1,032,064</b>	<b>1,027,712</b>	<b>908,595</b>

\*\*\* The amounts do not include Equipment/Inventory Purchases, Ministry or Program Support and Statutory expenses.

## Comparison of 2008-09 Budget to 2008-09 Comparable Actuals

- **Core Business 1:**

**Promoting the development and well-being of children, youth and families**

Actual spending for Core Business 1, which represents 44 per cent of the total core business expenses, was \$17 million lower than the budget due to less-than-anticipated expenditures incurred in Child Care, FASD Initiatives and Prevention of Family Violence and Bullying.

A **Child Care** surplus resulted because fewer families than expected accessed the subsidies available; and also due to the delay in the purchase and installation of modulars for school boards.

The unexpended fund in the **FASD** Program was primarily due to realigning the provision of grant funding for the FASD Networks with the fiscal year term.

**Prevention of Family Violence and Bullying** was under-budget due to various cost reduction strategies implemented to help with pressures in other priority areas.

The surplus in Core Business 1 was partially offset by an over-expenditure in **Family Support for Children with Disabilities** due to increases in specialized services and out-of-home placements.

- **Core Business 2: Keeping children, youth and families safe and protected**

Actual spending for Core Business 2 which represents 54 per cent of total core business expenses, was \$14.4 million higher than budget. This was primarily due to higher expenses in the **Child Intervention** Program as additional resources were provided to contracted agencies to hire and retain staff; on-going success in finding more permanent homes which increased the Supports for Permanency costs; and resources required to finalize the implementation of the Casework Practice Model.

- **Core Business 3: Promoting healthy communities for children, youth and families**

Actual spending for Core Business 3, which represents two per cent of total core business expenses, was \$1.7 million less than budget due to delays in implementing some initiatives and cost reduction strategies implemented to help with pressures in other priority areas.

## Comparison of 2008-09 Actuals to 2007-08 Comparable Actuals

- **Core Business 1:**

- Promoting the development and well-being of children, youth and families**

The increase of \$84.4 million in expenses for Core Business 1 is primarily due to higher spending in Child Care, Family Support for Children with Disabilities; Family and Community Support Services; Prevention of Family Violence and Bullying; Parenting Resources, and Youth in Transition.

**Child Care** expenses were higher due to the creation of additional child care spaces announced under the Government of Alberta Creating Child Care Choice Plan.

The **Family Support for Children with Disabilities** Program expenses were higher due to increases in specialized services and out-of-home placements. In addition, there was increased public awareness of the scope of service provided by the program and, as a result, more families than expected accessed services.

**Family and Community Support Services** Program expenses increased due to cost of living and population increases.

The **Prevention of Family Violence and Bullying** Program expenses increased to provide funding for additional beds at women's emergency shelters and for agency staff recruitment and retention initiatives.

The **Parenting Resource** Program increase was to help boost salaries of contracted agency staff.

The increase in the **Youth in Transition** Program was due to increases in grants to the Alberta Mentoring Partnership and bursaries provided to students in the Advancing Futures Bursary Program to assist with the costs of tuition and living expenses.

- **Core Business 2 : Keeping children, youth and families safe and protected**

The increase of \$35.3 million in expenses for Core Business 2 is due to higher spending in Child Intervention Services and Foster Care Support.

The **Child Intervention Services** Program expenses increase was due to additional resources provided to contracted agencies to hire and retain staff; on-going success in finding more permanent homes which increased the Supports for Permanency costs; and resources required to finalize the implementation of the Casework Practice Model.

The increase in the **Foster Care Support** Program was due to an increase in basic maintenance rates for foster parents, and recruitment and training of foster and kinship care providers.

## Looking Forward

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The ministry will focus on key priorities as it plans and builds on past successes, while being fiscally responsible.

Children and Youth Services will continue to implement strategies to support the creation of 14,000 new child care spaces by 2011, including in-school and out-of-school care, family day homes and day cares. The ministry will provide low- and middle-income families with a subsidy to cover the costs of out-of-school child care and will implement a school-age child care accreditation program.

Children and Youth Services will continue to build strong relations through formalized working relationships with Aboriginal communities to implement intervention and prevention services for children, youth and families living both on- and off-reserve. Through these partnerships, the ministry will work to enhance permanency and ensure that Aboriginal children and youth remain connected to their family, community and culture. The ministry will also work with DFNAs and Métis stakeholders on the Moving Forward action plan from the Permanency Planning for Aboriginal Children Review.

The ministry will implement strategies to successfully engage the public in a recruitment campaign to increase the number of foster parents and kinship caregivers. As well, the ministry will continue to fully integrate the Casework Practice Model and work with stakeholders to develop a model for building new outcomes-based business relationships with contracted social services agencies to improve the effectiveness and efficiency of services provided to children, youth and families most in need. This will ensure that children and youth in care and families in need of support receive appropriate and timely services before reaching a crisis point.

Over the next three years, Children and Youth Services will use evidence-based investments in prevention to help reduce crisis caseloads and work with other ministries to continue to examine social policy issues of concern to Albertans. Through the development of a clear definition and model for determining vulnerable and at-risk clients, the ministry will resource and implement processes to ensure programs and initiatives are focused on children, youth and families in need. Targeted, quality prevention programs and services will be enhanced by developing and implementing strategies in collaboration with FCSS to improve access and resource capacity, particularly in rural communities.

In all areas, the ministry will address, through review and development of early intervention initiatives, the key drivers that cause children, youth and families to require our services. Maintaining an emphasis on expanding supports for Aboriginal people and immigrants, Children and Youth Services will work with other ministries to support the Safe Communities Initiative by improving access to existing programs for high-risk youth and Albertans affected by family violence.

The ministry recognizes that a strong and robust workforce is essential to meet the needs of children, youth and families. To this end, the ministry will continue taking a proactive approach in the areas of recruitment, retention, training, development, support, as well as succession planning. The ministry will also continue supporting contracted agencies and women's shelters to recruit and retain staff. Given the nature of the caseload, there is recognition of the importance of recruiting more Aboriginal staff as well as staff from other cultures.

# Financial Information





MINISTRY OF CHILDREN AND YOUTH SERVICES

# CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2009

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## Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Children and Youth Services as at March 31, 2009 and the consolidated statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 10, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(in thousands)		
	2009		2008
	<u>Budget</u> (Schedule 3)	<u>Actual</u>	<u>Actual</u> (Restated-Note 3)
<b>Revenues (Schedule 1)</b>			
Internal Government Transfers	\$ 63,500	\$ 63,500	\$ 55,500
Transfers from the Government of Canada	304,982	329,138	268,774
Other Revenue	9,300	11,433	12,178
	<u>377,782</u>	<u>404,071</u>	<u>336,452</u>
<b>Expenses - Directly Incurred (Note 2b and Schedule 6)</b>			
<b>Voted (Schedules 2, 3, and 4)</b>			
Promoting the Development and Well-Being of Children, Youth and Families	465,957	448,939	364,508
Keeping Children, Youth and Families Safe and Protected	548,823	563,265	528,015
Promoting Healthy Communities for Children, Youth and Families	17,284	15,508	16,072
Program Support	64,834	62,921	60,525
	<u>1,096,898</u>	<u>1,090,633</u>	<u>969,120</u>
<b>Statutory (Schedule 2 and 4)</b>			
Valuation adjustments	1,500		
Provision for Doubtful Accounts		(28)	2,122
Provision for Vacation Pay		2,313	1,906
	<u>1,500</u>	<u>2,285</u>	<u>4,028</u>
Total Expenses	<u>1,098,398</u>	<u>1,092,918</u>	<u>973,148</u>
<b>Net Operating Results</b>	<u><u>\$ (720,616)</u></u>	<u><u>\$ (688,847)</u></u>	<u><u>\$ (636,696)</u></u>

The accompanying notes and schedules are part of these consolidated financial statements.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2009**

	(in thousands)	
	<b>2009</b>	<b>2008</b>
	Actual	Actual
		<b>(Restated - Note 3)</b>
<b>Assets</b>		
Cash	\$ 40,373	\$ 60,543
Accounts Receivable (Note 4)	9,678	14,572
Prepaid Expenses	41	14
Advances	271	271
Tangible Capital Assets (Note 5)	14,412	15,358
	<b>\$ 64,775</b>	<b>\$ 90,758</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 6)	91,085	128,850
	<b>\$ 91,085</b>	<b>\$ 128,850</b>
<b>Net Liabilities</b>		
Net Liabilities at Beginning of Year	(38,092)	(52,397)
Net Operating Results	(688,847)	(636,696)
Net Financing Provided from General Revenues	700,629	651,001
Net Liabilities at End of Year	<b>(26,310)</b>	<b>(38,092)</b>
	<b>\$ 64,775</b>	<b>\$ 90,758</b>

The accompanying notes and schedules are part of these consolidated financial statements.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(in thousands)	
	<u>2009</u>	<u>2008</u>
		(Restated - Note 3)
<b>Operating Transactions</b>		
Net Operating Results	\$ (688,847)	\$ (636,696)
Non-Cash Items included in Net Operating Results		
Amortization (Schedule 2)	2,101	2,027
Valuation Adjustments (Net) (Schedule 2)	2,285	4,028
	<u>(684,461)</u>	<u>(630,641)</u>
Decrease (Increase) in Accounts Receivable <sup>(a)</sup>	4,922	(2,922)
(Increase) Decrease in Prepaid Expenses	(27)	190
Decrease in Advances	-	151
(Decrease) in Accounts Payable and Accrued Liabilities <sup>(a)</sup>	<u>(40,078)</u>	<u>(3,014)</u>
Cash Applied to Operating Transactions	(719,644)	(636,236)
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	(1,155)	(10,002)
<b>Financing Transactions</b>		
Net Financing Provided from General Revenues	<u>700,629</u>	<u>651,001</u>
<b>Increase in Cash</b>	(20,170)	4,763
<b>Cash, Beginning of Year</b>	60,543	55,780
<b>Cash, End of Year</b>	<u><u>\$ 40,373</u></u>	<u><u>\$ 60,543</u></u>

<sup>(a)</sup> Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these consolidated financial statements.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 1 AUTHORITY AND PURPOSE**

The Minister of Children and Youth Services has been designated as responsible for various Acts by the *Government Organization Act* and its regulations. The Ministry consists of the organizations listed below.

<b>Organization</b>	<b>Legislation</b>
Department of Children and Youth Services	<i>Government Organization Act</i>
10 Child and Family Services Authorities	<i>Child and Family Services Authorities Act</i>

The Ministry is responsible for providing community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration, partnerships and sharing resources.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

These Financial Statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial Statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Ministry.

**(a) Reporting Entity**

The reporting entity is the Ministry of Children and Youth Services for which the Minister of Children and Youth Services is accountable. The accounts of the Department and the Child and Family Services Authorities are consolidated. Revenue and expense transactions, capital and financing transactions and related assets and liability accounts between entities within the Ministry have been eliminated.

All ministries of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of ministries are deposited into the Fund and all cash disbursements made by ministries are paid from the Fund. Net financing provided (for) from General Revenues is the difference between all cash receipts and all cash disbursements made.

**(b) Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(b) Basis of Financial Reporting (Continued)**

**Internal Government Transfers**

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

**Transfers from Government of Canada**

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amount can be made. Overpayments relating to Canada Social Transfer entitlements and transfers received before revenue recognition criteria have been met are included in accounts payable and accrued liabilities.

**Expenses**

**Directly Incurred**

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.
- grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(b) Basis of Financial Reporting (Continued)**

Incurring by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

**Assets**

Financial assets of the Ministry are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals. Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

**Liabilities**

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

**Valuation of Financial Assets and Liabilities**

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

**Net Assets/Liabilities**

Net liabilities represents the difference between the carrying value of assets held by the Ministry and its liabilities.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 3 PROGRAM TRANSFER**

(in thousands)

Effective April 1, 2008, the Ministry transferred the budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Costs incurred by the Ministry in 2007-08 have been restated as if no consideration was exchanged.

Effective April 1, 2008, certain programs related to Women Issues in Ministry of Employment and Immigration were transferred to the Ministry. Salaries, Supplies and Grants expenses for the year ending March 31, 2008 have been restated on the supposition that the Ministry had executed the programs.

**Net Transfer from General Revenue on March 31, 2008 is made up as follows:**

Net Transfer from General Revenues as previously reported	\$653,976
Transfer from Ministry of Employment and Immigration	210
Transfer to Ministry of Service Alberta	<u>(3,185)</u>
Restated Net Transfer from General Revenues	<u>\$651,001</u>

**Net Operating Results on March 31, 2008 is made up as follows:**

Net Operating Results as previously reported	\$639,671
Transfer from Ministry of Employment and Immigration	210
Transfer to Ministry of Service Alberta	<u>(3,185)</u>
Restated Net Operating Results	<u>\$636,696</u>

**NOTE 4 ACCOUNTS RECEIVABLE**

(in thousands)

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 8,998	\$ 1,920	\$ 7,078	\$ 13,012
Refunds from Suppliers	2,600	-	\$ 2,600	1,560
	<u>\$ 11,598</u>	<u>\$ 1,920</u>	<u>\$ 9,678</u>	<u>\$ 14,572</u>

Accounts receivable are unsecured and non-interest bearing.

MINISTRY OF CHILDREN AND YOUTH SERVICES  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 5 TANGIBLE CAPITAL ASSETS**  
 (in thousands)

	<b>Computer Hardware and Equipment*</b>			<b>2009 Total</b>	<b>2008 Total</b>
<b>Estimated Useful Life</b>	5 years	5 years			
<b>Historical Costs**</b>					
Beginning of year	\$ 1,256	\$ 33,475	\$ 34,731	\$ 24,729	
Additions	35	1,120	1,155	10,002	
Disposal, including write downs	(573)	(2,821)	(3,394)	-	
	<u>\$ 718</u>	<u>\$ 31,774</u>	<u>\$ 32,492</u>	<u>\$ 34,731</u>	
<b>Accumulated Amortization</b>					
Beginning of year	\$ 1,000	\$ 18,373	\$ 19,373	\$ 17,346	
Amortization Expense	64	2,037	2,101	2,027	
Effect of Disposals	(573)	(2,821)	(3,394)	-	
	<u>\$ 491</u>	<u>\$ 17,589</u>	<u>\$ 18,080</u>	<u>\$ 19,373</u>	
<b>Net Book Value at March 31, 2009</b>	<u>\$ 227</u>	<u>\$ 14,185</u>	<u>\$ 14,412</u>		
<b>Net Book Value at March 31, 2008</b>	<u>\$ 256</u>	<u>\$ 15,102</u>		<u>\$ 15,358</u>	

\* Equipment includes office equipment, furniture and other equipment.

\*\* Historical costs include work-in-progress at March 31, 2009 totalling \$739 comprised of computer software (2008 - \$9,423).

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**  
 (in thousands)

	<b>2009</b>	<b>2008</b>
Trade	\$ 19,673	\$ 25,630
Government of Canada	16,584	54,571
Grants	28,071	24,475
Vacation Pay and Manpower	22,707	20,394
Other	4,050	3,780
	<u>\$ 91,085</u>	<u>\$ 128,850</u>

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 7 CONTRACTUAL OBLIGATIONS**  
 (in thousands)

The Ministry contracts with organizations to provide specific programs and services for children under the care of the Ministry. The Ministry has contracts for specific programs and services for the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

At March 31, 2009 the Ministry has the following contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-Term Leases	<u>\$ 402</u>	<u>\$ 1,060</u>

The Ministry leases certain vehicles under operating leases that expire at various dates to 2011. The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	<u>Long-term Leases</u>
2010	338
2011	64
2012	-
	<u>\$ 402</u>

**NOTE 8 CONTINGENT LIABILITIES**  
 (in thousands)

At March 31, 2009, the Ministry is a defendant in eighty-two legal claims (2008 – seventy-nine legal claims). Eighty-one of these claims have specified amounts totaling \$1,590,631 and the remaining one has no specified amount (2008 – seventy-two claims with a specified amount of \$1,554,061 and seven with no specified amount).

Included in the total legal claims are forty claims amounting to \$1,417,021 in which the Ministry has been jointly named with other entities. Sixty-two claims amounting to \$555,367 (2008 – fifty-six claims amounting to \$521,596) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 9 TRUST FUNDS UNDER ADMINISTRATION**  
 (in thousands)

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purpose described below, it is not included in the Ministry's financial statements.

At March 31, 2009 the trust fund under administration is as follows:

	<u>2009</u>	<u>2008</u>
Child Resource Rebate Trust Fund	<u>\$ 1,287</u>	<u>\$ 1,365</u>

The Province of Alberta paid a \$400 resource rebate to all Alberta residents as of September 1, 2005. The Director of the *Child, Youth and Family Enhancement Act* administers these funds for eligible children in the Director's care.

Each child's resource rebate may be used for a child's special needs that are over and above those that the Ministry provides.

The Director will release the funds to the:

- child's guardian/parent if a special need is identified and they can purchase goods and/or services to benefit the child, or
- child when the child turns 18 years of age, or
- General Revenue Fund, if a child cannot be located for 2 years after the child turns 18. At that time, the Director's obligation to pay the refund lapses.

**NOTE 10 BENEFIT PLANS**  
 (in thousands)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$18,010 for the year ended March 31, 2009 (2008 - \$16,363).

At December 31, 2008, the Management Employees Pension Plan reported a deficiency of \$568,574 (2007 - \$84,341) and the Public Service Pension Plan reported a deficiency of \$1,187,538 (2007 deficiency of \$92,509 as restated). At December 31, 2008, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$7,111 (2007 – surplus of \$1,510).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2009, the Bargaining Unit Plan reported an actuarial deficiency of \$33,540 (2008 deficiency of \$6,319) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$1,051 (2008 – actuarial surplus of \$7,874). The expense for these two plans is limited to the employer's annual contributions for the year.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**NOTE 11 COMPARATIVE FIGURES**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**NOTE 12 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**REVENUES - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(in thousands)		
	<b>2009</b>		<b>2008</b>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Internal Government Transfers			
Transfers from the Lottery Fund	\$ 63,500	\$ 63,500	\$ 55,500
Transfers from Government of Canada			
Canada Social Transfer	\$ 265,414	\$ 288,779	\$ 201,927
Early Learning and Child Care	-	-	25,900
Services on First Nations Reserves	15,000	16,290	17,250
National Child Special Allowance	24,568	24,069	23,697
	<u>\$ 304,982</u>	<u>\$ 329,138</u>	<u>\$ 268,774</u>
Other Revenue			
Refunds of Expenditure			
First Nations Agencies Recoveries	3,500	1,180	1,110
Other Refunds	1,311	8,960	9,705
Other	4,489	1,293	1,363
	<u>9,300</u>	<u>11,433</u>	<u>12,178</u>
<b>Total Revenues</b>	<u><b>\$ 377,782</b></u>	<u><b>\$ 404,071</b></u>	<u><b>\$ 336,452</b></u>

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 2**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(in thousands)		
	<b>2009</b>		<b>2008</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
			<b>(Restated - Note 3)</b>
<b>Voted:</b>			
Salaries, Wages and Employee Benefits	\$ 231,818	\$ 237,041	\$ 220,431
Supplies and Services	576,374	497,896	456,822
Supplies and Services from Support Service Arrangements with Related Parties (a)		1,133	1,077
Grants	285,007	352,462	288,747
Financial Transactions and Other	99	129	137
Amortization of Capital Assets	3,600	2,101	2,027
Total Voted Expenses before Recoveries	<u>1,096,898</u>	<u>1,090,762</u>	<u>969,240</u>
Less Recovery from Support Service Arrangements with Related Parties (b)		(129)	(120)
	<u>\$ 1,096,898</u>	<u>\$ 1,090,633</u>	<u>\$ 969,120</u>
<b>Statutory:</b>			
Valuation Adjustments	1,500		-
Provision for Vacation Pay		2,313	1,906
Provision for Doubtful Accounts		(28)	2,122
	<u>\$ 1,500</u>	<u>\$ 2,285</u>	<u>\$ 4,028</u>

(a) The Ministry receives human resources, information technology, financial and other administrative support services from the Ministry of Employment and Immigration and from the Ministry of Seniors and Community Supports.

(b) The Ministry provides operational human resources services to the Ministry of Seniors and Community Supports. Costs incurred by the Ministry for these services are recovered from the Ministry of Seniors and Community Supports.

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**BUDGET - SCHEDULE 3**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(in thousands)			
	2008-2009 Estimates	Adjustments	2008-2009 Budget	2008- 2009 Authorized Supplementary Budget
<b>Revenues</b>				
Transfers from the Government of Canada	\$ 304,982	-	\$ 304,982	\$ 304,982
Internal Government Transfers	63,500	-	63,500	63,500
Other Revenue	9,300	-	9,300	9,300
	<u>377,782</u>	-	<u>377,782</u>	<u>377,782</u>
<b>Expenses - Directly Incurred:</b>				
<b>Voted</b>				
Promoting the Development and Well-Being of Children, Youth and Families	465,957	-	465,957	465,957
Keeping Children, Youth and Families Safe and Protected	548,823	-	548,823	548,823
Promoting Healthy Communities for Children, Youth and Families	17,284	-	17,284	17,284
Program Support	64,834	-	64,834	64,834
	<u>1,096,898</u>	-	<u>1,096,898</u>	<u>1,096,898</u>
<b>Statutory</b>				
Valuation Adjustments	1,500	-	1,500	1,500
	<u>1,500</u>	-	<u>1,500</u>	<u>1,500</u>
<b>Total Expenses</b>	1,098,398	-	1,098,398	1,098,398
<b>Net Operating Results</b>	<u>\$ (720,616)</u>	-	<u>\$ (720,616)</u>	<u>\$ (720,616)</u>
<b>Equipment /Inventory Purchases (EIP)</b>	<u>\$ 1,800</u>	-	<u>\$ 1,800</u>	<u>\$ 1,800</u>

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**COMPARISON OF EXPENSES - DIRECTLY INCURRED, EIP AND STATUTORY EXPENSES**  
**BY ELEMENT TO AUTHORIZED BUDGET - SCHEDULE 4**  
**FOR THE YEAR ENDED MARCH 31, 2009**

(in thousands)

	2008-2009 Estimates	Adjustments	2008-2009 Budget	Authorized Supplementary	2008-2009 Authorized Budget	2008-2009 Actual Expense	Unexpended (Over Expended)
<b>Voted:</b>							
<b>Promoting the Development and Well-Being of Children, Youth and Families</b>							
Family Support for Children with Disabilities	\$ 107,052	\$ -	107,052		107,052	119,850	\$ (12,798)
Family and Community Support Services	74,674		74,674		74,674	74,605	69
Child Care	196,636		196,636		196,636	177,420	19,216
Prevention of Family Violence and Bullying	39,051		39,051		39,051	38,054	997
Parenting Resources Initiative	23,684		23,684		23,684	23,822	(138)
Fetal Alcohol Spectrum Disorder Initiatives	18,030		18,030		18,030	8,437	9,593
Youth in Transition	6,830		6,830		6,830	6,751	79
	<b>465,957</b>	<b>-</b>	<b>465,957</b>	<b>-</b>	<b>465,957</b>	<b>448,939</b>	<b>17,018</b>
<b>Keeping Children, Youth and Families Safe and Protected</b>							
Child Intervention Services	378,997		378,997		378,997	393,178	(14,181)
Foster Care Support	156,863		156,863		156,863	157,499	(636)
Protection of Sexually Exploited Children	6,411		6,411		6,411	5,748	663
Child and Youth Advocate	6,552		6,552		6,552	6,840	(288)
	<b>548,823</b>	<b>-</b>	<b>548,823</b>	<b>-</b>	<b>548,823</b>	<b>563,265</b>	<b>(14,442)</b>
<b>Promoting Healthy Communities for Children, Youth and Families</b>							
Community Initiatives	13,706		13,706		13,706	12,275	1,431
Child and Family Research	2,000		2,000		2,000	2,000	-
Alberta's Promise	1,578		1,578		1,578	1,233	345
	<b>17,284</b>	<b>-</b>	<b>17,284</b>	<b>-</b>	<b>17,284</b>	<b>15,508</b>	<b>1,776</b>
<b>Support Services</b>							
Ministry Support	17,729		17,729		17,729	15,161	2,568
Program Delivery Support	43,505		43,505		43,505	45,659	(2,154)
Amortization of Capital Assets	3,600		3,600		3,600	2,101	1,499
	64,834	-	64,834	-	64,834	62,921	1,913
	1,800		1,800		1,800	1,155	645
<b>Equipment/Inventory Purchases</b>	<b>1,098,698</b>	<b>-</b>	<b>1,098,698</b>	<b>-</b>	<b>1,098,698</b>	<b>1,091,788</b>	<b>6,910</b>
<b>Statutory:</b>							
Valuation Adjustments and Other Provisions	1,500		1,500		1,500	2,285	(785)
<b>Total Expenses</b>	<b>\$ 1,100,198</b>	<b>\$ -</b>	<b>\$ 1,100,198</b>	<b>\$ -</b>	<b>\$ 1,100,198</b>	<b>\$ 1,094,073</b>	<b>\$ 6,125</b>

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 5**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	(In thousands)	
	Other Entities	
	2009	2008
<b>Revenues:</b>		(Restated-Note 3)
Internal Government Transfers	\$ 63,500	\$ 55,500
Ministry of Education - School Divisions	2,984	2,825
Ministry of Seniors & Community Supports	-	136
Ministry of Justice & Attorney General	-	10
	<u>\$ 66,484</u>	<u>\$ 58,471</u>
<b>Expenses:</b>		
Ministry of Service Alberta	2,683	2,211
Ministry of Alberta Infrastructure	2	1
Ministry of Finance and Enterprise	1,574	1,560
Ministry of Employment and Immigration	-	215
Ministry of Health & Wellness - Health Authorities	2,878	3,512
Ministry of Seniors & Community Supports	-	547
Ministry of Advanced Education and Technology - Post Secondary	1,674	1,051
Ministry of Education - School Divisions	12,792	6,099
Ministry of Solicitor General and Public Security	-	10
	<u>\$ 21,603</u>	<u>\$ 15,206</u>
<b>Receivable from/(payable to) (net)</b>		
Ministry of Service Alberta		-
Ministry of Seniors and Community Supports		20
Ministry of Advanced Education and Technology	(938)	-
Ministry of Health & Wellness - Health Authorities	(18)	(14)
Ministry of Finance and Enterprise	-	230
Ministry of Education - School Divisions	(3,641)	1,138
Ministry of Solicitor General and Public Security	-	(10)
	<u>\$ (4,597)</u>	<u>\$ 1,364</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 6.

	(in thousands)	
	Other Entities	
	2009	2008
<b>Expenses (notional):</b>		Restated
Accommodation	\$ 23,261	\$ 22,973
Legal Services	5,333	4,289
Internal Audit	-	12
Administrative	12,916	13,081
Air Transportation	213	265
	<u>\$ 41,723</u>	<u>\$ 40,620</u>

**MINISTRY OF CHILDREN AND YOUTH SERVICES**  
**ALLOCATED COSTS - SCHEDULE 6**  
**FOR THE YEAR ENDED MARCH 31, 2009**

(In thousands)

Program	2009										2008
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Legal Services <sup>(3)</sup>	Internal Audit	Air Transportation	Admin Costs <sup>(4)</sup>	Vacation Pay	Doubtful Accounts	Total Expenses	Valuation Adjustments <sup>(5)</sup>	Total Expenses
Promoting the Development and Well-being of Children, Youth and Families	\$ 448,939	\$ 3,404	\$ 339	\$ -	\$ 36	\$ 1,194	\$ 355	\$ 25	\$ 454,292	\$	\$ 367,021
Keeping Children, Youth and Families Safe and Protected	563,265	17,152	4,934	-	67	9,249	1,498	31	596,196		562,389
Promoting Healthy Communities for Children, Youth and Families	15,508	552	3	-	16	227	77	-	16,383		17,653
Program Support	62,921	2,153	57	-	94	2,246	383	(84)	67,770		66,707
	\$ 1,090,633	\$ 23,261	\$ 5,333	\$ -	\$ 213	\$ 12,916	\$ 2,313	\$ (28)	\$ 1,134,641		\$ 1,013,770

(Restated-Note 3)

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Ministry of Infrastructure and Transportation, represent the Ministry's building costs allocated by the number of employees per program.
- (3) Costs for Legal Services, which were paid by the Ministry of Justice and Attorney General, were allocated in proportion to the expenses incurred by each program.
- (4) Administrative costs represents human resource, finance, business and corporate services provided by the Department of Service Alberta for which no consideration was exchanged. Costs were allocated by the number of department employees per program.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
  - Vacation Pay - value of vacation entitlements due to employees assigned to a program.
  - Doubtful Accounts - estimated expenses incurred by each program.



**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**

# **FINANCIAL STATEMENTS**

March 31, 2009

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## Auditor's Report

To the Minister of Children and Youth Services

I have audited the statement of financial position of the Department of Children and Youth Services as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department of Children and Youth Services as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 10, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**STATEMENT OF OPERATIONS**  
FOR THE YEAR ENDED MARCH 31, 2009

	(in thousands)		
	<b>2009</b>		<b>2008</b>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Schedule 3)		(Restated-Note 3)
<b>Revenues (Schedule 1)</b>			
Internal Government Transfers	\$ 63,500	\$ 63,500	\$ 55,500
Transfers from the Government of Canada	304,982	329,138	268,774
Other Revenue	4,811	3,327	2,547
	<u>373,293</u>	<u>395,965</u>	<u>326,821</u>
<b>Expenses - Directly Incurred (Note 2b and Schedule 6)</b>			
<b>Voted (Schedules 2, 3 and 4)</b>			
Ministry Support Services	17,729	16,955	15,260
Promoting the Development and Well-Being of Children, Youth and Families	465,957	459,877	376,450
Keeping Children, Youth and Families Safe and Protected	547,651	547,819	517,889
Promoting Healthy Communities for Children, Youth and Families	14,004	13,210	12,853
Program Support	47,068	46,565	44,971
	<u>1,092,409</u>	<u>1,084,426</u>	<u>967,423</u>
<b>Statutory (Schedules 2, 3 and 4)</b>			
Valuation Adjustments	1,500		
Provision for Doubtful Accounts		(110)	1,552
Provision for Vacation Pay		659	313
	<u>1,500</u>	<u>549</u>	<u>1,865</u>
	<u>1,093,909</u>	<u>1,084,975</u>	<u>969,288</u>
<b>Net Operating Results</b>	<u>\$ (720,616)</u>	<u>\$ (689,010)</u>	<u>\$ (642,467)</u>

The accompanying notes and schedules are part of these financial statements.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	(in thousands)	
	<u>2009</u>	<u>2008</u>
	<u>Actual</u>	<u>Actual</u>
<b>Assets</b>		<b>(Restated-Note 3)</b>
Cash	\$ 158	\$ 525
Accounts Receivable (Note 4)	4,945	10,267
Advances	270	270
Tangible Capital Assets (Note 5)	14,242	15,134
	<u><u>\$ 19,615</u></u>	<u><u>\$ 26,196</u></u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 78,585	\$ 96,785
	<u><u>\$ 78,585</u></u>	<u><u>\$ 96,785</u></u>
<b>Net Liabilities</b>		
Net Liabilities at Beginning of Year	(70,589)	(79,123)
Net Operating Results	(689,010)	(642,467)
Net Financing Provided from General Revenues	<u>700,629</u>	<u>651,001</u>
Net Liabilities at End of Year	<u>(58,970)</u>	<u>(70,589)</u>
	<u><u>\$ 19,615</u></u>	<u><u>\$ 26,196</u></u>

The accompanying notes and schedules are part of these financial statements.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(in thousands)	
	<u>2009</u>	<u>2008</u>
		(Restated-Note 3)
<b>Operating Transactions</b>		
Net Operating Results	\$ (689,010)	\$ (642,467)
Non-Cash items included in Net Operating Results		
Amortization (Schedule 2)	2,041	1,961
Valuation Adjustments (net) (Schedule 2)	549	1,865
	<u>(686,420)</u>	<u>(638,641)</u>
Decrease (Increase) in Accounts Receivable <sup>(a)</sup>	5,431	(1,974)
Decrease in Advances	-	138
(Decrease) in Accounts Payable and Accrued Liabilities <sup>(a)</sup>	<u>(18,858)</u>	<u>(84)</u>
Cash Applied to Operating Transactions	<u>(699,847)</u>	<u>(640,561)</u>
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	(1,149)	(9,985)
<b>Financing Transactions</b>		
Net Financing Provided from General Revenues	<u>700,629</u>	<u>651,001</u>
<b>(Decrease) Increase in Cash</b>	(367)	455
<b>Cash, Beginning of Year</b>	525	70
<b>Cash, End of Year</b>	<u><u>\$ 158</u></u>	<u><u>\$ 525</u></u>

<sup>(a)</sup> Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**NOTE 1 AUTHORITY AND PURPOSE**

The Department of Children and Youth Services operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Department is responsible for providing community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration, partnerships and sharing resources.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

These financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the department.

**(a) Reporting Entity**

The reporting entity is the Department of Children and Youth Services, which is part of the Ministry of Children and Youth Services and for which the Minister of Children and Youth Services is accountable. Other entities reporting to the Minister are the ten regional provincial agencies, known as Child and Family Services Authorities. The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

**(b) Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)**  
**b) Basis of Financial Reporting (Continued)**

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made. Overpayments relating to Canada Social Transfer entitlements and transfers received before revenue recognition criteria have been met are included in accounts payable and accrued liabilities.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.
- grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Department's operations are disclosed in Schedule 7.

**Assets**

Financial assets of the Department are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)**

**b) Basis of Financial Reporting (Continued)**

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

**Liabilities**

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

**Valuation of Financial Assets and Liabilities**

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

**Net Liabilities**

Net liabilities represent the difference between the carrying value of assets held by the Department and its liabilities.

**NOTE 3 PROGRAM TRANSFER**  
(in thousands)

Effective April 1, 2008, the Department transferred the budgetary responsibility for functional reporting of information technology services to the Ministry of Service Alberta. Costs incurred by the Department have been restated as if no consideration was exchanged.

Effective April 1, 2008, certain programs related to Women's Issues in Department of Employment and Immigration were transferred to the Department. Salaries, Supplies and Grants expenses for the year ending March 31, 2008 have been restated on the supposition that the Department had executed the programs.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 3 PROGRAM TRANSFER (Continued)**  
 (in thousands)

**Net Transfer from General Revenue on March 31, 2008 is made up as follows:**

Net Transfer from General Revenue as previously reported	\$653,976
Transfer from Department of Employment and Immigration	210
Transfer to Department of Service Alberta	<u>(3,185)</u>
Restated Net Transfer from General Revenues	<u>\$ 651,001</u>

**Net Operating Results on March 31, 2008 is made up as follows:**

Net Operating Results as previously reported	\$(645,442)
Transfer from Ministry of Employment and Immigration	(210)
Transfer to Ministry of Service Alberta	<u>3,185</u>
Restated Net Operating Results	<u>\$ (642,467)</u>

**NOTE 4 ACCOUNTS RECEIVABLE**  
 (in thousands)

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 6,674	\$ 1,882	\$ 4,792	\$ 9,749
Refunds from Suppliers	153		153	518
	<u>\$ 6,827</u>	<u>\$ 1,882</u>	<u>\$ 4,945</u>	<u>\$ 10,267</u>

Accounts receivable are unsecured and non-interest bearing.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 5 TANGIBLE CAPITAL ASSETS**  
 (in thousands)

	<u>Computer Hardware and Equipment*</u>		<u>2009 Total</u>	<u>2008 Total</u>
	<u>5 years</u>	<u>5 years</u>		
<b>Historical Costs**</b>				
Beginning of year	\$ 732	\$ 33,147	\$ 33,879	\$ 23,894
Additions	29	1,120	1,149	9,985
Disposals, including write downs	(573)	(2,821)	(3,394)	-
	<u>\$ 188</u>	<u>\$ 31,446</u>	<u>\$ 31,634</u>	<u>\$ 33,879</u>
<b>Accumulated Amortization</b>				
Beginning of year	\$ 721	\$ 18,024	\$ 18,745	\$ 16,784
Amortization Expense	4	2,037	2,041	1,961
Effect of Disposals	(573)	(2,821)	(3,394)	-
	<u>\$ 152</u>	<u>\$ 17,240</u>	<u>\$ 17,392</u>	<u>\$ 18,745</u>
<b>Net Book value at March 31, 2009</b>	<u>\$ 36</u>	<u>\$ 14,206</u>	<u>\$ 14,242</u>	
<b>Net Book value at March 31, 2008</b>	<u>\$ 11</u>	<u>\$ 15,123</u>		<u>\$ 15,134</u>

\* Equipment includes office equipment, furniture and other equipment.

\*\* Historical costs includes work-in-progress at March 31, 2009 totalling \$739 comprised of Computer software (2008 - \$9,423).

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**  
 (in thousands)

	<u>2009</u>	<u>2008</u>
Child and Family Services Authorities	\$ 38,504	\$ 17,318
Trade	7,341	10,411
Government of Canada	16,584	54,571
Grants	10,841	9,762
Vacation Pay and Manpower	4,987	4,328
Other	328	395
	<u>\$ 78,585</u>	<u>\$ 96,785</u>

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 7 CONTRACTUAL OBLIGATIONS**  
 (in thousands)

At March 31, 2009, the Department has the following contractual obligations:

	2009	2008
Long-term Leases	\$ 26	\$ 71

The Department leases certain vehicles under operating leases that expire at various dates to 2011. The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Long-term Leases
2010	\$ 23
2011	3
	<u>\$ 26</u>

**NOTE 8 CONTINGENT LIABILITIES**  
 (in thousands)

At March 31, 2009, the Department is a defendant in sixty-one legal claims (2008 – sixty-four legal claims). Sixty of these claims have specified amounts totaling \$1,235,881 and the remaining one has not specified any amount (2008 – sixty-one claims with a specified amount of \$1,214,007 and three have no specified amount).

Included in the total legal claims are thirty-five claims amounting to \$1,198,176 in which the Department has been jointly named with other entities. Forty-seven claims amounting to \$523,791 (2008 – forty-six claims amounting to \$500,041) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**NOTE 9 TRUST FUNDS UNDER ADMINISTRATION**

(in thousands)

The Department administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purpose described below, it is not included in the Department's financial statements.

At March 31, 2009 the trust fund under administration is as follows:

	2009	2008
Child Resources Rebate Trust Fund	<u>\$ 1,287</u>	<u>\$ 1,365</u>

The Province of Alberta paid a \$400 resource rebate to all Alberta residents as of September 1, 2005. The Director of the *Child, Youth and Family Enhancement Act* administers these funds for eligible children in the Director's care.

Each child's resource rebate may be used for a child's special needs that are over and above those that the Ministry provides.

The Director will release the funds to the:

- child's guardian/parent if a special need is identified and they can purchase goods and/or services to benefit the child, or
- child when the child turns 18 years of age, or
- General Revenue Fund, if a child cannot be located for 2 years after the child turns 18. At that time, the Director's obligation to pay the refund lapses.

**NOTE 10 BENEFIT PLANS**

(in thousands)

The Department participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$5,236 for the year ended March 31, 2009 (2008 - \$4,757).

At December 31, 2008, the Management Employees Pension Plan reported a deficiency of \$568,574 (2007 - \$84,341) and the Public Service Pension Plan reported a deficiency of \$1,187,538 (2007 - \$92,509 as restated). At December 31, 2008, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$7,111 (2007 - surplus of \$1,510).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2009, the Bargaining Unit Plan reported an actuarial deficiency of \$33,540 (2008 - \$6,319) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$1,051 (2008 - actuarial surplus of \$7,874). The expense for these two plans is limited to the employer's annual contributions for the year.

**NOTE 11 COMPARATIVE FIGURES**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**NOTE 12 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**REVENUES - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(in thousands)		<b>2008</b>
	<b>2009</b>	<b>2009</b>	
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Internal Government Transfers			
Transfers from the Lottery Fund	\$ 63,500	\$ 63,500	\$ 55,500
Transfers from the Government of Canada			
Canada Social Transfer	265,414	288,779	201,927
Early Learning and Childcare	-	-	25,900
Services on First Nations Reserves	15,000	16,290	17,250
National Child Special Allowance	24,568	24,069	23,697
	<u>304,982</u>	<u>329,138</u>	<u>268,774</u>
Other Revenue			
Refunds of Expenditure			
First Nations Agencies Recoveries	3,500	1,181	1,110
Other Refunds	1,311	1,924	1,347
Other		222	90
	<u>4,811</u>	<u>3,327</u>	<u>2,547</u>
<b>Total Revenues</b>	<b><u>\$ 373,293</u></b>	<b><u>\$ 395,965</u></b>	<b><u>\$ 326,821</u></b>

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES  
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 2  
FOR THE YEAR ENDED MARCH 31, 2009**

	(in thousands)		2008 Actual (Restated-Note 3) \$
	2009 Budget	2009 Actual	
Voted:			
Salaries, Wages and Employee Benefits	\$ 39,598	\$ 41,799	\$ 38,886
Supplies and Services	128,418	73,809	70,273
Supplies and Services from Support Arrangements with Related Parties <sup>(a)</sup>	-	560	530
Grants	920,731	966,251	855,800
Financial Transactions and Other	99	95	93
Amortization of Tangible Capital Assets	3,563	2,041	1,961
Total Voted Expenses before Recoveries	1,092,409	1,084,555	967,543
Less Recovery from Support Service Arrangements with Related Parties <sup>(b)</sup>	-	(129)	(120)
	1,092,409	1,084,426	967,423
Statutory:			
Valuation Adjustments	1,500	-	-
Provision for Vacation Pay	-	659	313
Provision for Doubtful accounts	-	(110)	1,552
	1,500	549	1,865
Total Expenses	\$ 1,093,909	\$ 1,084,975	\$ 969,288

(a) The Department receives Freedom of Information and Protection of Privacy and information technology services from the Department of Employment and Immigration.

(b) The Department provides operational human resources services to the Ministry of Seniors and Community Supports. Costs incurred by the Department for these services are recovered from the Ministry of Seniors and Community Supports.

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**BUDGET - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

(in thousands)

	2008-2009 Estimates	Adjustments	2008-2009 Budget	Authorized Supplementary	2008-2009 Authorized Budget
<b>Revenues</b>					
Internal Government Transfers	\$ 63,500	- \$	63,500	\$ -	\$ 63,500
Transfers from the Government of Canada	304,982	-	304,982	-	304,982
Other Revenue	4,811	-	4,811	-	4,811
	<u>373,293</u>	<u>-</u>	<u>373,293</u>	<u>-</u>	<u>373,293</u>
<b>Expenses - Directly Incurred:</b>					
<b>Voted Expenses</b>					
Ministry Support Services	17,729	-	17,729	-	17,729
Promoting the Development and Well-Being of Children, Youth and Families	465,957	-	465,957	-	465,957
Keeping Children, Youth and Families Safe and Protected	547,651	-	547,651	-	547,651
Promoting Healthy Communities for Children, Youth and Families	14,004	-	14,004	-	14,004
Program Support	47,068	-	47,068	-	47,068
	<u>1,092,409</u>	<u>-</u>	<u>1,092,409</u>	<u>-</u>	<u>1,092,409</u>
<b>Statutory Expenses</b>					
Valuation Adjustments	1,500	-	1,500	-	1,500
	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
<b>Total Expenses</b>	<u>1,093,909</u>	<u>-</u>	<u>1,093,909</u>	<u>-</u>	<u>1,093,909</u>
<b>Net Operating Results</b>	<u>\$ (720,616)</u>	<u>-</u>	<u>\$ (720,616)</u>	<u>\$ -</u>	<u>\$ (720,616)</u>
<b>Equipment/Inventory Purchases</b>	<u>\$ 1,800</u>	<u>-</u>	<u>\$ 1,800</u>	<u>\$ -</u>	<u>\$ 1,800</u>

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**COMPARISON OF EXPENSES - DIRECTLY INCURRED EIP AND STATUTORY EXPENSES**  
**BY ELEMENT TO AUTHORIZED BUDGET - SCHEDULE 4**  
**FOR THE YEAR ENDED MARCH 31, 2009**

(in thousands)

	2008 - 2009 Estimates	Adjustments	2008-2009 Budget	Authorized Supplementary	2008-2009 Budget	2008-2009 Expense(a)	Unexpended (Over Expended)
<b>Voted:</b>							
<b>1 Ministry Support Services</b>							
1.0.1 Minister's Office	422	\$ -	422	\$ -	422	\$ 415	\$ 7
1.0.2 Deputy Minister's Office	628	-	628	-	628	628	-
1.0.3 Communications Services	664	-	664	-	664	560	104
1.0.4 Corporate Administration	16,015	-	16,015	-	16,015	15,352	663
	<b>17,729</b>	<b>-</b>	<b>17,729</b>	<b>-</b>	<b>17,729</b>	<b>16,955</b>	<b>774</b>
<b>2 Promoting the Development and Well-Being of Children, Youth and Families</b>							
2.0.1 Family Support for Children with Disabilities	107,052	-	107,052	-	107,052	106,921	131
2.0.2 Family and Community Support Services	74,674	-	74,674	-	74,674	74,604	70
2.0.3 Child Care	196,636	-	196,636	-	196,636	193,889	2,747
2.0.4 Prevention of Family Violence and Bullying	39,051	-	39,051	-	39,051	38,143	908
2.0.5 Parenting Resources Initiative	23,684	-	23,684	-	23,684	23,779	(95)
2.0.6 Fetal Alcohol Spectrum Disorder Initiatives	18,030	-	18,030	-	18,030	15,790	2,240
2.0.7 Youth in Transition	6,830	-	6,830	-	6,830	6,751	79
	<b>465,957</b>	<b>-</b>	<b>465,957</b>	<b>-</b>	<b>465,957</b>	<b>459,877</b>	<b>6,080</b>
<b>3 Keeping Children, Youth and Families Safe and Protected</b>							
3.0.1 Child Intervention Services	377,825	-	377,825	-	377,825	376,098	1,727
3.0.2 Foster Care Support	156,863	-	156,863	-	156,863	158,633	(1,770)
3.0.3 Protection of Sexual Exploited Children	6,411	-	6,411	-	6,411	6,248	163
3.0.4 Child and Youth Advocate	6,552	-	6,552	-	6,552	6,840	(288)
	<b>547,651</b>	<b>-</b>	<b>547,651</b>	<b>-</b>	<b>547,651</b>	<b>547,819</b>	<b>(168)</b>
<b>4 Promoting Healthy Communities for Children, Youth and Families</b>							
4.0.1 Community Initiatives	10,426	-	10,426	-	10,426	9,977	449
4.0.2 Child and Family Research	2,000	-	2,000	-	2,000	2,000	-
4.0.3 Alberta's Promise	1,578	-	1,578	-	1,578	1,233	345
	<b>14,004</b>	<b>-</b>	<b>14,004</b>	<b>-</b>	<b>14,004</b>	<b>13,210</b>	<b>794</b>
<b>5 Program Support</b>							
5.0.1 Program Delivery Support	43,505	-	43,505	-	43,505	44,524	(1,019)
5.0.2 Amortization of Capital Assets	3,563	-	3,563	-	3,563	2,041	1,522
	<b>47,068</b>	<b>-</b>	<b>47,068</b>	<b>-</b>	<b>47,068</b>	<b>46,565</b>	<b>503</b>
<b>Equipment/Inventory Purchases</b>							
	1,800	-	1,800	-	1,800	1,149	651
<b>Total Voted Expenditures</b>	<b>1,094,209</b>	<b>-</b>	<b>1,094,209</b>	<b>-</b>	<b>1,094,209</b>	<b>1,085,575</b>	<b>8,634</b>
<b>Statutory:</b>							
Valuation Adjustment and Other Provisions	1,500	-	1,500	-	1,500	549	951
<b>Total Expenses</b>	<b>1,095,709</b>	<b>\$ -</b>	<b>1,095,709</b>	<b>\$ -</b>	<b>1,095,709</b>	<b>1,086,124</b>	<b>\$ 9,585</b>

(a) Includes achievement bonus amounting to \$1,508

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 5**  
 FOR THE YEAR ENDED MARCH 31, 2009

(in thousands)

	2009			2008	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>	Total	Total
<b>Senior Officials</b>					
Deputy Minister <sup>(4)</sup>	\$ 254	\$ 57	\$ 61	\$ 372	\$ 341
Child and Youth Advocate	150	15	9	174	168
<b>Executives</b>					
Assistant Deputy Ministers					
Ministry Support Services	178	28	44	250	232
Program Quality & Standards <sup>(5)</sup>	178	27	44	249	228
Community Strategies & Support Services <sup>(6)</sup>	174	25	44	243	229
Executive Director, Prevention of Family Violence and Bullying	146	27	35	208	191
Executive Director, Human Resources <sup>(7)</sup>	141	22	35	198	-
Special Policy Advisor <sup>(8)</sup>	60	9	16	85	-

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

- <sup>(1)</sup> Base salary includes pensionable base pay.
- <sup>(2)</sup> Other cash benefits include bonus, vacation payouts and lump sum payments.
- <sup>(3)</sup> Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
- <sup>(4)</sup> Automobile provided, no dollar amount included in other non-cash benefits.
- <sup>(5)</sup> The position was occupied by 2 individuals during the year.
- <sup>(6)</sup> The Position was occupied by 3 individuals during the year.
- <sup>(7)</sup> The position became part of the senior management team on April 1, 2008.
- <sup>(8)</sup> The position became part of the senior management team on December 1, 2008

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 6**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Revenues:		(Restated-Note 3)		(Restated-Note 3)
Internal Government Transfers	\$ -	\$ -	\$ 63,500	\$ 55,500
Other	-	-	-	-
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 63,500</b>	<b>\$ 55,500</b>
Expenses - Incurred by Others				
Grants to Child and Family Services Authorities	\$ 791,245	\$ 724,518	\$ -	\$ -
Ministry of Service Alberta	-	-	2,683	1,886
Ministry of Infrastructure	-	-	2	1
Ministry of Finance and Enterprise	-	-	1,574	1,560
Ministry of Health & Wellness - Health Authorities	-	-	162	208
Ministry of Advanced Education and Technology - Post Secondary	-	-	1,113	588
Ministry of Education - School Division	-	-	8,242	365
	<b>\$ 791,245</b>	<b>\$ 724,518</b>	<b>\$ 13,776</b>	<b>\$ 4,608</b>
Receivable from/(payable to) (net)				
Grants to Child and Family Services Authorities	\$ (37,262)	\$ (16,125)	\$ -	\$ -
Ministry of Advanced Education and Technology	-	-	(938)	-
Ministry of Education - School Divisions	-	-	(4,175)	-
Ministry of Health & Wellness - Health Authorities	-	-	(28)	(14)
Ministry of Finance and Enterprise	-	-	-	230
	<b>\$ (37,262)</b>	<b>\$ (16,125)</b>	<b>\$ (5,141)</b>	<b>\$ 216</b>

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 7.

	(in thousands)	
	2009	2008
<b>Expenses (notional):</b>		(Restated-Note3)
Accommodation	\$ 2,399	\$ 2,314
Legal Services	726	593
Internal Audit	-	12
Administrative	1,817	1,776
Air Transportation	213	265
	<b>\$ 5,155</b>	<b>\$ 4,960</b>

**DEPARTMENT OF CHILDREN AND YOUTH SERVICES**  
**ALLOCATED COSTS - SCHEDULE 7**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Program	(in thousands)									
	2009					2008				
	Expenses - Incurred by Others					Valuation Adjustments <sup>(5)</sup>				
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Legal Services <sup>(3)</sup>	Air Transportation	Admin Costs <sup>(4)</sup>	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses	Total Expenses
Ministry Support Services Promoting the Development and Well-being of Children, Youth and Families	\$ 16,955	\$ 544	\$ -	\$ -	\$ 48	\$ 413	\$ 150	\$ -	\$ 18,110	\$ 16,831
Keeping Children, Youth and Families Safe and Protected	459,877	402			36	303	110		460,728	377,240
Promoting Healthy Communities for Children, Youth and Families	547,819	759	726	67	575	208			550,154	519,528
Program Support	13,210	175		16	133	49			13,583	13,728
	46,565	519		46	393	142	(110)		47,555	47,006
	\$ 1,084,426	\$ 2,399	\$ 726	\$ 213	\$ 1,817	\$ 659	\$ (110)	\$ 1,090,130	\$ 974,333	

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustments (\$1,084,975 less (659 - 110) = \$1,084,426)

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Ministry of Infrastructure represent the Department's building costs allocated by the number of employees per program.

(3) Costs for Legal Services, which were paid by the Ministry of Justice and Attorney General, were allocated in proportion to the expenses incurred by each program.

(4) Administrative costs represents human resources, finance, business and corporate services provided by the Department of Service Alberta for which no consideration was exchanged. Costs were allocated by the number of Department employees per program.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts - estimated expenses incurred by each program.



# Other Information





# Ministry of Children and Youth Services Statement of Remissions, Compromises and Write-Offs

YEAR ENDED March 31, 2009

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The following statement has been prepared pursuant to section 23 of the Financial Administration Act. The statement includes all remissions, compromises and write-offs made or approved during the fiscal year

	(IN THOUSANDS) 2009
Remissions under section 21 of the <i>Financial Administration Act</i>	<u>-</u>
Compromises under section 22 of the <i>Financial Administration Act</i>	<u>-</u>
Bankruptcies	<u>-</u>
Write-offs:	
First Nations Recovery	\$ 40
Day Care Program - prior years	3,479
Others	<u>526</u>
Total	<u><u>\$ 4,045</u></u>



# Appendices





## APPENDIX 1

## Glossary of Terms and Acronyms

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### Glossary of Terms

**Alberta's Promise** – a public-private partnership dedicated to finding new and better ways of working together to direct more resources to benefit Alberta's children and youth.

**Adoption** – permanent, family, legal guardianship resting with adoptive parents. Contact with birth family is dictated by terms of adoption, which may be open or closed.

**Annual Report** – a document produced by government ministries to report on progress made during a fiscal year and measure the performance of all organizational facets against goals set out in the ministry business plan.

**Business Plan** – a strategic document created to give an organization direction by presenting a clear vision of its overall goals and how performance will be measured.

**Children in Care** – children determined to be in need of intervention, requiring protective out-of-home placement, as determined by provincial legislation.

**Child Protection Services** – delegated authorities empowered to provide mandated intervention based on legislated definitions of children in need of protection. For example, these children may be exposed to maltreatment, neglect or suspected/confirmed child abuse.

**Crosswalk** – the process for linking provincial ministry data and transmitting it to the CYDL for analysis and reporting.

**Differential Response** – an approach to case management that provides early identification of vulnerable children and families and mobilization of support services before a crisis occurs, to help more parents fulfil their natural role as caregivers for their children.

**Early Childhood Development Strategy (ECD)** – an initiative to provide a range of health, social and learning programs and services to parents, families and children from preconception to age six. The initiative strives to ensure children get the best start in life, as well as to strengthen parents' capacity to meet their children's needs and promote optimal child development.

**Family and Community Support Services (FCSS)** – a funding partnership between the province, municipalities and Métis Settlements that enables communities to design and deliver preventive social programs to promote and enhance well-being among individuals, families and communities. Eighty per cent of the funding is provided by Children and Youth Services.

**Family Enhancement Services** – services and supports provided to a family, enabling them to continue to care for their children in the home. These services are used when the children and family are motivated to address the issues impacting their family situation. Family enhancement services can also be provided to youth, 16 years of age or older, who are living independently from their family and who have been assessed to be in need of intervention services.

**Fetal Alcohol Spectrum Disorder (FASD)** – formerly referred to as Fetal Alcohol Syndrome, FASD refers to a range of physical changes and brain damage associated with fetal exposure to alcohol during pregnancy.

**Foster Care** – care and supervision of a child in care by a family, other than a parent or guardian. A Children and Youth Services authority must approve and arrange foster care.

**Group Care** – staff-based group care, usually limited to six to nine residents in a home or facility.

**Home Visitation** – an Early Childhood Development program providing one-on-one support in the family home to enhance parenting skills, provide child development information and promote child health and other aspects of positive family functioning.

**Jordan's Principle** – the principle states, “where government services are available to Canadian children, and a jurisdictional dispute arises around the costs of these services for Status Indian children, the government (federal or provincial / territorial) of first contact pays the cost and then resolves the jurisdictional dispute later.” Canadian jurisdictions are developing policies and protocols to ensure the principle is adhered to consistently.

**Kinship Care** – extended family providing for a child, as arranged through a child protection service provider.

**Permanency Planning** – a goal-oriented, systematic process for placing children into suitable family settings as quickly as possible.

## Glossary of Acronyms

ACCFCR – Alberta Centre for Child, Family and Community Research

ACYI — Alberta Children and Youth Initiative

CCIS - Child Care Information System

CCL – *Child Care Licensing Act*

CEO — Chief Executive Officer

CFSA — Child and Family Services Authority

CYDL – Child and Youth Data Laboratory

CYFE – *Child, Youth and Family Enhancement Act*

CYIM - Child Youth Information Module

CWPM - Casework Practice Model

DECA — *Drug-endangered Children's Act*

DFNA — Delegated First Nation Agency

ECD — Early Childhood Development Strategy

EPO – Emergency Protection Order

FASD — Fetal Alcohol Spectrum Disorder

FCSS — Family and Community Support Services

FCSSAA — Family and Community Support Services Association of Alberta

FSCD — Family Support for Children with Disabilities

ISIS – Intervention Services Information System

MLA — Member of Legislative Assembly

MNAA – Métis Nation of Alberta Association

PAFVA — *Protection Against Family Violence Act*

PLC — Parent Link Centre

PPAC – Provincial Parenting Advisory Committee

PPF - Provincial Protocol Framework

PSECA – *Protection of Sexually Exploited Children Act*

SAFE – Structured Analysis Family Evaluation

SCFRC – Social Care Facilities Review Committee

## APPENDIX 2

## Performance Measures – Data Sources and Methodology

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### Data Sources

#### Child Care Information System (CCIS)

CCIS contains information about Alberta's licensed social care facilities, including licensed and approved day care centres, contracted family day home agencies and direct care providers. Child care specialists use this system to maintain current information about the licensing and monitoring of all licensed and approved child care programs, including day care centres and family day home agencies and providers. CCIS also contains data related to the Child Care Subsidy Program, Child Care Accreditation Funding Program, Staff Qualification Program, Claims Process, Licensing and Family Day Home Program.

#### Child Youth Information Module (CYIM)

CYIM is an information system designed to assist with case management. The system provides client-tracking capability (e.g., outcome of investigations, placement type, legal authority, etc.) as well as documentation support for the programs under the former *Child Welfare Act* and the current *Child, Youth and Family Enhancement Act*: child protection, adoptions, placement resources, unmarried parents, post-adoption support, family enhancement and protection of children involved in prostitution (*Protection of Sexually Exploited Children and Youth Act*) and DECA (*Drug Endangered Children's Act*). CYIM is the data source for a number of the performance measures. Intervention Services Information System (ISIS) is being developed to replace CYIM as the key application that supports practice and administration across the regions and the DFNAs.

#### Ministry Surveys

The ministry hires external consultants to conduct several surveys used for performance measures including: the Family Support for Children with Disabilities Family Survey, the Albertans' Perceptions of Family Violence and Bullying Survey, the Foster Care Program Survey, the Adoption Program Survey, and the Child Care Subsidy Program Survey. These surveys are conducted every two years. The ministry also receives Exit Survey data from Women's Emergency Shelters annually.

### Methodology

#### PERFORMANCE MEASURE 1A:

##### Percentage of licensed day care centres and contracted family day home agencies that are accredited

The result for this measure is based on the number of licensed and approved day care centres and contracted family day home agencies accredited as of March 31, 2009. Approved, on-base (military) child care facilities are eligible for accreditation and accreditation grant funding and are included in this measure. On March 31, 2009, there were 586 eligible day care centres and contracted family day home agencies in the province. Of these, 444 were accredited. The Alberta Association for Accreditation of Early Learning and Care Services accredits eligible day

care centres and family day home agencies in Alberta. Accreditation is a voluntary program. Day care centres located on-reserve are not included in this measure, as these programs are not required to meet provincial legislation and are not eligible for accreditation. Direct care providers are contracted by Child and Family Services Authorities to provide family child care services but are not eligible to be accredited as a “contracted family day home agency” and are therefore excluded in the calculations as well. The measure also excludes those centres and agencies that have been accredited during the year but no longer have active licenses or contracts on March 31, 2009.

#### **PERFORMANCE MEASURE 1B:**

##### **Percentage of families accessing the Family Support for Children with Disabilities program that indicate the services provided had a positive impact on their child.**

The result for this measure is obtained through a survey of families receiving services from the FSCD Program at the end of the fiscal year. The survey was administered to 1,748 people who had accessed services through the FSCD Program. The overall valid response rate was 72.1 per cent and the valid sample size (i.e., total sample minus not in service telephone numbers, business numbers, individuals who stated they were did not receive services from FSCD) was 2,425 people. The overall margin of error for the survey results was equal to  $\pm 2.0$  per cent, 19 times out of 20.

Respondents had the opportunity to participate by telephone, online or by faxing or mailing in the completed survey. Full survey administration began on April 4, 2008 and was completed May 2, 2008. Attempts to complete a survey with any particular respondent occurred a maximum of five times. Any respondent who requested to be contacted at a more convenient time was accommodated.

#### **PERFORMANCE MEASURE 1C (SUPPLEMENTAL):**

##### **Percentage of Albertans who have information to better help in situations of family violence or bullying**

Baseline data was collected for this measure in 2008. This measure involves a telephone survey of Albertans 16 years and older to examine public awareness and understanding of family violence and bullying. The results for this measure are based on survey questions related to exposure to information on family violence and bullying and to what extent this information enabled respondents to feel better able to help in a family violence or bullying situation. Between January 14 and 31, 2008, Ipsos Reid conducted 1,571 telephone interviews with Albertans aged 16 years and older. This included a formal pilot test among 20 Albertans across the province on January 14, 2008. After a review of the pilot test results (i.e., listening to interviews, reviewing interviewer feedback and analyzing initial results), Children and Youth Services and Ipsos Reid agreed no changes to the questionnaire were necessary. Therefore, pilot test results are included in the overall data. The average interview length was 15.4 minutes. The “birthday method” of selecting respondents was used to ensure randomness within households (i.e., asking to speak to the person in the household over the age of 16 who most recently celebrated a birthday). Interviews were stratified by region – i.e., Edmonton and area, Calgary and area, Northern Alberta,

Central Alberta and Southern Alberta. Quotas were established to ensure a reliable sample size within each region for regional analysis. The data were weighted to ensure the sample's regional and age/gender composition reflects that of the actual Alberta population aged 16 years and older years according to 2006 Canadian Census data. With a sample of 1,571, results are considered accurate to within +/-2.8 percentage points, 19 times out of 20, of what they would have been had the entire population of Albertans 16 years and older years been polled.

#### **PERFORMANCE MEASURE 2A:**

##### **Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse**

An exit survey is conducted with clients of contracted women's emergency shelters. This survey is conducted between April 1, 2008 and March 31, 2009. All clients who stay at the 31 Children and Youth Services funded shelters throughout the province between April 1, 2008 and March 31, 2009 are given the opportunity to participate in this survey. A questionnaire is used in this survey. All abused clients with and without children were asked to participate in the survey on exit from the shelter. A sample of six months (April 1, 2008 to September 30, 2008) was drawn from the total surveys. The total number of surveys in the specified sample was 2,316. Of these surveys, the total number of surveys that were of abused clients (i.e., answered "yes" to screening question) in the sample was 1,400. Of those 1,400 surveys, 1,345 were completed surveys. Respondents are not necessarily 'unique individuals'; that is, if a woman visited a shelter more than once in the survey period, she may have completed the survey more than once. Respondents can fill out the survey before leaving the shelter or return their surveys by fax or mail. The 2008-09 results represent 29 out of 31 shelters. Survey results were not available from the remaining two shelters.

#### **PERFORMANCE MEASURE 2B:**

##### **Percentage of families accessing ministry programs that indicate positive impacts for their children: foster care, adoption and child care subsidy**

This measure involves three surveys conducted every two years on a given program or service to reduce cost and response burden. Surveys are contracted to an external consultant and are designed to meet rigorous standards associated with survey methodology.

Foster Care Program Survey – Respondents had the choice to complete the Foster Care Program Survey on paper, online or over the telephone. An introductory letter (on Alberta Children and Youth Services letterhead) was sent to all potential respondents detailing the purpose of the survey, the voluntary nature and the confidentiality of their responses. The name of a randomly selected foster child who had resided in their home within the last six months was included for reference in responding to select survey questions, including the performance measure. A hard copy of the survey and a postage-paid return envelope were included for individuals who chose to complete the survey on paper. A website address and pass code were provided in the letter for those who preferred to complete the survey online. Telephone calls were made to potential respondents approximately two weeks after the survey packages were

mailed out until the end of the data collection period. Data collection took place between January 13 and March 31, 2009. A census was conducted of all foster homes with “approved” status during September 2008, and in which a foster child had resided within the previous six months, based on information pulled from CYIM. Once the sample numbers for a region were deemed adequately large for regional reporting, repeat phone calls to potential respondents ceased. However, any responses that were received online, on paper, or where the respondent phoned the toll-free number continued to be accepted. A total of 1,015 surveys were completed out of a total population of 1,688. The overall margin of error for the survey was +/-1.9 per cent, 19 times out of 20, with the margin of error for the performance measure question being +/-2.1 per cent, 19 times out of 20. Results of this survey are reported at both the provincial and regional levels. CFSA results are the basis for this performance measure.

**Adoption Program Survey** – The Adoption Program Survey was conducted online and over the telephone. An introductory letter (on Alberta Children and Youth Services letterhead) was sent to all potential respondents detailing the purpose of the survey, the voluntary nature and the confidentiality of their responses. A website address and pass code were provided in the letter for those who preferred to complete the survey online. Telephone calls were made to potential respondents approximately two weeks after the survey packages were mailed out until the end of the data collection period. Data collection took place between February 25 and April 3, 2009. Adoption Program respondents were defined as individuals who:

- had their applications for adoption forwarded to Adoption and Permanency Services and had home assessments requested (as identified through a review of Adoption and Permanency Services paper files);
- had applications forwarded to Adoption and Permanency Services and who had been approved (as identified through all active families in the Adoption and Permanency Services Electronic Matching System); or
- had a child placed with them in an adoption permanency placement, either through the Adoption and Permanency Services matching process, or as a kinship or foster parent adoption (as identified on CYIM through all homes for children with “permanency placement adoption”).

A census was conducted of the 528 adoptive applicants meeting these criteria in September 2008. A total of 338 surveys were completed. Only respondents who had a child placed in their care were asked the performance measure question (n=205). The overall margin of error for this survey was +/-3.2 per cent, 19 times out of 20, with the margin of error for the performance measure question being +/-5.0 per cent, 19 times out of 20.

**Child Care Subsidy Program Survey** – The Child Care Subsidy Program Survey is a telephone survey. Child care subsidy program clients surveyed were those who received subsidies for their children to attend licensed and approved child care programs in Alberta. Clients were identified through the CCIS and kin child care databases in December 2008. To obtain an overall margin of error  $\pm 5.0$  per cent (19 times out of 20) for each of the CFSA's involved in the child care subsidy program, a random sample or census approach was used for each CFSA. A total of 6,355 introductory letters were mailed on Alberta Children and Youth Services letterhead to all potential respondents in the program prior to the commencement of survey administration.

**PERFORMANCE MEASURE 3A:****Percentage of children who suffer injury that results in hospitalization or death while receiving protective services**

This measure is derived from CYIM data and is calculated by dividing the number of children and youth receiving protection services during a specified time period into the number of children receiving protective services who experience an injury that resulted in the child's hospitalization or death. The caseworker is required to report information on this measure at three points in the case management process: investigation, completion of an information consolidation/ongoing case assessment record, and file closure. At each point the worker is prompted to enter information about this measure, if applicable. The question posed to the worker at the time of the prompt is, "Did the child sustain an injury that resulted in hospitalization or death?" An affirmative response on CYIM to this question is made when death has occurred or hospital admission has taken place as a result of an injury. All CYIM results for this measure are manually checked against the relevant case records to ensure accuracy of the result reported in CYIM.

**PERFORMANCE MEASURE 3B:****Number of children in the permanent care of the Director for whom Adoption or Private Guardianship Orders are granted**

The *Child, Youth and Family Enhancement Act* increased the supports available to families who adopted children as well as those where a family was granted private guardianship. The supports for permanency program was introduced in 2005 and continues to be improved to ensure that the necessary supports are in place to encourage and maintain permanent homes for these children. The measure is calculated by counting the number of children in permanent care of the Director whose case file is closed during the fiscal year, where reason for closure is a private guardianship order or adoption order.

**PERFORMANCE MEASURE 3C (SUPPLEMENTAL):****Percentage of children and youth who received child intervention (family enhancement or protective services) and did not require protective services within 12 months of file closure**

This measure describes the proportion of children with a child intervention file closure in a fiscal year who within 12 months of the closure did not require child protection services. A child intervention file closure refers to either a family enhancement or child protection closure. Step 1 of this measure involves looking at all the children whose file closed (there is a closure entered on CYIM) during the time period from April 1, 2007 to March 31, 2008 (Denominator). Step 2 of this measure looks at the children identified in Step 1 who within 12 months of the closure required additional services through the Child Protection Program (Numerator). Children are included in the denominator if the closure occurred prior to their 17th birthday.

**PERFORMANCE MEASURE 4A:****Percentage of Aboriginal children in foster care or kinship care who are placed with Aboriginal families**

This measure looks at the placement of Aboriginal children in foster or kinship care homes where the foster or kinship family has an Aboriginal background. This provides one indicator of achieving the outcome “Aboriginal children, youth and families receive culturally appropriate services.” An Aboriginal foster or kinship care family is determined to be Aboriginal if the home is denoted as Aboriginal or the caregiver’s racial origin is identified as Aboriginal in CYIM.

**PERFORMANCE MEASURE 5A:****Percentage of expenditures in the children/youth/families project and service category of Family and Community Support Services**

Each year, participating municipalities and Métis Settlements must submit reports with financial information and a list of projects and services receiving funding. Projects are identified within numerous service categories including children/youth, families, adults, seniors and community development. Data are collected annually from each participating municipality and Métis Settlement. The Family and Community Support Services (FCSS) Regulation requires financial reporting be received by the Minister of Children and Youth Services within 120 days of the end of the municipality’s fiscal year (reference section 11(b)(i) of the FCSS Regulation). Municipalities operate on a calendar year (January 1 to December 31) and were required to submit 2007 reporting by April 30, 2008. Métis Settlements operate on a fiscal year (April 1 to March 31) and were required to submit 2007-08 reporting by July 29, 2008. Information for this 2008-09 Performance Measure is based on a combination of 2007 municipal and 2007-08 Métis Settlement reporting. Seven projects and services categories are used to report FCSS activities including: Children/Youth (Category A), Families (Category B), Adults (Category C), Seniors (Category D), Community Development (E), Grant Transfers (F) and FCSS Management (Category G). Note: Prior to 2005, Section 2 (Projects/Services Report) included the following six categories: Children/Youth, Adults/Families, Seniors, Community Development, Grant Transfers and FCSS Management. To better reflect FCSS involvement in the provision of services to families, this section was revised to create separate reporting categories for adults and families. This revision allows for more detailed reporting based on a specific population segment, but does not impact combined total expenditures reported.

An expenditure percentage of 48.7 per cent was achieved within the FCSS Projects and Services category for Children/Youth (Category A) and Families (Category B) (Annual FCSS Program Report Section 2) submitted by participating municipalities and Métis Settlements. This result represents expenditures of \$50,079,241 in these categories in 2007.

**PERFORMANCE MEASURE 5B:****Percentage of children and youth who received family enhancement services and afterwards did not require protective services**

The methodology is based on tracking all children with a family enhancement closure in a fiscal year for 12 months from the date of the closure to determine if the file has been reopened under protection services. Assurance for data completeness results from the case management practice, which states that a child protection case may be opened only after the child’s family enhancement file has been closed. A child cannot receive services under both family enhancement and protection services at the same time.

## APPENDIX 3

## Appeal Panels

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The Minister appoints citizens to appeals panels, which hear appeals under the *Child, Youth and Family Enhancement Act* and the *Family Support for Children with Disabilities Act*.

The following is a summary of appeal decisions for 2008-09, organized according to the Acts under which the appeals were heard: Enhancement appeals and Family Support for Children with Disabilities appeals.

### 2008-09 Appeals

#### Enhancement April 1, 2008 – March 31, 2009

Number Active	60
Reversed	3
Confirmed	3
No Jurisdiction	3
The Appeal Panel was unable to provide a remedy	1
Withdrawn/Abandoned	22
Varied	
Hold/Pending	28

#### Family Support for Children with Disabilities April 1, 2008 – March 31, 2009

Number Active	43
Rescinded	11
Confirmed	6
Varied	1
No Jurisdiction	1
Withdrawn/Abandoned	14
Hold/Pending	10

#### Social Care Facilities Licensing/Child Care Licensing April 1, 2008 – March 31, 2009

Number Active	2
Reinstate	1
Confirmed	1
Varied	0
No Jurisdiction	0
Withdrawn/Abandoned	0
Hold/Pending	0

## APPENDIX 4

## Child and Family Services Authorities Directory

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### **Southwest Alberta Child and Family Services, Region 1**

107 Palliser Centre, 3305 – 18 Avenue North  
 Lethbridge, AB T1H 5S1  
 Phone: (403) 381-5543  
 Fax: (403) 381-5608  
 CEO: Lonnie Slezina  
 Co-Chair: Sharon Holtman  
 Co-Chair: Tom Wickersham

### **Southeast Alberta Child and Family Services, Region 2**

#101, Provincial Building, 346 – 3rd Street SE  
 Medicine Hat, AB T1A 0G7  
 Phone: (403) 529-3753  
 Fax: (403) 528-5244  
 CEO: Bryan Heninger  
 Co-Chair: Heather Rann  
 Co-Chair: Ken Serr

### **Calgary and Area Child and Family Services, Region 3**

#300, 1240 Kensington Road NW  
 Calgary, AB T2N 3P7  
 Phone: (403) 297-6100  
 Fax: (403) 297-7214  
 CEO: Bonnie Johnston  
 Co-Chair: Gerrad Oishi  
 Co-Chair: John Phillips

### **Central Alberta Child and Family Services, Region 4**

3rd Floor, Bishop Place, 4826 Ross Street  
 Red Deer, AB T4N 1X4  
 Phone: (403) 341-8642  
 Fax: (403) 341-8654  
 CEO: Janet Fizzell  
 Co-Chair: Ronald Gaida  
 Co-Chair: Sara Potts

### **East Central Alberta Child and Family Services, Region 5**

Box 300, 4811 – 49th Avenue  
 Killam, AB T0B 2L0  
 Phone: (780) 385-7160  
 Fax: (780) 385-7163  
 CEO: David Wilson  
 Co-Chair: Rose Lameman  
 Co-Chair: Peter Miller

**Edmonton and Area Child and Family Services, Region 6**

6th Floor, Oxbridge Place, 9820 - 106 Street  
Edmonton, AB T5K 2J6  
Phone: (780) 422-2250  
Fax: (780) 422 - 6864  
CEO: Rick Semel  
Co-Chair: Dr. J.R. (Dick) Frey  
Co-Chair: Brian Hjesvold

**North Central Alberta Child and Family Services, Region 7**

2nd Floor, Administrative Building, 5143 – 50 Street  
Barrhead, AB T7N 1A6  
Phone: (780) 305-2440  
Fax: (780) 305-2444  
CEO: Dr. David Rideout  
Co-Chair: Brian Broughton  
Co-Chair: Audrey Franklin

**Northwest Alberta Child and Family Services, Region 8**

3001, Provincial Building, 10320 – 99 Street  
Grande Prairie, AB T8V 6J4  
Phone: (780) 538-5122  
Fax: (780) 538-5137  
CEO: Carole Anne Patenaude  
Co-Chair: Judy Ostrowski  
Co-Chair: Karen Egge

**Northeast Alberta Child and Family Services, Region 9**

8th Floor, Provincial Building, 9915 Franklin Avenue  
Fort McMurray, AB T9H 2K4  
Phone: (780) 743-7461  
Fax: (780) 743-7225  
CEO: Ron Benson  
Co-Chair: William Clark  
Co-Chair: Kent Pickett

**Métis Settlements Child and Family Services, Region 10**

#210, 10335 – 172 Street  
Edmonton, AB T5S 1K9  
Phone: (780) 427-1033  
Fax: (780) 415-0177  
CEO: Lillian Parenteau  
Co-Chair: Sharon Anderson  
Co-Chair: Floyd Thompson

## APPENDIX 5

# Alphabetical List of Government Entities' Financial Statements

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## Entities Included in the Consolidated Government Reporting Entity

### MINISTRY, DEPARTMENT, FUND OR AGENCY

### MINISTRY ANNUAL REPORT

Access to the Future Fund	Advanced Education and Technology
Agriculture Financial Services Corporation	Agriculture and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Cancer Prevention Legacy Fund	Finance and Enterprise
Alberta Capital Finance Authority	Finance and Enterprise
Alberta Energy and Utilities Board <sup>1</sup>	Energy
Alberta Enterprise Corporation <sup>2</sup>	Advanced Education and Technology
Alberta Foundation for the Arts	Culture and Community Spirit
Alberta Gaming and Liquor Commission	Solicitor General and Public Security
Alberta Heritage Foundation for Medical Research Endowment Fund	Finance and Enterprise
Alberta Heritage Savings Trust Fund	Finance and Enterprise
Alberta Heritage Scholarship Fund	Finance and Enterprise
Alberta Heritage Science and Engineering Research Endowment Fund	Finance and Enterprise
Alberta Historical Resources Foundation	Culture and Community Spirit
Alberta Insurance Council	Finance and Enterprise
Alberta Investment Management Corporation <sup>3</sup>	Finance and Enterprise
Alberta Livestock and Meat Agency <sup>4</sup>	Agriculture and Rural Development
Alberta Local Authorities Pension Plan Corporation	Finance and Enterprise
Alberta Pensions Administration Corporation	Finance and Enterprise
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Advanced Education and Technology
Alberta Risk Management Fund	Finance and Enterprise
Alberta School Foundation Fund	Education
Alberta Securities Commission	Finance and Enterprise

## Entities Included in the Consolidated Government Reporting Entity

<b>MINISTRY, DEPARTMENT, FUND OR AGENCY</b>	<b>MINISTRY ANNUAL REPORT</b>
Alberta Social Housing Corporation	Housing and Urban Affairs
Alberta Sport, Recreation, Parks and Wildlife Foundation	Tourism, Parks and Recreation
Alberta Treasury Branches	Finance and Enterprise
Alberta Utilities Commission <sup>1</sup>	Energy
ATB Insurance Advisors Inc.	Finance and Enterprise
ATB Investment Management Inc.	Finance and Enterprise
ATB Investment Services Inc.	Finance and Enterprise
ATB Securities Inc.	Finance and Enterprise
Child and Family Services Authorities:	Children and Youth Services
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	
East Central Alberta Child and Family Services Authority	
Edmonton and Area Child and Family Services Authority	
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Métis Settlements Child and Family Services Authority	
C-FER Technologies (1999) Inc.	Advanced Education and Technology
Climate Change and Emissions Management Fund <sup>5</sup>	Environment
Credit Union Deposit Guarantee Corporation	Finance and Enterprise
Colleges:	Advanced Education and Technology
Alberta College of Art and Design	
Bow Valley College	
Grande Prairie Regional College	
Grant MacEwan College	
Keyano College	
Lakeland College	
Lethbridge Community College	
Medicine Hat College	
Mount Royal College	
NorQuest College	
Northern Lakes College	
Olds College	
Portage College	
Red Deer College	
Department of Advanced Education and Technology	Advanced Education and Technology

## Entities Included in the Consolidated Government Reporting Entity

<b>MINISTRY, DEPARTMENT, FUND OR AGENCY</b>	<b>MINISTRY ANNUAL REPORT</b>
Department of Agriculture and Rural Development	Agriculture and Rural Development
Department of Children and Youth Services	Children and Youth Services
Department of Culture and Community Spirit	Culture and Community Spirit
Department of Education	Education
Department of Energy	Energy
Department of Finance and Enterprise	Finance and Enterprise
Department of Environment	Environment
Department of Health and Wellness	Health and Wellness
Department of Housing and Urban Affairs	Housing and Urban Affairs
Department of Municipal Affairs	Municipal Affairs
Department of Seniors and Community Supports	Seniors and Community Supports
Department of Solicitor General and Public Security	Solicitor General and Public Security
Department of Sustainable Resource Development	Sustainable Resource Development
Department of Tourism, Parks and Recreation	Tourism, Parks and Recreation
Energy Resources Conservation Board <sup>1</sup>	Energy
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance and Enterprise
Government House Foundation	Culture and Community Spirit
Historic Resources Fund	Culture and Community Spirit
Human Rights, Citizenship and Multiculturalism Education Fund	Culture and Community Spirit
iCORE Inc.	Advanced Education and Technology
Lottery Fund	Solicitor General and Public Security
Ministry of Aboriginal Relations <sup>6</sup>	Aboriginal Relations
Ministry of Advanced Education and Technology	Advanced Education and Technology
Ministry of Agriculture and Rural Development	Agriculture and Rural Development
Ministry of Children and Youth Services	Children and Youth Services
Ministry of Culture and Community Spirit	Culture and Community Spirit
Ministry of Education	Education
Ministry of Employment and Immigration <sup>6</sup>	Employment and Immigration
Ministry of Energy	Energy

## Entities Included in the Consolidated Government Reporting Entity

<b>MINISTRY, DEPARTMENT, FUND OR AGENCY</b>	<b>MINISTRY ANNUAL REPORT</b>
Ministry of Environment	Environment
Ministry of Executive Council <sup>6</sup>	Executive Council
Ministry of Finance and Enterprise	Finance and Enterprise
Ministry of Health and Wellness	Health and Wellness
Ministry of Housing and Urban Affairs	Housing and Urban Affairs
Ministry of Infrastructure <sup>6</sup>	Infrastructure
Ministry of International and Intergovernmental Relations <sup>6</sup>	International, and Intergovernmental Relations
Ministry of Justice <sup>6</sup>	Justice
Ministry of Municipal Affairs	Municipal Affairs
Ministry of Seniors and Community Supports	Seniors and Community Supports
Ministry of Service Alberta <sup>6</sup>	Service Alberta
Ministry of Solicitor General and Public Security	Solicitor General and Public Security
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Tourism, Parks, and Recreation	Tourism, Parks, and Recreation
Ministry of Transportation <sup>6</sup>	Transportation
Ministry of the Treasury Board <sup>6</sup>	Treasury Board
N.A. Properties (1994) Ltd.	Finance and Enterprise
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Community Boards:	Seniors and Community Supports
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
South Region Community Board	
Provincial Judges and Masters in Chambers Reserve Fund	Finance and Enterprise Regional Health Authorities and

## Entities Included in the Consolidated Government Reporting Entity

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Provincial Health Boards:	Health and Wellness
Alberta Cancer Board	
Alberta Mental Health Board	
Aspen Regional Health Authority	
Calgary Health Region	
Capital Health	
Chinook Regional Health Authority	
David Thompson Regional Health Authority	
East Central Health	
Health Quality Council of Alberta	
Northern Lights Health Region	
Peace Country Health	
Palliser Health Region	
Safety Codes Council	Municipal Affairs
School Boards and Charter Schools:	Education
Almadina School Society	
Aspen View Regional Division No. 19	
Aurora School Ltd.	
Battle River Regional Division No. 31	
Black Gold Regional Division No. 18	
Boyle Street Education Centre	
Buffalo Trail Public Schools Regional Division No. 28	
Calgary Arts Academy Society	
Calgary Girls' School Society	
Calgary Roman Catholic Separate School District No. 1	
Calgary School District No. 19	
Calgary Science School Society	
Canadian Rockies Regional Division No. 12	
CAPE-Centre for Academic and Personal Excellence Institute	
Chinook's Edge School Division No. 73	
Christ the Redeemer Catholic Separate Regional Division No. 3	
Clearview School Division No. 71	
East Central Alberta Catholic Separate Schools Regional Division No. 16	
East Central Francophone Education Region No. 3	
Edmonton Catholic Separate School District No. 7	
Edmonton School District No. 7	
Elk Island Catholic Separate Regional Division No. 41	
Elk Island Public Schools Regional Division No. 14	
Evergreen Catholic Separate Regional Division No. 2	
FFCA Charter School Society	
Foothills School Division No. 38	
Fort McMurray Roman Catholic Separate School District No. 32	

## Entities Included in the Consolidated Government Reporting Entity

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
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Fort McMurray School District No. 2833	
Fort Vermilion School Division No. 52	
Golden Hills School Division No. 75	
Grande Prairie Public School District No. 2357	
Grande Prairie Roman Catholic Separate School District No. 28	
Grande Yellowhead Regional Division No. 35	
Grasslands Regional Division No. 6	
Greater North Central Francophone Education Region No. 2	
Greater Southern Public Francophone Education Region No. 4	
Greater Southern Separate Catholic Francophone Education Region No. 4	
Greater St. Albert Catholic Regional Division No. 29	
High Prairie School Division No. 48	
Holy Family Catholic Regional Division No. 37	
Holy Spirit Roman Catholic Separate Regional Division No. 4	
Horizon School Division No. 67	
Lakeland Roman Catholic Separate School District No. 150	
Lethbridge School District No. 51	
Living Waters Catholic Regional Division No. 42	
Livingstone Range School Division No. 68	
Medicine Hat Catholic Separate Regional Division No. 20	
Medicine Hat School District No. 76	
Moberly Hall School Society	
Mother Earth's Children's Charter School Society	
New Horizons Charter School Society	
Northern Gateway Regional Division No. 10	
Northern Lights School Division No. 69	
Northland School Division No. 61	
Northwest Francophone Education Region No. 1	
Palliser Regional Division No. 26	
Parkland School Division No. 70	
Peace River School Division No. 10	
Peace Wapiti School Division No. 76	
Pembina Hills Regional Division No. 7	
Prairie Land Regional Division No. 25	
Prairie Rose School Division No. 8	
Red Deer Catholic Regional Division No. 39	
Red Deer School District No. 104	
Rocky View School Division No. 41	
St. Albert Protestant Separate School District No. 6	
St. Paul Education Regional Division No. 1	
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38	
Sturgeon School Division No. 24	
Suzuki Charter School Society	

## Entities Included in the Consolidated Government Reporting Entity

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Westmount Charter School Society	
Westwind School Division No. 74	
Wetaskiwin Regional Division No. 11	
Wild Rose School Division No. 66	
Wolf Creek School Division No. 72	
Supplementary Retirement Plan Reserve Fund	Finance and Enterprise
Technical Institutes and The Banff Centre:	Advanced Education and Technology
Northern Alberta Institute of Technology	
Southern Alberta Institute of Technology	
The Banff Centre for Continuing Education	
Universities:	Advanced Education and Technology
Athabasca University	
The University of Alberta	
The University of Calgary	
The University of Lethbridge	
Victims of Crime Fund	Solicitor General and Public Security
Wild Rose Foundation	Culture and Community Spirit

## Entities Not Included in the Consolidated Government Reporting Entity

<b>MINISTRY, DEPARTMENT, FUND OR AGENCY</b>	<b>MINISTRY ANNUAL REPORT</b>
Alberta Foundation for Health Research	Advanced Education and Technology
Alberta Heritage Foundation for Medical Research	Advanced Education and Technology
Alberta Heritage Foundation for Science and Engineering Research	Advanced Education and Technology
Alberta Teachers' Retirement Fund Board	Education
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance and Enterprise
Long-Term Disability Income Continuance Plan - Bargaining Unit	Treasury Board
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Treasury Board
Management Employees Pension Plan	Finance and Enterprise
Provincial Judges and Masters in Chambers (Registered) Pension Plan	Finance and Enterprise
Public Service Management (Closed Membership) Pension Plan	Finance and Enterprise
Public Service Pension Plan	Finance and Enterprise
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance and Enterprise
Supplementary Retirement Plan for Public Service Managers	Finance and Enterprise
Workers' Compensation Board	Employment and Immigration

<sup>1</sup> Effective January 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.

<sup>2</sup> Established during 2008-09.

<sup>3</sup> Began operations July 1, 2008.

<sup>4</sup> Incorporated on January 29, 2009.

<sup>5</sup> Began operations July 1, 2007.

<sup>6</sup> Ministry includes only the departments so separate financial statements are not necessary.

# Child and Family Services Authorities Financial Statements





# **FINANCIAL STATEMENTS**

March 31, 2009

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## Auditor's Report

To the Members of the Southwest Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the Southwest Alberta Child and Family Services Authority (the Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
May 29, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual (Restated - Note 9)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 38,584	\$ 40,700	\$ 37,868
<b>Other Revenue</b>			
Inter-Authority Services	78	30	22
Other Revenue	21	132	291
	<b>38,683</b>	<b>40,862</b>	<b>38,181</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	5,830	6,409	5,451
Child Care	5,000	6,225	4,817
Prevention of Family Violence and Bullying	-	93	-
Parenting Resources Initiative	377	383	372
Fetal Alcohol Spectrum Disorder Initiatives	134	531	515
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	17,732	16,918	16,556
Foster Care Support	7,511	8,146	7,441
Protection of Sexually Exploited Children	257	246	239
Child and Youth Support	279	301	272
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	93	60	91
<b>Support Services:</b>			
Program Support	1,244	1,254	1,143
Board Governance	148	145	129
Inter-Authority Services	78	30	22
Valuation Adjustments (Note 2)	-	121	158
<b>TOTAL EXPENSES</b>	<b>38,683</b>	<b>40,862</b>	<b>37,206</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 975</b>

The accompanying notes and schedules are part of these financial statements.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Cash	\$ 3,920	\$ 3,762
Accounts Receivable (Note 4)	1,308	1,320
	<u>\$ 5,228</u>	<u>\$ 5,082</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 2,875	\$ 2,729
<b>Net Assets</b>		
Net Assets at Beginning of Year	2,353	1,378
Net Operating Results	-	975
Net Assets at End of Year	<u>2,353</u>	<u>2,353</u>
	<u>\$ 5,228</u>	<u>\$ 5,082</u>

The accompanying notes and schedules are part of these financial statements.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ 975
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	121	158
	<u>121</u>	<u>1,133</u>
Decrease (Increase) in Accounts Receivable	12	(238)
Increase in Accounts Payable and Accrued Liabilities	25	93
Cash Provided by Operating Transactions	<u>158</u>	<u>988</u>
<b>Increase in Cash</b>	158	988
<b>Cash, Beginning of Year</b>	3,762	2,774
<b>Cash, End of Year</b>	<u><u>\$ 3,920</u></u>	<u><u>\$ 3,762</u></u>

The accompanying notes and schedules are part of these financial statements.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 1 Authority, Purpose and Operations**

The Southwest Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the Southwest Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

***Expenses***

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc, directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurring by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

***Assets***

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Asset /Net Liabilities***

Net assets/net liabilities represents the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$38,683 on March 27, 2008.

***Measurement Uncertainty (in thousands)***

Measurement uncertainty exists when there is a variance between the recognized and disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$1,308 and \$2,875 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimate.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services  
(in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 38,584
Additional funding for the current year	<u>2,116</u>
Grant for the year	<u><u>\$ 40,700</u></u>

**Note 4 Accounts Receivable  
(in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Child & Family Services Authorities	\$ -	\$ -	\$ -	\$ 12
Department of Children and Youth Services	1,204	-	1,204	1,102
Refunds from Suppliers	107	3	104	206
	<u>\$ 1,311</u>	<u>\$ 3</u>	<u>\$ 1,308</u>	<u>\$ 1,320</u>

Accounts receivable are unsecured and non-interest bearing.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Accounts payable and accrued liabilities**  
**(in thousands)**

	2009	2008
Trade Payable	\$ 1,578	\$ 1,487
Accrued Vacation Pay and Manpower Expenses	1,258	1,161
Department of Children and Youth Services	18	81
Child and Family Services Authorities	21	-
	<u>\$ 2,875</u>	<u>\$ 2,729</u>

**Note 6 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	2009	2008
Long-term Leases <sup>(a)</sup>	<u>\$ 58</u>	<u>\$ 144</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010	\$ 47
2011	11
	<u>\$ 58</u>

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 7**      **Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in three legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008 – three legal claims). The three claims have specified amounts totalling \$326,300 (2008 – three claims with a specified amount of \$326,300). The Authority is jointly named with other entries in these three claims. One claim amounting to \$1,300 (2008 – one claim amounting to \$1,300) is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 8**      **Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$830 for the year ended March 31, 2009 (2008 – \$717).

**Note 9**      **Program Transfer**  
**(in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 10**     **Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 11**     **Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual (Restated - Note 9)
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 12,323	\$ 12,258	\$ 11,321
Supplies and Services	16,502	17,220	16,593
Grants	9,780	11,233	9,112
Inter-Authority Services	78	30	22
Other	-	121	158
<b>Total Expenses</b>	<b>\$ 38,683</b>	<b>\$ 40,862</b>	<b>\$ 37,206</b>

(a) This includes \$81(2008 - \$78) in achievement bonuses for management and non-union staff.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		
Co-Chair of the Authority	\$ -	\$ 28	\$ -	\$ 28	\$ 28
Co-Chair of the Authority	-	28	-	28	28
Board Members (6 members)	-	66	-	66	61
Chief Executive Officer <sup>(4)</sup>	165	13	48	226	202

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

- (1) Base salary includes regular pay.
- (2) Other cash benefits include bonuses, vacation payments and lump sum payments.  
 Co-chairs and board members receive honoraria only.  
 The Department of Children and Youth Services paid \$23 of the total honoraria expenses disclosed in this schedule.
- (3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.
- (4) The position was occupied by two different individuals during the year. The first incumbent occupied the position on a permanent basis until October 20, 2008. The second incumbent occupied the position in an acting capacity for the remainder of the fiscal year.

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
		(Restated - Note 9)		
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 40,700	\$ 37,868	\$ -	\$ -
Recoveries - Inter-Authority Services	30	22	-	-
	<u>\$ 40,730</u>	<u>\$ 37,890</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 80	\$ 29	\$ -	\$ -
Department of Children and Youth Services	195	194	-	-
Department of Advanced Education and Technology	-	-	109	77
Department of Education	-	-	164	165
Department of Health and Wellness	-	-	692	667
Department of Service Alberta	-	-	24	17
	<u>\$ 275</u>	<u>\$ 223</u>	<u>\$ 989</u>	<u>\$ 926</u>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 1,186	\$ 1,021	\$ -	\$ -
Calgary and Area Child and Family Services Authority	(16)	12	-	-
Edmonton and Area Child and Family Services Authority	(5)	-	-	-
	<u>\$ 1,165</u>	<u>\$ 1,033</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
		Restated
<b>Expenses (Notional):</b>		
Accommodation	\$ 1,110	\$ 1,075
Administrative	672	619
Legal Services	-	1
	<u>\$ 1,782</u>	<u>\$ 1,695</u>

**SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Program	(IN THOUSANDS)									
	2009					2008				
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Administration Costs <sup>(3)</sup>	Legal Services <sup>(4)</sup>	Valuation Adjustments <sup>(5)</sup>	Total Expenses	Expenses	Total Expenses	Expenses (Restated)	Total
Family Support for Children with Disabilities	\$ 6,409	\$ -	\$ -	\$ -	\$ -	\$ 6,409	\$ -	\$ 6,486	\$ 5,528	\$ 6,486
Child Care	6,225	63	-	-	7	6,295	-	6,295	4,916	6,295
Prevention of Family Violence and Bullying	93	8	-	-	1	102	-	102	11	102
Parenting Resources Initiative	383	-	-	-	-	383	-	383	372	383
Fetal Alcohol Spectrum Disorder Initiatives	531	-	-	-	-	531	-	531	515	531
Child Intervention Services	16,918	777	-	-	84	17,779	-	17,779	17,400	17,779
Foster Care Support	8,146	105	-	-	11	8,263	1	8,263	7,548	8,263
Protection of Sexually Exploited Children	246	16	-	-	2	264	-	264	249	264
Child and Youth Support	301	4	-	-	-	305	-	305	278	305
Community Initiatives	60	-	-	-	-	60	-	60	97	60
Program Support	1,254	68	672	-	7	2,001	-	2,001	1,836	2,001
Board Governance	145	-	-	-	-	145	-	145	129	145
Inter-Authority Services	30	-	-	-	-	30	-	30	22	30
	<b>\$ 40,741</b>	<b>\$ 1,110</b>	<b>\$ 672</b>	<b>\$ -</b>	<b>\$ 120</b>	<b>\$ 42,644</b>	<b>1</b>	<b>\$ 42,644</b>	<b>\$ 38,901</b>	<b>\$ 42,644</b>

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation, represent the Southwest Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancement Act*.

(5) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.

- Doubtful Accounts provision is allocated to specific program.



# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the Members of the Southeast Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the Southeast Alberta Child and Family Services Authority (Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 15, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual (Restated - Note 10)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 22,171	\$ 26,194	\$ 22,118
<b>Other Revenue</b>			
Inter-Authority Services	-	-	-
Other Revenue	19	17	24
	<b>22,190</b>	<b>26,211</b>	<b>22,142</b>
<b>EXPENSE (Schedule 1 and 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	2,659	2,883	2,393
Child Care	3,515	4,017	3,243
Prevention of Family Violence and Bullying	-	66	-
Parenting Resources Initiative	249	256	229
Fetal Alcohol Spectrum Disorder Initiatives	90	88	83
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	10,527	12,635	11,613
Foster Care Support	3,623	4,855	3,938
Protection of Sexually Exploited Children	83	68	98
Child and Youth Support	104	90	99
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	15	-	-
<b>Support Services:</b>			
Program Support	1,249	1,088	993
Board Governance	76	58	47
Amortization	-	1	1
Inter-Authority Services	-	-	-
Valuation Adjustments	-	106	116
<b>TOTAL EXPENSES</b>	<b>22,190</b>	<b>26,211</b>	<b>22,853</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (711)</b>

The accompanying notes and schedules are part of these financial statements.

\*This includes write-down of tangible capital assets (if any)

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	<b>(IN THOUSANDS)</b>	
	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Cash	\$ -	\$ 405
Accounts Receivable (Note 4)	1,247	625
Prepaid Expenses	6	5
Tangible Capital Assets (Note 5)	4	5
	<b><u>\$ 1,257</u></b>	<b><u>\$ 1,040</u></b>
<b>Liabilities</b>		
Bank Overdraft	\$ 160	\$ -
Accounts Payable and Accrued Liabilities (Note 6)	1,533	1,476
	<b><u>1,693</u></b>	<b><u>1,476</u></b>
<b>Net Assets (Liabilities)</b>		
Net Assets at Beginning of Year	(436)	275
Net Operating Results	-	(711)
Net (Liabilities) Assets at End of Year	<b><u>(436)</u></b>	<b><u>(436)</u></b>
	<b><u>\$ 1,257</u></b>	<b><u>\$ 1,040</u></b>

The accompanying notes and schedules are part of these financial statements.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ (711)
Non-Cash Items included in Net Operating Results:		
Amortization	1	1
Valuation Adjustments	106	116
	<u>107</u>	<u>(594)</u>
Decrease (increase) in Accounts Receivable	(622)	77
Decrease (increase) in Prepays	(1)	12
Increase (decrease) in Accounts Payable and Accrued Liabilities	(49)	80
Cash Applied to Operating Transactions	<u>(565)</u>	<u>(425)</u>
<b>Decrease in Cash</b>	(565)	(425)
<b>Cash, Beginning of Year</b>	405	830
<b>(Bank Overdraft) Cash, End of Year</b>	<u><u>\$ (160)</u></u>	<u><u>\$ 405</u></u>

The accompanying notes and schedules are part of these financial statements.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 1 Authority, Purpose and Operations**

The Southeast Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the authority.

**Reporting Entity**

The reporting entity is the Southeast Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

***Expenses***

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

***Assets***

Financial assets of the Authority are limited to cash, financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Asset /Net Liabilities***

Net assets/net liabilities represents the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 22, 2008. The Authority approved the budget of \$22,190 on March 18, 2008.

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$1,247 and \$1,533 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Voluntary Contributions***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services  
(in thousands)**

The grants are determined as follows:

Initial (original) budget	\$ 22,171
Additional funding for the current year	<u>4,023</u>
Grant for the year	<u><u>\$ 26,194</u></u>

**Note 4 Accounts Receivable  
(in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	\$ 1,241	\$ -	\$ 1,241	\$ 582
Refunds from Suppliers	6	-	6	43
	<u>\$ 1,247</u>	<u>\$ -</u>	<u>\$ 1,247</u>	<u>\$ 625</u>

Accounts receivable are unsecured and non-interest bearing.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Tangible Capital Assets**  
 (in thousands)

	<u>2009</u>		<u>2008</u>
	<u>Equipment*</u>	<u>Total</u>	<u>Total</u>
<b>Estimated Useful Life</b>	5 years		
<b>Historical Cost</b>			
Beginning of Year	\$ 6	\$ 6	\$ 6
Additions	<u>6</u>	<u>6</u>	<u>6</u>
<b>Accumulated Amortization</b>			
Beginning of Year	1	1	-
Amortization Expense	<u>1</u>	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>	<u>1</u>
<b>Net Book Value at March 31, 2009</b>	<u>4</u>		
<b>Net Book Value at March 31, 2008</b>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

\*Equipment includes office equipment, furniture and other equipment.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 6 Accounts payable and accrued liabilities**  
**(in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payables	\$ 844	\$ 766
Accrued Vacation Pay and Manpower Expenses	678	664
Department of Children and Youth Services	3	46
Child and Family Services Authorities	8	-
Other	-	-
	<u>\$ 1,533</u>	<u>\$ 1,476</u>

**Note 7 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	<u>\$ 34</u>	<u>\$ 64</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term</u> <u>Leases</u>
2010	25
2011	9
	<u>\$ 34</u>

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 8      Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in two legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008–two legal claims). The two claims have specified amounts totalling \$325,000 (2008– two claim with a specified amount of \$325,000). The Authority is jointly named with other entities in these two claims. Neither claim is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 9      Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Managers. The expense for these pension plans is equivalent to the annual contribution of \$478 (for the year ended March 31, 2009), (2008 – \$431).

**Note 10     Comparative Figures**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 11     Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
 FOR THE YEAR ENDED MARCH 31, 2009

	2009 Budget	(IN THOUSANDS) 2009 Actual	2008 Actual
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 7,091	\$ 7,575	\$ 6,998
Supplies and Services	9,497	12,944	10,721
Grants	5,602	5,585	5,017
Inter-Authority Services	-	-	-
Other	-	107	117
<b>Total Expenses</b>	<b>\$ 22,190</b>	<b>\$ 26,211</b>	<b>\$ 22,853</b>

(a) This includes 2009 - \$51 (2008-\$49) in achievement bonuses for management and non-union staff

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		Total
Co-Chair of the Authority	\$ -	\$ 19	\$ -	\$ 19	\$ 20
Co-Chair of the Authority	-	17	-	17	13
Board Members (7 members)	-	35	-	35	24
Chief Executive Officer <sup>(4)</sup>	153	24	38	215	195

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

- (1) Base salary includes regular pay.
- (2) Other cash benefits include bonuses, vacation payments and lump sum payments.  
 Co-chairs and board members receive honoraria only.  
 The Department of Children and Youth Services paid \$28,378 of the total honoraria expenses disclosed in this schedule.
- (3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.
- (4) Automobile provided, no dollar amount included in other non-cash benefits.

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 26,194	\$ 22,118	\$ -	\$ -
Recoveries - Inter-Authority Services	-	-	-	-
Prior-Year Revenue - First Nations Reserves	-	-	-	-
	<u>\$ 26,194</u>	<u>\$ 22,118</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 102	\$ 51	\$ -	\$ -
Department of Children and Youth Services	326	484	-	-
Department of Education	-	-	204	205
Department of Health and Wellness	-	-	317	275
Department of Employment, Immigration and Industry	-	-	-	5
Department of Service Alberta	-	-	24	9
	<u>\$ 428</u>	<u>\$ 535</u>	<u>\$ 545</u>	<u>\$ 494</u>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 1,238	\$ 535	\$ -	\$ -
Calgary and Area Child and Family Services Authority	(7)	-	-	-
North Central Alberta Child and Family Services Authority	-	-	-	-
	<u>\$ 1,231</u>	<u>\$ 535</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
<b>Expenses (Notional):</b>		
Accommodation	\$ 826	\$ 922
Administrative	390	407
Legal Services	-	-
	<u>\$ 1,216</u>	<u>\$ 1,329</u>

**SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
 FOR THE YEAR ENDED MARCH 31, 2009

Program	(IN THOUSANDS)									
	2009					2008				
	Expenses - Incurred by Others					Valuation Adjustments				
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Administration Costs <sup>(3)</sup>	Legal Services <sup>(4)</sup>	Vacation Pay	Doubtful Accounts	Total Expenses	Expenses	Total Expenses	(Restated - Note 10)
Family Support for Children with Disabilities	\$ 2,883	\$ 41	\$ -	\$ -	\$ 5	\$ -	\$ 2,929	\$ -	\$ 2,444	
Child Care	4,017	50	-	-	6	-	4,073	-	3,315	
Prevention of Family Violence and Bullying	66	-	-	-	-	-	66	-	-	
Parenting Resources Initiative	256	-	-	-	-	-	256	-	229	
Fetal Alcohol Spectrum Disorder Initiatives	88	-	-	-	-	-	88	-	83	
Child Intervention Services	12,635	619	-	-	75	5	13,334	-	12,376	
Foster Care Support	4,855	41	-	-	5	-	4,901	-	3,989	
Protection of Sexually Exploited Children	68	-	-	-	-	-	68	-	111	
Child and Youth Support	90	17	-	-	2	-	109	-	111	
Community Initiatives	-	-	-	-	-	-	-	-	-	
Program Support	1,088	58	390	-	8	-	1,544	-	1,355	
Board Governance	58	-	-	-	-	-	58	-	47	
Amortization	1	-	-	-	-	-	1	-	1	
	<b>\$ 26,105</b>	<b>\$ 826</b>	<b>\$ 390</b>	<b>\$ -</b>	<b>\$ 101</b>	<b>\$ 5</b>	<b>\$ 27,427</b>	<b>\$ 5</b>	<b>\$ 24,061</b>	

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Southeast Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

since the legal services provided were in relation to proceedings under the Child Youth and Family Enhancement Act.

(4) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.

- Doubtful Accounts provision is allocated to specific program.

# **FINANCIAL STATEMENTS**

March 31, 2009

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## Auditor's Report

To the Members of the Calgary and Area Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the Calgary and Area Child and Family Services Authority (Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 8, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 211,644	\$ 226,368	\$ 207,569
<b>Other Revenue</b>			
Inter-Authority Services	50	125	76
Other Revenue	1,340	2,309	3,681
	<b>213,034</b>	<b>228,802</b>	<b>211,326</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	38,332	41,522	37,821
Child Care	24,386	28,928	22,466
Prevention of Family Violence and Bullying	583	651	555
Parenting Resources Initiative	1,967	1,997	1,892
Fetal Alcohol Spectrum Disorder Initiatives	1,355	1,280	1,238
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	89,866	101,968	93,794
Foster Care Support	47,512	43,162	40,267
Protection of Sexually Exploited Children	1,600	1,376	1,500
Child and Youth Support	987	906	858
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	3,330	3,046	3,281
<b>Support Services:</b>			
Program Support	2,916	3,183	3,209
Board Governance	150	114	85
Amortization	-	28	28
Inter-Authority Services	50	125	76
Valuation Adjustments (Note 2)	-	516	615
<b>TOTAL EXPENSES</b>	<b>213,034</b>	<b>228,802</b>	<b>207,685</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,641</b>

The accompanying notes and schedules are part of these financial statements.

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	<b>(IN THOUSANDS)</b>	
	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Cash	\$ 17,828	\$ 25,044
Accounts Receivable (Note 4)	11,855	4,554
Tangible Capital Assets (Note 5)	127	155
	<b>\$ 29,810</b>	<b>\$ 29,753</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 15,526	\$ 15,469
<b>Net Assets</b>		
Net Assets at Beginning of Year	14,284	10,643
Net Operating Results	-	3,641
Net Assets at End of Year	14,284	14,284
	<b>\$ 29,810</b>	<b>\$ 29,753</b>

The accompanying notes and schedules are part of these financial statements.

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ 3,641
Non-Cash Items included in Net Operating Results:		
Amortization	28	28
Valuation Adjustments	516	615
	<u>544</u>	<u>4,284</u>
Increase in Accounts Receivable	(7,301)	(592)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(459)	302
Cash Provided by Operating Transactions	<u>(7,216)</u>	<u>3,994</u>
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	-	(13)
Cash Applied to Capital Transactions	<u>-</u>	<u>(13)</u>
<b>Decrease in Cash</b>	(7,216)	3,981
<b>Cash, Beginning of Year</b>	25,044	21,063
<b>Cash, End of Year</b>	<u><u>\$ 17,828</u></u>	<u><u>\$ 25,044</u></u>

The accompanying notes and schedules are part of these financial statements.

**Note 1 Authority, Purpose and Operations**

The Calgary and Area Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the Calgary and Area Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amount can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

**Assets**

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Assets/Net Liabilities***

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$213,034 on June 25, 2008.

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$11,855 and \$15,526 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services  
(in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 211,644
Additional funding for the current year	<u>14,724</u>
Grant for the year	<u><u>\$ 226,368</u></u>

**Note 4 Accounts Receivable  
(in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	\$ 11,103	\$ -	\$ 11,103	\$ 4,071
Refunds from suppliers	715	-	715	483
Child and Family Services Authorities	37	-	37	-
	<u>\$ 11,855</u>	<u>\$ -</u>	<u>\$ 11,855</u>	<u>\$ 4,554</u>

Accounts receivable are unsecured and non-interest bearing.

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Tangible Capital Assets**  
 (in thousands)

	<b>Equipment*</b>	<b>Leasehold Improvements</b>	<b>Computer hardware and software</b>	<b>2009 Total</b>	<b>2008 Total</b>
<b>Estimated Useful Life</b>	10 Years	7 Years	5 Years		
<b>Historical Cost</b>					
Beginning of Year	\$ 199	\$ 59	\$ 329	\$ 587	\$ 574
Additions	-	-	-	-	13
	<u>199</u>	<u>59</u>	<u>329</u>	<u>587</u>	<u>587</u>
<b>Accumulated Amortization</b>					
Beginning of Year	69	34	329	432	404
Amortization Expense	20	8		28	28
	<u>89</u>	<u>42</u>	<u>329</u>	<u>460</u>	<u>432</u>
<b>Net Book Value at March 31, 2009</b>	<u>\$ 110</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 127</u>	
<b>Net Book Value at March 31, 2008</b>	<u>\$ 130</u>	<u>\$ 25</u>	<u>\$ -</u>		<u>\$ 155</u>

\*Equipment includes office equipment, furniture and other equipment

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 6 Accounts payable and accrued liabilities**  
**(in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payable	\$ 10,352	\$ 11,162
Accrued Vacation Pay and Manpower Expenses	5,069	4,162
Department of Children and Youth Services	76	89
Child and Family Services Authorities	20	26
Other	9	30
	<u>\$ 15,526</u>	<u>\$ 15,469</u>

**Note 7 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	<u>\$ 12</u>	<u>\$ 39</u>

<sup>(a)</sup> The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term Leases</u>
2010	\$ 11
2011	1
	<u>\$ 12</u>

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 8 Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in nine legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008–six legal claims). The nine claims have specified amounts totalling \$378,815 (2008–six claims with a specified amount of \$365,930). Included in the total legal claims are seven claims amounting to \$366,030 in which the Authority has been jointly named with other entities. Six claims amounting to \$49,890 (2008–three claims amounting to \$40,180) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 9 Third Party Agreements**  
**(in thousands)**

The Authority has entered into third party agreements with Student Health Partnership and Seniors and Community Supports to deliver various program services. The revenues (not in brackets in the table below) of \$980 (2008 - \$917) and expenses (in brackets in the table below) of \$573 (2008 - \$547) are included in the financial statements.

	<u>2009</u>	<u>2008</u>
Student Health Partnership	\$ 980	\$ 917
Seniors and Community Supports	(573)	(547)
	<u>\$ 407</u>	<u>\$ 370</u>

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 10 Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$3,002 for the year ended March 31, 2009 (2008 – \$2,687).

**Note 11 Program Transfer**  
**(in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 12 Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 13 Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)		
	2009 Budget	2009 Actual	2008 Actual
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 43,922	\$ 44,923	\$ 41,338
Supplies and Services	147,477	119,976	110,504
Supplies and Services from support service arrangements with related parties <sup>(b)</sup>	-	573	547
Grants	21,585	62,633	54,553
Amortization of Capital Assets	-	28	28
Inter-Authority Services	50	125	76
Other	-	544	639
<b>Total Expenses</b>	<b>\$ 213,034</b>	<b>\$ 228,802</b>	<b>\$ 207,685</b>

(a) This includes \$205 (2008 - \$195) in achievement bonuses for management and non-union staff.

(b) The Authority receives residential placement services from the Department of Seniors and Community Supports.

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009			Total	Total
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>	Total	Total
Co-Chair of the Authority	\$	\$ 13	\$	\$ 13	\$ 15
Co-Chair of the Authority		19		19	10
Board Members (11 members)		65		65	34
Chief Executive Officer <sup>(4)</sup>	178	71	6	255	245

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

- (1) Base salary includes regular pay.
- (2) Other cash benefits include bonuses, vacation payments and lump sum payments.  
 Co-chairs and board members receive honoraria only.  
 The Department of Children and Youth Services paid \$23 of the total honoraria expenses disclosed in this schedule.
- (3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.
- (4) Automobile provided, no dollar amount included in other non-cash benefits.

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 226,368	\$ 207,569	\$ -	\$ -
Recoveries - Inter-Authority Services	125	76	-	-
Prior-Year Revenue - First Nations Reserves	-	42	-	-
Miscellaneous Revenue:				
Department of Education	-	-	980	917
	<b>\$ 226,493</b>	<b>\$ 207,687</b>	<b>\$ 980</b>	<b>\$ 917</b>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 128	\$ 74	\$ -	\$ -
Department of Children and Youth Services	1,564	1,557	-	-
Department of Advanced Education and Technology	-	-	266	223
Department of Education	-	-	1,120	1,545
Department of Health and Wellness	-	-	822	1,282
Department of Service Alberta	-	-	100	75
Department of Infrastructure	-	-	2	-
Persons with Developmental Disabilities	-	-	573	547
	<b>\$ 1,692</b>	<b>\$ 1,631</b>	<b>\$ 2,883</b>	<b>\$ 3,672</b>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 11,027	\$ 3,982	\$ -	\$ -
Southwest Alberta Child and Family Services Authority	16	(12)	-	-
Southeast Alberta Child and Family Services Authority	7	-	-	-
Edmonton and Area Child and Family Services Authority	(3)	(14)	-	-
Central Alberta Child and Family Services Authority	(3)	-	-	-
	<b>\$ 11,044</b>	<b>\$ 3,956</b>	<b>\$ -</b>	<b>\$ -</b>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
<b>Expenses (Notional):</b>		
Accommodation	\$ 5,318	\$ 4,638
Administrative	2,807	2,761
Legal Services	1,916	1,381
	<b>\$ 10,041</b>	<b>\$ 8,780</b>

**CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
**FOR THE YEAR ENDED MARCH 31, 2009**

(IN THOUSANDS)

Program	2009					2008	
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Expenses - Incurred by Others	Legal Services <sup>(4)</sup>	Valuation Adjustments <sup>(5)</sup>	Total Expenses	Total Expenses Restated
			Administration Costs <sup>(3)</sup>		Vacation Pay		
Family Support for Children with Disabilities	\$ 41,522	\$ 491	\$ 259	\$ -	\$ 48	\$ -	\$ 42,320
Child Care	28,928	379	200	-	37	-	29,544
Prevention of Family Violence and Bullying	651	10	5	-	1	-	667
Parenting Resources Initiative	1,997	-	-	-	-	-	1,997
Fetal Alcohol Spectrum Disorder Initiatives	1,280	-	-	-	-	-	1,280
Child Intervention Services	101,968	4,033	2,129	1,916	391	-	110,437
Foster Care Support	43,162	272	143	-	26	-	43,603
Protection of Sexually Exploited Children	1,376	-	-	-	-	-	1,376
Child and Youth Support	906	19	10	-	2	-	937
Community Initiatives	3,046	9	6	-	1	-	3,062
Program Support	3,183	105	55	-	10	-	3,353
Board Governance	114	-	-	-	-	-	114
Inter-Authority Services	125	-	-	-	-	-	125
Amortization	28	-	-	-	-	-	28
	<b>\$ 228,286</b>	<b>\$ 5,318</b>	<b>\$ 2,807</b>	<b>\$ 1,916</b>	<b>\$ 516</b>	<b>\$ -</b>	<b>\$ 238,843</b>
							<b>\$ 216,465</b>

(1) Expenses - Directly incurred as per the Statement of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation represent the Calgary and Area Child and Family Services Authority's building costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancement Act*.

(5) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific program.



# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the Members of the Central Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the Central Alberta Child and Family Services Authority (Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 10, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual (Restated - Note 10)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 66,965	\$ 69,091	\$ 64,888
<b>Other Revenue</b>			
Inter-Authority Services	75	74	68
Other Revenue - Donations / External	600	1,754	1,785
	<b>67,640</b>	<b>70,919</b>	<b>66,741</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	11,315	10,524	9,905
Child Care	6,648	6,642	5,883
Prevention of Family Violence and Bullying	422	705	422
Parenting Resources Initiative	851	920	885
Fetal Alcohol Spectrum Disorder Initiatives	233	297	272
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	29,427	31,041	27,724
Foster Care Support	13,778	15,321	14,639
Protection of Sexually Exploited Children	914	963	898
Child and Youth Support	387	399	387
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	1,525	1,495	1,553
<b>Support Services:</b>			
Program Support	1,796	2,130	2,020
Board Governance	269	279	341
Amortization		1	1
Inter-Authority Services	75	74	68
Valuation Adjustments (Note 2)	-	128	311
<b>TOTAL EXPENSES</b>	<b>67,640</b>	<b>70,919</b>	<b>65,309</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,432</b>

The accompanying notes and schedules are part of these financial statements.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

		(IN THOUSANDS)	
		2009	2008
<b>Assets</b>			
	Cash	\$ 3,233	\$ 4,309
	Accounts Receivable (Note 4)	3,272	2,346
	Advances	1	1
	Tangible Capital Assets (Note 5)	2	3
		<b>\$ 6,508</b>	<b>\$ 6,659</b>
<b>Liabilities</b>			
	Accounts Payable and Accrued Liabilities (Note 6)	\$ 4,749	\$ 4,900
<b>Net Assets</b>			
	Net Assets at Beginning of Year	1,759	327
	Net Operating Results	-	1,432
	Net Assets at End of Year	1,759	1,759
		<b>\$ 6,508</b>	<b>\$ 6,659</b>

The accompanying notes and schedules are part of these financial statements.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ 1,432
Non-Cash Items included in Net Operating Results:		
Amortization	1	1
Valuation Adjustments	128	311
	<u>129</u>	<u>1,744</u>
Increase in Accounts Receivable	(926)	(956)
Decrease in Accounts Payable and Accrued Liabilities	(279)	(248)
Cash Provided by (Used In) Operating Transactions	<u>(1,076)</u>	<u>540</u>
<b>Increase (Decrease) in Cash</b>	(1,076)	540
<b>Cash, Beginning of Year</b>	4,309	3,769
<b>Cash, End of Year</b>	<u><u>\$ 3,233</u></u>	<u><u>\$ 4,309</u></u>

The accompanying notes and schedules are part of these financial statements.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 1 Authority, Purpose and Operations**

The Central Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the Central Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets.
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amount can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

**Assets**

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Assets***

Net assets represents the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$67,640 on March 27, 2008.

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

\$3,272 and \$ 4,749 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services  
(in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 66,965
Additional funding for the current year	2,126
Grant for the year	<u>\$ 69,091</u>

**Note 4 Accounts Receivable  
(in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	\$ 2,183	\$ -	\$ 2,183	\$ 1,585
Other Receivables	982	-	982	699
Refunds from suppliers	90	-	90	62
Child and Family Services Authorities	17	-	17	-
	<u>\$ 3,272</u>	<u>\$ -</u>	<u>\$ 3,272</u>	<u>\$ 2,346</u>

Accounts receivable are unsecured and non-interest bearing.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Tangible Capital Assets**  
**(in thousands)**

	<u>Equipment*</u> <u>2009 Total</u>	<u>2008 Total</u>
<b>Estimated Useful Life</b>	10 years	
<b>Historical Cost</b>		
Beginning of Year	\$ 7	\$ 7
Additions	<u>7</u>	<u>-</u>
	<u>7</u>	<u>7</u>
<b>Accumulated Amortization</b>		
Beginning of Year	4	3
Amortization Expense	<u>1</u>	<u>1</u>
	<u>5</u>	<u>4</u>
<b>Net Book Value at March 31, 2009</b>	<u>\$ 2</u>	
<b>Net Book Value at March 31, 2008</b>		<u>\$ 3</u>

\*Equipment includes office equipment, furniture and other equipment.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 6 Accounts Payable and Accrued Liabilities**  
 (in thousands)

	<u>2009</u>	<u>2008</u>
Trade Payable	\$ 2,323	\$ 2,787
Accrued Vacation Pay and Manpower Expenses	1,849	1,733
Department of Children and Youth Services	217	195
Child and Family Services Authorities	14	-
Other	346	185
	<u>\$ 4,749</u>	<u>\$ 4,900</u>

**Note 7 Contractual Obligations**  
 (in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	<u>\$ 59</u>	<u>\$ 154</u>

<sup>(a)</sup> The Authority leases certain equipment under operating leases that expire on various dates to 2012. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term Leases</u>
2010	\$ 48
2011	11
	<u>\$ 59</u>

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 8      Contingent Liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in four legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008—three legal claims). The four claims have specified amounts totalling \$326,151 (2008—three claims with a specified amount of \$326,150). Included in the total legal claims are three claims amounting to \$326,150 in which the Authority has been jointly named with other entities. One claim amounting to \$1,150 (2008— one claim amounting to \$1,150) is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 9      Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Managers. The expense for these pension plans is equivalent to the annual contribution of \$ 1,223 for the year ended March 31, 2009 (2008 – \$1,111).

**Note 10     Program Transfer**  
**(in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 11     Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 12     Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)		
	2009 Budget	2009 Actual	2008 Actual (Restated Note 10)
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 17,926	\$ 18,051	\$ 16,975
Supplies and Services	44,207	38,731	34,878
Grants	5,507	13,934	13,076
Amortization of Capital Assets	-	1	1
Inter-Authority Services	-	74	68
Other	-	128	311
<b>Total Expenses</b>	<b>\$ 67,640</b>	<b>\$ 70,919</b>	<b>\$ 65,309</b>

(a) This includes \$126 (2008 - \$117) in achievement bonuses for management and non-union staff

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009				
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>	Total	Total
Co-Chair of the Authority	\$ -	\$ 45		\$ 45	\$ 38
Co-Chair of the Authority	-	41		41	31
Board Members (13 members)	-	136		136	175
Chief Executive Officer <sup>(4)(5)</sup>	134	18	32	184	190

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

- (1) Base salary includes regular pay.
- (2) Other cash benefits include bonuses, vacation payments and lump sum payments.  
 Co-chairs and board members receive honoraria only.  
 The Department of Children and Youth Services paid \$20 of the total honoraria expenses disclosed in this schedule.
- (3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.
- (4) The position was occupied by two different individuals during the year.
- (5) Automobile provided, no dollar amount included in other non-cash benefits.

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
		(Restated Note 10)		
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 69,091	\$ 64,888	\$ -	\$ -
Recoveries - Inter-Authority Services	74	68	-	-
	<b>\$ 69,165</b>	<b>\$ 64,956</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 38	\$ 76	\$ -	\$ -
Department of Children and Youth Services	521	519	-	-
Department of Advanced Education and Technology	-	-	7	6
Department of Education	-	-	880	1,474
Department of Health and Wellness	-	-	68	162
Department of Service Alberta	-	-	38	38
	<b>\$ 559</b>	<b>\$ 595</b>	<b>\$ 993</b>	<b>\$ 1,680</b>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 1,966	\$ 1,390	\$ -	\$ -
Calgary and Area Child and Family Services Authority	3	-	-	-
East Central Alberta Child and Family Services Authority	-	7	-	-
Edmonton and Area Child and Family Services Authority	-	5	-	-
Department of Education	-	-	9	-
Department of Health and Wellness	-	-	12	-
Ministry of Seniors and Community Supports	-	-	-	6
	<b>\$ 1,969</b>	<b>\$ 1,402</b>	<b>\$ 21</b>	<b>\$ 6</b>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
		(Restated)
<b>Expenses (Notional):</b>		
Accommodation	\$ 2,136	\$ 2,173
Administrative	952	1,046
Legal Services	70	35
	<b>\$ 3,158</b>	<b>\$ 3,254</b>

**CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
 FOR THE YEAR ENDED MARCH 31, 2009

Program	2009										2008	
	Expenses - Incurred by Others		Valuation Adjustment		Total		Expenses		Total		Expenses	
	Accommodation Costs <sup>(2)</sup>	Admin Costs <sup>(3)</sup>	Legal Services <sup>(4)</sup>	Vacation Pay	Doubtful Accounts	Expenses	Expenses	Expenses	Expenses	(Restated-Note10)	Expenses	
Family Support for Children with Disabilities	\$ 10,524	\$ 90	\$ -	\$ 12	\$ -	\$ 10,828	\$ -	\$ 10,828	\$ -	\$ 10,256	\$ -	\$ 10,256
Child Care	6,642	54	-	7	-	6,824	-	6,824	-	6,029	-	6,029
Prevention of Family Violence and Bullying	705	38	-	2	-	762	-	762	-	440	-	440
Parenting Resources Initiative	920	-	-	-	-	920	-	920	-	885	-	885
Fetal Alcohol Spectrum Disorder Initiatives	297	-	-	-	-	297	-	297	-	272	-	272
Child Intervention Services	31,041	1,412	629	70	85	33,237	-	33,237	-	30,226	-	30,226
Foster Care Support	15,321	130	58	-	8	15,517	-	15,517	-	14,858	-	14,858
Protection of Sexually Exploited Children	963	7	3	-	0	973	-	973	-	907	-	907
Child and Youth Support	399	7	3	-	0	409	-	409	-	396	-	396
Community Initiatives	1,495	49	22	-	3	1,569	-	1,569	-	1,648	-	1,648
Program Support	2,130	170	76	-	11	2,387	-	2,387	-	2,236	-	2,236
Board Governance	279	-	-	-	-	279	-	279	-	341	-	341
Inter-Authority Services	74	-	-	-	-	74	-	74	-	68	-	68
Amortization	1	-	-	-	-	1	-	1	-	1	-	1
	<b>\$ 70,791</b>	<b>\$ 2,136</b>	<b>\$ 952</b>	<b>\$ 70</b>	<b>\$ 128</b>	<b>\$ -</b>	<b>\$ 74,077</b>	<b>\$ 68,563</b>	<b>\$ -</b>	<b>\$ 68,563</b>	<b>\$ -</b>	<b>\$ 68,563</b>

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Central Alberta Child and Family Services Authority's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancement Act*.

(5) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.

- Doubtful Accounts Provision is allocated to specific program.

# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the Members of the East Central Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the East Central Alberta Child and Family Services Authority (Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 4, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual (Restated - Note 9)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 19,957	\$ 23,015	\$ 19,439
<b>Other Revenue</b>			
Inter-Authority Services	-	14	-
Other Revenue	-	10	15
	<b>19,957</b>	<b>23,039</b>	<b>19,454</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	2,677	4,925	4,281
Child Care	1,456	1,622	1,312
Prevention of Family Violence and Bullying	-	91	-
Parenting Resources Initiative	418	423	419
Fetal Alcohol Spectrum Disorder Initiatives	46	48	46
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	8,923	9,645	7,938
Foster Care Support	3,698	3,497	3,418
Protection of Sexually Exploited Children	72	79	74
Child and Youth Support	197	191	188
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	834	770	912
<b>Support Services:</b>			
Program Support	1,541	1,551	1,511
Board Governance	95	85	84
Inter-Authority Services	-	14	-
Valuation Adjustments (Note 2)	-	98	51
<b>TOTAL EXPENSES</b>	<b>19,957</b>	<b>23,039</b>	<b>20,234</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (780)</b>

The accompanying notes and schedules are part of these financial statements.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	<u>(IN THOUSANDS)</u>	
	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Cash	\$ 382	\$ 1,282
Accounts Receivable (Note 4)	1,737	557
	<u>\$ 2,119</u>	<u>\$ 1,839</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 1,964	\$ 1,684
<b>Net Assets</b>		
Net Assets at Beginning of Year	155	935
Net Operating Results	-	(780)
Net Assets at End of Year	<u>155</u>	<u>155</u>
	<u>\$ 2,119</u>	<u>\$ 1,839</u>

The accompanying notes and schedules are part of these financial statements.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ (780)
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	98	51
	<u>98</u>	<u>(729)</u>
(Increase) Decrease in Accounts Receivable	(1,205)	214
Increase in Accounts Payable and Accrued Liabilities	207	116
Cash Provided by (applied to) Operating Transactions	<u>(900)</u>	<u>(399)</u>
<b>Decrease in Cash</b>	(900)	(399)
<b>Cash, Beginning of Year</b>	1,282	1,681
<b>Cash, End of Year</b>	<u><u>\$ 382</u></u>	<u><u>\$ 1,282</u></u>

The accompanying notes and schedules are part of these financial statements.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 1 Authority, Purpose and Operations**

The East Central Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the East Central Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc, directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

INCURRED BY OTHERS

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

**Assets**

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Asset /Net Liabilities***

Net assets/net liabilities represents the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$19,957 on April 25, 2008.

***Measurement Uncertainty (in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$1,737 and \$1,964 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear and aging analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services (in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 19,957
Additional funding for the current year	<u>3,058</u>
Grant for the year	<u><u>\$ 23,015</u></u>

**Note 4 Accounts Receivable (in thousands)**

	<u>2009</u>		<u>2008</u>
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value
Department of Children and Youth Services	\$ 1,671		\$ 1,671
Refunds from Suppliers	91	25	66
	<u>\$ 1,762</u>	<u>\$ 25</u>	<u>\$ 1,737</u>
			<u>\$ 448</u>
			<u>\$ 109</u>
			<u>\$ 557</u>

Accounts receivable are unsecured and non-interest bearing.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Accounts payable and accrued liabilities (in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payable	\$ 1,770	\$ 1,438
Accrued Vacation Pay and Manpower Expenses	106	139
Department of Children and Youth Services	54	48
Child and Family Services Authorities	34	59
	<u>\$ 1,964</u>	<u>\$ 1,684</u>

**Note 6 Contractual obligations (in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	<u>\$ 33</u>	<u>\$ 77</u>

<sup>(a)</sup> The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term Leases</u>
2010	\$ 29
2011	4
	<u>\$ 33</u>

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 7      Contingent Liabilities (in thousands)**

At March 31, 2009, the Authority is a defendant in three legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008—two legal claims). The three claims have specified amounts totalling \$325,008 (2008—two claims with a specified amount of \$325,000). Included in the total legal claims are two claims amounting to \$325,000 in which the Authority has been jointly named with other entities. One claim amounting to \$8 is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 8      Defined Benefit Plans (in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$385 for the year ended March 31, 2009 (2008 – \$350).

**Note 9      Program Transfer (in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 10     Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 11     Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)		
	2009 Budget	2009 Actual	2008 Actual (Restated - Note 9)
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 5,332	\$ 5,548	\$ 4,980
Supplies and Services	13,219	11,489	10,387
Grants	1,406	5,890	4,816
Inter-Authority Services	-	14	-
Other	-	98	51
<b>Total Expenses</b>	<b>\$ 19,957</b>	<b>\$ 23,039</b>	<b>\$ 20,234</b>

(a) This includes \$50 (2008 - \$54) in achievement bonuses for management and non-union staff.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		
Co-Chair of the Authority	\$ -	\$ -	\$ 11	\$ 11	\$ 19
Co-Chair of the Authority	-	-	12	12	19
Board Members (6 members)	-	60	-	60	40
Chief Executive Officer <sup>(4)</sup>	152	17	36	205	188

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

(1) Base salary includes regular pay.

(2) Other cash benefits include bonuses, vacation payments and lump sum payments.

Co-chairs and board members receive honoraria only.

The Department of Children and Youth Services paid \$22 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships, bonus, and tuition fees.

(4) Automobile provided, no dollar amount included in other non-cash benefits.

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
	(Restated - Note 9)			
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 23,015	\$ 19,439	\$ -	\$ -
	<b>\$ 23,015</b>	<b>\$ 19,439</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 273	\$ 286	\$ -	\$ -
Department of Children and Youth Services	196	194	-	-
Department of Advanced Education and Technology	-	-	18	37
Department of Education	-	-	549	553
Department of Health and Wellness	-	-	62	60
Department of Service Alberta	-	-	35	19
	<b>\$ 469</b>	<b>\$ 480</b>	<b>\$ 664</b>	<b>\$ 669</b>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 1,617	\$ 401	\$ -	\$ -
Central Alberta Child and Family Services Authority	-	(6)	-	-
Edmonton and Area Child and Family Services Authority	(34)	(38)	-	-
North Central Alberta Child and Family Services Authority	-	(15)	-	-
Department of Service Alberta	-	(10)	-	-
	<b>\$ 1,583</b>	<b>\$ 332</b>	<b>\$ -</b>	<b>\$ -</b>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
<b>Expenses (Notional):</b>		restated
Accommodation	\$ 610	\$ 659
Administrative	285	312
Legal Services	70	65
	<b>\$ 965</b>	<b>\$ 1,036</b>

**EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Program	(IN THOUSANDS)									
	2009					2008				
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Administration Costs <sup>(3)</sup>	Legal Services <sup>(4)</sup>	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses	Total Expenses	Total Expenses
Family Support for Children with Disabilities	\$ 4,925	\$ 61	\$ 29	\$ 7	\$ 7	\$ 3	\$ 5,032	\$ 5,032	\$ 4,421	\$ 4,421
Child Care	1,622	26	12	3	3	1	1,667	1,667	1,328	1,328
Prevention of Family Violence and Bullying	91	9	4	1	1	-	106	106	15	15
Parenting Resources Initiative	423	-	-	-	-	-	423	423	419	419
Fetal Alcohol Spectrum Disorder Initiatives	48	-	-	-	-	-	48	48	46	46
Child Intervention Services	9,645	364	170	42	43	15	10,279	10,279	8,538	8,538
Foster Care Support	3,497	26	12	3	3	1	3,542	3,542	3,471	3,471
Protection of Sexually Exploited Children	79	-	-	-	-	-	79	79	74	74
Child and Youth Support	191	4	2	-	1	-	198	198	195	195
Community Initiatives	770	-	-	-	-	-	770	770	925	925
Program Support	1,551	120	56	14	15	5	1,761	1,761	1,754	1,754
Board Governance	85	-	-	-	-	-	85	85	84	84
Inter-Authority Services	14	-	-	-	-	-	14	14	-	-
	<b>\$ 22,941</b>	<b>\$ 610</b>	<b>\$ 285</b>	<b>\$ 70</b>	<b>\$ 73</b>	<b>\$ 25</b>	<b>\$ 24,004</b>	<b>\$ 24,004</b>	<b>\$ 21,270</b>	<b>\$ 21,270</b>

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.  
(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation, represent the East Central Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.  
(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.  
(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancement Act*.  
(5) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:  
- Vacation pay is allocated by the number of employees per program.  
- Doubtful Accounts provision is allocated to specific program.



# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the Members of the Edmonton and Area Child and Family Services Authority and the  
Minister of Children and Youth Services

I have audited the statement of financial position of the Edmonton and Area Child and Family Services Authority (the Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 3, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual Restated (Note 10)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 279,999	\$ 299,156	\$ 273,957
<b>Other Revenue</b>			
Inter-Authority Services	553	519	490
Other Revenue - Donations / External	2,050	2,758	2,764
	<b>282,602</b>	<b>302,433</b>	<b>277,211</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	33,179	40,138	31,688
Child Care	36,888	42,371	34,516
Prevention of Family Violence and Bullying	417	503	403
Parenting Resources Initiative	3,134	3,014	2,950
Fetal Alcohol Spectrum Disorder Initiatives	965	1,233	1,596
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	137,902	144,526	137,081
Foster Care Support	59,974	59,634	58,263
Protection of Sexually Exploited Children	2,192	2,092	2,136
Child and Youth Support	1,416	1,552	1,436
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	1,861	2,008	1,912
<b>Support Services:</b>			
Program Support	3,971	4,224	3,925
Board Governance	150	187	165
Amortization	-	-	-
Inter-Authority Services	553	519	490
Valuation Adjustments (Note 2)	-	432	593
<b>TOTAL EXPENSES</b>	<b>282,602</b>	<b>302,433</b>	<b>277,154</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 57</b>

The accompanying notes and schedules are part of these financial statements.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	<u>(IN THOUSANDS)</u>	
	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Cash	\$ 4,311	\$ 12,713
Accounts Receivable (Note 4)	19,026	9,642
	<u>\$ 23,337</u>	<u>\$ 22,355</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 5)	<u>\$ 18,937</u>	<u>\$ 17,955</u>
<b>Net Assets</b>		
Net Assets at Beginning of Year	4,400	4,343
Net Operating Results	-	57
Net Assets at End of Year	<u>4,400</u>	<u>4,400</u>
	<u>\$ 23,337</u>	<u>\$ 22,355</u>

The accompanying notes and schedules are part of these financial statements.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ 57
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	<u>432</u>	<u>593</u>
	432	650
Increase in Accounts Receivable	(9,384)	(905)
Decrease in Advances	-	11
Increase (Decrease) in Accounts Payable and Accrued Liabilities	<u>550</u>	<u>(1,146)</u>
Cash (Applied to) Operating Transactions	<u>(8,402)</u>	<u>(1,390)</u>
<b>Decrease in Cash</b>	(8,402)	(1,390)
<b>Cash, Beginning of Year</b>	12,713	14,103
<b>Cash, End of Year</b>	<u><u>\$ 4,311</u></u>	<u><u>\$ 12,713</u></u>

The accompanying notes and schedules are part of these financial statements.

**Note 1 Authority, Purpose and Operations**

The Edmonton and Area Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the Edmonton and Area Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the Government reporting entity where the entity making the transfer does not receive goods or services in return.

***Expenses***

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

***Assets***

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Assets***

Net assets represent the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$282,602 on February 12, 2008.

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$19,026 and \$18,937 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services  
(in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 279,999
Additional funding for the current year	<u>19,157</u>
Grant for the year	<u><u>\$ 299,156</u></u>

**Note 4 Accounts Receivable  
(in thousands)**

	<u>2009</u>	<u>2008</u>	
	<u>Gross Amount</u>	<u>Net Realizable Value</u>	<u>Net Realizable Value</u>
Department of Children and Youth Services	\$ 16,114	\$ 16,114	\$ 6,874
Refunds from Suppliers	2,852	2,852	2,686
Child and Families Authorities	60	60	82
	<u>\$ 19,026</u>	<u>\$ 19,026</u>	<u>\$ 9,642</u>

Accounts receivable are unsecured and non-interest bearing.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Accounts payable and accrued liabilities**  
**(in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payables	\$ 10,721	\$ 10,097
Accrued Vacation Pay and Manpower Expenses	7,308	6,843
Department of Children and Youth Services	580	560
Child and Family Services Authorities	328	455
	<u>\$ 18,937</u>	<u>\$ 17,955</u>

**Note 6 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009 the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	<u>\$ 50</u>	<u>\$ 113</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term Leases</u>
2010	43
2011	7
	<u>\$ 50</u>

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 7      Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in sixteen legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008 – fourteen legal claims). Sixteen claims have specified amounts totalling \$450,997 (2008 – eleven claims with a specified amount of \$449,196). Included in the total legal claims are ten claims amounting to \$449,511 in which the Authority has been jointly named with other entities. Ten claims amounting to \$124,499 (2008 – ten claims amounting to \$124,196) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 8      Third Party Agreements**  
**(in thousands)**

The Authority has entered into one third party agreement with Edmonton Student Health Partnership, to deliver integrated health and related support services for children with special health needs registered in school programs. All costs incurred under this agreement are covered by reimbursement from Edmonton Catholic Schools. The following amounts are included in the financial statements:

	<u>2009</u>	<u>2008</u>
Edmonton Student Health Partnership Revenues	\$ 2,004	\$ 1,905
Edmonton Student Health Partnership Expenses	<u>(2,004)</u>	<u>(1,905)</u>
	<u>\$ -</u>	<u>\$ -</u>

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 9      Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$4,656 for the year ended March 31, 2009 (2008 – \$4,336).

**Note 10     Program Transfers**  
**(in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for the 2007-08 in the Authority.

**Note 11     Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 12     Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	<u>2009 Budget</u>	<u>2009 Actual</u>	<u>2008 Actual</u>
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 70,619	\$ 71,481	\$ 68,716
Supplies and Services <sup>(b)</sup>	157,167	168,240	149,387
Grants	54,263	61,761	57,968
Amortization of Capital Assets	-	-	-
Inter-Authority Services	553	519	490
Other	-	432	593
<b>Total Expenses</b>	<b><u>\$ 282,602</u></b>	<b><u>\$ 302,433</u></b>	<b><u>\$ 277,154</u></b>

(a) This includes \$260 (2008 - \$285) in achievement bonuses for management and non-union staff.

(b) The Authority receives residential placement services from the Department of Solicitor General and Public Security.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		Total
Co-Chair of the Authority	\$ -	\$ 23	\$ -	\$ 23	\$ 23
Co-Chair of the Authority	-	21	-	21	21
Board Members (12 members)	-	140	-	140	105
Chief Executive Officer	178	72	6	256	213

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

<sup>(1)</sup> Base salary includes regular pay.

<sup>(2)</sup> Other cash benefits include bonuses, vacation payments, and lump sum payments.  
 Co-chairs and board members receive honoraria only.  
 The Department of Children and Youth Services paid \$19 of the total honoraria expenses disclosed in this schedule.

<sup>(3)</sup> Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 299,156	\$ 273,957	\$ -	\$ -
Recoveries - Inter-Authority Services	519	490	-	-
Miscellaneous Revenue:				
Department of Education	-	-	2,004	1,905
Department of Seniors and Community Supports	-	-	202	136
	<u>\$ 299,675</u>	<u>\$ 274,447</u>	<u>\$ 2,206</u>	<u>\$ 2,041</u>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 3,009	\$ 2,942	\$ -	\$ -
Department of Children and Youth Services	2,020	2,011	-	-
Department of Advanced Education and Technology	-	-	145	114
Department of Education	-	-	593	642
Department of Health and Wellness	-	-	415	575
Department of Infrastructure	-	-	5	-
Department of Service Alberta	-	-	126	112
Department of Solicitor General and Public Security	-	-	315	10
	<u>\$ 5,029</u>	<u>\$ 4,953</u>	<u>\$ 1,599</u>	<u>\$ 1,453</u>

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3 (CONTINUED)**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 15,534	\$ 6,314	\$ -	\$ -
Southwest Alberta Child and Family Services Authority	5	-	-	-
Calgary and Area Child and Family Services Authority	3	14	-	-
Central Alberta Child and Family Services Authority	-	(5)	-	-
East Central Alberta Child and Family Services Authority	34	38	-	-
North Central Alberta Child and Family Services Authority	5	4	-	-
Northwest Alberta Child and Family Services Authority	(17)	(34)	-	-
Northeast Alberta Child and Family Services Authority	-	(11)	-	-
Metis Settlements Child And Family Services Authority	(298)	(379)	-	-
Department of Education	-	-	525	1,135
Department of Health and Wellness	-	-	8	-
Department of Solicitor General and Public Security	-	-	(50)	(10)
Department of Seniors and Community Supports	-	-	23	14
	<u>\$ 15,266</u>	<u>\$ 5,941</u>	<u>\$ 506</u>	<u>\$ 1,139</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
<b>Expenses (Notional):</b>		
Accommodation	\$ 6,810	\$ 6,499
Administrative <sup>(a)</sup>	4,057	4,202
Legal Services	2,412	2,046
	<u>\$ 13,279</u>	<u>\$ 12,747</u>

(a) 2008 amount has been restated.

**EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
**FOR THE YEAR ENDED MARCH 31, 2009**

(IN THOUSANDS)

Program	2009										2008
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Administration Costs <sup>(3)</sup>	Expenses - Incurred by Others	Legal Services <sup>(4)</sup>	Vacation Pay	Doubtful Accounts	Total Expenses	Expenses <sup>(6)</sup>	Total Expenses	(Restated Note 10)
Family Support for Children with Disabilities	\$ 40,138	\$ 613	\$ -	\$ -	\$ -	\$ 39	\$ -	\$ 40,790	\$ 32,364		
Child Care	42,371	361	-	-	-	23	-	42,755	35,008		
Prevention of Family Violence and Bullying	503	7	-	-	-	-	-	510	411		
Parenting Resources Initiative	3,014	-	-	-	-	-	-	3,014	2,950		
Fetal Alcohol Spectrum Disorder Initiatives	1,233	-	-	-	-	-	-	1,233	1,596		
Child Intervention Services	144,526	5,303	4,057	2,412	335	-	-	156,633	148,389		
Foster Care Support	59,634	48	-	-	3	-	-	59,685	58,585		
Protection of Sexually Exploited Children	2,092	157	-	-	10	-	-	2,259	2,372		
Child and Youth Support	1,552	14	-	-	1	-	-	1,567	1,450		
Community Initiatives	2,008	157	-	-	10	-	-	2,175	2,071		
Program Support	4,224	150	-	-	9	2	-	4,385	4,060		
Board Governance	187	-	-	-	-	-	-	187	165		
Inter-Authority Services	519	-	-	-	-	-	-	519	490		
	<b>\$ 302,001</b>	<b>\$ 6,810</b>	<b>\$ 4,057</b>	<b>\$ 2,412</b>	<b>\$ 430</b>	<b>\$ 2</b>	<b>\$ 315,712</b>	<b>\$ 289,901</b>			

<sup>(1)</sup> Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.

<sup>(2)</sup> Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation, represent the Edmonton and Area Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

<sup>(3)</sup> Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

<sup>(4)</sup> Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child, Youth and Family Enhancement Act*.

<sup>(5)</sup> Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:  
 - Vacation pay is allocated by the number of employees per program.  
 - Doubtful Accounts provision is allocated to specific programs.

<sup>(6)</sup> Administrative costs for 2008 have been allocated.



# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the Members of the North Central Alberta Child and Family Services Authority and the  
Minister of Children and Youth Services

I have audited the statement of financial position of the North Central Alberta Child and Family Services Authority (Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
May 26, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	Actual (Restated- Note 10)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 46,834	\$ 49,315	\$ 45,620
<b>Other Revenue</b>			
Inter-Authority Services	395	468	575
Other Revenue - Donations / External	-	223	118
	<b>47,229</b>	<b>50,006</b>	<b>46,313</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	4,649	4,803	4,006
Child Care	3,748	3,927	3,356
Prevention of Family Violence and Bullying	-	71	-
Parenting Resources Initiative	718	744	790
Fetal Alcohol Spectrum Disorder Initiatives	197	499	488
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	24,325	25,912	22,820
Foster Care Support	10,824	11,542	12,069
Protection of Sexually Exploited Children	140	25	62
Child and Youth Support	540	435	501
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	187	26	19
<b>Support Services:</b>			
Program Support	1,260	1,324	1,271
Board Governance	240	178	185
Amortization	6	5	13
Inter-Authority Services	395	468	575
Valuation Adjustments (Note 2)	-	47	80
<b>TOTAL EXPENSES</b>	<b>47,229</b>	<b>50,006</b>	<b>46,235</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 78</b>

The accompanying notes and schedules are part of these financial statements.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	<u>(IN THOUSANDS)</u>	
	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Cash	\$ 5,422	\$ 6,868
Accounts Receivable (Note 4)	3,082	1,663
Prepaid Expenses	32	8
Tangible Capital Assets (Note 5)	1	6
	<u>\$ 8,537</u>	<u>\$ 8,545</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 6)	<u>\$ 3,268</u>	<u>\$ 3,276</u>
<b>Net Assets</b>		
Net Assets at Beginning of Year	5,269	5,191
Net Operating Results	-	78
Net Assets at End of Year	<u>5,269</u>	<u>5,269</u>
	<u>\$ 8,537</u>	<u>\$ 8,545</u>

The accompanying notes and schedules are part of these financial statements.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ 78
Non-Cash Items included in Net Operating Results:		
Amortization	5	13
Valuation Adjustments	47	80
	<u>52</u>	<u>171</u>
Increase in Accounts Receivable	(1,419)	(91)
Increase in Prepaid Expenses	(24)	(8)
Decrease in Accounts Payable and Accrued Liabilities	(55)	(248)
Cash applied to Operating Transactions	<u>(1,446)</u>	<u>(176)</u>
<b>Decrease in Cash</b>	(1,446)	(176)
<b>Cash, Beginning of Year</b>	6,868	7,044
<b>Cash, End of Year</b>	<u><u>\$ 5,422</u></u>	<u><u>\$ 6,868</u></u>

The accompanying notes and schedules are part of these financial statements.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 1 Authority, Purpose and Operations**

The North Central Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the North Central Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

**Assets**

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Assets/Net Liabilities***

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$47,229 on April 30, 2008.

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$3,082 and \$3,268 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services  
(in thousands)**

Initial (original) budget	\$ 46,834
Additional funding for the current year	<u>2,481</u>
Grant for the year	<u><u>\$ 49,315</u></u>

**Note 4 Accounts Receivable  
(in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	\$ 2,407	-	\$ 2,407	\$ 1,147
Child and Family Services Authorities	13	-	13	71
Refunds from Suppliers	330	-	330	158
Accounts Receivable - Other	332	-	332	287
	<u>\$ 3,082</u>	<u>\$ -</u>	<u>\$ 3,082</u>	<u>\$ 1,663</u>

Accounts receivable are unsecured and non-interest bearing.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Tangible Capital Assets**  
**(in thousands)**

	<u>Equipment*</u>	<u>2009 Total</u>	<u>2008 Total</u>
<b>Estimated Useful Life</b>	5 Years		
<b>Historical Cost</b>			
Beginning of Year	\$ 63	\$ 63	\$ 63
Additions	-	-	-
	<u>63</u>	<u>63</u>	<u>63</u>
<b>Accumulated Amortization</b>			
Beginning of Year	57	57	44
Amortization Expense	5	5	13
	<u>62</u>	<u>62</u>	<u>57</u>
<b>Net Book Value at March 31, 2009</b>	<u>1</u>	<u>1</u>	
<b>Net Book Value at March 31, 2008</b>	<u>\$ 6</u>		<u>\$ 6</u>

\*Equipment includes office equipment, furniture and other equipment.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 6 Accounts payable and accrued liabilities**  
**(in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payable	\$ 1,710	\$ 1,918
Accrued Vacation Pay and Manpower Expenses	1,248	1,145
Department of Children and Youth Services	259	112
Child and Family Services Authorities	51	101
	<u>\$ 3,268</u>	<u>\$ 3,276</u>

**Note 7 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	\$ 48	\$ 174

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term Leases</u>
2010	\$ 45
2011	3
	<u>\$ 48</u>

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 8      Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in five legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008 – six legal claims). Five claims have specified amounts totalling \$343,820 (2008 – five claims with a specified amount of \$343,820). The Authority is jointly named with other entities in these five claims. Three claims amounting to \$18,820 (2008 – three claims amounting to \$18,820) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 9      Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$808 for the year ended March 31, 2009 (2008 – \$767).

**Note 10     Program Transfer**  
**(in thousands)**

Effective April 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 11     Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 12     Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009 Budget	2009 Actual	2008 Actual (Restated-Note 10)
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 13,517	\$ 13,538	\$ 12,894
Supplies and Services	26,596	28,188	26,502
Grants	6,715	7,760	6,171
Amortization of Capital Assets	6	5	13
Inter-Authority Services	395	468	575
Other	-	47	80
<b>Total Expenses</b>	<b>\$ 47,229</b>	<b>\$ 50,006</b>	<b>\$ 46,235</b>

(a) This includes \$90 (2008 - \$57) in achievement bonuses for management and non-union staff.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		
Co-Chair of the Authority	\$ -	\$ 33		\$ 33	\$ 37
Co-Chair of the Authority	-	29		29	37
Board Members (9 members)	-	84		84	69
Chief Executive Officer	146	52	6	204	148

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

(1) Base salary includes regular pay.

(2) Other cash benefits include bonuses, vacation payments and lump sum payments.

Co-chairs and board members receive honoraria only.

The Department of Children and Youth Services paid \$27 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
	(Restated-Note 10)			
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 49,315	\$ 45,620		\$ -
Recoveries - Inter-Authority Services	468	575		-
Miscellaneous Revenue:				
Department of Education		-		3
	<u>\$ 49,783</u>	<u>\$ 46,195</u>	<u>\$ -</u>	<u>\$ 3</u>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 267	\$ 346		\$ -
Department of Children and Youth Services	391	389		-
Department of Advanced Education and Technology		-	16	2
Department of Education		-	12	11
Department of Health and Wellness		-	156	94
Department of Service Alberta		-	50	28
	<u>\$ 658</u>	<u>\$ 735</u>	<u>\$ 234</u>	<u>\$ 135</u>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 2,148	\$ 1,036		\$ -
Department of Health and Wellness			\$ (10)	-
East Central Alberta Child and Family Services Authority		15		-
Edmonton and Area Child and Family Services Authority	(5)	(4)		-
Northwest Alberta Child and Family Services Authority		(53)		-
Northeast Alberta Child and Family Services Authority		31		-
Metis Settlements Child And Family Services Authority	(33)	(19)		-
Department of Education		-		3
	<u>\$ 2,110</u>	<u>\$ 1,006</u>	<u>\$ (10)</u>	<u>\$ 3</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged.

The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

	(IN THOUSANDS)	
	Other Entities	
	2009	2008 - Restated
<b>Expenses (Notional):</b>		
Accommodation - Alberta Infrastructure	\$ 1,502	\$ 1,706
Administrative - Service Alberta - Restated	750	792
Legal Services - Alberta Justice	98	59
	<u>\$ 2,350</u>	<u>\$ 2,557</u>

**NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
 FOR THE YEAR ENDED MARCH 31, 2009

Program	(IN THOUSANDS)									
	2009					2008				
	Expenses <sup>(1)</sup>		Expenses - Incurred by Others		Valuation Adjustments <sup>(6)</sup>		Total Expenses		Total Expenses	
	Costs <sup>(2)</sup>	Administration	Legal Services <sup>(4)</sup>	Vacation	Doubtful Accounts	Costs <sup>(3)</sup>	Services <sup>(4)</sup>	Pay	Accounts	(Restated-Note 10)
Family Support for Children with Disabilities	\$ 4,803	\$ 82	\$ 41	\$ 5	\$ 3	\$ 41	\$ 5	\$ 3	\$	\$ 4,934
Child Care	3,927	72	36	5	2	36	5	2		4,042
Prevention of Family Violence and Bullying	71									71
Parenting Resources Initiative	744									744
Fetal Alcohol Spectrum Disorder Initiatives	499									499
Child Intervention Services	25,912	1,180	589	77	37	589	77	37		27,795
Foster Care Support	11,542	95	48	6	3	48	6	3		11,694
Protection of Sexually Exploited Children	25									25
Child and Youth Support	435									435
Community Initiatives	26	5	2			2				33
Program Support	1,324	68	34	5	2	34	5	2		1,433
Board Governance	178									178
Inter-Authority Services	468									468
Amortization	5									5
	<b>\$ 49,959</b>	<b>\$ 1,502</b>	<b>\$ 750</b>	<b>\$ 98</b>	<b>\$ 47</b>	<b>\$ 750</b>	<b>\$ 98</b>	<b>\$ 47</b>	<b>\$ -</b>	<b>\$ 52,356</b>
										<b>\$ 48,792</b>

<sup>(1)</sup> Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.

<sup>(2)</sup> Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation, represent the North Central Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

<sup>(3)</sup> Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

<sup>(4)</sup> Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child, Youth and Family Enhancement Act*.

<sup>(5)</sup> Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific programs.

# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the Members of the Northwest Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the Northwest Alberta Child and Family Services Authority (Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
June 5, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	(Restated-Note 10)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 36,466	\$ 37,848	\$ 34,926
<b>Other Revenue</b>			
Inter-Authority Services	200	388	369
Other Revenue - Donations / External	30	427	572
	<b>36,696</b>	<b>38,663</b>	<b>35,867</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	3,882	4,303	3,407
Child Care	3,135	3,872	2,557
Prevention of Family Violence and Bullying	133	169	54
Parenting Resources Initiative	440	433	418
Fetal Alcohol Spectrum Disorder Initiatives	187	164	187
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	18,504	18,651	18,080
Foster Care Support	5,375	5,421	5,093
Protection of Sexually Exploited Children	209	217	200
Child and Youth Support	263	269	246
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	1,014	829	760
<b>Support Services:</b>			
Program Support	2,994	3,530	3,031
Board Governance	335	246	279
Amortization	25	24	24
Inter-Authority Services	200	388	369
Valuation Adjustments (Note 2)	-	139	148
<b>TOTAL EXPENSES</b>	<b>36,696</b>	<b>38,655</b>	<b>34,853</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ 8</b>	<b>\$ 1,014</b>

The accompanying notes and schedules are part of these financial statements.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	<b>(IN THOUSANDS)</b>	
	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Cash	\$ 3,896	\$ 3,515
Accounts Receivable (Note 4)	1,483	1,630
Tangible Capital Assets (Note 5)	36	54
	<b><u>\$ 5,415</u></b>	<b><u>\$ 5,199</u></b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 2,647	\$ 2,439
<b>Net Assets</b>		
Net Assets at Beginning of Year	2,760	1,746
Net Operating Results	8	1,014
Net Assets at End of Year	<u>2,768</u>	<u>2,760</u>
	<b><u>\$ 5,415</u></b>	<b><u>\$ 5,199</u></b>

The accompanying notes and schedules are part of these financial statements.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ 8	\$ 1,014
Non-Cash Items included in Net Operating Results:		
Amortization	24	24
Valuation Adjustments	139	148
	<u>171</u>	<u>1,186</u>
Decrease (Increase) in Accounts Receivable	110	(94)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	105	(361)
Cash Provided by Operating Transactions	<u>386</u>	<u>731</u>
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	<u>(5)</u>	<u>(5)</u>
Cash applied to Capital Transactions	<u>(5)</u>	<u>(5)</u>
<b>Increase in Cash</b>	381	726
<b>Cash, Beginning of Year</b>	3,515	2,789
<b>Cash, End of Year</b>	<u>\$ 3,896</u>	<u>\$ 3,515</u>

The accompanying notes and schedules are part of these financial statements.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 1 Authority, Purpose and Operations**

The Northwest Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the Northwest Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

**Assets**

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Assets/Net Liabilities***

Net assets/net liabilities represents the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$36,696 on March 27, 2008.

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$1,483 and \$2,647 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

could vary significantly from that estimated.

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services (in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 36,466
Additional funding for the current year	<u>1,382</u>
Grant for the year	<u><u>\$ 37,848</u></u>

**Note 4 Accounts Receivable (in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	\$ 1,121	\$ -	\$ 1,121	\$ 980
Refunds from Suppliers	192	35	157	345
Other Receivables	154	-	154	194
Child and Family Services Authorities	51	-	51	111
	<u>\$ 1,518</u>	<u>\$ 35</u>	<u>\$ 1,483</u>	<u>\$ 1,630</u>

Accounts receivable are unsecured and non-interest bearing.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Tangible Capital Assets**  
 (in thousands)

	<b>Equipment*</b>	<b>Computer Hardware and Software</b>	<b>2009 Total</b>	<b>2008 Total</b>
<b>Estimated Useful Life</b>	10 Years	5 Years		
<b>Historical Cost</b>				
Beginning of Year	\$ 5	\$ 122	\$ 127	\$ 122
Additions	6	-	6	5
	11	122	133	127
<b>Accumulated Amortization</b>				
Beginning of Year	-	73	73	49
Amortization Expense	1	23	24	24
	1	96	97	73
<b>Net Book Value at March 31, 2009</b>	10	26	36	
<b>Net Book Value at March 31, 2008</b>	\$ 5	\$ 49		\$ 54

\*Equipment includes office equipment, furniture and other equipment.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 6 Accounts payable and accrued liabilities**  
**(in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payable	\$ 1,252	\$ 1,214
Accrued Vacation Pay and Manpower Expenses	1,367	1,183
Department of Children and Youth Services	28	42
	<u>\$ 2,647</u>	<u>\$ 2,439</u>

**Note 7 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	<u>\$ 63</u>	<u>\$ 176</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term Leases</u>
2010	53
2011	10
	<u>\$ 63</u>

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 8      Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in two legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008 – two legal claims). The two claims have specified amounts totalling \$325,000 (2008 – two claims with a specified amount of \$325,000). The Authority is jointly named with other entities in these two claims. Zero claims amounting to \$0 (2008 – zero claims amounting to \$0) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 9      Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$942 for the year ended March 31, 2009 (2008 – \$701).

**Note 10     Program Transfer**  
**(in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 11     Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 12     Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)		
	2009 Budget	2009 Actual	2008 Actual (Restated-Note 10)
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 14,046	\$ 14,704	\$ 11,841
Supplies and Services	19,903	16,937	17,620
Grants	2,522	6,456	4,828
Amortization of Capital Assets	25	24	24
Inter-Authority Services	200	388	369
Other	-	146	171
<b>Total Expenses</b>	<b>\$ 36,696</b>	<b>\$ 38,655</b>	<b>\$ 34,853</b>

(a) This includes \$136 (2008 - \$103) in achievement bonuses for management and non-union staff.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		Total
Co-Chair of the Authority	\$ -	\$ 38	\$ -	\$ 38	\$ 45
Co-Chair of the Authority	-	26	-	26	25
Board Members (9 members)	-	123	-	123	127
Chief Executive Officer	153	30	36	219	189

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

<sup>(1)</sup> Base salary includes regular pay.

<sup>(2)</sup> Other cash benefits include bonuses, vacation payments and lump sum payments. Co-chairs and board members receive honoraria only.

The Department of Children and Youth Services paid \$34 of the total honoraria expenses disclosed in this schedule.

<sup>(3)</sup> Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
		(Restated-Note 10)		
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 37,848	\$ 34,926	\$ -	\$ -
Recoveries - Inter-Authority Services	388	369	-	-
Prior-Year Revenue - First Nations Reserves	-	2	-	-
Miscellaneous Revenue:				
Maintenance Enforcement Program	-	-	8	10
	<u>\$ 38,236</u>	<u>\$ 35,297</u>	<u>\$ 8</u>	<u>\$ 10</u>
<b>Expenses - Directly Incurred</b>				
Department of Children and Youth Services	\$ 391	\$ 389	\$ -	\$ -
Inter-Authority Services Received	-	18	-	-
Department of Education	-	-	702	763
Department of Service Alberta	-	-	69	27
	<u>\$ 391</u>	<u>\$ 407</u>	<u>\$ 771</u>	<u>\$ 790</u>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 1,093	\$ 938	\$ -	\$ -
Edmonton and Area Child and Family Services Authority	17	34	-	-
North Central Alberta Child and Family Services Authority	-	52	-	-
Northeast Alberta Child and Family Services Authority	17	25	-	-
Metis Settlements Child And Family Services Authority	17	-	-	-
	<u>\$ 1,144</u>	<u>\$ 1,049</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
		(Restated-Note 10)
<b>Expenses (Notional):</b>		
Accommodation	\$ 1,625	\$ 1,830
Administrative	809	813
Legal Services	9	19
	<u>\$ 2,443</u>	<u>\$ 2,662</u>

**NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
 FOR THE YEAR ENDED MARCH 31, 2009

Program	(IN THOUSANDS)										2008
	2009										Total Expenses (Restated-Note 10)
	Expenses <sup>(1)</sup>		Expenses - Incurred by Others			Valuation Adjustments <sup>(5)</sup>		Total			
	Costs <sup>(2)</sup>	Administration	Legal	Services <sup>(4)</sup>	Pay	Vacation	Accounts	Doubtful	Expenses	Expenses	
Family Support for Children with Disabilities	\$ 4,303	\$ 94	\$ 47	\$ 1	\$ 6	\$ -	\$ -	\$ -	\$ 4,451	\$ 3,538	
Child Care	3,872	51	26	-	3	-	-	-	3,952	2,638	
Prevention of Family Violence and Bullying	169	17	9	-	1	-	-	-	196	72	
Parenting Resources Initiative	433	-	-	-	-	-	-	-	433	418	
Fetal Alcohol Spectrum Disorder Initiatives	164	-	-	-	-	-	-	-	164	187	
Child Intervention Services	18,651	1,009	502	6	64	21	21	21	20,253	19,855	
Foster Care Support	5,421	137	68	1	9	3	3	3	5,639	5,295	
Protection of Sexually Exploited Children	217	-	-	-	-	-	-	-	217	200	
Child and Youth Support	269	9	4	-	1	-	-	-	283	260	
Community Initiatives	829	77	38	-	5	-	-	-	949	876	
Program Support	3,530	231	115	1	14	11	11	11	3,902	3,504	
Board Governance	246	-	-	-	-	-	-	-	246	279	
Inter-Authority Services	388	-	-	-	-	-	-	-	388	369	
Amortization	24	-	-	-	-	-	-	-	24	24	
	<b>\$ 38,516</b>	<b>\$ 1,625</b>	<b>\$ 809</b>	<b>\$ 9</b>	<b>\$ 103</b>	<b>\$ 35</b>	<b>\$ 35</b>	<b>\$ 35</b>	<b>\$ 41,097</b>	<b>\$ 37,515</b>	

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation, represent the Northwest Alberta Child and Family Services Authority's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancements Act*.

(5) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.

- Doubtful Accounts Provision is allocated to specific programs.

# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the Members of the Northeast Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the Northeast Alberta Child and Family Services Authority (Authority) as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
May 29, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009		2008
	Budget	Actual	(Restated-Note 10)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 12,052	\$ 12,996	\$ 12,294
<b>Other Revenue</b>			
Inter-Authority Services			11
Other Revenue	429	471	356
	<b>12,481</b>	<b>13,467</b>	<b>12,661</b>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	1,426	1,779	1,578
Child Care	520	429	483
Prevention of Family Violence and Bullying	-	111	-
Parenting Resources Initiative	201	263	238
Fetal Alcohol Spectrum Disorder Initiatives	10	10	10
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	6,612	6,934	6,350
Foster Care Support	1,890	2,089	2,123
Protection of Sexually Exploited Children	60	48	47
Child and Youth Support	100	148	100
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	753	717	686
<b>Support Services:</b>			
Program Support	872	875	876
Board Governance	37	28	44
Valuation Adjustments (Note 2)		36	14
<b>TOTAL EXPENSES</b>	<b>12,481</b>	<b>13,467</b>	<b>12,549</b>
<b>Net Operating Results</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 112</b>

The accompanying notes and schedules are part of these financial statements.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Cash	\$ 856	\$ 1,561
Accounts Receivable (Note 4)	1,055	521
	<u>\$ 1,911</u>	<u>\$ 2,082</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 5)	<u>\$ 640</u>	<u>\$ 811</u>
<b>Net Assets</b>		
Net Assets at Beginning of Year	1,271	1,159
Net Operating Results	-	112
Net Assets at End of Year	<u>1,271</u>	<u>1,271</u>
	<u>\$ 1,911</u>	<u>\$ 2,082</u>

The accompanying notes and schedules are part of these financial statements.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)	
	<u>2009</u>	<u>2008</u>
<b>Operating Transactions</b>		
Net Operating Results	\$ -	\$ 112
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	36	14
	<u>36</u>	<u>126</u>
Increase in Accounts Receivable	(534)	(123)
Increase (decrease) in Accounts Payable and Accrued Liabilities	(207)	157
Cash Provided by (applied to) Operating Transactions	<u>(705)</u>	<u>160</u>
<b>Increase (decrease) in Cash</b>	(705)	160
<b>Cash, Beginning of Year</b>	1,561	1,401
<b>Cash, End of Year</b>	<u><u>\$ 856</u></u>	<u><u>\$ 1,561</u></u>

The accompanying notes and schedules are part of these financial statements.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 1 Authority, Purpose and Operations**

The Northeast Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

**Reporting Entity**

The reporting entity is the Northeast Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Monetary donations from external sources are recorded as revenue when received.

Internal Government Transfers

Internal government transfers are transfers between entities within the Government reporting entity where the entity making the transfer does not receive goods or services in return.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc, directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be determined.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

**Assets**

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000.

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Assets/Net Liabilities***

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$12,481 on March 27, 2008.

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$1055 and \$640 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services (in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 12,052
Additional funding for the current year	<u>944</u>
Grant for the year	<u><u>\$ 12,996</u></u>

**Note 4 Accounts Receivable (in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	\$ 870	\$ -	\$ 870	\$ 273
Child and Family Services Authorities	-	-	-	11
Other	185	-	185	237
	<u>\$ 1,055</u>	<u>\$ -</u>	<u>\$ 1,055</u>	<u>\$ 521</u>

Accounts receivable are unsecured and non-interest bearing.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Accounts payable and accrued liabilities**  
**(in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payable	\$ 346	\$ 526
Accrued Vacation Pay and Manpower Expenses	274	238
Department of Children and Youth Services	3	18
Child and Family Services Authorities	17	29
	<u>\$ 640</u>	<u>\$ 811</u>

**Note 6 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	\$ 19	\$ 41

<sup>(a)</sup> The Authority leases certain equipment under operating leases that expire on various dates to 2012. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	<u>Long-term Leases</u>
2010	\$ 15
2011	4
2012	-
	<u>\$ 19</u>

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 7 Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in two legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claims occurred (2008 – two legal claims). The two claims have specified amounts totalling \$325,000 (2008 – two claims with a specified amount of \$325,000). The Authority is jointly named with other entities in these two claims. The resulting loss, if any, from these claims cannot be determined.

**Note 8 Third Party Agreements**  
**(in thousands)**

The Authority has entered into a third party agreement with the Student Health Partnership to deliver various program services. The revenues of \$374 (2008 - \$356) and expenses of \$374 (2008 - \$356) are included in the financial statements.

Student Health Partnership	2009	2008
Revenue	\$ 374	\$ 356
Expense	(374)	(356)
	\$ -	\$ -

**Note 9 Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$224 for the year ended March 31, 2009 (2008 – \$191).

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 10 Program Transfer**  
**(in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology

services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 11 Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 12 Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)		
	<b>2009 Budget</b>	<b>2009 Actual</b>	<b>2008 Actual (Restated-Note 10)</b>
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 4,320	\$ 4,656	\$ 4,320
Supplies and Services <sup>(b)</sup>	6,671	6,943	6,547
Grants	1,490	1,832	1,668
Other		36	14
<b>Total Expenses</b>	<b>\$ 12,481</b>	<b>\$ 13,467</b>	<b>\$ 12,549</b>

(a) This includes \$47 (2008 - \$48) in achievement bonuses for management and non-union staff.

(b) The Authority receives residential placement services from the Department of Seniors and Community Supports.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		Total
Co-Chair of the Authority	\$ -	\$ 14	\$ -	\$ 14	\$ 13
Co-Chair of the Authority	-	9	-	9	20
Board Members (4 members)	-	16	-	16	23
Chief Executive Officer <sup>(4)</sup>	167	55	5	227	207

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

- (1) Base salary includes regular pay.
- (2) Other cash benefits include bonuses, vacation payments and lump sum payments. Co-chairs and board members receive honoraria only. The Department of Children and Youth Services paid \$19 of the total honoraria expenses disclosed in this schedule.
- (3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.
- (4) Automobile provided, no dollar amount included in other non-cash benefits.

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008 (Restated-Note 10)	2009	2008
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 12,996	\$ 12,294	\$ -	\$ -
Recoveries - Inter-Authority Services	4	11	-	-
	<b>\$ 13,000</b>	<b>\$ 12,305</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 370	\$ 239	\$ -	\$ -
Department of Children and Youth Services	40	311	-	-
Department of Education	-	-	327	299
Department of Health and Wellness	-	-	183	175
Department of Service Alberta	-	-	6	-
	<b>\$ 410</b>	<b>\$ 550</b>	<b>\$ 516</b>	<b>\$ 474</b>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 867	\$ 255	\$ -	\$ -
Edmonton and Area Child and Family Services Authority	-	11	-	-
North Central Alberta Child and Family Services Authority	-	(31)	-	-
Northwest Alberta Child and Family Services Authority	(17)	(25)	-	-
	<b>\$ 850</b>	<b>\$ 210</b>	<b>\$ -</b>	<b>\$ -</b>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

	(IN THOUSANDS)	
	Other Entities	
	2009	2008 (Restated)
<b>Expenses (Notional):</b>		
Accommodation	\$ 679	\$ 750
Administrative	188	188
Legal Services	-	-
	<b>\$ 867</b>	<b>\$ 938</b>

**NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
 FOR THE YEAR ENDED MARCH 31, 2009

(IN THOUSANDS)

Program	2009							2008	
	Expenses <sup>(1)</sup>	Expenses - Incurred by Others			Valuation Adjustments <sup>(5)</sup>		Total Expenses	Total Expenses	(Restated-Note 10)
		Accommodation Costs <sup>(2)</sup>	Administration Costs <sup>(3)</sup>	Legal Services <sup>(4)</sup>	Vacation Pay	Doubtful Accounts			
Family Support for Children with Disabilities	\$ 1,779	\$ 49	\$ 13	\$ -	\$ 3	\$ -	\$ 1,844	\$ 1,660	
Child Care	429	51	14	-	3	-	497	540	
Prevention of Family Violence and Bullying	111	18	5	-	1	-	135	-	
Parenting Resources Initiative	263	-	-	-	-	-	263	238	
Fetal Alcohol Spectrum Disorder Initiatives	10	-	-	-	-	-	10	10	
Child Intervention Services	6,934	416	115	-	21	-	7,486	6,943	
Foster Care Support	2,089	18	5	-	1	-	2,113	2,123	
Protection of Sexually Exploited Children	48	-	-	-	-	-	48	47	
Child and Youth Support	148	-	-	-	-	-	148	100	
Community Initiatives	717	53	15	-	3	-	788	777	
Program Support	875	75	21	-	4	-	975	1,005	
Board Governance	28	-	-	-	-	-	28	44	
	<b>\$ 13,431</b>	<b>\$ 679</b>	<b>\$ 188</b>	<b>\$ -</b>	<b>\$ 36</b>	<b>\$ -</b>	<b>\$ 14,334</b>	<b>\$ 13,487</b>	

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation, represent the Northeast Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child, Youth and Family Enhancement Act*.

(5) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.

- Doubtful Accounts Provision is allocated to specific programs.

# FINANCIAL STATEMENTS

March 31, 2009

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## Auditor's Report

To the members of the Métis Settlements Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statement of financial position of the Métis Settlements Child and Family Services Authority as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Fred J. Dunn, FCA]  
Auditor General

Edmonton, Alberta  
May 30, 2009

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF OPERATIONS**  
 FOR THE YEAR ENDED MARCH 31, 2009

	(IN THOUSANDS)		
	2009	2008	
	Budget	Actual	Actual
			(Restated- Note 9)
<b>REVENUE</b>			
<b>Internal Government Transfers</b>			
Transfer from Department (Note 3)	\$ 6,024	\$ 6,560	\$ 5,838
<b>Other Revenue</b>			
Inter-Authority Services - Recoveries	2,800	2,833	2,535
Miscellaneous Revenue	-	7	20
	<u>8,824</u>	<u>9,400</u>	<u>8,393</u>
<b>EXPENSE (SCHEDULES 1 AND 4)</b>			
<b>Promoting the development and well being of children, youth and families:</b>			
Family Support for Children with Disabilities	365	231	297
Child Care	45	225	17
Prevention of Family Violence and Bullying	40	54	8
Parenting Resources Initiative	59	50	50
Fetal Alcohol Spectrum Disorder Initiatives	29	49	25
<b>Keeping children, youth and families safe and protected:</b>			
Child Intervention Services	3,068	2,955	3,440
Foster Care Support	985	1,317	678
Protection of Sexually Exploited Children	54	31	32
Child and Youth Support	349	360	330
<b>Promoting healthy communities for children, youth and families:</b>			
Community Initiatives	249	158	254
<b>Support Services:</b>			
Program Support	631	687	551
Board Governance	150	179	147
Inter-Authority Services	2,800	2,833	2,535
Valuation Adjustments (Note 2)	-	113	74
<b>TOTAL EXPENSES</b>	<u>8,824</u>	<u>9,242</u>	<u>8,438</u>
<b>Net Operating Results</b>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ (45)</u>

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2009

	<b>(IN THOUSANDS)</b>	
	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Cash	\$ 527	\$ 558
Accounts Receivable (Note 4)	922	656
Advances	-	1
	<u>\$ 1,449</u>	<u>\$ 1,215</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 5)	<u>\$ 613</u>	<u>\$ 537</u>
<b>Net Assets</b>		
Net Assets at Beginning of Year	678	723
Net Operating Results	158	(45)
Net Assets at End of Year	<u>836</u>	<u>678</u>
	<u>\$ 1,449</u>	<u>\$ 1,215</u>

The accompanying notes and schedules are part of these financial statements.

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	<b>(IN THOUSANDS)</b>	
	<b>2009</b>	<b>2008</b>
<b>Operating Transactions</b>		
Net Operating Results	\$ 158	\$ (45)
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	113	74
	<u>271</u>	<u>29</u>
Decrease (Increase) in Accounts Receivable	(266)	73
Decrease (Increase) in Advances	1	1
Decrease (Increase) Prepayments	-	152
Increase (Decrease) in Accounts Payable and Accrued Liabilities (Note 1)	<u>(37)</u>	<u>47</u>
Cash Provided by (applied to) Operating Transactions	<u>(31)</u>	<u>302</u>
<b>(Decrease) Increase in Cash</b>	(31)	302
<b>Cash, Beginning of Year</b>	558	256
<b>Cash, End of Year</b>	<u><u>\$ 527</u></u>	<u><u>\$ 558</u></u>

The accompanying notes and schedules are part of these financial statements.

**Note 1 Authority, Purpose and Operations**

The Métis Settlements Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

**Note 2 Significant Accounting Policies and Reporting Practices**

The financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of Authority.

**Reporting Entity**

The reporting entity is the Métis Settlements Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

**Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

Internal Government Transfers

Internal government transfers are transfers between entities within the Government reporting entity where the entity making the transfer does not receive goods or services in return.

***Expenses***

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be determined.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

***Assets***

Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

***Valuation of Financial Assets and Liabilities***

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

***Net Assets/Net Liabilities***

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

***Budget (in thousands)***

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2008-09 Government and Lottery Fund Estimates tabled in the Legislative Assembly on April 18, 2008. The Authority approved the budget of \$8,824 on March 27, 2008

***Measurement Uncertainty  
(in thousands)***

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$922 and \$613 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 2 Significant Accounting Policies and Reporting Practices (Continued)**

***Voluntary Contribution***

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

**Note 3 Grants from the Department of Children and Youth Services  
(in thousands)**

The grant is determined as follows:

Initial (original) budget	\$ 6,024
Additional funding for the current year	<u>536</u>
Grant for the year	<u><u>\$ 6,560</u></u>

**Note 4 Accounts Receivable  
(in thousands)**

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	\$ 602	\$ (13)	\$ 589	\$ 258
Edmonton and Area CFSA	298		298	379
North Central Alberta CFSA	33		33	19
Refund from Suppliers	2		2	
	<u>\$ 935</u>	<u>\$ (13)</u>	<u>\$ 922</u>	<u>\$ 656</u>

Accounts receivable are unsecured and non-interest bearing.

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 YEAR ENDED MARCH 31, 2009

**Note 5 Accounts payable and accrued liabilities**  
**(in thousands)**

	<u>2009</u>	<u>2008</u>
Trade Payable	\$ 201	\$ 246
Accrued Vacation Pay and Manpower Expenses	391	288
Payable to Department of Children and Youth Services	4	3
Child and Family Services Authorities	17	-
	<u>\$ 613</u>	<u>\$ 537</u>

**Note 6 Contractual obligations**  
**(in thousands)**

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2010 similar to those provided by these organizations during the year ended March 31, 2009.

As at March 31, 2009, the Authority has the following other contractual obligations:

	<u>2009</u>	<u>2008</u>
Long-term Leases <sup>(a)</sup>	<u>\$ -</u>	<u>\$ 7</u>

**Note 7 Contingent liabilities**  
**(in thousands)**

At March 31, 2009, the Authority is a defendant in three legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2008–three legal claims). The three claims have specified amounts totalling \$325,100 (2008 – three claims with a specified amount of \$325,100). Included in the total legal claims are two claims amounting to \$325,000 in which Authority has been jointly named with other entities. One claim amounting to \$100 (2008 - one claims amounting to \$100) is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
YEAR ENDED MARCH 31, 2009

**Note 8**      **Defined Benefit Plans**  
**(in thousands)**

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$200 for the year ended March 31, 2009 (2008 – \$184).

**Note 9**      **Program Transfer**  
**(in thousands)**

Effective April 1, 2008, the Ministry of Children and Youth Services transferred budgetary responsibilities for functional reporting of information technology services to the Ministry of Service Alberta. Grants provided by the Department of Children and Youth Services related to Information Technology and the associated expenses have been restated for 2007-08 in the Authority.

**Note 10**     **Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 11**     **Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT - SCHEDULE 1**  
**FOR THE YEAR ENDED MARCH 31, 2009**

	(IN THOUSANDS)		
	2009 Budget	2009 Actual	2008 Actual (Restated - Note 9)
Salaries, Wages and Employee Benefits <sup>(a)</sup>	\$ 3,123	\$ 2,507	\$ 2,163
Supplies and Services	5,448	3,414	3,409
Grants	253	373	257
Inter-Authority Services		2,835	2,535
Other		113	74
<b>Total Expenses</b>	<b>\$ 8,824</b>	<b>\$ 9,242</b>	<b>\$ 8,438</b>

(a) This includes \$71 (2008 - \$66) in achievement bonuses for management and non-union staff.

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**SALARY AND BENEFITS DISCLOSURE - SCHEDULE 2**  
 FOR THE YEAR ENDED MARCH 31, 2009

	In Thousands				2008
	2009			Total	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>		
Co-Chair of the Authority	\$ -	\$ 35	\$ -	\$ 35	\$ 28
Co-Chair of the Authority	-	35	-	35	32
Board Members (6 members)	-	67	-	67	49
Chief Executive Officer <sup>(5)</sup>	151	28	36	215	195

**Prepared in accordance with Treasury Board Directive 12/98 as amended.**

(1) Base salary includes regular pay.

(2) Other cash benefits include bonuses, vacation payments and lump sum payments.

Co-chairs and board members receive honoraria only.

The Department of Children and Youth Services paid \$26 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**RELATED PARTY TRANSACTIONS - SCHEDULE 3**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statement of Operations and the Statement of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(IN THOUSANDS)			
	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
	(Restated - Note 9)			
<b>Revenues:</b>				
Grant from the Department of Children and Youth Services	\$ 6,560	\$ 5,838	\$ -	\$ -
Recoveries - Inter-Authority Services	2,833	2,529	-	-
Miscellaneous and Prior Year Revenue	7	20	-	-
	<b>\$ 9,400</b>	<b>\$ 8,387</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenses - Directly Incurred</b>				
Inter-Authority Services Received	\$ 201	\$ 5	\$ -	\$ -
Department of Children and Youth Services	-	-	-	-
Department of Advanced Education and Technology	-	-	1	4
Department of Education	-	-	-	77
Department of Health and Wellness	-	-	1	14
Department of Service Alberta	-	-	20	-
	<b>\$ 201</b>	<b>\$ 5</b>	<b>\$ 22</b>	<b>\$ 95</b>
<b>Receivable from/(Payable to):</b>				
Department of Children and Youth Services (Net)	\$ 585	\$ 253	\$ -	\$ -
Central Alberta Child and Family Services Authority	-	-	-	-
East Central Alberta Child and Family Services Authority	-	-	-	-
Edmonton and Area Child and Family Services Authority	298	379	-	-
North Central Alberta Child and Family Services Authority	33	19	-	-
Northwest Alberta Child and Family Services Authority	(17)	-	-	-
	<b>\$ 899</b>	<b>\$ 651</b>	<b>\$ -</b>	<b>\$ -</b>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(IN THOUSANDS)	
	Other Entities	
	2009	2008
	(Restated)	
<b>Expenses (Notional):</b>		
Accommodation	245	\$ 409
Administrative *	190	165
Legal Services	32	3
	<b>\$ 222</b>	<b>\$ 577</b>

**MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY**  
**ALLOCATED COSTS - SCHEDULE 4**  
**FOR THE YEAR ENDED MARCH 31, 2009**

Program	(IN THOUSANDS)										Total Expenses (Restated- Note 3)
	2009					2008					
	Expenses <sup>(1)</sup>	Costs <sup>(2)</sup>	Costs <sup>(3)</sup>	Services <sup>(4)</sup>	Pay	Valuation Adjustments Vacation	Accounts Doubtful	Total Expenses	Total Expenses		
Family Support for Children with Disabilities	\$ 231	11	9	\$ 9	5			\$ 256	\$ 342		
Child Care	225	23	18	18	10			276	24		
Prevention of Family Violence and Bullying	54	3	2	2	1			60	34		
Parenting Resources Initiative	50							50	50		
Fetal Alcohol Spectrum Disorder Initiatives	49							49	25		
Child Intervention Services	2,955	154	119	32	63			3,323	3,886		
Foster Care Support	1,317	5	4		2			1,328	692		
Protection of Sexually Exploited Children	31							31	33		
Child and Youth Support	360	5	4		2			371	349		
Community Initiatives	158	15	11		6			190	272		
Program Support	687	29	23		12			751	621		
Board Governance	179							179	147		
Inter-Authority Services	2,833							2,833	2,535		
Valuation adjustment	113					13		126	74		
	<b>\$ 9,242</b>	<b>\$ 245</b>	<b>\$ 190</b>	<b>\$ 32</b>	<b>\$ 101</b>	<b>\$ 13</b>		<b>\$ 9,823</b>	<b>\$ 9,084</b>		

(1) Expenses - Directly Incurred as per the Statement of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure and Transportation, represent the Métis Settlements Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the Child Youth and Family Enhancement Act.

(5) Valuation Adjustment as per the Statement of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific programs





# Alberta Children and Youth Services Annual Report 2008-09

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