

**Decision/Direction Note**  
**Department of Children, Seniors and Social Development**

**Title:** Request for funding in exceptional circumstances – Nain Group Home Inc. o/a Martin Martin Group Home.

**Decision/Direction Required:**

- Whether to approve additional funding request from Nain Group Home Inc. o/a Martin Martin Group Home (MMGH) of \$285,000 to cover additional funding requirements necessary for the operation of the home to March 31, 2025.

**Background and Current Status:**

- MMGH is a [REDACTED] facility that has been operated by Nain Group Home Inc. in Nain for over 30 years, currently under a 2006 Service Agreement with Labrador-Grenfell Health Authority.
- MMGH is an open custody group home for youth sentenced under the Youth Corrections Program and designated to provide placements for children in care. In 2010-11, in an effort to meet the demand for in care placements, most open custody group homes in the province, including MMGH, transitioned to provide placements for children in care.
- MMGH presently has an annual operating budget of \$925,012, and is in the process of licensing under the new CYS regulations. While not yet approved, MMGH has proposed a budget under licensing of \$2M which is being reviewed and assessed as part of the licensing process. MMGH has 20 employees.
- MMGH has indicated that it will not have sufficient funding to cover requirements to March 31, 2025, and has submitted a request for additional funding of \$285,000 of which salary and CRA remittances are \$250,000

Information withheld under s. 90 and s. 91 of the Children, Youth and Families Act.

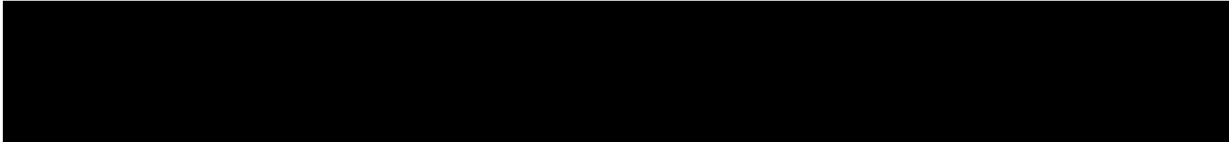
s. 29(1)(a)

**Analysis:**

- [REDACTED]
- Additional supporting information for the extra funding was requested from and provided by MMGH.
- MMGH have exhausted all available funds with their latest payroll.
- Additional funding will need to be issued as soon as possible for payroll and remaining operational requirements.
- The requirements that are noted in the request for the balance of the year are:
  - Salaries - \$175,000
  - CRA remittances – \$75,000
  - Operating requirements -\$35,000
- Funding amount requested to end of year is considered realistic in line with needs.

Information withheld under s. 90 and s. 91  
of the Children, Youth and Families Act.

s. 29(1)(a)

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- Finance recommends approving the \$285,000 to be released to MMGH in 2 installments of \$142,500, one now and the additional in February 2025 with support from MMGH of its funding position at that time.
- While CSSD has a budgetary shortfall this year within CYS Allowances that it is attempting to manage, there is a need to provide this funding to keep the home operational.
- Continuation of work towards licensing and a new increased budget will continue.

**Alternatives:**

1. Approve the additional request from MMGH for \$285,000 to cover required costs to March 31, 2025, to be released in 2 installments of \$142,500, as necessary. **(Recommended)**.
2. Do not approve the request for the \$285,000 to cover required costs to March 31, 2025, which would result in the home having to close **(Not Recommended)**.

**Prepared/Approved by:**  
**Deputy Minister Approval:**

B. Noftall/D. Martin/D. McGrath/T. English  
Received by Alan Doody

January 13, 2025

**Decision Note**  
**Department of Children, Seniors and Social Development**

**Title:** Income Support Overpayment Write-offs Fiscal 2024-25 Accounts Less Than \$1,000

**Decision/Direction Required:**

- It is recommended that:
  - The Deputy Minister (DM) of the Department of Children, Seniors and Social Development (CSSD) approve the write-off of 52 accounts relating to Income Support totaling \$6,133.62, each of which has an individual balance less than \$1,000.

**Background and Current Status:**

- Pursuant to the *Financial Administration Act*, accounts for write-off are to be submitted for approval as follows:
  - Amounts \$1,000 or less have been delegated to the DM;
  - Amounts greater than \$1,000 are forwarded to Treasury Board.
- Digital Government & Service NL, Collections Division (DGSNL) handles collections for Income Support overpayments, periodically reviewing accounts to assess the continued collectability and potential eligibility for write-off and providing account information to CSSD Financial Services Division for review and submission to either DM or TB as applicable.
- All of the attached accounts recommended for write-off are \$1,000 or less and are submitted for review and approval of the DM.

**Analysis:**

- Accounts are considered eligible for write-off by DGSNL for seven primary reasons which include bankruptcy, subsidization by the Department of Health and Community Services, death, hardship, statute barred, small balance or other (see Annex A).
- 52 accounts totaling \$6,133.62 are default accounts that have been subject to collection by DGSNL with balances under \$1,000 and identified for possible write-off under DM approval.
- These accounts are comprised of:
  - 7 accounts that total \$2,962.36 which are no longer considered collectible due to bankruptcy of the client; and
  - 45 accounts that total \$3,171.26 which are no longer considered collectible as the client cannot be located and/or pursuit for collection/legal action is uneconomical/not feasible.

Write-offs Income Support Less than \$1,000 Fiscal Year 2024-25:

Type	Income Support	
	Accounts	Amounts
Bankruptcy	7	2,962.36
Other	45	3,171.26
<b>Total</b>	<b>52</b>	<b>6,133.62</b>

**Alternatives:**

**Option 1:** Approve write-off of 52 accounts, each of which has an individual balance less than \$1,000, totaling \$6,133.62. **(Recommended)**

- **Pros:**
  - Removes uncollectable accounts from the loans receivable balance and ensures that total receivable balance is not inflated.
- **Cons:**
  - The Department must acknowledge it was unable to collect its outstanding debts.

**Option 2:** Do not approve write-offs. **(Not Recommended)**

- **Pros:**
  - None Identified.
- **Cons:**
  - The loan receivable balance will continue to be artificially inflated.

**Prepared/Approved by:** B. Nofall/D. Martin/B. Evans

**Deputy Minister Approval:** Received by Alan Doody

January 20, 2025

## Annex A

### List of Reasons for Write Off

#### **Bankruptcy**

Valid bankruptcy of the borrower, and the related discharge from financial obligations as per due legal process and in accordance with the limitations under the *Bankruptcy and Insolvency Act*. All accounts submitted for write-off for this reason have been reviewed and applicable documentation obtained to confirm adherence with the appropriate legislation.

#### **Subsidized by the Department of Health and community Services**

An Individual being subsidized for a substantial period of time is deemed not to have the financial resources to repay.

#### **Death**

Upon appropriate notification, including death certificate, funeral statement or confirmation from the Canada Revenue Agency or Provincial Vital Statistics.

#### **Hardship**

Usually assessed based upon an individual's age and health status.

#### **Statute Barred**

There are two types of Statute barred accounts.

1. Accounts for which no legal action has been taken within the allowable 6-year timeframe as per the *Limitations Act* or;
2. Accounts for which the 10-year timeframe to enforce Judgement has expired.

#### **Small Balances**

Outstanding account balances of less than \$20 for which accounts had been considered paid in full are submitted for write off. The small balances remaining are the result of timing differences and the small fee and/or interest charges posted to the borrowers account after the borrower has been considered to have paid the debt in full and has received documentation verifying account has been paid in full.

#### **Other**

Accounts for which the borrower cannot be located and/or pursuit for collection is uneconomical and/or legal action is not feasible are submitted for write-off.