

Transfers

Definitions

Government transfers are transfers of money or tangible capital assets from a government to an individual, an organization or another government for which the government making the transfer does not:

- receive any goods or services directly in return, as would occur in a purchase/sale or other exchange transaction;
- expect to be repaid in the future, as would be expected in a loan; or
- expect a direct financial return, as would be expected in an investment (CPA Canada Public Sector Accounting (PSAB) Handbook, PS 3410).

There are three types of transfers:

Entitlements are transfers that a government must make if the recipient meets specified eligibility criteria. These payments are non-discretionary as legislation or regulations prescribe “who” is eligible to receive the transfer and “how much” is transferred (PSAB Handbook, PS 3410).

Shared Cost Arrangement transfers are reimbursements and/or advance funding of eligible expenditures pursuant to an agreement between the transferring government and the recipient (PSAB Handbook, PS 3410).

Other Transfers (Grants) are transfers where the government has discretion in deciding whether or not to make the transfer and who to provide it to (PSAB Handbook, PS 3410).

Authority

The Financial Administration Act, 1993 (FAA) allows Treasury Board to make orders and issue directives with respect to its duties under section 4 of the FAA (e.g., relating to the finances, the administrative policy and management practices, and the accounting policies and practices of the Government) (clause 5(a)). The FAA also allows Treasury Board to designate a public agency that is to be subject to its orders and directives (clause 5(d)).

The FAA allows the Provincial Comptroller to issue directives to ministries and public agencies detailing the manner in which Treasury Board orders and directives are to be complied with (subsection 10(2)).

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Section: **Treasury Board's General Management Policies**
Subsection: **Transfers**

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Treasury Board Policies Treasury Board has approved the following transfer policies:

- [Section 4605 Control of Transfers](#);
- [Section 4610 Contributions \(Donations\)](#); and
- [Section 4615 Grants in Lieu of Taxes](#).

Applicability

The applicability of each policy is specified in the policy. The applicability to public agencies is in accordance with clause 5(d) of the FAA.

References

[Accounting Manual, Section 3200 Government Transfers](#)