



The purpose of this document is to share MCC Ontario's Financial Guidelines for Month 13 with our Constituent Groups (CG) working with Refugee Resettlement Designated Accounts (RRDA) in order to affect a smooth transition into Month 13.

The following information has been compiled to assist with that transition. These are our guidelines for going forward, recognizing that each situation is somewhat unique

What is Month 13?

The typical sponsorship is for 12 months. A 12-month sponsorship is 365 days. If a sponsorship begins in the middle of a month, then it will also end in the middle of a month. Month 13 will follow the same pattern as the rest of the sponsorship.

EXAMPLE: If a family arrives on December 13, 2015 then their sponsorship ends December 12, 2016, and therefore Month 13 is from December 13, 2016 to January 12, 2017.

Section 1: RRDA funds

Note: As defined by CRA: A CG overseeing the finances of a newcomer family is acting as an agent (conduit) of MCC and must use funds as directed by MCC.

End of Sponsorship Key Financial Questions

- 1) Are there remaining funds available in the RRDA account affiliated with the CG?
- 2) Is the CG's financial budget currently beneath the Maximum Financial Limit, as determined using the Market Basket Measure (as indicated in the MCCO document: *Cost of Refugee Sponsorship – limits based on family size and location* available on the portal)?

Residue: General guidelines for excess funds at end of month 12, net of 5% cost recovery fee

Funds that remain in your RRDA that have not been included in the original Budget Report and therefore are undisbursed for this sponsorship are termed *residue*.

If a CG comes to the end of sponsorship with remaining funds in the MCC RRDA account connected with their group *or* they have unused Contingency Funds¹, and their overall budget is currently *beneath* the Maximum Financial Limit as noted in the reporting budget, than those funds may be used for one of the following:

¹ Contingency Funds were not included in early iterations of the budget spreadsheet, and as such, information concerning these funds need not concern CG's that worked with the original version of the budget spreadsheet. *The process of deciding how remaining RRDA funds should be directed will occur in the last months of sponsorship. After MCC and the CG have come to an agreement, MCC will send a memo reiterating the decision. This final step will act as a confirmation of the details of agreement.*

A. Redirected to a new MCC sponsorship by same CG

The group will have 6 months after the end of month 12 to discern whether or not they are going to begin another sponsorship.

- If, by the end of those 6 months they have decided to forgo a second sponsorship, the funds raised for the purpose of their first sponsorship will be used by MCC for refugee program work
- If the CG decides to enter into another sponsorship, they need to inform MCC and contact refugee@MCCO.ca.

B. Redirected to assist another existing MCC CG in Ontario

The group will inform MCC that the residue funds are to be redirected to another CG working with MCCO. The receiving CG must meet the requirements for the transfer – this is pending MCCO approval.

C. Redirected to MCC Refugee Resettlement Program in Ontario

These funds will remain dedicated to MCC Refugee Program in Ontario and may help to facilitate MCC's staff capacity to equip and support CGs and refugee newcomers across Ontario.

D. An additional disbursement for resettlement needs of the family

Limits to disbursement – using the Market Basket Measure (MBM)

- Maximum based on family size and location is the overall limit
- These funds should be used for unexpected settlement needs

Criteria for additional disbursement:

Appropriate disbursements -*must be based upon genuine settlement need*. The CG is asked to present the case need *prior to the end of sponsorship* to MCC Finance and the Resettlement Team will apply the following filters:

- Medical or dental needs of family members not covered by insurance
- Transportation needs of CG's in rural areas where public transportation is not an option
- To assist with transition gap onto OW or onto employment
- Travel and medical loan repayment for *families with high needs*
- Life Skills training for employment
 - Technical skills
 - Language skills
 - Citizenship training

Please note that the purchase of tools or business set up is NOT an allowable use of resettlement funds. Cases must be presented prior to the end of sponsorship.

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MCC will require the following information:

- Sources of income of the sponsored family
- Have MCC RRDA funds been used to help family overseas immigrate?

Timing of additional disbursement

- Request must be received before the end of month 12 in order to receive an additional disbursement

Final Decision

- Once the CG has indicated in writing how they choose their remaining funds to be directed, the appropriate action will be taken.

Needs that are not appropriate for disbursement:

- Sending funds to family overseas
- When the family has a material amount of wages, assets, or other financial support

Section 2: Wrapping up Sponsorship – Important Information

Budgeted, Disbursed funds remaining with the CG at end of sponsorship.

- Any funds remaining with the CG at end of sponsorship should be disbursed to the sponsored family by the end of the last month of sponsorship.
- For reporting purposes these funds can be reported in the Actual Tab as savings or contingency.

Closing of the online Gift Registries

If the CG has not previously requested their Gift Registry to be closed, then there are one of two options:

- If the CG does not have additional funds remaining in the RRDA they've been using, their Gift Registry will be closed after third cheque disbursement.
- If the CG has additional funds remaining in the RRDA affiliated with their group, then their Gift Registry will be closed after communication with MCC concerning their preference for direction of additional funds.

Income Taxes

- Sponsored families should file for Income Tax. In this process they will indicate the income that they have earned, and if they have had no income, they should enter \$0
- Sponsorship funds provided to the family is benevolence and will therefore not be taxed
- Please see the portal for Income Tax Application Helps.

Final Report Requirements

- The 4th financial report will be due one month after the end of sponsorship.
 - i.e.: if a CG's 12th month **begins** January 1st the report will be due March 1st
- The final expense report until the end of the 12th month
- Receipts for rent, utilities, and any large sum, individual expenses over \$300
- Please include any explanatory notes concerning unusual expense trends in the

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Communications Tab of the Excel budget spreadsheet

Resources

- Please see our Refugee Portal for end of sponsorship information, including our Month 13 recorded session and other end of sponsorship resources.

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