



Issue Date: May 2008	Effective Date: May 20, 2008	Responsible Agency: Office of the Comptroller General	Directive No: 901
Chapter: Control of Revenues			
Directive Title: FEES AND LICENSES			

1. POLICY

S.4 of the *Financial Administration Act (FAA)* permits the Financial Management Board (FMB) to act on all matters related to the financial management and financial administration of the Government.

S.18 of the *FAA* permits a fee to be charged for any service provided by a department or public agency in the amount and in the circumstances as the Minister responsible for a department or public agency directs or the regulations require.

The Minister shall submit to the Board for approval all proposed fees and licenses to be charged for any service provided by a department or public agency.

2. DIRECTIVE

Where economically and administratively feasible, or to promote social goals, and after review by the FMB, the Minister responsible for a department or public agency may charge a fee for any goods supplied or services rendered to the public, unless there are provisions for specific exemption.

3. PROVISIONS

- 3.1. The Minister responsible must provide all proposed fees and charges for services, with appropriate rationale, to the FMB for approval, prior to a fee being added or modified.
- 3.2. All Deputy Heads shall review their operations periodically to ensure the fee charged for goods supplied or for services rendered to the public is appropriate and up-to-date, and advise their Minister accordingly.



- 3.3. Departments shall designate an individual to be responsible for the accounting, control and collection of revenue derived through licenses and fees.
- 3.4. Where the fee or license is collected by an external agency, the program manager must ensure that:
 - a) a contract or agreement is signed, the duties and responsibilities are clearly defined by the contracting department and all necessary controls are in place; and
 - b) all contracts are reviewed by the Office of the Comptroller General and by the Legal Division of the Department of Justice.
- 3.5. Charges for a service to the public may be on a full or partial cost recovery basis (including all direct costs and indirect costs incurred both by the department itself and by other departments on its behalf).
- 3.6. It may be desirable to set prices at levels that promote social or economic goals (either greater or less than actual costs, depending on the objective).