

**MOOSE FACTORY ISLAND  
DISTRICT SCHOOL AREA BOARD**

<b>FINANCIAL PROCEDURE NO. 500</b>	
Effective	March 1, 2016
Revision Date	

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**FINANCIAL POLICIES and PROCEDURES**

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**1.0 PURPOSE**

The Board of Directors (Trustees) is accountable for the effective and efficient management of all education funds received to its supporters and to the Ministry of Education.

The Moose Factory Island District School Area Board's internal financial control systems consist of policies and procedures and financial systems that provide for transaction processing as well as financial reporting for control, planning and decision making purposes.

The purpose of this policy is to ensure financial management activities and practices that promotes appropriate and effective management of all education funds and ensures transparency and accountability.

**Guiding Principles**

The MFIDSAB shall conduct its financial operations within the following guiding principles:

- a. Comply with applicable provincial acts and legislation, Board policies and procedures, sponsor and donor terms and conditions
- b. Reporting in accordance with Canadian generally accepted accounting principles (GAAP)
- c. Maintaining appropriate and effective systems of internal controls with the emphasis on relevant organizational policy and procedures, data integrity and clearly defined roles and responsibilities
- d. Maximizing utilization of available resources
- e. Not paying interest except in specific situations
- f. Disallowing over expenditures except in specific situations

- g. Using a best practices approach
- h. Leveraging technology

## 2.0 ROLES AND RESPONSIBILITIES

The **Board of Directors** of the Moose Factory Island District School Area Board in its responsibilities towards its local residents for the delivery of its mandate is accountable for all of MFIDSAB financial obligations.

The **Finance Committee** shall be accountable to the Board of Directors on all financial matters to ensure that activities carried out are consistent with the financial and accounting policies, authorities, guidelines and committee terms of reference as established and approved by the Board of Directors.

The **Treasurer** for the MFIDSAB as the Chief Executive Officer of the organization shall be responsible for ensuring the implementation of the Financial Management Policy.

The **Supervisory Officer** as the Chief Executive Officer of the organization shall be responsible for ensuring the implementation of the Financial Management Policy.

The **Business Administrator** shall be responsible for ensuring that daily activities carried out are consistent with the financial and accounting policies, authorities, guidelines, practice and procedures as established and approved by the Board of Directors.

Submissions to the Board of Directors, Finance Committee having financial and budgetary implications shall be reviewed by the Supervisory Officer and Business Administrator before submission to ensure that the financial consequences of the submissions are properly displayed.

## 3.0 APPROVAL AND SPENDING AUTHORITIES

The delegation of approval and spending authorities by the Board of Directors to designated employees of the MFIDSAB shall be for the purpose of carrying out the business operations of the organization as set out in the by-laws and within the approved and applicable policies and procedures.

### Guiding Principles of Authorities and Delegating

- a. Granting of authorities and delegations is made in good faith and trust

- b. Authorities and delegations from the Board of Directors are made at the maximum levels possible to management levels but are subject to some restrictions and other limitations stipulated by the Board.
- c. Authorities and delegations must only be applied in the context of undertaking assigned responsibilities, within an approved mandate and the scope of operations under the assignee's control. Any use of authority to do something beyond the assignee's scope is an abuse of that authority.
- d. Authorities and delegations cannot be transferred from one person to another.
- e. Authorities can be exercised on an acting basis.
- f. Authorities and delegations are subject to revocation if abused.
- g. Annual reviews will be made to ensure the continuing relevancy of the delegations and authorities.

### **Approval and Spending Authority Levels**

The Board of Directors shall grant approval in motion format for the following approval and spending authority levels:

- a. Business and Administrator and Treasurer                      \$ 50,000.00

## **4.0 SIGNING AUTHORITIES**

The Board of Directors shall grant signing authority as follows:

### **4.1 Cheques:**

The following shall have signing authority for all cheques.

- Chairperson
- Board Trustees
- Business Administrator

**Two signatures must be obtained for all cheques. A cheque with only one signature is not legally binding and shall be deemed null and void.**

The Board Administrator shall be responsible for ensuring that the signing authorities listing is kept current and filed with the banking institution.

4.2 The staff member responsible for issuing cheques shall be delegated signing authority.

4.3 **Contracts/Agreements**

All contracts and/or funding agreements are to be signed by the Chairperson and the Business Administrator.

## **5.0 PLANS AND BUDGETS**

5.1 Management is responsible for the preparation and development of annual operation and service delivery plans and budget estimates.

5.2 All annual budget estimates are to be reviewed by the Finance Committee for recommendation and approval by the Board. Approvals are to be recorded in duly convened meetings of the Board of Directors.

5.3 All non-discretionary funds are to be expended as per terms of conditions of funding agreements.

5.4 Surplus funds at year end shall be recorded as Committed Reserves and deferred for programs and services that continue on into the new fiscal year. Discretionary surplus funds shall be allocated by the Board upon recommendation by the Finance Committee. Year-end surplus of non-discretionary funds all be disbursed or allocated as per funding terms and conditions.

### **Annual Budget Estimates**

5.5 Management shall be responsible for identifying and maintaining accurate statistical data required for preparation of annual operating budget estimate submissions for their respective program areas as per annual funding guidelines and service agreements.

5.6 A copy of the Board motion approving the annual budget estimates shall be retained for record and auditing purposes.

5.7 The Business Administrator shall be responsible for ensuring that expenditures are maintained within the approved annual budgets for their respective programs. Upon consultation with the Supervisory Officer and

approval from the Board, funds may be transferred between program budgets subject to the terms and conditions of the funding source.

- 5.8 At year end the Business Administrator shall review all the budgets to identify surpluses and deficits and to ensure that all funding terms and conditions have been met. Recommendations shall be made to the Finance Committee to address the surplus and/or deficits.
- 5.9 The Finance Committee shall review and make a recommendation to the Board to address the surplus and/or deficits.
- 5.10 The Board shall review the recommendations and upon acceptance, approve the recommendations in motion format at a duly convened meeting.

### **Quarterly Budget Reviews**

- 5.11 The Business Administrator shall be responsible to review the General Ledger on a regular basis to ensure revenues and expenditures are coded to proper accounts. Financial statements shall be prepared and presented to the Board on a quarterly basis.

### **Administration Fees**

- 5.12 To cover the additional costs associated with administering additional external projects and services; the following administrative fee shall be applied as deemed necessary:
- A fee of ten percent (10%) for all external projects and proposals

## **6.0 FINANCIAL AUDIT**

A financial audit shall be completed on an annual basis by an external qualified auditing firm as appointed by the Board of Directors.

- 6.1 The Business Administrator shall be responsible to prepare and cause a financial audit to be conducted on an annual basis.
- 6.2 The financial audit of all financial records and inventories of the School Authority shall be completed no later than **November 30th** of each year for the fiscal year ending the preceding August 31<sup>st</sup>.

- 6.3 The draft audited financial statements shall be reviewed by the Business Administrator in consultation with the Financial Auditor to ensure all revenues and expenditures are accurately reflected.
- 6.4 The final draft audited financial statement shall be reviewed by the Finance Committee for recommendation of acceptance and approval by the Board.
- 6.5 The audited financial statement shall be accepted and approved by motion of the Board and signed by the Board Chairperson and the Business Administrator.
- 6.6 Where appropriate the recommendations of the auditor shall be implemented.
- 6.7 The approved financial audit shall be made available to the appropriate funding agencies and communicated to the local residents of the Board.
- 6.8 At an Annual Meeting for the resident population represented, the financial audit for the preceding year shall be presented for acceptance and the motion recorded in the minutes of the annual meeting.

### **Securing an Auditor**

- 6.9 A call for proposals with the Terms of Reference shall be sent to auditing firms in the surrounding area familiar with school authority operations.
- 6.10 The following Terms of Reference are to be utilized:
- a. The examination must be conducted in accordance with generally accepted accounting principles, and, is to include a general view of account procedures, and such tests of accounting records as the auditor considers necessary in the circumstances;
  - b. The auditor will have access at reasonable hours to the accounting records, supporting documentation including minutes of the Board meetings;
  - c. Financial statements are to report on all Board financial activities under Board control and consist of:
    - Balance Sheet
    - Statement of Revenue and Expenditures for each program
    - Details of surpluses or deficits for each program
    - Consolidated balance sheet and statement of revenue and expenses

- d. The auditor is to express an opinion as the accuracy of the financial statement as a reflection of the financial position of the School Authority in accordance with generally accepted accounting principles. The auditor shall also state recommendations which the Board could implement.<sup>4</sup>
- 6.11 The Tenders and Contracts policy shall be adhered to in the selection process. A letter awarding the contract shall be sent to the successful auditing firm.
- 6.12 At a Board meeting, the Business Administrator shall provide a list of prospective Auditing firms to the Board who shall select and appoint an auditing firm in motion form. The selected auditing firm shall remain the Board's auditor until another motion is made by the Board to select another firm.

## **7.0 BANKING AND CASH MANAGEMENT**

The Board of Directors through its Finance Committee shall determine the specific provisions respecting the Board's banking arrangements.

- 7.1 The Business Administrator shall assess the cost and quality of its banking services relative to other banks, not less than every three (3) years.
- 7.2 The Board shall manage its cash economically and efficiently and shall seek to maximize the return on its temporary surplus funds within the approved investment policies.

### **Investments**

- 7.3 The Business Administrator may invest short term surpluses in securities and/or guaranteed income investments offered through the bank.
- 7.4 Investments shall be managed in accordance with accepted financial management practices.

### **Borrowing of Funds**

- 7.5 The Board may borrow funds as per Article 9.I.7 of Board's Procedural By-laws.

**8.0 ACCOUNTING SYSTEMS**

The Board shall implement the Sage ERP Accpac computerized accounting system. The program the basic requirements of an accounting system required to accommodate the needs of the School Authority. The system contains the basic processing modules required: General Ledger, Accounts Payable, Accounts Receivable and Payroll.

**Computerized Accounting System**

- 8.1 The Business Administrator shall ensure that all funds received and expended are properly entered and recorded and debited/credited to the proper account, and, that the financial reporting requirements for funding agencies are met as per contractual agreements.
- 8.2 Clerical staff will be provided with training to ensure that they have adequate knowledge and abilities to maintain, duplicate, cross referenced bookkeeping and filing, and to retrieve and/or verify information on individual transactions.
- 8.3 The Business Administrator shall be responsible to ensure the General Ledger is maintained and updated on a monthly basis to facilitate a continual accounting of revenue received, expenses incurred, and changes to assets, liabilities and equity.
- 8.4 Monthly listings of the aging Accounts Receivable and Accounts Payable will be prepared and balanced to the General Ledger control accounts. These will be presented to the Business Administrator on a monthly basis.
- 8.5 Accounting and reporting systems will be based on fund accounting principles; all incoming funds and outgoing expenditures will be debited/credited to the appropriate program.
- 8.6 Integrity checks shall be conducted on a monthly basis.
- 8.7 All accounting data files are to be backed up on a weekly basis. Storage of files will include both in-house in a fireproof safe and at an off-site location to be designated.

**Banking Reconciliations**

- 8.8 Bank reconciliations shall be prepared monthly upon receipt of bank statements and cancelled cheques.

- 8.9 The electronic reconciliation process in accounting program will be used, and, supporting documentation saved and copies.
- 8.10 The deposits listed on the bank statement will be compared with deposits shown in the accounting records and receipts book. Any discrepancies will be noted and corrected, and a list of errors or unrecorded items compiled.
- 8.11 Upon completion of the reconciliation, it is to be presented to the Business Administrator for acceptance and approval.

## **9.0 REVENUES AND ACCOUNTS RECEIVABLES**

The Board shall establish and maintain adequate controls to ensure that all revenue received and due to the School Authority is recorded and collected on a timely basis.

- 9.1 All mail or other delivered cheques and cash received must be recorded, initialed and delivered to the Board Office Clerk who will receive, sign and date the cheques and cash received.
- 9.2 The Business Administrator shall ensure:
- a. Reconciliation of the Accounts Receivable and sub-ledger accounts
  - b. Accurate aging of the Accounts Receivable accounts
  - c. Invoicing, applying payments and reconciling of accounts receivable is completed
  - d. Reconciliation of the bank deposits attributable to Accounts Receivables adjusted correctly during each monthly period.
- 9.3 Aging of Accounts Receivables will be done on a monthly basis and reviewed by the Business Administrator.

### **Deposits**

- 9.4 All cheques received for deposit will immediately be endorsed on the reverse side with an endorsement stamp "For Deposit Only".
- 9.5 Deposit slips will be prepared in duplicate for each deposit. Deposits will be done on a weekly basis.
- 9.6 Each deposit slip is to contain the following information:
- a. Current date

- b. Account number
- c. Name of account
- d. Listing of cheques showing remitter and amounts to be deposited
- e. Listing of currency and coin (if applicable)
- f. Listing of total cheques, total cash and the total amount to be deposited

All items listed will be verified and totals shown before signing of each deposit slip.

### **Delinquent Accounts**

- 9.7 When the review of the Accounts Receivable listing reveals that any account has been outstanding for more than the 30/06/90 days, a form letter will be sent to the debtor. The letter will state that the debtor has fifteen (15) calendar days to respond. In the event there is no response or an unsatisfactory response is received, the matter will be referred to the Finance Committee to determine appropriate course of action.
- 9.8 For all outstanding accounts, an interest fee of 1.5% per month shall be applied to the principle amount owed to the School Authority.

### **Debt Write Offs**

- 9.9 Accounts outstanding for more than one year, at each August 31<sup>st</sup>, for which due process has been followed will be recommended for write off. The Finance Committee will make the recommendation to the Board of Directors for approval of any write offs.

## **10.0 EXPENDITURES AND ACCOUNTS PAYABLE**

The Board of Directors shall establish and maintain adequate controls to ensure that expenditures are made in settlement of authorized commitments. The school authority shall establish and maintain a system of recording expenditures in a timely and accurate manner.

### **Purchases**

- 10.1 All purchases shall be made utilizing a purchase order system. In the event of an emergency, a company credit card may be used for purchases subject to the approval of the Business Administrator or designate.
- 10.2 Purchase Orders are to be pre-numbered and in triplicate. First copy is to be provided to the supplier or service provider; second copy is to be

attached to the applicable invoice being processed; third copy is to be filed numerically to facilitate the accounting of all purchase order.

- 10.3 For all purchases every effort will be made to obtain the best financial arrangement which includes best possible price quotes, bulk purchases and shipping costs available. Local suppliers shall be given preference for purchase of supplies.
- 10.4 For all purchases, a requisition for a purchase order must be completed, signed and approved and submitted to the Board Office to support issuance of a purchase order.
- 10.5 All purchase orders are to be completed in triplicate and are to contain the following information:
  - a. Name and address of item or service provider
  - b. Unit price and quantity, where applicable
  - c. Description of item or service
  - d. Total costs of the purchase
  - e. Account and department code
  - f. Authorized signature for approval
- 10.6 No purchase is to be approved unless funds have been identified and certified within the budget.
- 10.7 Approval authority for purchases shall be outlined in Section 3.0 Purchases exceeding the spending authorities as delegated shall be approved by the Business Administrator. Purchases exceeding the authority of Business Administrator shall be approved by the Board. Purchases shall not be split to circumvent authority levels.
- 10.8 A purchase order log control book shall be maintained that lists the date issued, purchase order number, supplier, code, and amount and completion date.
- 10.9 In preparation for year end, the deadline date for issuing purchase orders current year shall be set at August 15<sup>th</sup> of each year.

### **Credit Card**

- 10.10 A company credit card may be obtained through the school authority's financial banking institution to cover expenses for services, purchases and business travel where a purchase order is not accepted. All proposed requests for credit card purchases are to be completed utilizing the appropriate established purchase/travel request and approval process.

- 10.11 The credit card limit shall be at the designated Board approval limits.
- 10.12 The Board Chairperson shall sign all documentation granting approval and authorization for the Business Administrator.
- 10.13 The credit card holder shall not use the credit card for personal use or for the benefit of another.
- 10.14 The credit card shall not be used for cash advances or bank transfers.
- 10.15 The appropriate staff shall be responsible for providing all receipts, required coding and documentation to justify and account for all credit card expenditures.
- 10.16 The Business Administrator will be responsible for notifying the bank of any changes to the credit card and its limits.
- 10.17 Misuse of the credit card is defined as unauthorized charges incurred to the school authority. Such costs are deemed recoverable and shall be recovered in a mutually agreed upon manner including payroll deductions. ***Misuse shall also be subject to disciplinary action.***

#### **Credit Card Purchase of Goods and Services**

- 10.18 The following are allowable expenses on the credit card:
- a. Business meals for the purpose of conducting business including gratuities to a maximum of 15%. Prior authorization is required for this purpose and documentation and claims are to be provided immediately upon return to the office.
  - b. Car rentals: Authorization must be obtained prior to travel. It is the responsibility of the employee or Board trustee to take advantage of corporate rates and to choose the most economical vehicle and rates. Expense is to be claimed on the Travel Expense Claim form.
  - c. Airfare: Credit card may be used for airfares. Prior authorization must be obtained from the Business Administrator or designate utilizing the Board's prescribed forms.
  - d. Accommodations: Credit card may be used to cover the costs of accommodation while on business travel. Prior authorization must be obtained on the completed and approved Travel Authority/Advance forms. The traveler shall be personally responsible for any expenditure

incurred as a result of a room guarantee charged to the credit card due to the reservation not being cancelled. Exceptions may be made for the circumstances beyond the control of the employee. All charges are to be claimed on the Travel Expense Claim form immediately upon return.

- e. Other: Upon prior approval from the Business Administrator or designate, the following purchases on the credit card may be allowed:
  - i. Purchase of emergency business related supplies and equipment while on business travel.
  - ii. Purchase of business equipment and supplies where purchase orders are not accepted. Every effort will be made to purchase from a supplier where the school authority has an established account.

### **Disbursements**

- 10.19 In accounting for all disbursements, the Board shall ensure that the following procedures are adhered to in processing payments to honour all its commitments.
- 10.20 Proper authorization must be in place prior to the processing of any disbursement. Upon receipt of all goods and services, the employee authorized to receive the goods or services will verify the quality and quantity against the packing slip and certify that the goods and services have been received. The certified packing slip is to be forwarded to the Board Office Clerk for processing.
- 10.21 Upon receipt of invoices for services purchased, the appropriate employee will verify services have been rendered by signing or initialing the invoice. The invoice and/or supporting documents shall be forwarded to the Board Office Clerk for processing.
- 10.22 All invoices received are to be date stamped by the employee responsible for receiving the mail and forwarded immediately to the Board Office Clerk.
- 10.23 Upon receipt of the invoice, the Board Office Clerk shall ensure the following:
  - i. The invoice is reconciled to the packing slip, purchaser order and other relevant supporting documentation, in preparation for payment process

- ii. Prepare a payment batch for invoices to be paid and forward to the Business Administrator for approval of payment
- 10.24 Prepayments or pre-authorized payments will only be approved as deemed necessary by the Business Administrator.
- 10.25 All invoices received will be paid by the “due date” or within thirty (30) calendar days to prevent poor credit rating and to avoid interest charges.
- 10.26 When a cheque is issued for an invoice, the invoice will be stamped as “Paid” with the cheque number and issuance date recorded. This will clearly indicate the invoice payment and prevent duplicate payments.
- 10.27 Each cheque shall require two (2) authorized signatures as per Section 4.0 pertaining to signing authorities.
- 10.28 Under no circumstances will a cheque be signed until the amount and the name of the payee are entered on the cheque.
- 10.29 Wherever possible signing authorities will not sign or prepare cheques made payable to themselves or to members of their immediate family. The signing authority shall adhere to the Conflict of Interest Policy.
- 10.30 All documentation supporting a purchase transaction will be filed alphabetically by supplier name by the Board Office Clerk.
- 10.31 All disbursements or payments issued are to be in a form of a cheque, except for payments made through the petty cash fund as per Petty Cash disbursements, and authorized disbursements processed through the Electronic Fund Transfer system.
- 10.32 Payment requests through bank transfer/draft may be approved by the Business Administrator or designate and will need to be authorized by two (2) signing authorities **as per Section 4.0**. Bank charges for the bank transfer/draft will be covered by the appropriate program or payee.
- 10.33 Urgent or emergency cheque payments will be processed upon the authority of the Board Administrator or designate provided that the policies and procedures are adhered to.
- 10.34 All consecutively numbered blank cheques will be stored under lock and key by the Board Office Clerk.
- 10.35 In the event a cheque is reported lost, destroyed or stolen, it will immediately be cancelled and a stop payment issued to the financial

institution. A second cheque may be issued to the financial institution. A second cheque may be issued only after the financial institute has received a stop payment order and a written agreement is in place whereby the payee agrees to return the original cheque should the payee later receives it. The Board reserves the right to deduct the stop payment order fees from a re-issued cheque.

- 10.36 Cheques not processed by the financial institute within six (6) months of the date of issue are considered “stale-dated”. These payments will be voided and a notice sent to the financial institution advising of the stop payment. Another cheque may be issued upon request by the payee. The Board reserves the right to charge a processing fee of \$30.00 for the re-issued cheque.

### **Electronic Fund Transfer**

- 10.37 Electronic fund transfer is the exchange or transfer of money electronically from one account to another. All payments processed through the EFT system will be subject to the following process:
- a. Provision of a completed and signed “Authorization for EFT Deposit Service or Enrollment”
  - b. Submitted to the appropriate personnel for processing. All data will be entered into the electronic accounting system and the appropriate computerized listing shall be submitted to the Business Administrator for approval.
  - c. Upon approval the payment will be processed.
  - d. EFT payments will be made as follows:
    - Payroll on a bi-weekly or semi-monthly basis
    - ***It is the responsibility of each individual to notify the Board Office Clerk of any changes to the banking information provided.***

### **Petty Cash**

- 10.38 On occasion the school authority will require cash on hand for incidentals, minor purchases or reimbursements for which the cheque disbursement process may not be practical. For such purposes a petty cash fund will be established.
- 10.39 As authorized by the Board of Directors in motion, a petty cash fund shall be established and maintained as follows:
- |                    |           |
|--------------------|-----------|
| a. Board Office    | \$ 300.00 |
| b. Ministik School | \$ 100.00 |

- 10.40 The petty cash fund shall be stored in a locked box in the safe.
- 10.41 A petty cash voucher shall not exceed fifty (50.00) dollars at any one time.
- 10.42 A site custodian shall be designated to be responsible for the petty cash fund at each approved location including disbursements and replenishment of the fund.
- 10.43 An employee requiring petty cash will request a petty cash voucher for approval by the appropriate manager who will code the expense account.
- 10.44 The designated petty cash custodian will certify availability of funds and disburse the funds accordingly. If funds are not available, petty cash funds will not be disbursed.
- 10.45 Upon receipt of petty cash funds, an official receipt must be returned to the petty cash custodian by the end of the next business day. Employees must account for each purchase prior to making additional requests for petty cash.
- 10.46 Employees who sign for and receives petty cash shall be responsible and accountable for its replacement if the receipts are lost, misplaced or not obtained.
- 10.47 Petty cash receipts and money in the petty cash box must always equal the amount of the fund.
- 10.48 The Business Administrator shall ensure that the petty cash fund is accounted for and verified at each fiscal year end.

## **11.0 HONORARIUM**

For compensation in conducting the business of the organization, the Board, Committee members and Elders shall be compensated an honorarium. Employees of the organization are not entitled to receive honorarium.

- 11.1 Honorarium rates shall be set and approved in motion form and recorded in the minutes at a duly convened meeting of the Board.
- 11.2 The following are the annual Honorarium Rates set and approved by the Board of Directors as per Governance Policy:
- Chairperson \$ 5,040.00

- Vice Chairperson \$ 4,416.00
- Trustee \$ 3,780.00

11.3 Elders honorariums shall be set at \$ 300.00 per day.

11.4 Honorarium payments will be issued within five (5) days after the first meeting of each month with the exception of July. No advances on honorariums shall be made.

### **Board Committees**

11.5 A Committee established by the Board shall adhere to the applicable Terms of Reference as approved by the Board. The following are the approved Committees of the Board:

- a. Board Executive Committee
- b. Finance/Negotiating Committee
- c. Policy Review and Development Committee
- d. Joint Staff/Board Relations
- e. Housing Committee
- f. Pupil Accommodation Committee
- g. Parent Involvement Committee
- h. SEAC Committee

11.6 Employees sitting as resource personnel on the Committees after normal working hours shall be compensated as per respective employment contract.

## **12.0 TRAVEL**

This section establishes the rules and procedures for travel authorization, arrangements and financial accountability for staff, board/committee, or those designated to travel on behalf of the Board.

12.1 Each department/program will have a coded expense account established and designated for travel purposes. Funds for travel will be incorporated into the annual budget estimates.

12.2 The Business Administrator or designate can authorize travel for staff or individuals travelling on behalf of the school authority. Such authorization will be contingent upon:

- a. Travel costs being within the spending authority limits
- b. Availability of funds in the designated travel expense account

- c. The Business Administrator shall have final authorization should the purpose of the travel be in question.
- 12.3 All travel for which reimbursement of expenses are to be made, shall be by the most economical route/rates and approved in advance by the appropriate manager.
- 12.4 Rates for travel expenses shall be approved by the Board on an annual basis. Set travel rates shall include: meals, mileage/kilometer, and private accommodation.
- 12.5 A per diem rate of the established meal rates and taxi costs may be provided to non-employees who travel on behalf of the school authority. To qualify for a per diem, business related activity must require an overnight stay.

#### **Travel Authority/Advance**

- 12.6 A Travel Authority/Advance form must be completed and approved prior to travelling on Board business whether Board funds are utilized or not. The Travel Authority/Advance form must be completed by the traveller and approved by the Business Administrator.
- 12.7 The Board Office Clerk shall ensure that funding is available within the budget prior to submitting to the Business Administrator for approval.
- 12.8 The traveller or designated employee shall be responsible for making all travel arrangements in accordance with the policy. Any cancellations or changes to travel arrangements are the responsibility of the traveller.
- 12.9 Travel Authority/Advance forms are to be submitted to the Board Office for payment disbursement five (5) working days prior to date of travel.
- 12.10 It is the responsibility of the holder of the temporary travel advance to safeguard it until it has been accounted for.
- 12.11 In the event travel is cancelled for which a travel advance has been issued, the travel advance must be returned immediately to the Board Office Clerk.
- 12.12 Travel advances must be accounted for within ten (10) working days upon completion of the trip. The traveller must complete a travel expense claim with the required receipts and submit it to the Board Office Clerk.

- 12.13 If a travel advance has not been accounted for within ten (10) working days after completion of a trip for which an advance was issued, the Board Office Clerk will send a written request to the individual concerned with a copy of the individual's immediate supervisor and Business Administrator. The notification will advise that failure to settle the advance within ten (10) working days of the date of the notice, action will be taken to recover the advance from any monies owed by the Board to the employee including having the total amount deducted from the next pay period of the employee involved.
- 12.14 In the event the advance remains unsettled as per section 12.13, the Board Office Clerk shall forward notice to the Payroll department with direction to deduct the total amount of the advance from the employee's next pay period. A copy of the notice will be provided to the employee, immediate supervisor and the Business Administrator.
- 12.15 A travel advance shall not be issued to an employee who already holds an advance for which a travel expense claim has not been submitted.

### **Travel Expense Claims**

- 12.16 Upon return from a business trip for which a travel advance was provided, the employee must complete a Travel Expense Claim providing an itemized listing of the associated travel costs. Receipts must be submitted for individual expenses for taxi, air, train or bus fare, commercial accommodation and registration costs if applicable. The approved kilometer rate shall apply for pre-authorized use of private vehicle to and from destination.
- 12.17 Failure to submit receipts as required will result in the expense incurred deemed unallowable. For events eligible for reimbursement by the Ministry, receipts for meals must be included.
- 12.18 If upon auditing of the travel expense claim, there is a balance owing to the traveller, the Finance department has ten (10) days from the date of submission to reimburse the individual who submitted the claim.
- 12.19 The traveller will be responsible for any expenditure incurred as a result of a room guarantee charged to a company credit card due to a reservation not being cancelled. Exceptions may be made for circumstances beyond the control of the traveller.
- 12.20 Any changes to the travel itinerary extending the travel days must be approved by the appropriate immediate supervisor in order to qualify for reimbursement.

**TRAVEL RATES****MEALS**

Breakfast:	\$15.00/day	*Departure from home *Return to home after	7:00 a.m. 10:00 a.m.
Lunch:	\$20.00/day	*Departure from home *Return to home after	11:00 a.m. 2:00 p.m.
Dinner:	\$30.00/day	*Departure from home *Return to home after	3:00 p.m. 5:30 p.m.

Per diems for meals will be provided to non-employees.

**ACCOMMODATIONS**

Commercial:	Receipt required
Private:	\$30.00 per night (no receipt required)

**MILEAGE/KILOMETER**

Rate: \$0.42 cents/km

For use of private vehicle on business related travel. Use of private vehicle must be pre-approved.

Travel rates are subject to change as per Board approved motions.

**13.0 PAYROLL MANAGEMENT**

The Board Office shall be responsible for processing payroll, payroll remittances, maintenance and safekeeping of all confidential payroll records and files.

- 13.1 A salary grid and casual rates shall be established for each employment position within the school authority. The grid and rates shall be approved by the Board of Directors. For non-union employees, grids and rates are to be reviewed on an annual basis and any increases to the grids and rates are subject to the availability of funds within the respective program area.
- 13.2 All increases to salary or wage levels are subject to the process as outlined in the individual contracts.
- 13.3 The Board shall adhere to the applicable government guidelines and rules pertaining to payroll management, lawful payroll deductions and remittances.
- 13.4 The Board Office shall be responsible for administering group insurance and pension plans for all employees and for preparation of all relevant remittances.
- 13.5 The Business Administrator shall approve all changes to payroll records after the relevant authorities have been exercised for any payroll changes.
- 13.6 The Business Administrator shall approve all employee additions to payroll.
- 13.7 The Business Administrator shall be responsible for ensuring that all payroll records are maintained and up to date including vacation, sick leave and other payroll benefits.
- 13.8 The Board Office Clerk shall prepare the payroll register generated for each pay period. The Business Administrator shall review and approve the payroll register for disbursement.
- 13.9 Payroll will be disbursed on a bi-weekly or semi-monthly basis as per established pay schedule.

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## 14.0 CONTRACTS AND CONTRACT MANAGEMENT

Goods and services may be acquired through contract in a manner that enhances access, competition and fairness, and results in the best value for the School Authority.

- 14.1 Services to be performed under any agreement or contract will not commence, and payment for such services will not be made until an agreement/contract is executed in accordance with this policy and all requirements have been met.
- 14.2 It is the responsibility of the Business Administrator to ensure that there is an approved budget in place.
- 14.3 It is the responsibility of the Business Administrator to monitor the processing of payments in accordance with the terms and conditions of the agreement/contract.
- 14.4 All original contracts/agreements accepted and signed must be forwarded to the Board Office Clerk. It is the responsibility of the Board Office Clerk to ensure that a filing system of all contracts is maintained.

### **Approval Authority**

- 14.5 For contracts and/or agreements of less than fifty thousand dollars (\$50,000.00), the Business Administrator has the authority to call for tenders or proposals, negotiate and sign the contract/agreement provided that the process is in accordance with policy and is reported to the Board through his/her monthly report.
- 14.6 In the event the Business Administrator has a conflict of interest in the contract, a conflict of interest shall be declared and the Board of Directors shall review the tenders or proposals and award the contract.
- 14.7 Where a contract for goods or services is to exceed fifty thousand dollars (\$50,000.00), tenders will be invited and the approval authority will be with a quorum of the Board of Directors.
- 14.8 In the event a Board Director has a personal interest or is in conflict, a conflict of interest shall be declared and the Director shall be excused from participation in the process.

**Tendering Process**

14.9 The tendering process for goods and services exceeding fifty thousand dollars (\$50,000.00) shall be as follows:

- a. Tenders by way of invitation only shall be requested from a minimum of three (3) firms and/or individuals; or
- b. Tenders may be publicly advertised in local and/or regional postings or newspaper(s) for a period of not less than five (5) business days; or
- c. A combination of invitation and public posting for sealed tenders will require a minimum of three (3) bids.

14.10 Tender, quote invitations or advertisements will indicate the following:

- a. The date and hour of closing
- b. Sufficient details from which comparable bids can be made
- c. The date, hour and place sealed tenders will be opened
- d. The name of the person to be contacted for information
- e. Where applicable, bidders will be required to provide a ten percent (10%) security deposit as a financial guarantee that they will honour their submitted tender price and abide by all bidding requirements. Failure to meet this condition will result in the forfeit of the said bid security. Bid securities will be submitted in the form of a certified cheque, bank draft, bid bond or irrevocable and unconditional letter of credit.
- f. The tender or advertisement must indicate that the Board reserves the right not to necessarily accept any bid.
- g. The tender or advertisement must indicate that tenders or quotes will not be accepted after the closing deadline.

14.11 Tenders for major construction projects shall indicate the following:

- a. Tender instructions as per 14.10
- b. Tender document
- c. General conditions
- d. Insurance schedule
- e. Contractor statement of qualifications
- f. Proof of Workers Safety Insurance coverage, if applicable
- g. Statement of work plan and specifications

14.12 Once the tendering process begins, the following documentation should be made available for interested contractors:

- a. A letter of invitation
- b. A statement of work required

- c. The proposal evaluation criteria; and
  - d. A contract agreement (includes general conditions and terms of payment)
- 14.13 Upon receipt of a tender, the time and date of receipt will be recorded and initialed by the Administrative Assistant on the tender envelope and turned over to the Business Administrator.

### **Selection and Awarding Process**

- 14.14 Received and sealed tenders will be:
- a. Opened by the Business Administrator at the date, hour and place specified, and all tenders read at a duly convened Board of Directors meeting.
  - b. Bidders may, at their discretion be present during the opening of the tenders. The Business Administrator will then read aloud all tenders giving the name and amount of the bid.
  - c. When all bids have been opened, reviewed and recorded, all bidders in attendance will be excused and the meeting will continue for the selection and awarding.
  - d. All tenders will be reviewed and evaluated as per evaluation process.
- 14.15 The lowest, highest or any tender will not necessarily be accepted.
- 14.16 Awarding of the contract shall be by vote of a quorum of Board of Directors at a duly convened Board meeting. The acceptance and awarding of the contract shall be recorded in a Board motion.
- 14.17 Following the awarding of a tender, the Business Administrator or designate will notify the successful bidder, in writing, that the bid has been accepted and outline the conditions of acceptance.
- 14.18 Any contract drawn and signed between the Board and a contractor must clearly outline all requirements of the contract in detail.
- a. The terms and conditions, deliverables and payment schedule is to be clearly outlined.
  - b. Contract should contain a provision for the Board to hold back a minimum of ten percent (10%) of the contract subject to the contractor complying with all contract deliverables.
  - c. Contract signatures shall include appropriate authorizing officer of the Board, the contractor, witnesses for each and the date.
  - d. The successful bidder's security will be returned once the contract, in duplicate, is signed.

14.19 Under extenuating circumstances, in consultation with the Business Administrator, the Board of Directors can authorize and/or negotiate and enter into a specific contract/agreement on a sole-source basis. Favourable consideration shall be extended to local suppliers.

## **15.0 ASSETS AND ASSET MANAGEMENT**

The purpose of this section is to provide direction for recognizing and recording tangible capital assets on a consistent basis in accordance with Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

15.1 Tangible capital assets shall include buildings, vehicles, equipment, office furniture and computer equipment.

### **Inventory of Assets**

15.2 An inventory of the tangible assets as per 15.1 shall be maintained and kept up to date. All serial, model or registration numbers are to be recorded, where applicable. A physical count shall be completed on an annual basis and made available for auditing purposes.

15.3 All assets shall be recorded and listed on an inventory control sheet which is to be signed and dated at each count. Each department/program is to be responsible for maintenance of an inventory log for its respective program.

15.4 A Master Inventory Control Book shall be maintained by the Board Office Clerk.

### **Accounting of Assets**

15.5 Tangible capital assets are to be recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets excluding land is amortized on a straight-line basis as follows:

- Computer equipment 4 years
- Vehicles 5 years
- Machinery and equipment 10 years
- Buildings 25 years

- 15.6 The capital assets will be amortized and depreciated on an annual basis and a capital reserve fund established for the purpose of repairs and replacement of the applicable capital asset. Depreciation is a process by which an asset decreases over the life of the asset.
- 15.7 The Board shall obtain adequate insurance coverage to protect its assets. The Business Administrator shall ensure that the insurance coverage is appropriate and up to date.
- 15.8 In the event damage to an asset has occurred, an Incident Report shall be completed within forty-eight (48) hours of the incident and submitted to the Business Administrator for appropriate action.
- 15.9 Depending on the circumstances, extent of the damage and where fault rests with a Board or Committee member or an employee of the Board, the Board of Directors reserves the right to take appropriate action and to recover the costs from the individual(s).

### **Disposal of Assets**

- 15.10 In the event capital assets are taken out of service, destroyed or replaced due to obsolescence, scrapping or dismantling, the appropriate supervisor shall notify the Business Administrator of the asset description and effective date of disposal.
- 15.11 The Business Administrator shall prepare a report of the asset disposal for presentation to the Finance Committee who in turn shall recommend to the Board of Directors for approval of the disposal. Upon approval from the Board of Directors, the asset may be removed from the inventory records.
- 15.12 Assets will be retired from the accounts upon approval from the Board of Directors. The gain or loss on disposal will be calculated as the difference between the proceeds received and the net book value of the asset.

### **Missing Assets**

- 15.13 In the event assets are found to be missing, the appropriate member of the management team shall be responsible to track down and locate the missing item(s). Should any of these items be of significant value as determined by the Business Administrator, a report is to be filed and the asset's value recovered under the Board's insurance policy. Where warranted, a copy of the report is to be provided to the proper authorities for legal action.

**Write Downs**

- 15.14 A write down is used to reflect a permanent partial impairment in the value of an asset. This impairment may be a result of:
- a. Removal of the asset from service
  - b. Physical damage
  - c. Significant technological developments
  - d. A decline in, or cessation of, the need for the service provided by the asset
  - e. A change in the law or environment affecting the asset usage
- 15.15 If the value of an asset is impaired, the cost of the asset will be written down to reflect the decline in the asset's value and its shorter useful life. This write down is considered a loss (expense) in the accounts of the appropriate program or department.

**16.0 ADMINISTRATIVE SERVICES**

Administrative services are services that may be made available and provided to assist the community members with respect to photocopies, facsimiles, scanning and printing, laminating, desktop publishing and facility rentals.

- 16.1 External requests for administrative services shall be accommodated only if the staff is available to assist and facilities are available. Priority is to be given to internal operational requirements.
- 16.2 Organizations shall be invoiced for provision of administrative services, and, cash payment shall be requested from individuals. The cash payment is to be received by the Board Office Clerk or designate and recorded accordingly. A cash receipt shall be issued to the individual.

**17.0 AMENDMENT PROCESS**

The Financial Management Policy may be amended as deemed necessary to accommodate the evolving growth of the school authority and changes to Financial accounting processes.

- 17.1 Any recommendations to amend any part of the policy shall be made in writing to the Business Administrator or designate stating reasons for need to the amendment. The Business Administrator or designate shall present the proposed change to the Finance Committee for discussion.

- 17.2 The Finance Committee shall present all proposed amendments of the policy to the Board of Directors at a duly convened Board meeting. Board acceptance and approval shall be made in motion and documented.
- 17.3 The Business Administrator or designate shall ensure that the Board approved amendments are immediately recorded and inserted into the document, and, that all relevant staff are duly informed of the changes.
- 17.4 The Finance Committee shall be responsible to cause an annual review of the policy and procedures.

## **18.0 APPENDIX A - RATES**