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WAHTA MOHAWKS

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FINANCIAL POLICY

MARCH 13, 2017  
WAHTA MOHAWKS

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## 1 General

### 1.1.1 Statement of Purpose

The purpose of the Financial Policy is to fairly, consistently and efficiently regulate the financial administration of the Wahta Mohawks.

A further objective of this policy is to promote a positive professional image of the Wahta Mohawks and to provide financial accountability to its members.

- a) Wahta Mohawks will conduct an external audit of its accounts annually.
- b) The Wahta Mohawks Administration currently operates under accrual basis accounting mechanism and adheres to Generally Accepted Accounting Principles (GAAP).
- c) The Council will review and approve the Wahta Administration's annual operating budget prior to the beginning of each fiscal year.
- d) Wahta Mohawks will maintain a consistent cash flow of receipts for the daily operation of the organization and commit to a reduction of bad debt expenses.
- e) The Wahta Mohawks Council appoints employees who are bondable to maintain the accounting system. Any employee or Council member that contravenes the rules of this policy is subject to disciplinary measures including suspension, dismissal and/or legal action.
- f) Wahta Mohawks may ensure the investment of surplus capital in short and long-term investment instruments to assist in maintaining a positive cash flow.

### 1.1.2 Definitions

**"administrator"** " shall mean the most senior person selected by Wahta Mohawk Council responsible to manage the day to day operations of the Wahta Mohawks

**"auditor"** means the auditor of the first nation appointed under section 1.8;

**"budget"** means the annual budget of the Wahta Mohawks that has been approved by the Council;

**"Chief Financial Officer (CFO)"** means the person selected by Council to oversee the day to day financial operation of the Wahta Mohawks. The CFO shall report to the Administrator when and as requested.

**"Council"** means the positions of Chief and Councillors elected by the members of the Wahta Mohawks;

**"councillor"** means a duly elected member of the Council of the Wahta Mohawks;

**"declaration"** of the Wahta Mohawk Council position with respect to a matter of a temporary nature may be made by either a "Resolution" (MCR) and/or as directed by "Motion".

**“finance committee”** shall be a body consisting of the Wahta Mohawk Council Finance portfolio holder, the Administrator and the Chief Financial Officer. This committee will oversee and monitor expenditures and ensure that the financial regulations are properly implemented and observed.

**“financial records”** mean all records respecting the financial administration of the Wahta Mohawks, including the minutes of regular Council meetings;

**“Wahta Mohawks financial assets”** means all money and other financial assets of the Wahta Mohawks;

**“fiscal year”** means the fiscal year of the Wahta Mohawks as set out in section 23;

**“GAAP”** means generally accepted accounting principles of the Canadian Institute of Chartered Accountants, as revised or replaced from time to time;

**“signing officer”** means, in relation to any instrument, any person authorized to sign such document on behalf of the Wahta Mohawks as appointed by Council.

**“staff or employee”** shall refer to any employee specifically employed by the Wahta Mohawks to perform the day to day tasks and assignments, on either a part-time, full-time or contractual basis.

**“Wahta Mohawks Administration Office”** refers to the coordinating office that manages all affairs for the Wahta Mohawks.

**“Wahta Mohawks Council”** refers to the elected officials of the Wahta Mohawks.

**“program staff”** refers to the employees responsible for the coordination of specific programs for the Wahta Mohawks.

### 1.1.3 Financial Control

The CFO shall be required to oversee all expenditures and monitor all income to ensure that all areas of expenditure conform to the Wahta Mohawks budget(s) as approved by Wahta Mohawks Council.

The CFO shall provide monthly variance reports on any line items, which exceed the budget as approved.

The CFO shall prepare monthly financial statements to be presented to the Senior Administrator and Wahta Mohawks Council. The Senior Administrator shall oversee the CFO and monitor expenditures on a monthly basis to ensure that the financial regulations are properly implemented and observed.

#### 1.1.4 Fund Accounting

The general ledger is departmentalized to accommodate the reporting requirements. The Wahta Mohawks uses fund accounting procedures for the following funds:

- a) Operating fund;
- b) Capital funds;
- c) Trust funds; and,
- d) Restricted and other funds.

Any transfer of funds must be approved by Council and a copy of the MCR or motion should be included with the general ledger journal entry.

#### 1.1.5 Financial Statements

Monthly financial reports will be completed within 15 working days of the end of the prior month.

All month end reconciliations must be completed and balanced to the General Ledger before issuing the financial statements.

The CFO forwards a copy to the responsible staff and Senior Administrator their departmental statements and current month general ledger details. Upon their review, any revisions, if required, will be made by journal entry.

The Senior Administrator and CFO will present all the financial statements to the monthly Council meeting designated as a finance meeting.

### **2 Funding Proposals and Agreements**

All agreements received must be recorded in the incoming mail log book. All proposals and agreements must be forwarded to the Senior Administrator for review. All proposals and agreements must receive Council approval by resolution or motion prior to commitment to any project or activity sponsored by the Wahta Mohawks. Upon approval, a motion will authorize the designate to execute the agreement.

Signed agreements must be recorded in the mail log book. Copies of the agreement must be forwarded to the CFO prior to mailing.

### **3 Budget**

Once an agreement is signed, all correspondence, including amendments must be forwarded to the Senior Administrator. Government reports shall be prepared by the designated staff member and reviewed by the CFO (financial information only) before remitting to the funding agency. If the report requires confidential information, the reports will be reviewed by the Senior Administrator.

### 3.1.1 Audit

The Council will approve the Auditor annually for Wahta Mohawks and its businesses. The Senior Administrator and the CFO will provide assistance to the Auditors as required in regards to expenditures, accounts and ledgers. Council and staff will make the best effort that the audit will be completed by the specified deadline stated in the Year-End Financial Reporting Handbook.

Council will ensure that the audit will be presented to the community in a timely fashion.

## 4 Conflict of Interest

The purpose of this policy is to outline the standards of ethical behaviour, relating to conflict of interest, expected of all elected council members, directors and employees of Wahta Mohawks.

Financial Interest means a monetary, material or any other direct or indirect financial benefit received, or to be received, by an individual or to a related person beyond the benefits normally provided to the Wahta Mohawks or its membership as a whole.

In this policy "financial benefit" includes, but is not limited to:

- (a) employment benefits;
- (b) contract benefits;
- (c) educational, medical or other social benefits;
- (d) honorariums;
- (e) the payment of any money; or
- (f) the allotment, leasing or other grant of an interest in Band lands.
- (g) personal rewards/points on credit card purchases

Where a person might be in conflict of interest, the person shall disclose his or her financial interest prior to the making of a decision, and the person shall leave the room and shall not participate in the discussion or the decision.

A person shall disclose to the Senior Administrator or Council as necessary any financial interest that he or she has in any matter, and shall leave the room and shall not take part in any deliberations of the Council on that matter or vote in the matter or as directed.

Where a disagreement arises as to whether the person has a financial interest in a matter before the Council, the Council shall decide by vote whether the said person has such an interest. If the person is the Chief or a Councilor, then the Chief or Councilor in question may not take part in the vote and shall leave the room.



## **5 Budget**

### **5.1.1 Annual Budget**

On the first week of January all staff will be responsible to begin to develop an annual budget outlining all expenditures and all funding sources for both their operating and capital requirements. The annual budgets are to be received by the CFO/Administrator by February 1<sup>st</sup> prior the start of a new fiscal year.

The CFO and Senior Administrator will be responsible for reviewing all the program budgets for completeness and for combining all department budgets into a consolidated budget.

The CFO, with the assistance of the Senior Administrator shall present the annual budget to Council for approval on the first week of March.

The Council will review the budget, department by department, with consultation and input from the Administrator and the CFO and may request further information or review where considered necessary.

Any transfers from own source revenues will be allocated at this time to the various departments.

Once the annual budget is approved by Council motion it is the CFO's responsibility to input the data and balance to the approved budget and provide each designated staff with a copy including the account codes to ensure coding is consistent with budget.

All final adjustments to budgets must be completed by April 15<sup>th</sup>.

### **5.1.2 Monitoring the budget**

Program staff will be provided with their programs' monthly financial statements and general ledger and are responsible to review the transactions and notify Finance of any discrepancies, if any.

The Program Staff will be responsible for providing justifications and corrective action with respect to significant variations from their budget. Program staff will have the authority to be over or short in operating budgets lines within their program as long as they are within their overall budget. If the overall budget is over by 10%, explanations will be provided to the CFO and Senior Administrator 60 days prior to year-end.

Department variances over 10% that will affect the annual budget or unexpected or unforeseen expenses incurred will require a Council motion to approve the over-expenditure but will not result in revising the budget. Program Staff will also identify funds that will cover the deficits in the motion.

Any request for capital assets required during the year that was not in the original budget must be forwarded to the Administrator/CFO which will then be presented to Council for approval. In

the event of an emergency, the Senior Administrator shall have the authority to a maximum of \$30,000 or as otherwise determined by Chief and council by contract.

## **6 Asset Management**

Capital or Fixed Assets are non-financial assets having physical substance that are acquired, constructed or developed, and have an estimated period of useful life normally in excess of one year.

A complete inventory list and photograph as applicable of Wahta Mohawks' assets, such as office furniture and equipment, machinery, buildings and vehicles, shall be established and updated annually, including the cost and date of purchase, any improvements and the date and sale price, if sold. The list should separate leased assets from those that are owned by the Band. Such a list will help to provide proper accounting, maintain control over the assets, and assist in determining the amount of insurance coverage required. This inventory list should be kept up-to-date by the CFO, and provided to the auditor annually.

This policy is applicable to assets with a cost greater than one thousand dollars (\$1,000.00).

Program staff shall maintain and control an inventory list of supplies (example: fuel, gift cards) to provide balances annually to the finance staff on March 31.

### **6.1.1 Asset Purchases**

When an asset is purchased, a photocopy of the covering invoice should be placed in a file labeled (e.g. Assets – Vehicles), and the master list should be updated. Any invoices of improvements during the year that qualify as capital improvement should be filed in the asset file and updated in the master list.

The Financial Assistant shall keep copies of the invoices of capital asset in a file folder. Once a month the file will be forwarded to the CFO who will be responsible to review expenditures for the month and update the master list on a monthly basis.

### **6.1.2 Asset Disposal**

The Council will determine the process to dispose of any assets acquired by Wahta Mohawks for fixed assets greater than \$5,000. The write-off or sale of assets shall be authorized by the Council, and recorded in the Council's Minutes through a motion. The Senior Administrator is to prepare a report on recommendations for write offs, or sale of assets as required and presented at a Council meeting.

### **6.1.3 Asset Security**

The Senior Administrator shall ensure that Wahta Mohawks assets are secured, through:

- a) The provision of adequate insurance coverage for Wahta Mohawks buildings and equipment and reviewing and updating coverage on an annual basis;
- b) Maintaining fire safety standards for Wahta Mohawks buildings;

- c) Providing office keys to a limited number of employees; all keys issued to employees must be signed for, and under no condition shall any key(s) be transferred to another employee or person by the employee who has signed for the key(s);
- d) Providing keys/combination to the safe to only the Finance Staff;
- e) Ensuring that all equipment, furniture, etc., is numbered and recorded in a ledger, giving all the necessary information for easy identification of the assets; and,
- f) Directing staff to lock and turn alarm on to secure buildings before leaving, and locking valuables in a safe place at night.
- g) Maintaining a security company to monitor properties.

#### 6.1.4 Computers

All computer programs should require password access with the provision for changing passwords on a regular basis. All computer data should be backed up on a weekly basis with the back up being stored off-site or online storage in case of a fire or a break-in at the office.

Anti-virus software will be installed onto each computer and regularly updated and passwords will be required to access any computer.

#### 6.1.5 Vehicles- Personal and Wahta Mohawks Owned Vehicles

##### Personal Vehicles

Wahta Mohawks may require an employee to use his or her personal vehicle in the course of Wahta Mohawks business when authorized.

All employees and representatives using private vehicles for authorized travel must have a valid class driver's license and a minimum \$2,000,000 third party liability vehicle insurance. Copies of licenses and insurance certificates shall be kept on file.

##### Wahta Mohawks Vehicles

All employees and representatives using Wahta Mohawks' vehicles for authorized travel must have a valid class driver's license. Copies of licenses shall be kept on file.

Use of Wahta Mohawks vehicles is subject to the following rules:

- a) Wahta Mohawks' vehicles must only be used for Wahta Mohawks approved business;
- b) Cost of gas or other expenses directly related to the Wahta Mohawks' vehicles and paid for by the employee is fully reimbursed by the Wahta Mohawks;
- c) Every employee who operates a Wahta Mohawks' vehicle is required to have a valid driver's license on file;
- d) In the event the driver's license of the scheduled driver of a Wahta Mohawks' vehicle is revoked or suspended for any reason, the employee immediately reports the loss of license to the immediate supervisor;

- e) Fines or penalties levied by authorities having jurisdiction to do so, with respect to the use of a Wahta Mohawks' vehicle is paid by the employee who was operating the vehicle at the time of the infraction, including all traffic and/or motor vehicle operation violations under Municipal, Provincial and Federal law;
- f) Every employee using a Wahta Mohawks' vehicle is responsible to conduct a circle check before leaving, its proper operation and return the vehicle in a clean condition and fueled;
- g) Employees are responsible for the service and maintenance of vehicles;
- h) In the event an employee is involved in an accident with a band owned vehicle that is being used in the course of Wahta Mohawks business, such accident is reported within twenty-four (24) hours to the employee's immediate supervisor.

## **7 Travel**

All business travel will be calculated using the Wahta Mohawks administration office or the employee's residence, whichever is less. Travel time from employee's home to Wahta's Territory is not admissible.

Travel budgets shall be set within the annual budget and shall receive prior approval by the Administrator.

All Wahta Mohawks staff travel claims are to be submitted either weekly or bi-weekly.

All special travel such as training or conferences must receive prior approval by the Senior Administrator. Copies of the agenda and conference registration should be attached to the travel claim.

The number of workshops, training or board/committee meetings will be approved in advance and included in the annual budget.

All travel expenses must be recorded using an Expense Claim form accompanied by receipts and signed by the Senior Administrator.

If approved travel will be for greater than one day and consists of an overnight stay; travel advances may be approved by the Senior Administrator if requested one week in advance. The advances shall not exceed the estimated cost of the trip (travel/meals/accommodation & other expenses). Any travel advances received by persons for Wahta Mohawks business are to be considered a loan and must be properly accounted for by the submission of receipts and a completed Expense Claim form not later than one week after the specified travel days.

If the amount of the travel claim is less than the advance, the employee must refund the difference immediately. In the event that meeting expenses are to be reimbursed by the host of the meeting, that expense cheque shall be made payable to the "Wahta Mohawks" and any employee expenses not already covered by the travel advance will be reimbursed upon submission of the above receipts.

Travel time will occur during working hours and not be utilized to generate overtime.

The Wahta Mohawks Council shall be paid travel expenses for all meetings attended.

All travel, honorarium, and meal rates as determined by the appropriate authority will be forwarded in writing to the CFO for auditing purposes.

The following are the travel reimbursement rates and are based on the AIAI travel rates unless otherwise stated:

#### 7.1.1 Overnight Accommodation

Hotel expenses shall be compensated according to actual rates, upon submission of receipts, to a maximum of \$190.00 per night for a standard room. Exceptions may be approved in situation where room costs are reimbursed by an outside agency or no other rooms are available.

Private accommodation will be compensated at a rate not to exceed \$75.00 per night, upon submission of receipts.

Incidental expenses of \$17.30 per night shall be paid when an employee is authorized to stay overnight.

#### 7.1.2 Mileage Allowances

Personal vehicle usage will be compensated according to current AIAI rates which are based upon Treasury Board rates. Wahta Mohawks employees travelling to the same meeting must first use Wahta Mohawks vehicles or pool vehicles where necessary.

All costs associated with traffic violations while travelling on business are the responsibility of the Wahta employee.

If an employee is travelling to a distant destination accessible by air and chooses to drive, the lesser of mileage or equivalent airfare will be paid. Employees will receive regular pay for only one travel day each way.

The Wahta Mohawks Senior Administrator will set conditions and rates for unusual travel arrangements such as ski-doo, scooter, boat fees etc.

#### 7.1.3 Meal Allowances

Meal costs will be reimbursed in accordance with AIAI current rates.

Breakfast      On travel status prior to 7:00 a.m. or while on an overnight stay

Lunch            On travel status for a full day or required to travel during meal hours or while attending conferences, seminars, meetings

Dinner           Arriving or on travel status after 6:00 p.m.

Incidentals      Per Night (dependent on an overnight claim)

Travel Rate      Travel rate if a flat rate does not apply

## **8 Purchasing**

The Wahta Mohawks Administration Office makes purchases of goods and services in an orderly manner through a system which ensures that the most economical prices are paid for goods and services required. Purchases are made on a timely and proper basis so as to maintain operational efficiency and the use of funds in the most economical fashion.

This purchasing policy applies to the acquisition of all goods and services required by the Wahta Mohawks, with the exception of the cost of utilities, salary, and travel expenses covered by and Employee Expense Claim.

Priority will be given to Native businesses and suppliers', providing no conflict of interest exists as per the policies and procedures of the Wahta Mohawks. The general rule of selecting a quote should be within 10% of the other quotes, otherwise selection will be analyzed on an individual basis.

### Use of Personal Credit Cards/Privilege Cards

Staff shall not use personal credit cards for business purchases unless pre-approved by the Senior Administrator. Purchases shall be made with Wahta Mohawks corporate credit cards to maximize reward points to be used for internal administration or program purposes.

### Personal Service Contracts and Leases:

When professional services are required, the tendering process must adhere to the Purchasing Procedures as outlined. When possible, the Senior Administrator may request a meeting with potential applicants. Personal Service contracts and leases must be completed and agreed to prior to the commencement of any work.

Personal Service Contracts and Leases will be considered contractual documents which specify all of the terms and conditions of the working relationship, method of remuneration, and nature of expenses to be paid by the Wahta Mohawks, duration of the contract and ownership of any research material or final products generated by the project.

#### **8.1.1 LEVELS OF AUTHORIZATION**

Only Wahta Mohawks personnel can purchase goods and services required by the Wahta Mohawks for exclusive use by the Wahta Mohawks. To aid in ensuring that the best possible price is being paid for goods and services, the following chart outlines the quotation requirements and level of approval that must be adhered to based on the amount of purchase:

Amount of Purchase	* Quotes Required	Level of Approval
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Up to \$49		Administration Assistant
\$50. - \$4,999		Senior Administrator (or CFO if Sr. Admin. Is n/a)
\$0 - \$14,999		Senior Administrator
\$15,000. - \$30,000.	3 Written Quotes	Senior Administrator
Over \$30,000.	3 Written Quotes	2 Council Members minimum & Sr. Administrator

The Senior Administrator and the CFO are responsible for the final authorization and approval of purchases to be made by the Wahta Mohawks in accordance with the Financial Regulations Policy.

The following Purchasing procedures must be adhered to for all purchases:

- a) Employees will forward a request for purchase of any items to the CFO. The employee will include the budget of such item, estimates, and the respective budget category to which this purchase will be coded.
- b) The CFO will check to ensure that the expenditure can be funded according to the department operating or capital budget and program criteria, and if the request can be funded, the employee will be required to complete a Purchase Order Requisition and forward to the Senior Administrator.
- c) A completed Purchase Order Requisition, complete with quotes, is then forwarded to the Senior Administrator.
- d) Upon Approval of the requisition by the Senior Administrator, the CFO will assign a number to the purchase order and forward the completed requisition to the employee to place the order.
- e) Once the order is placed, the employee must forward the Purchase Order Requisition to the Administrative Assistant for filing.
- f) Goods ordered are to be received and checked at the Wahta Mohawks administration office by the Receptionist.
- g) All goods received are to be accompanied by a copy of the Purchase Requisition Order, a packing slip and/or invoice.
- h) Only authorized purchases will be received and only those purchases fitting these criteria will be paid.
- i) The Receptionist or designate will include his/her signature that which is received intact. If possible, the employee who placed the order will be asked to check the order when it arrives. In the absence of both the Receptionist and the ordering employee, any employee may be authorized to sign for the delivery.

- j) The copy of the Purchase Requisition Order, packing slip and/or invoice will be forwarded to the Financial Assistant for posting to the accounting records and payment to the account.

#### 8.1.2 Credit Cards

The Wahta Mohawks will grant use of credit cards to a designated list of users who will be responsible for their designated use and for their security. Credit cards will be used for Wahta purchases only and no personal expenses shall be charged to a Wahta Mohawks credit card. In case of an emergency, if an expense was to be charged, the reimbursement would have to be reimbursed as soon as possible.

#### Procedures

- a) Credit cards will be issued for Wahta Mohawks designated purposes to the holders of the following positions:
- Chief, and Councillors;
  - Administrator;
  - Any other individual designated in a Council motion and approved by Council for such period of time Council designates.
- b) Where pre-payment is required, the credit card is restricted to the following uses:
- Travel expenses;
  - Seminars;
  - Refundable deposits and;
  - Emergency expenditures
- c) Upon the use of the credit card, the user will remit all coded receipts to the Financial Assistant weekly and each receipt must be coded to the correct account code.

## 9 Contracts and Tenders

### 9.1 General

Any expenditure in the awarding of contracts must receive the prior approval of the Wahta Council.



All orders for work, goods or services provided to the Wahta Mohawks must be recommended to Council by the authorized staff to approve the purchase of goods or services.

All orders for work, goods or services over \$14,499 or such a greater amount as approved by Council, unless approved in the annual budget, shall, in addition to the signature of the program staff, require attestation by the Senior Administrator as to availability of funds.

## **9.2 Tenders**

9.2.1 Construction Contracts up to \$14,999 or such greater amounts as approved by Council may be made by the Senior Administrator if identified and approved in the annual budget without going to tender, based on budget control and accountability, and the purchasing policies and procedures of the Wahta Mohawks including any detailed requirements and processes for quotes, written specifications and any other requirements outlined in the policies.

9.2.2 Construction Contracts over \$14,999 in amounts as approved by Council must be made by invitations to tender with “invitation to tender” defined as the preparation of written specifications by which a minimum number of vendors/suppliers/contractors as defined in finance policies are invited to submit a written bid or quote for the completion of the work and/or the supply of equipment/supplies.

## **9.3 Invitation to tender will be announced on the Wahta Mohawks’ website and newsletter (or a separate mail out), and may be publicly advertised in a newspaper or by formal invitation to the suppliers.**

9.3.1 Capital purchases in excess of \$500,000 or such greater amounts as approved by Council must be made by public tender.

9.3.2 The public tender process shall include as a minimum:

- The time and date of closing;
- Sufficient details from which comparable bids can be made;
- The time, date, and place tenders are to be opened; and
- The amount of security deposit if required.

9.3.3 The tendering period is not to be less than five (5) working days, unless in an emergency situation.

9.3.4 All tenders are to be returned sealed and addressed to the Wahta Mohawks, clearly marked “Tendered for.....” with the time and date of receipt recorded on the unopened envelope of the tender when received.

- 9.3.5 All tenders received shall be opened in public in the presence of the Senior Administrator and any other person responsible for the tender process.
- 9.3.6 The name of the tender, project, date of bid and amount shown must be recorded at the time of opening.
- 9.3.7 The name of the tender, project, date of bid and amount shown must be recorded at the time of opening.
- 9.3.8 The lowest tender received shall normally be accepted unless the authorized person deems it in the best interest of the Wahta Mohawks to do otherwise.
- Where the lowest tender is not accepted, the reasons are to be clearly recorded in the document by the authorized person accepting the contract.
- 9.3.9 Upon acceptance of a tender for the performance of work, goods, or services, a contract is to be signed by both parties and a signed copy shall be kept as a portion of the records of the Wahta Mohawks.
- 9.3.10 In the event that an official or employee of the Wahta Mohawks has a personal interest in the contract, he or she shall signify the interest and thereafter refrain from taking part in the discussion or participating in the awarding of the contract.
- 9.3.11 No disbursements or payment on any contract shall be made without supporting documentation as determined by the policies of the Finance Committee.
- 9.3.12 A fifteen percent (15%) holdback of final payment or in such amount as may be determined by Committee or Senior Administrator shall not be released to a contractor until all work is certified as complete and satisfactory to the Council.
- 9.3.13 The Finance Committee may establish policies and procedures for the tendering process, and the purchasing process in general, including policies outlining the process for specific consideration of Wahta/Native business/contractors/vendors as a priority.

## **10 Payments and Disbursements**

### **10.1.1 Invoice Receipt**

The Financial Assistant is responsible for the timely, complete and accurate recording of accounts payable, and for ensuring such payments are legally due.

All invoices received by Wahta Mohawks must follow the procedures laid out below to ensure that the Wahta Mohawks is accountable for all incoming and outgoing payments.

#### **Procedures**

- Upon receiving the mail, the Receptionist shall open the letters from vendors and date stamp the invoices and all personal, confidential and letters addressed to Council or to any other employee shall remain unopened and the envelop shall be dated stamped.
- The Receptionist shall forward all unopened mail to the Chief or designate for his/her review, which in turn will pass on to Program Staff. All invoices will be forwarded to the Financial Assistant.
- The Financial Assistant will reconcile purchase orders to packing slips as applicable and will ensure that the quality and quantity of all items on order are certified received and the price and total charge on the invoice are verified against the duplicate copy of the purchase order (if applicable).
- The invoices will be matched with purchase and requisitions and will be placed in the Program Staff's mail box for confirmation that the goods were received or the services were performed and to code the invoice to the correct account code.
- Should there be any discrepancy between the purchase order amount and the amount appearing on the invoice, the Financial Assistant will attempt to reconcile the difference with the authority who signed the original purchase order.
- The approved invoices will then be entered once a week and the due date will be entered based on the terms of the invoice and shall be paid on the due date or net 30.
- On Wednesdays the Financial Assistant will generate a Pre-Cheque Register selecting invoices due and review the invoice information, including the account code are accurately entered and generate payments based on cash flow availability.
- Upon the issuance of a cheque for an invoice, the invoice should be stamped "PAID" with the cheque number and issuance date shown. This will clearly indicate the invoice payment and prevent accidental duplicate payments.
- Each cheque shall have the signatures of two (2) authorized signing authorities. These signing authorities shall always receive the supporting documentation of an invoice and the signed cheque requisition when signing a cheque. Such documentation should be provided with the cheque at the time of signing.

### 10.1.2 Cheques

No cheque shall be signed until the amount due and the name of the payee is entered on the cheque. A blank cheque will not be signed.

Any changes to signing authority names or limits must be approved by a quorum of Council and shall be noted in the minutes of a Council meeting. The bank will be notified of any changes in signing authority.

For audit purposes and as proof of payment, the Financial Assistant will ensure cheque stubs record:

- The date of payment;
- The amount of payment;
- The cheque number;
- To whom the payment was made.

All documentation supporting a purchase transaction will be filed alphabetically by supplier name by the Financial Assistant.

Should a cheque be reported lost, destroyed, or stolen, it shall be canceled and a stop payment order sent to the bank. A second cheque may be issued only after the bank has confirmed the cheque has not cleared and received a stop payment order. Wahta Mohawks' reserves the right to deduct the stop payment order fees from a re-issued cheque.

Cheques not presented to the bank for payment (outstanding cheques) within six (6) months of the date of issue are considered "stale dated." These payments shall be voided and payment stopped. Another cheque may be issued upon request of the payee. An entry will be made on the void cheque once the bank has received the stop payment order.

All consecutively numbered blank cheques shall be securely stored under lock and key by the Financial Assistant.

Whenever possible, authorized signing officers will not sign or prepare cheques made payable to themselves or to members of their immediate family. Immediate family is considered to include parents, spouses, siblings and children.

All disbursements will be made using pre-numbered cheques with cheque stubs.

The distribution and use of the pre-numbered cheques is to be as follows:

- The original is to be forwarded to the supplier;
- The cheque stub is to be attached to the accounts payable voucher package.

#### 10.1.3 Two Authorized Signatures

All cheques are to be signed by at least two of the authorized persons, only after reviewing the supporting documentation.

#### 10.1.4 Distribution of Cheques

All cheques will be mailed out within three (3) days of the issuance date otherwise for pick-up or delivery. The name and mailing date will be recorded in the mail log book. If cheques are to be picked up, the payee must authorize the designate by phone or in writing. The designate must sign the cheque received in the mail log book which is managed by the Receptionist at the reception desk. Upon a signature, the cheque will be released.

#### 10.1.5 Month End Reconciliation

The Financial Assistant will reconcile all supplier statements to the aged accounts payable list on a monthly basis.

All invoices must be entered regardless of payment due date before the last day of the month. Once all expenditures are entered, the Accounts Payable sub-ledger should be balanced to the General Ledger Accounts Payable account by the CFO.

### **11 Receivable and receipts (Fees & Rents)**

#### 11.1.1 Invoices

Invoices will be issued to bill outside agencies for services rendered or goods sold. Invoices will be pre-numbered and approved rate lists for the services rendered or the goods sold and will be approved by the Senior Administrator.

#### 11.1.2 Monthly Statements

At the end of each month the Financial Assistant will review the file of unpaid receivable invoices. Any amount that has been outstanding for more than 30 days will be listed on a statement and sent to the debtor.

#### 11.1.3 Interest

Interest will be charged on late payments beginning 30 days after payment was due. Interest will be set at 1.5% compounded monthly (19.56% per year).

#### 11.1.4 Overdue Accounts

When the review of the accounts receivable reveals that any account have outstanding balances the following steps will be taken:

- 15<sup>th</sup> days after the due date: telephone call
- 30 days after the due date: notice of arrears letter
- 60 days after the due date: final notice letter
- 120 days +: send to a collection agency/eviction, decision to be approved by Council

## **11.2 Receipts**

### **11.2.1 Preparation of Pre-numbered Receipts**

Duplicate pre-numbered receipts are to be prepared for all monies received by the Wahta Mohawks' Office, its department and businesses.

The original receipt is to be issued to the payer; the second copy will be filed with any supporting documents and the third copy will remain in the receipt book as a permanent record of the date and amount received, the source and the purpose of the reason for the payment to Wahta Mohawks.

### **11.2.2 Safeguarding Receipts**

Departments that collect revenue are to bring the receipts daily to the Financial Assistant for safekeeping in the safe.

All monies received are to be kept in a safe and the Financial Assistant/CFO is to take all necessary precautions for the safekeeping of all funds received until they are deposited.

Monies will be kept in a secured safe until deposits are made. Combination to the safe will be known only to the Financial Staff and Senior Administrator.

### **11.2.3 Receipt Stamp**

All cheques received for deposit shall immediately be endorsed on the reverse side with an endorsement stamp For Deposit Only.

All cheques and cash received shall be recorded by the designate on pre-numbered receipts in a Receipt Book. The Receipts Book shall be kept under lock and key by Financial Assistant and be provided to the Receptionist daily.

## **11.3 Receipts**

### **11.3.1 Deposit of Receipts**

Staff appointed to handle cash and cheques should be bonded. Insurance coverage must be obtained and internal security controls taken. All monies received must be deposited in the Bank on a timely basis and at the very least weekly by a person designated by Council.

Funds should be deposited, intact, at least once weekly, preferably on the last business day of each week. Cash exceeding \$1,000 and/or the total cheques sum exceeding \$10,000 shall not be left over the weekend. Staff depositing funds must go directly to the bank when leaving the office and deliver receipt for deposit the following day. Employee is responsible for safeguarding the deposit and any loss.

When preparing funds on hand for deposit, the Financial Assistant will sort cheques according to the account numbers recorded on the back of each cheque or will sort cash by account numbers designated for each cash deposit.

Deposit slips shall be prepared in duplicate, and cross-referenced to receipt numbers. Each deposit slip shall contain the following information:

- Current date;
- Account number;
- Name of account;
- A listing of cheques (payee) and amounts to be deposited, and
- A listing of cash and amounts to be deposited, including the total cheques, total cash and the total amount to be deposited to the account.

The Financial Assistant shall review all items listed and totals shown before signing his/her name on each deposit slip to verify it. It is the Financial Assistant's responsibility to ensure deposits are made on the date shown on the deposit slips, and that the duplicate deposit slip is date-stamped by the financial institution.

Using duplicate date-stamped bank deposit slips, the Financial Assistant shall post all deposits to each bank account as debits in the appropriate general ledger accounts.

All deposits contained in month end bank statements received from the Bank shall be reconciled by the Financial Assistant and approved by the CFO. Deposits listed on a bank statement shall be reconciled with the Receipts Book.

#### **11.4 Month End Reconciliation**

The Financial Assistant will enter all receipts prior to last day of the month. Once all receipts are entered, the Accounts Receivable sub-ledger should be balanced to the General Ledger Accounts Receivable account by the CFO.

Statements of outstanding fees or rents will be mailed out.

### **12 Bank Account**

The opening or closing of a bank account and changes of signing authority will be by Council motion.

#### **12.1 Bank Reconciliation**

All bank accounts are to be reconciled by the Financial Assistant with the exception of the Trust account which will be reconciled by the CFO. CFO shall review all bank account statements and initial prior forwarding to the Financial Assistant.

The Financial Assistant will:

- Verify that the entries online and/or the bank statement correspond to the amounts on the cheques that are enclosed with the statement;

- Verify that the amounts of the deposits shown on the statement agree to the deposit book;
- Produce a list of outstanding cheques and deposits in transit; and,
- Print a Bank Reconciliation Report.

Monthly bank reconciliation statements on all the accounts are to be completed and presented to a signing authority for review and initialing.

## **12.2 Bank Account Changes**

### **12.2.1 Opening a Bank Account**

The opening of all bank accounts shall be by Council Motion at the recommendation of the Senior Administrator.

When a Council Motion to open a bank account in a specified bank has been approved, the CFO will contact the designated branch to obtain the appropriate forms and signature cards. The required documents should be promptly completed and returned to the bank. The bank will supply deposit and cheque books, which will be placed in the custody of the Financial Assistant.

### **12.2.2 Closing a Bank Account**

The closing of all bank accounts shall be by Council Motion at the recommendation of the Senior Administrator.

When a bank account is to be closed for any reason, the Administrator or CFO should send a letter or fax to the bank manager to advise of the intention to close the account, at the end of three months from the date of the letter, to allow time for all cheques to clear if any were issued.

### **12.2.3 Bank Account Changes**

All signing authority changes shall be by Council Motion.

When signing authority is changed (through Council Motion), due to a change in personnel or Council members, signature cards should be obtained, completed, and delivered to the bank before the effective date of the change. A photocopy of the current signature card should be kept on file.



## **13 Petty cash**

### **13.1 Petty Cash Approval and Reimbursement**

#### **13.1.1 Establishing a Petty Cash Fund**

- Upon Council approval by motion, a cheque of a limit of one hundred dollars (\$100.00) shall be drawn made payable to the Financial Assistant, and debited to the Petty Cash account. Once the cheque is cashed, the money shall be stored by the Financial Assistant in the safe.
- A receipt shall be completed for each disbursement made out of the petty cash fund. The receipt shall state the name of the payee, the date, the amount paid, and purpose of the cash. The payee should sign the receipt if available.
- As each disbursement reduces the money and increases the sum of receipts in the cashbox, the Financial Assistant shall replenish petty cash on an as needed or monthly basis. The petty cash account is balanced against all receipts for Petty Cash payments.
- Under this system, the Petty Cashbox should always contain petty cash receipts and money equal to the amount of the funds (\$100).

#### **13.1.2 Approval of Petty Cash Reimbursement**

Occasionally, the Office requires the use of immediate cash on hand. The use of petty cash is intended for incidental, yet essential, purchases. It is during these circumstances that the cheque disbursement process may not be practical.

Petty cash should not be used for:

- Regular purchases for which suppliers normally submit invoices;
- Travel advances; and,
- Salary advances.

### **13.2 Reimbursement of Expenses**

A person requesting reimbursement for an amount spent on behalf of Wahta Mohawks needs to complete a purchase requisition form.

The purchase requisition form that shall include the payee, the date, the amount paid, and the material or service supplied. The person will then sign the cheque requisition and attach the receipts for the expenses in question.

## **14 Payroll**

### **14.1 General**

First Nations, on reserve, are subject to federal jurisdiction. Therefore, all employee payroll policies must adhere to the Labour Codes of Canada. Some owned businesses must adhere to the Ontario Labour Codes.

All wages, including bonuses should be coded to wages accounts for year-end T4 reconciliation.

#### **14.1.1 Salary Schedules**

- Annual salary schedules shall be established for each employment position at the Wahta Mohawks. These salary schedules will be Council approved and shall contain:
- Employee name
- Job title
- Wage rate or annual salary, and
- Whether the position is hourly or salaried.

#### **14.1.2 Pay Periods**

Pay periods shall be established as:

- Bi-weekly for all staff.
- The pay period shall include hours worked up to the Saturday with a two-week hold back.

#### **14.1.3 Deductions and Changes**

A statement of earnings, that lists all deductions or additions made shall be drawn up to calculate and record the payroll amounts to be direct deposited into each employee's bank account. This information is to be contained in a payroll report that is reviewed and approved by the Administrative Assistant CFO to authorize the direct deposit of payroll amounts.

Authorized payroll deductions may include:

- Applicable mandatory deductions
- Employment Insurance Premiums
- Pension plan contributions
- Other authorized deductions

#### 14.1.4 Other Deductions

Employees must complete a deduction form authorizing non-mandatory deductions such as rent. The forms are in the Administrative Assistant's possession and should be completed prior to deductions.

#### 14.1.5 Salary increases

Salary adjustments (increases) are to be incorporated into the annual budget planning process. A salary review shall occur prior to the annual budget formulation, with any Council approved salary adjustments taking effect on a pre-approved date.

Any salary adjustments will be determined on the basis of funding availability, increases / decreases to a position's workload, performance evaluations and annual inflation rates.

### 14.2 Records and Authorizations

Written authorization for payroll-related activities can only be conducted by the Senior Administrator.

#### Timesheets

##### 14.2.1 Employee Timesheet Responsibility

All employees sign in daily and must submit a timesheet based upon their pre-approved work schedule. Each employee shall total their timesheets, sign and submit them to Administrative Assistant by Monday of each designated pay period.

All hourly employees are expected to make daily work attendance entries on the time sheet. They are responsible for completing their own time sheet by Monday of each pay period including program coding.

##### 14.2.2 Checking Timesheets

Timesheets must be submitted by all employees for any work completed. All timesheets must be double-checked by the Senior Administrator to ensure accuracy.

The Administrative Assistant sorts and checks all time sheets to ensure:

- A time sheet has been received for each employee;
- The time sheets have been approved by the Senior Administrator; and,
- The mathematical accuracy of the time sheets.

### 14.3 Processing Employees Pay

#### 14.3.1 Payroll Input

The Administrative Assistant is responsible for submitting all payroll data to Ceridian Payroll.

The Payroll Reports, the computerized time sheet batch, as well as all pertinent documents dealing with hiring, termination, salary changes, etc., are forwarded to the Senior Administrator for verification and approval.

When Pay stubs are received they are distributed to the respective employees.

All printed output reports are sent to the CFO. The CFO will create a journal entry which will contain only the amounts of salary that are to be allocated to the respective departments. This entry will be forwarded to the Financial Assistant for input.

#### **14.4 Loans**

Wahta Mohawks will not issue any loans to Band members or employees.

#### **15 Legal Counsel**

The Council will decide the appropriate legal counsel in the event of a need for legal assistance. The Council will decide if legal counsel will be kept on a retainer basis or paid only when services are used.

No employee may contract legal counsel for the Wahta Mohawks business without seeking prior approval from the Council.

#### **16 Investments**

##### **16.1 Investment of Excess Funds**

In order to produce additional revenue, excess funds should be invested according to those limitations set out by the Council.

All excess funds (greater than \$500, 000) will be moved into interest bearing accounts i.e. T-Bills, GIC's, Bonds, Mutual Funds, etc., in a favourable market.

The Administrator and CFO or Council designate will meet with the banker to ensure that the best interest rates and investment strategy is in place.

It is the responsibility of the CFO to recommend investments to the Senior Administrator and Chief and Council.

Following meeting with the Bank, the Senior Administrator and CFO will present recommendations to Council for their review and directions.

Council will approve all investments by motion. These motions will be documented in the file with the investment reports.

## **16.2 Borrowing Approval**

Any borrowing by way of a loan, mortgage, or any other security interest must be approved by Council.

In consultation with Senior Administrator, the designated persons will meet with bank and negotiate possible terms. Upon this negotiation, the Administrator will present to Council, recommendations and Council will make a decision. It will be the responsibility of the Senior Administrator and CFO to ensure that this decision is carried out.

## **17 Finance Committee**

The Finance Committee will oversee the Finance of the Wahta Mohawks, ensuring the directives and mandates stated by Council and the funding agencies are met and the administration of the finance areas is operating efficiently and effectively. The committee will comprise of a Councillor, Senior Administrator and the CFO and will meet quarterly and be responsible to report to Chief and Council.

## **18 Miscellaneous**

### **18.1 File Retention**

The purpose of this Policy is to ensure that necessary records and documents of Wahta Mohawks are adequately protected and maintained and to ensure that records that are no longer needed by Wahta Mohawks or are of no value are discarded at the proper time. All financial documents will be retained in compliance to Federal and Provincial guidelines. This Policy is also for the purpose of aiding employees in understanding their obligations in retaining electronic documents - including e-mail, Web files, text files, sound and movie files, PDF documents, and all Microsoft Office or other formatted files as per accepted practices.