

2009

# York Support Service Network

## Finance Policies and Procedures

This manual has been prepared to document the internal accounting procedures for York Support Service Network. Its purpose is to ensure:

- Assets are safeguarded;
- Financial statements are in conformity with Generally Accepted Accounting Principles;
- Compliance with the Broader Public Sector Expense Directives; and
- Finances are managed with responsible stewardship and within the guidelines set out by the agency's funders — the Ministry of Health and Long-Term Care, the Ministry of Community and Social Services, the Ministry of Children and Youth Services — and other governing ministries.

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## Section 1: YSSN POLICIES FOR ALLOWABLE EXPENSES

The Management Board of Cabinet has issued directives under the authority of the *Broader Public Sector Accountability Act, 2010* (Part IV – Expense Claims: Allowable Expenses), the “Act”. The requirements set out in this document raise the level of accountability and transparency for designated Broader Public Sector (BPS) organizations, contributing to greater alignment with the high standards expected in ministries and agencies of the Government of Ontario.

A designated BPS organization must comply with the directives. In addition, every funding agreement between a designated BPS organization and a ministry or agency of the Government of Ontario is deemed to include the requirements of the directives.

York Support Services Network’s policies are in compliance with the Broader Public Sector expense directives that apply to government ministries and organizations in the Broader Public Sector that receive over \$10 million in public funding.

**York Support Services assumes no obligation to reimburse expenses that are not in compliance with regulations set out in the following policies.**

## 1. PURPOSE, APPLICATION AND SCOPE

The purpose of this policy is to:

- set out rules and principles for the reimbursement of expenses to ensure fair and reasonable practices;
- provide a framework of accountability to guide the effective oversight of public resources in the reimbursement of expenses; and
- set the parameters for the public disclosure of information about expenses.

Agency dollars must be used prudently and responsibly spent, with a focus on accountability and transparency. Travel, meal and staff expenses will be reimbursed but expenses must:

- be work-related and support the agency objectives;
- be modest and appropriate; and
- strike a balance among economy, health and safety and efficiency of operations.

Best practices should always be in place, including:

- prior approval to incur expenses is obtained with the exception of incidental costs up to \$35 covered from petty cash with appropriate receipts;
- other options for meetings are always considered before travel is approved (e.g., videoconferencing); and
- ensuring agency credit cards are used for authorized business travel.

The expense rules apply to any person in York Support Services Network making an expense claim, including the following; *appointees, board members,, employees, volunteers, students and consultants/contractors engaged by the organization, providing consulting or other services.*

## 2. PRINCIPLES

This policy is based on the four key principles set out in the Ministry Expense Directive:

### A) Accountability

York Support Services Network is accountable for public funds used to reimburse travel, meal and hospitality expenses. All expenses support business objectives.

### B) Transparency

York Support Services Network's policies are transparent to all stakeholders. The rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood and available to the public.

### C) Value for Money

Taxpayer dollars are used prudently and responsibly. Plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health and safety.

#### D) Fairness

Legitimate authorized expenses incurred during the course of the business of an organization are reimbursed.

### 3. MANDATORY REQUIREMENTS

#### *General*

1. Prior written approval is required for the following **before** arrangements are made:
  - Travel outside of Ontario
  - Hospitality events that serve alcohol
  - Hospitality, provided only when an event involves people from external agencies and community
  - Use of appropriate forms is required where available.

*PLEASE NOTE: Meetings involving only people who are engaged in the work of YSSN (and those covered by this directive) are **NOT** considered hospitality functions.*

2. Expenses for a group can only be claimed by the most senior ranking person present.
3. Good record-keeping practices must be maintained for verification and audit purposes.
4. Travel, meal and hospitality policies will be posted on the agency website.

#### *Claimants Must*

- Obtain all appropriate approvals before incurring expenses over \$35.00. If no prior approval was obtained, then a written explanation must be submitted with the claim, using designated forms where available.
- Submit original, itemized receipts (no debit or credit receipts) with all claims. If there is not an itemized receipt, seek guidance from your supervisor as to the process to follow.
- Submit claims by the first week of the month following the month in which the expense was incurred; a written explanation is required if not submitted within this timeframe.

#### *Receipts*

Receipts for all expenses must be original receipts (no photocopies) and must include a detailed record of what was purchased and name of the company on the receipt. Debit and credit card slips by themselves are insufficient to support an expense reimbursement.

#### *Time Limit for Claims*

All claims must be submitted in a timely manner and no later than the 3<sup>rd</sup> day following the month in which the expense occurred (e.g., September expenses must be claimed no later than the 3<sup>rd</sup> business day in October). Expense claims must be submitted prior to leaving a position (e.g., vacation, leave of absence or permanently leaving the agency), if time off extends beyond the month expenses were incurred. Any request for exceptions to this policy must be approved by the Director of Finance and Operations prior to the submission deadline.

### *Approvers Must*

- Provide approval only for expenses that were necessarily incurred in the performance of agency business and which comply with the agency policies;
- Provide approval only for claims that include all appropriate documentation (e.g., original itemized receipts); and
- Not approve their own expenses.

## **4. ACCOUNTABILITY FRAMEWORK**

This Directive sets out the approval authority for travel, meals and hospitality expenses. In some cases, the level of approval is identified and also whether the authority can be delegated. In other cases, a requirement is stated (e.g., prior approval is required) without identifying an approval level. Where no approval level is identified YSSN has the flexibility and discretion to establish their own level and to address possible delegation.

The Executive Director has the authority to establish additional rules regarding expenses. Any additional rules must be consistent with those laid out in this Directive and be necessary to meet specific operational needs. These rules do not replace any rules in this Directive, nor can they substitute higher rates of reimbursement for kilometers or meals. Additional rules must include the date of approval and must be accessible to everyone covered by the rules

Approvers are accountable for their decisions which must:

- be subject to good judgment and knowledge of the situation;
- be exercised in appropriate circumstances: and
- comply with the principles and mandatory requirements set out in the policies.

In some cases, the level of approval is identified and also whether the authority can be delegated. In other cases, a requirement is stated (e.g., prior approval is required) without identifying an approval level. Where no approval level is identified, you must follow the approval process under the section entitled ***Guidelines for allowing an exception to a policy***. (This is a paragraph under Managerial Discretion).



## 5. MANAGERIAL DISCRETION

Managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this policy. There is no discretion to depart from the mandatory requirements of this policy. When exercising discretion within the policy requirements, the rationale must be documented and filed with the claim.

**Only the Board of Directors has the authority to grant an exception to any of the mandatory requirements. (must be highest level)**

### *Guidelines for Allowing an Exception to a Policy*

Approvals may be requested for an exception to the agency travel and meal policies under exceptional circumstances. Also, times may arise when receipts are lost or unavailable or time limits cannot be met. Requests for approvals and reimbursement in exceptional circumstances will be reviewed on a case-by-case basis, and a decision for one situation does not set precedence for future decisions.

For equality, staff will be expected to comply with all finance policies; however, should a staff member wish to appeal a refusal of reimbursement or request an exemption to a rule, they need to contact their supervisor immediately upon being informed of the refusal or requiring exemption. The supervisor, upon review, may feel that an exception to a policy may be required and will contact the Director of Finance and Operations in writing with a request for an exception stating the reason why they feel it is justified.

The Board of Directors has designated Executive Director and the Director of Finance and Operations to review requests for an exception to the policy, and he/she will make the decision based on the following:

- Ensure consistent, fair and equitable application of the policies, giving consideration to all circumstances, while maintaining responsibility for wise and prudent use of public resources
- Confirm that the exception follows the four key principles (Accountability, Transparency, Value for Money and Fairness)
- Ensure that none of the mandatory requirements are being violated
- All management decisions respect the duty to accommodate and must consider unforeseen circumstances
- Ensure the decision is able to stand up to scrutiny by the auditors and members of the public

Consideration will be given to the history of the particular staff's ability to follow agency policies. Repeat offenders will not be given the same consideration as a one-time request.

Where the Director of Finance and Operations decides to exercise discretion and allow an exception, a written record for audit purposes must be documented and accompany the claim.

**Final refusal will be given by the Executive Director.**

## 6. TRAVEL POLICY

This policy applies whenever travel is required for individuals engaged in YSSN business. Travel does not refer to a person's regular commute to work, which is not reimbursable.

### *Persons Traveling Together*

In determining the number of senior personnel traveling together in the same vehicle (planes, train or automobile), consideration should be given to business continuity needs in order to reduce the risk of a major disruption in the agency's ongoing operations.

### *Travel Advances*

Staff are permitted cash advances to cover the cost of food, parking and taxi (if required) where the expected cost of the trip would exceed \$100 in out-of-pocket money. Please see the policy on cash advances on the reporting requirements and reimbursements. Cash advances cannot exceed \$50 per day for food (breakfast, lunch and dinner) and \$15 per day for parking or taxi.

### *Approval to Travel*

Prior approval by the appropriate authority is required for all business travel regarding training, conferences, etc. and according to destination. Travel in performance of your day-to-day duties can be approved on the monthly mileage expense.

Prior written approval must be obtained from the authority prior to booking. A training request form must be filled out with details of your training/conference, hotel name and cost, travel expectations and miscellaneous cost needs (e.g., food, books, etc.). York Support Services Network may agree to subsidize all or part of your training/conference. YSSN may also change your travel arrangements for more cost efficient ones, if necessary.

### *Levels of Approval Required*

- **Within the catchment area for YSSN services:** your immediate supervisor
- **Outside the above area but within Ontario:** your supervisor and Director.
- **Outside Ontario but within Canada and the Continental USA:** Senior Management must approve this travel. As part of your request, a written rationale must be prepared that demonstrates that the travel is critical to the agency's priorities
- **Travel outside of Canada and the Continental USA:** This travel is rarely approved. Any exception must be brought to the Board of Directors for approval.

Prior written approval must be obtained from the authority before booking.

### *Medical/Health Insurance*

Staff will not be reimbursed for the cost of privately arranged medical/health insurance for travel since coverage in the event of illness, injury or death is provided through agency health insurance plans (travel assist). The agency will decide if they will purchase cancellation insurance when staff is flying at the time of purchasing the airfare for the staff.

## *Vehicle Insurance*

1. Only employees with a valid driver's license are authorized to drive for agency business purposes. People who are not employees may be carried as passengers while on business when this is consistent with the purpose of the trip.
2. During travel where a rental car must be used, the staff who is driving must rent the car directly. The driver must obtain loss damage waiver/collision coverage from the rental car company. Both the rental and insurance coverage of the rental will be reimbursed by York Support Services provided the rental is a cost-effective mode of travel.
3. Personal vehicle use while on business must be insured at the owner's expense for personal motor vehicle liability. Coverage should equal or be greater than \$1,000,000. Drivers must also have business use coverage on their vehicle insurance. The agency will not reimburse the cost of business use or collision or liability insurance.
4. The agency assumes no financial responsibility for privately owned vehicles other than paying a per km rate for travel when used for business use. Staff driving their own vehicles while on business cannot claim for damages of any kind from York Support Services Network.

## *Cell Phone Use*

York Support Services does not approve of cell phone use while driving. The expectation of the agency is that staff will refrain from cell phone use (either business or personal) while driving during business hours. Should staff need to place or receive a call they should pull over to somewhere safe and place/receive the call. York Support Services Network will not pay to provide any staff with Bluetooth equipment.

Use of the agency cell phone is permitted while on training, for business use within Canada.

While outside of Canada, with prior approval, a package may be purchased for cell phone costs for business only and are to be kept to a minimal due to extremely high roaming fees. Staff are encouraged, whenever possible, to use the least expensive means of communication such as internet access prior to using their agency cell phone. Staff with use of company email must have the email feature turned off prior to leaving the country. ***Personal charges are not permitted while outside of Canada if staff did not pay personally for international plan..***

## 6.1 Road Transportation Reimbursements

When road travel is the most practical and economical way to travel then it is preferable for staff to use their personal vehicle while driving within York Region, Simcoe, Kawarthas, Durham and the GTA. Travel while outside of the region may be more economical and practical to obtain a rental car. Please check prior to renting a vehicle with the Director of Finance and Operations as to if the agency will cover the rental cost.

**Accidents must be reported immediately to local law enforcement authorities, the rental car agency, the automobile insurance company, and the staff's immediate supervisor.**

Where personal vehicles are used for agency business as a normal condition of work, York Support Services Network will supply a T2200 form for tax purposes upon staff request.

### *Tolls and ETR Transponders*

- Bridges, ferry, highway tolls and necessary parking fees while driving on company business will be reimbursed.
- Staff is encouraged to use alternate routes other than the 407 ETR whenever possible roads that can be taken other than the 407. However, it is recognized that use of the 407 can reduce travel time and increase direct time for clients.
- YSSN will pay the distance toll but not the video or administration charges. A copy of the bill with charge is required for payment.

### *Kilometre Reimbursement Rates*

YSSN reimburses staff for mileage while on agency business. This does not include mileage to/from home to work. Nor can it include any agency social events. With the exception of the year end staff appreciation party which is considered agency business.

**The rate of kilometre reimbursement for all York Support Staff, board members, students and volunteers is \$0.45 per kilometre.** The following guidelines for reimbursement must be adhered to when claiming reimbursement:

- When reporting mileage, staff must report each day separately and, where possible, keep multiple daily trips separate
- When reporting mileage on the report, under description staff must record where mileage originated "from" and "to" street destinations. Put the word (return) in brackets if it is a round trip and always include a reason for trip and client initials if client-related. This detail is required for supervisors to approve and for the agency to ensure direct travel is reported correctly.
- Direct travel consists of those trips where the client is present in the vehicle or staff are traveling to meet the client.

- Indirect travel is staff travel to meetings where the client is not present, even if it is on behalf of the client.
- Ministry Directives require that all receipts must be attached. With the exception of metered parking, we cannot pay for expenses without a receipt. Please note: the occasional lost receipt will be given an exception if a minor amount. We cannot accept debit or visa chits as receipts. There is no exception for this, detail of expense is required.
- Other expense column are for items like client coffee expenses, ETR charges (as per above), and other miscellaneous costs that come up, related to your day-to-day work. All receipts must be attached. As per expense directives no reimbursement can take place without receipts.
- Ministry Directives requires us to only accept the cheapest method of transportation. When calculating mileage cheapest means shortest distance. Therefore you must take a route which is the shortest distance between point A and Point B. YSSN does provide exceptions to shortest distance and will permit up to 5km more each way if provided with a valid reason why a longer alternate route was taken ( ie. construction, accident etc.). However if you report more then 10km difference on a return trip the maximum amount paid will be shortest route on Google maps plus the 10km permitted for return trip. **We ask that you report your actual mileage of your trip** but be prepared to have it adjusted if not the shortest route.
- **If your day starts at the office**, then mileage is counted from when you first leave the office. Mileage to/from home to the office is not counted. **If your day begins and ends from home** you report the mileage by using your home or office as starting point, whichever is closest to your destination. In other words, if the office is closer you would report mileage from office to destination; if home is closer you would report mileage from home to destination. YSSN does not cover mileage between office and home.
- **If, at the end of the day, you are on your way home** but stop at a coffee shop for a client visit prior to heading home and it is not out of your way, we ask that you not report client mileage as it was on your route home. **If the coffee shop is slightly out of your way** heading home you will only be paid difference. ie total mileage for trip less your mileage to home.

## Examples of how to report mileage

1. You Live in Barrie north end and work at the Barrie office. A client visit is required in Alliston.. The mileage counted would be from Barrie office to client as office is closer to meeting then your home and to/from work mileage cannot be counted.
2. You start your day from your home in Thornhill and are going to a meeting in Toronto. Normally you work out of Yonge office. Mileage reported is from your home to Toronto because your trip does not include to/from work travel.
3. You work in Oshawa and a new client meeting is to take place in Port Perry. You live in Prospect so you start your day from home. Mileage is counted from your home because Prospect is closer to Port Perry then the office.
4. You leave Aurora office to go client meeting at the Tim Hortons on Yonge street then head home to Bradford. In this case no mileage is counted because this is on the normal route for home and your mileage is counted as to/from work. Your hours of work time would count.
5. You leave Markham office to head to a meeting in Richmond Hill then head home to Thornhill after meeting. The whole trip is 30km and your route home is normally 28km. then you would claim the 2km in excess of your normal to/from route home as this was out of your way .
6. You come in to work on the weekend. You normally don't work weekends. No mileage is reported for this day as it is still to/from work mileage. You do get to count the additional hours as lieu earned.
7. You have been invited to an agency social event (lunch or retirement party etc) in Aurora office. You come from Markham office to attend. No mileage is permitted as this is not agency business it is a social event and not mandatory attendance. However if you have a meeting in Aurora prior to the social event you can report the mileage due to the meeting which is agency business.

- Below are the mileage figures accepted between YSSN offices:

### **Main office to other Offices**

240 Edward St (Aurora) to 50McIntosh (Markham):	24 km one way
240 Edward St (Aurora) to 43 Charles ST (Crisis):	10 km one way
240 Edward St (Aurora) to 580 Bryne Dr (Barrie):	54.5 km one way
240 Edward St (Aurora) to 17565 Yonge St. (Newmarket):	8 km one way
240 Edward St (Aurora) to 349A George St. (Peterborough):	123 km one way
240 Edward St (Aurora) to 55 Gordon St. (Whitby):	69 km one way

### **Distance between other offices**

Markham office to 43 Charles Street (Crisis):	29 Km one way
Markham office to 580 Bryne Dr. Barrie, (DSO):	77 Km one way
Markham office to 349 A George Street (DSO):	116 Km one way
Markham office to 55 Gordon Street, (DSO):	50 Km one way
Markham office to 17565 Yonge St (CMHA):	31 Km one way
580 Bryne Dr, Barrie, to 55 Gordon Street (DSO):	123 Km one way
580 Bryne Drive, Barrie, to 349 A George Street (DSO):	163 Km one way
349 A George Street to 55 Gordon Street (DSO):	89 Km one way
Yonge St office to 43 Charles Street (Crisis):	2.5 Km one way

- Mileage reports are to be in to the finance office on the 6<sup>th</sup> of the month following the one being reported. **At quarter end, if this deadline is missed (June 30, Sept 30, Dec 30, March 30), you will not be reimbursed your mileage.**
- For this reason, it is suggested that you keep a running total and, like payroll, enter your expense report daily so that at month end you are filling in a few days only.
- When going on vacation that will cross over month end, please fill out and submit your expense report prior to leaving.
- Should any items not be approved or questioned by Finance, your supervisor will be notified immediately. To avoid a delay in your expense report being processed the item questioned will be removed until resolved and the remaining expenses will be paid.

### ***Car Rental and Taxi Cabs***

1. Car rental and taxi charges will be approved when traveling outside of the local areas during, training, conferences, etc.
2. The size of the rental car must be the most economical and practical vehicle for the business task and number of occupants. Luxury and sports car rentals will not be reimbursed.
3. The rental car must be refueled wherever possible before returning it, in order to avoid the higher gasoline charges imposed by the rental car agency.
4. Staff must abide by rental car policies.
5. Reimbursement for taxi cabs will be permitted:
  - when other means of transportation is not available
  - when warranted due to weather conditions
  - when warranted due to health or safety issues
  - when the transport of work-related baggage or parcels is required
  - when group travel by taxicab is more economical than the total cost of individuals traveling separately

## 6.2 Rail and Air Transportation

1. Travel by rail or air is permitted when it is the most practical and economical means of transportation. Travel must be arranged in advance and paid on the company credit card, either by the Director of Finance and Operations or the Executive Director designate.
2. The seating is economy class.
3. Travelers may participate in loyalty programs (e.g., frequent flyer points) provided they share their code with the Finance department at time of booking.
4. In exceptional circumstances (when travel is part of an extension to personal time off), York Support Services Network will permit the staff to book their own airfare. Should a staff wish to book their own airfare, they are free to do so but receipts must be provided for proof of booking. YSSN will research the most cost-effective mode of travel and the staff will be reimbursed at the rate researched not the rate paid.

## 6.3 Other Travel Expenses

### *Accommodation*

1. Reimbursement for overnight accommodation within the York Region, Simcoe and the GTA will not normally be authorized. Exceptional or emergency situations may be approved by the Director of Finance and Operations or the Executive Director.
2. Reimbursement for accommodation will be made for single accommodation.
3. No phone expenses will be permitted as reimbursable unless they are made through the agency cell phone.
4. No expenses are permitted for family or friends, unless part of a planned event/celebration of the agency.
5. Costs for travel to after-hours meetings that staff attend, but that are not required by York Support Services Network, are not reimbursable.
6. Staff coffee with clients in coffee shops will be reimbursed to a maximum of \$10 per month.

### *Gratuities*

1. Gratuities for meals will be permitted at a rate of 15%.
2. Taxi Cab tips will also be permitted at the rate of 15%.
3. Tipping for housekeeping is permitted at a rate of \$2-\$5 for up to two nights in a hotel, and up to \$10 maximum for a longer stay.
4. Staff should record the gratuity given on the bottom of the expense receipt.
5. Tipping of bellhop, room service (other than 15% meal gratuity) will not be reimbursed and will be at the discretion of staff as it is a personal expense.



## *Personal Care*

If traveling on business for five consecutive days or more, reimbursement is allowed within reasonable limits for expenses such as laundry, dry cleaning, etc. Itemized receipts are required. You will not be reimbursed for personal or recreational items (e.g., toothbrush, pay-per-view movies, mini bar)

## *Non-Reimbursable Expenses*

Expenses of a personal nature will not be reimbursed. Such expenses include but are not limited to:

- Recreational purposes (e.g. video rentals, mini-bars etc.)
- Personal items
- Traffic and parking violations
- Social events that do not constitute business events (e.g., office social events, retirement and farewell parties/luncheons, holiday lunches)

## **7. MEAL POLICY**

Claims for meals must follow the guidelines set out for Hospitality, Training and Other Meal Expenses. Any requests for exceptions to the policies below must follow the ***Guidelines for Allowing an Exception to a Policy*** in the Managerial Discretion section.

### **7.1 YSSN Hospitality Event**

A hospitality function is the provision of food, beverage, accommodation, transportation and/or other amenities at the agency's expense for people who are not engaged in the work of YSSN.

For hospitality purposes, people '*engaged in work of YSSN*' are paid staff, consultants, contractors (Purchased Services), Board Directors, volunteers and students.

**Functions involving only people defined above are not considered hospitality functions.**

Hospitality may never be offered solely for the benefit of YSSN.

Hospitality may be extended in an economical and consistent manner when:

- it can facilitate agency business; and
- it is considered desirable as a matter of courtesy or protocol.

Expenses that do not fit the definition of hospitality will not be reimbursed. This includes (but is not limited to) office social events, retirement parties and farewell lunches, and holiday lunches.

**Prior written approval is required for hospitality events from the Executive Director and must be submitted along with the expenses being claimed.**

Hospitality may be extended on behalf of the agency when:

- Engaging in discussions of official public/client matters, or sponsoring formal conferences for:
  - ~ the broader public sector
  - ~ business and industry
  - ~ public interest groups related to YSSN work
  - ~ labour groups
  - ~ members of the community
- Conducting prestigious ceremonies for heads of state, government or distinguished guests from the private or public sector
- Opening the Annual General Meetings to external participants and honoring distinguished people for exceptional public service

*Any event that includes external individuals that is a reoccurring meeting with external partners or does not fit the above criteria, is limited to food costs listed under meeting/food expenses.*

### *Submitting a Claim for Reimbursement*

1. Supervisors must ensure that the hospitality cost is clearly reported and that the report has a clear description of the function attended.
2. A gift of appreciation of a maximum value of \$30 may be given to a person who has performed a business-related pro bono service (e.g., free services such as providing a presentation, consultation, legal services, etc. or any significant support to YSSN without the request for payment or reimbursement of out-of-pocket expenses). Gifts are not to be given to persons who are paid for service.
3. Staff who have accepted hospitality from a person in the past and wish the individual to perform a service for York Support Services Network must declare a Conflict of Interest and permit another manager or supervisor to organize the hospitality of this person.
4. Receipts from the person providing service are required to have all expenses covered.

All expenses must be documented and itemized receipts provided for reimbursement. The claim must include event details regarding:

- Purpose
- Date
- Location (where possible book an agency meeting space)
- Type of hospitality (lunch or dinner, refreshments only etc.)
- Attendees
- Appropriate prior approvals

## 7.2 External Training and Conferences

This is defined as training not arranged by YSSN and therefore beyond our control for scheduling time and location.

### *Approval for Training Beyond 100 km from Office*

If staff are going to an external conference or training that is more than 100 km, we request staff submit for approval a Professional Development Request for approval of the cost of course/conference, hotel cost and estimated food expense. YSSN will pay the conference and hotel directly and advance staff their estimated food expenses. **All estimated expenses must be approved by immediate supervisor prior to payment.** Please do not put food expenses of this type on an expense report.

Upon return from training, staff would submit receipts to immediate supervisor separately for approval. Supervisors will forward to Finance. Finance will reimburse staff any approved difference if staff goes over advance as long as expenses are within agency policy. Staff must deliver, in person to Finance, any cash balance if they are under the advanced amount, along with their receipts.

1. YSSN has set restrictions on meal expenses. Breakfast limit is \$10, lunch limit is \$15 and dinner limit is \$25 (not including taxes and gratuities;, tip maximum refunded is 15%).
2. YSSN does not reimburse or allow for any food expenses without receipts. If receipt is lost, speak to your supervisor about this upon your return.
3. Detailed food receipts breaking down expenses are required; we cannot accept debit or visa chits.
4. **No alcohol will be reimbursed.**
5. Rates outside of Canada are subject to the same limitation with exchange rate a permissible expense.

### *Approval for Training Less than 100 km from Office*

Reimbursement of food costs will not be provided if the conference, training or meeting is less than 24 km from your designated office. Reimbursement of Accommodation is only provided when it occurs over 100km from your designated office.

## 7.3 Internal Training and Conferences

This is defined as training or conferences that YSSN arranges and is in control of setting the location and time.

Training, conferences or events that include only individuals who are engaged in work for YSSN will not have meals and accommodation provided. For training, conferences or events that have other than YSSN staff involved, please refer to section 7.4 Other Meal Costs – Meetings..

## 7.4 Other Meal Costs — Meetings

### *Meeting with External members*

YSSN engages in meetings with external members that are work-related but NOT a hospitality event. External members is defined to include anyone not involved in work for YSSN and not under the mandatory Ministry Directives. For these meetings, the following food policies apply:

- Refreshments for half-day meetings, workshops, etc. with external guests in attendance
- Meals for all day meetings/workshops with external guests

***Please note external guests do not include consultants, contractors, volunteers, students and anyone paid by YSSN to be present.***

If staff are chairing an external meeting and wish for payment of food in advance, submit a written cheque request to Finance prior to meeting. Included in this request must be what the meeting is for, meeting duration and number of people are attending. **This requires signature by your supervisor.**

If circumstances make it impossible to request the expense in advance, then request from petty cash but you must submit the same memo stating what the meeting is for, meeting duration and number of people attending, and the memo must be signed by your supervisor.

For EXTERNAL half-day meetings, refreshment spending of \$15 for groups of up to 15 participants, and refreshment spending of \$30 for groups of 16 or more participants, is permitted.

All day meetings are permitted to provide refreshments in both the morning and afternoon, at the rates listed above. Any meeting should take a one-hour lunch break whenever possible. Anytime this is not possible and funds are required, please provide a written request in advance for authorization by the Program Director. The Program Director, in consultation with the Director of Finance and Operations, will determine if this is permitted. If a lunch is approved, it must follow the same policy as lunches for training.

### *Internal Meetings*

YSSN will no longer pay for meals and/or snacks for any internal meetings. Coffee, tea and water will be provided. When meetings take place on the road with a client coffee for staff will be reimbursed up to a maximum of \$10 per month.

The following are exceptions to this rule:

- Annual Appreciation/Staff Recognition Events (e.g., Awards and Recognition). This is the agency-wide meeting approved by the Executive Director. It is not a local program event.
- and*
- In exceptional circumstances, reimbursement may be permitted for internal meetings when you incur a meal expense while on agency business and it occurs during mealtime and is unavoidable.

In these situations where exceptions may be granted, staff must submit a written request and follow the *Guidelines for allowing an exception to a Policy* in the Managerial Discretion section of this manual. **Any expense that did not receive prior approval and was not placed through this process in advance, will not be approved.**

### *Submitting a Meal Claim*

Please remember that all food expenses must have receipts to be reimbursed. Supervisors must stay within the limits established for food expenses and cannot approve beyond these amounts. Payment of food without the required receipt should also not be approved.

### *Client Food*

Coffee, tea, soft drinks, etc. with clients may be placed on your expense reports. **Lunches with clients are not a justifiable expense and are not reimbursed except within Crisis safe beds and the Vulnerable Housed in extenuating circumstances.** Exceptional circumstances in other programs must follow procedure laid out in section 5 Managerial Discretion.

### *Additional Business Expenses*

While traveling on agency business, additional business expenses not otherwise covered above will be reimbursed provided the charges incurred are required to conduct agency business. Examples of this are business calls, computer and internet access charges, photocopying and rental of office equipment. Receipts are required for reimbursement.

## **8.1 Expenses for Consultants and Other Contractors**

Consultants, contractors or any paid representatives of the agency will not be reimbursed for any hospitality, incidental or food expenses, including:

1. Meals, snacks and beverages
2. Gratuities
3. Laundry or dry cleaning
4. Valet services
5. Dependent care
6. Home management
7. Personal telephone calls

### *Claims for Reimbursement of Expenses*

Reimbursement for allowable expenses under this directive (e.g., mileage) can be claimed only when the contract with the agency specifically allows for it.

Staff who have accepted hospitality from a person in the past and wish the individual to perform a service for York Support Services Network must declare a Conflict of Interest and permit another manager or supervisor to organize the purchase of service of this person.

Receipts from the person providing service are required in order to have all expenses covered.

## **8.2 Gifts and Honorariums for Pro Bono Work**

A gift of Appreciation of a maximum value of \$30 may be given to a person who has performed a business-related pro bono service. Gifts are not to be given to persons who are paid for service. This gift is to be approved by the Executive Director prior to purchase.

## Section 2: PERQUISITE POLICY

The purpose of the Perquisites Directive is to set out the requirement for York Support Service network to follow the Ministry BPS Perquisite Directive. The requirements set out in the Ministry directive contribute to greater alignment with the high standards expected in ministries and agencies of the Government of Ontario

We are required by law to adhere to Ministry Directives because we receive public funds in excess of \$10,000,000 and are considered a public body designate through a grant, transfer payment or other funding arrangement.

**YSSN is expected to have the Perquisite policy in effect by August 2, 2011.** Please note any agreement that conflicts with the requirements under specified Parts of the *Broader Public Sector* will become null and void on this date.

### Question and Answers regarding Perquisites.

#### **Which individuals within York Support Services are covered by the Perquisites Directive?**

The rules apply to any person in a designated BPS organization, including the following: Appointees, Board Members, Elected Officials and Employees.

#### **What is a “perk”?**

For the purposes of the policy, a perquisite (or perk) refers to a privilege that is provided to an individual or to a group of individuals that provides a personal benefit, and is not generally available to others.

A perquisite is not allowable if it is not a business-related requirement. To be allowable, a perquisite must be a business-related requirement for the effective performance of an individual’s job.

#### **What are examples of some items which are not considered perquisites?**

The following items are not considered perks:

- provisions of collective agreements
- insured benefits
- items generally available on a non-discriminatory basis for all or most employees (e.g. Employee Assistance Program, pension plans)
- health and safety requirements (e.g. provision of work boots)
- employment accommodations made for human rights and/or accessibility considerations (e.g. special workstations, work hours, religious holidays)
- expenses covered under an organization’s rules on travel, meals and hospitality (established in accordance with the BPS Expenses Directive)

## Six Requirements of the Perquisite Policy

The policy of York Support Services Network, closely follows the Ministries six requirements that must be included in the perquisites rules

1. The following perquisites are not allowed **under any circumstance:**
  - club memberships for personal recreation or socializing purposes, such as fitness clubs, golf clubs or social clubs
  - seasons tickets to cultural or sporting events
  - clothing allowances not related to health and safety or special job requirements
  - access to private health clinics – medical services outside those provided by the provincial health care system or by the employer’s group insured benefit plans
  - professional advisory services for personal matters, such as tax or estate planning
2. Perquisites that are not related to business requirements are not allowed.
3. Only the Executive Director may approve a perquisite.
4. When approval is given it must be documented in writing. The documentation must include the description of the “perk” and the reason why it was required for the effective performance of the position. This approval must be disclosed to the board at the next available meeting and then stored in the agencies central files for any possible follow up that may be required by the auditor or the Ministry.
5. The perquisite is allowable only in limited and exceptional circumstances where it is demonstrated to be a business-related requirement for the effective performance of an individual’s job.
6. A summary of any approved perquisites will be posted on our agency website for public viewing every April after our fiscal year end. Personal identification of recipient will not be disclosed to respect the privacy of the individual. Just the nature of the perquisite will be disclosed.



### **Section 3: INTERNAL ACCOUNTING PROCEDURES**

This manual has been prepared to document the internal accounting procedures for York Support Services Network (YSSN). Its purpose is to ensure that assets are safeguarded, that financial statements are in conformity with generally accepted accounting principles, that York Support Services Network is in compliance with the Broader Public Sector Expense Directives and that finances are managed with responsible stewardship and within the Guidelines set out by Ministry of Health, Ministry of Community and Social Service, Ministry of Children and Youth and other governing Ministries.

All personnel with a role in the management of York Support Service Network fiscal operations are expected to uphold the policies in this manual. It is the intention of York Support Service Network that this accounting manual serves as our commitment to proper, accurate financial management and reporting.

*Created 11/26/2009*

## **1. DIVISION OF DUTIES AND RESPONSIBILITIES**

The following is a list of personnel who have responsibilities within the accounting department:

### **Executive Director:**

1. Reviews and approves all financial reports.
2. Prepares budget proposal and other written material for all Ministry reporting.
3. Reviews and approves annual budget.
4. Reviews cheques which require his or her signature.
7. Reviews and approves all agency contracts.
8. Reviews and approves all goods and services that will exceed \$25,000.
9. Meet with auditor to discuss the management letter and any internal audit controls that need to be improved.

### **Director of Finance and Operations:**

1. Adhere to the agency policy and ensure that others adhere to the policy as well.
2. Approves all vouchers, invoices.
3. Authorizes cheques under \$25,000.
4. Reviews and approves the payroll summary for the correct payee, hours worked and cheque amounts.
5. Develops and manages the annual budgets with approval of the Executive Director.
6. Creates all financial reports including agency forecasts for Senior Management and the Board of Directors.
7. Creates all Ministry financial reporting including MIS and Trial balance submissions.
8. Reviews and approves list of pending check disbursements.
9. Authorizes all interfund transfers.
10. Reviews all bank reconciliations.
11. Reviews and approves all financial contracts (i.e. ISA's, Purchase of service, supplier contracts etc.)
12. Manages the assets accounts.
13. Represents the agency in all banking matters including investments.
14. Develops and maintains effective internal control structures that preserve the integrity of the accounting department.
15. Meet with auditor and provide all background information and data for the fiscal audit.
16. Ensure fair and equitable treatment of all staff when approving exceptions or exemptions to agency policy.
17. Delegates approval authority to appropriate levels within the organization and within the parameters of the policy (i.e. admin supports re supplies, Account Clerk 1 re mileage etc.) except with regards to exceptions and exemptions.
18. Discuss with Supervisors/Managers/ Directors any delays or missed deadlines that are occurring by their staffs that are not justified.
19. Message to Management any surplus available so calls for surplus spending may take place.

### **Supervisor(Accounts payable/receivable):**

1. Processes all cash receipts and disbursements.
2. Preparing and delivering bank deposits
3. Double checks all reimbursement requests against receipts provided.
4. Ensures that all submissions of expenses adhere to agency policy and are accurately entered.
5. Reports to the staff any corrections or inadmissible claims immediately.
6. Approves and processes payables into accounting system.
7. Manages the petty cash fund.
8. Prepare monthly expenditure reports (supplies, training, etc.)
9. Analyzing and balancing Community Pressures financial spread sheets.
10. Provides backup for Maintaining agency technology inventory financial reports
11. Provides the Director of Finance and Operations with a list of staff that has missed deadlines.
12. Reports to Director or Finance and Operations and immediate Supervisor of any staff expense claims that have been refused because it does not adhere to agency policy.
13. Creates all Ministry of Health and LHIN reporting. Obtains approval by Director of Finance and Operations prior to submission.

### **Supervisor(payroll and Staff expenses):**

1. First approval of bi weekly payroll.
2. Processes payroll JE and tax returns.
3. Processes all payroll summary reports including vacation accruals.
4. Ensures that all submissions of timesheets adhere to agency policy and are accurately entered.
5. Processes all payrolls related reporting (i.e. benefits, RRSP, WSIB etc.)
6. Maintains and reconciles the general ledger monthly.
7. Prepares bank reconciliations
8. Creates MCSS and MCYS reporting. Obtains approval from Director of Finance and Operations prior to submission.
9. Provides the Finance and Operations Manager with a list of staff that has missed deadlines.
10. Responsible for the processing of staff reports and develops mileage summary.

### **Payroll/General Payable Clerk**

1. Processes payroll ensuring the timesheet schedule is correct.
2. Trains Supervisors on scheduling.
3. Adds new staff, makes changes to payroll (with the exception of changes to self )
4. Processes staff expense reports and notifies supervisor of refused items immediately.
5. Provides summary of staff who have not filled our expenses appropriately to Supervisor.
6. Processes general Accounting cheques (ie phone, utilities, supplies etc).

### **Passport/TPA/Community Pressures Payable Clerk**

1. Processes all client related payables.
2. Enters onto Web tracker and MS Dynamix detailed information of all client payables.
3. Maintains documentation for client payables.
4. Provides data for the ISA development to Finance Admin.

### **Finance Admin**

1. Developing, processing and tracking Individualized Service Agreements (ISA's) for clients who have been allocated funding
2. Receives, Date stamps and opens all financial incoming mail.
3. Ensures all receipts are received for client payables and runs tape.

### **Administrative Assistant/Receptionist:**

1. Mails all checks for payments.
3. Monitors and reports all office supplies and approves supplies under \$500 limit.
4. Tracks local office petty cash, photocopies and postage.

### **Managers/Supervisors/Approving authority:**

1. Ensure the principles and mandatory requirements contained in this policy manual are adhered to.
2. Accountability for monitoring approved departmental budgets in both quarter end and surplus spending decisions and fiscal training budgets.
3. Providing Director of Finance and Operations with statistical information for MIS reporting.
4. Acts as project leads and manages the project budget and develops Purchase of Service contracts with regards to Consultants and other external hires.
5. Discuss with the Director of Finance and Operations prior to approving any policy exceptions, which in their judgment, there exists a legitimate reason for doing so.
6. When unclear of processes seek clarification from Director of Finance and Operations prior to taking action.
7. Authorize all meeting expenses, mileage, etc. in a timely manner so as not to delay payment of expenses for staff. Expense reports forwarded to Payroll/General Payables clerk by the 6<sup>th</sup> of the month following the month end.
8. Complete their scheduler on time with no delays.
9. Contact the Director of Finance and Operations prior to deadlines to discuss delays in submission if you foresee a missed deadline.

### **All Employees**

1. Staff has an obligation to inform themselves of this policy and to seek clarification from their supervisor as needed. They must make every effort to adhere to this policy
2. Staff are encouraged to consider alternatives to travel such as teleconferencing or arranging smart board meetings.
3. Obtain written permission in advance by using the appropriate professional development form.
4. Call to book their own training and conference and reserve a space prior to forwarding the professional development form on to Finance for payment
5. Request and accept the lowest fare practicable.

6. Arrange for use of the corporate charge card for payment of conference, training, travel, accommodation and other related expenses through either the Director of Finance and Operations or the Executive Director.
7. Provide their supervisor with a copy of a travel itinerary and notify their supervisor of any changes so that travelers may be contacted in case of emergency.
8. In the event of cancellation of travel or training course, notify the Director of Finance and Operations no later than two days prior to the appointed flight and/or hotel stay. In the case of cancellation of flight a doctor's note for illness is required in order for cancellation insurance to take effect. If a conference/training is paid for and cannot be cancelled and it is not for medical reasons then penalties incurred for non-cancellation of guaranteed hotel or airfare etc. will be the employee's responsibility and will be reimbursed by agency only in exceptional circumstances. If the staff can find an alternate staff member to attend on their behalf at no additional cost this solution is advised.
9. Submit all expenses in a summary format with receipts and no later than the end of the month the event took place in.
10. Provide changes to schedule related to illness etc. to Supervisor immediately after the time off occurs.
11. Follow applicable conflict of interest rules.

### **Designated Board Members**

(Currently the Chair, Vice Chair, and Treasurer)

1. Check signing authority on all York Support Service network accounts.
2. Authorizes cheques in excess of \$25,000, except pre-approved expenditures (such as payroll).
3. Reviews cheque register and authorizes all staff expenses between \$1,000 and \$25,000 and all other expenditures between \$10,000 and \$25,000.

## 2. CASH RECEIPTS PROCEDURES

The Administrative Assistants receive all incoming mail. She stamps the envelope with the date of receipt and puts the cheques in the interoffice mail for the Supervisor of Payables. If any staff has any cash to return from advances they either hand deliver to the Finance Dept. or report surplus and have the Supervisor reduce their mileage expense by amount owing after all receipts are received as proof.

All cheques/cash received by the Payables Supervisor should be recorded in a cash receipts journal which states the payer, account to be allocated and the amount. The cheque is stamped "for deposit only" and then placed in the pending file until ready for deposit. Deposits are done at least once per month.

The Payables Supervisor prepares a deposit slip and deposits the funds into the chequing account. The validated deposit slip should be attached to the deposit book and the cash receipt number entered onto the cash receipts journal then filed. The Supervisor should make a copy of each cheque received and file with the matching cash receipts journal. All cash receipts journals and filed according to month received.

A deposit not forwarded or mailed to the bank should be locked in the accounting department office. The Supervisor should make a copy of each cheque received and file with the matching cash receipts journal.

The Director of Finance and Operations reviews the cash receipt journal and posts to the General Ledger when approved.

Where appropriate - as in reimbursement of Ministry funds - the Director of Financial and Operation should notify the Executive Director of the status of the Ministry funds that are direct deposit.

When funds are credited to York Support Service Network account, the bank should be reconciled at month end by Supervisor of Payroll to ensure that all deposits have been recorded in the bank statement.

### **Inter-Fund Transfers:**

The Director of Finance and Operations will request an account transfer of funds. This request will be completed online by the Director of Finance and Operations who should notify the Executive Director so that he/she can sign off on transfer.

The director of Finance and Operations should monitor the balance in the chequing account, and determine if there are adequate funds to pay the daily expenses.

### **3. CASH DISBURSEMENTS PROCEDURES**

1. Incoming invoices will be received locally and date stamped by the Administrative Assistant. They will match their copy of the purchase order with the invoice. On the purchase order they will name the staff person responsible for ordering the product or service. Then they will pass onto the Account clerk 1 for processing via interoffice mail or courier.
2. The Account Clerk 1 is responsible will check the validity of the invoice against purchase orders, proposals/bids, etc. and work accomplished/delivered and prepare a cheque requisition prior to disbursement. He will review mileage reports and other expenses to ensure they follow agency Financial Policies. The requisition should include the account codes to which the expense will be applied and authorization by appropriate person (i.e. supervisor or passport admin support, etc.).
3. The Account Clerk 1 is responsible for the preparation of disbursements. All disbursements are to be made by cheque unless the item is considered a petty cash item or a US money order.
4. After inputting all the cheque requests, the Account Clerk 1 will prepare a master list of all cheques to be paid for approval by Finance and Operations Manager. If there are any questions or concerns about the amounts, the Finance & Operations Manager should provide necessary information prior to running any disbursements. If there are any items removed from the batch, the totals on the payment summary should be reprinted and sent to Finance & Operations Manager for final approval. The corrected form should be initialed and dated by the Finance & Operations Manager.
5. Once approval has been received, the Account Clerk 1 should print the cheques from the computer system. The cheques should be matched to the supporting documentation and on the cheque requisition the cheque number should be entered and initialed by Account Clerk 1. The cheques and the cheque requisition along with the attached invoice, and other supporting documentation, being paid shall be submitted to the Finance & Operations Manager for signatures. A check register should be run and should accompany the documentation.
6. While the Finance and Operations Manager signs each cheque, he/she should double check the cheque requisition and initial. This approval is to ensure the account and grant/project is charged to the correct expense and line item. All cheques are then forwarded to the Executive Director for second signature. Any cheques made to pay invoices in excess of \$25,000 must be signed by the Executive Director and one of the Board of Directors authorized for signature.
7. After the checks have been signed, a Board of Director authorized for signature will review the cheque requisition and initial any staff expenses over \$1,000 and other cheques that are between \$10,000 and \$25,000.

8. All checks will be mailed as soon as this process is completed. The Account Clerk 1 will place cheque and required documentation into an envelope and hand deliver to the Admin Assistant for Mailing. The Admin Assistant will document the number of cheques she processes and mails and report the number to the Account Clerk for confirmation.
9. Supporting documentation should be filed by the Account Clerk 1 in appropriate vendor files.
10. The Finance Department will utilize the paid invoice files to respond to any discrepancies which arise with vendors or other payees.
11. The Finance & Operations Manager runs an aging accounts payable, which is generated by the accounting software. A total of the aged accounts will be sent to Accounting Clerk 1 for tracking and follow up.
12. Once monthly, the finance & Operations Manager will print out the Bank Statement for review by the Account Clerk 1 to ensure that direct deposits and withdrawals (i.e. payroll) have been correctly entered prior to passing the Bank statement to Accounts Clerk 2 for reconciling.



## 4. RECONCILIATION

### **Cash Flow:**

The Finance & Operations Manager tries to maintain a minimum of ten percent (10%) of the operating budget between its operating and savings bank accounts at all times. In the event that balances fall below that amount the Executive Director is informed and the request to use the revolving loan is submitted to the Board of Directors.

### **Bank Reconciliations:**

1. Bank statements are to be downloaded from the internet by the Finance & Operations Manager and passed onto Account Clerk 1. The receiving party should review the contents for inconsistent check numbers, signatures, cash balances and payees and endorsements at a minimum. After this cursory review is conducted, the Account Clerk 2 is given the statement to reconcile the bank accounts using the approved reconciliation form.
2. The Account Clerk 2 should reconcile each account promptly upon receipt of the bank statements. All accounts will be reconciled no later than 7 days after receipt of the monthly bank statements. In the event it is not possible to reconcile the bank statements in this period of time, the Finance & Operations Manager should be notified by a written memo from the Account Clerk 2.
3. When reconciling the bank accounts, the following items should be included in the procedures:
  - a. A comparison of amounts of daily deposits as shown on the bank statements with the general ledger bank accounts.
  - b. A comparison of inter-organization bank transfers to be certain that both sides of the transactions have been recorded on the books.
  - c. An investigation of items rejected by the bank, i.e., returned checks or deposits.
  - d. A comparison of money orders amounts.
  - e. A comparison of canceled checks with the disbursement journal as to check number, payee and amount.
  - f. An accounting for the sequence of checks both from month to month and within a month.
  - g. A comparison of any direct deposits or withdrawals on both the bank statement and general ledger.
  - h. A review and proper mutilation of void check.
  - i. Investigate and write off checks which have been outstanding for more than six months.
4. The Account Clerk 2 upon completion of bank reconciliations prepares any general ledger adjustments.

5. Completed bank reconciliations and general ledger adjustments are sent to the Finance and Operations Manager. Once approved the Finance and Operations manager will post the required Journal entries and move the finalized bank reconciliations to a restricted area for audit review.

### **Reconciliations of Other General Ledger Accounts:**

1. **Balance Sheet analysis** -Each month the Finance and Operations Manager should review the ending balance shown on balance sheet accounts such as the cash accounts, accounts receivable, accounts payable and deferred revenue. An analysis will be created to ensure each account is balanced correctly and any outstanding entries are completed.
2. **Assets** - These accounts will include cash, petty cash, prepaids, suspense, and intangible assets.
  - a. Cash - The balances in cash accounts should agree with the balances shown on the bank reconciliations for each month.
  - b. Petty Cash - The balance in this account should always equal the maximum amount of all petty cash funds.
  - c. Prepaids - The amounts in these accounts should equal advance payments paid to vendors at the end of the accounting period. Included in this amount are prepaid rents and group benefits.
  - d. Staff Suspense Account – The amount remaining in this account must equal amounts owing to YSSN from staff.
3. **Liabilities** - These accounts are described as accounts payable, payroll tax liabilities, grants payable, and amounts due to others.
  - a. Accounts Payable - The balance in this account should equal amounts owed to vendors at the end of the accounting period and the aging report.
  - b. Payroll Tax Liabilities - The amounts in these accounts should equal amounts withheld from employee paychecks as well as the employer's portion of the expense for the period that has not been remitted to the government authorities.
  - c. Grants & Due to Others - If there are any amounts owed to others at the end of the period they should be recorded and the correct balance maintained in the general ledger accounts.
4. **Income/Expenses** - These accounts are described as income from membership, contributions, publications, and other expense line items such as salaries, consulting fees, etc.
  - o Income - The amounts charged to the various cash accounts should be reconciled with funding requests, funders reports, draw down schedules, etc.
  - o Gross Salary Accounts - The balances in the gross salary accounts should be added together and reconciled with the amounts reported on quarterly payroll returns.

- Consulting - The amounts charged should be reconciled to the contracts.
  - the Account Clerk 1 shall Analyze and report on the balances within the Supplies, Mileage and training accounts and create a report for the management team to monitor.
5. **Reserve Fund** – A fund was created to cover board liability in case of a program closure. From this account the Board has approved the use of funds for staff appreciation party, accreditation, and special awards or training that are not approved by Ministry. Also found in the reserve is the client development Fund.
- Specific gifts – the Finance and Operations Manager analysis the funds remaining within these accounts and ensures that the funds are flowed to the specific staff it is assigned. General donations are used to offset any donations.
  - Non Specific donations - The general donations are kept in the general file to cover any fiscal agency client donations. At the end of the donated year it is moved to the client development fund for future years use.
  - client development fund – General donations and any fundraising is put into the client development fund for client expenses. The Finance Manager at the beginning of each year gives the fundraising Committee with an opening balance of the account. The committee is permitted to assign 20% of total funds each year to provide support to clients in emergency situations that are not covered elsewhere. The committee approves use of this fund after receiving a submission for either a grant or loan from a caseworker on behalf of a client. The committee ensures that there has been an attempt to receive funding elsewhere before it can even be considered here. The committee determines based on the need if the client should receive a grant or loan. Then they submit a formal written request to the Executive Director for use of the funds. The Executive Director approves the request. If the request is a loan the Account clerk 1 sets up a contract to be signed by the client regarding repayment process. Postdated cheques are required prior to receiving funds. Please note: if the client is listed on our hotlist the client is refused a loan based on past history of failure to pay back. If this occurs the committee can resubmit the request through the same process requesting a grant.
  - Monthly the Account Clerk 1 will provide an up to date analysis to the committee to keep them aware of the funds available.
  - Interest – Interest from the investment of the reserve fund is put into the reserve growth. Interest on Ministry funds is put into operating revenue to offset bank charges and operating expenses.
  - Other income and expenses – Funds received that are not donations or recoveries of Ministry operating dollars are put in here to offset and expenses not approved through Ministries (i.e. staff appreciation party, awards, accreditation etc.).

## 5. PURCHASES

### **To Prompt a Purchase:**

1. When the normal cash disbursement procedure of invoice, etc., is not appropriate, (i.e., postage, petty cash, etc.) a cheque request should be completed and forwarded with any order form or other documentation to the Account clerk 1 for approval. If the cheque is made out to either the Finance and Operations Manager or the Executive, that individual cannot approve the check request voucher.
2. Cheque requests should be sent to the Account Clerk 1 for payment.
3. In the absence of backup materials, approval of payment must come from the Finance and Operations Manager. Delayed receipts for the purchase must be provided to the Finance and Operations Manager for attachment to the cheque request within two weeks from the cheque date.

### **Credit Card Purchases:**

1. Only the Finance and Operations Manager and Executive Director carry corporate credit cards in his or her name. The purchase of airline tickets and other authorized business expenditures may be made by the Executive Assistant, on behalf of the Executive Director, using the corporate credit card. In every case of credit card usage, the individual charging a York Support Service account will be held personally responsible in the event that the charge is deemed personal or unauthorized.
2. Authorized uses of the credit card include:
  - a. Airline or rail tickets (at coach class or lower rates) for properly authorized business trips.
  - b. Lodging and meal charges that do not exceed the authorized reimbursement rate for persons traveling on official York Support business
  - c. Car rental charges (for mid-size or smaller vehicles) for properly authorized business trips
  - d. Properly authorized expenditures for which a credit card is the only allowed method of payment (such as monthly internet access)
  - e. Business telephone calls
3. Receipts should be compiled and submitted with an expense report on a weekly basis.
4. Unauthorized use of the credit card includes:
  - a. Personal or non-business expenditures of any kind.
  - b. Expenditures which have not been properly authorized.
  - c. Meals, entertainment, gifts or other expenditures which are prohibited by:
    - York Support Service budget and/or policies
    - Federal, provincial or local laws or regulations
    - Grant conditions or policies of the Ministries from which York Support Services receives funds.

- d. Use of the business credit cards over the internet.

**Proper Documentation for all Purchases, including Credit Card Purchases:**

Every instance of credit card or other purchase use must be documented with appropriate authorizations, receipts, what individuals paid for, nature of business, etc. before the expense will be considered authorized and will be approved for reimbursement. See details below.

- A. Lodging - Provide an itemized receipt from the hotel detailing every charge and the name of the person(s) for whom lodging was provided.
- B. Meals/Entertainment - Provide a receipt showing separately the cost for food/beverage and gratuities, and including the names of every person for whom food or beverage was provided and the specific business purpose which was furthered by the expenditure. (For example, A Luncheon Meeting with Nancy Neville, Executive director of the Des Moines Economic Corporation, and Reginald Burke, executive director of the Housing Partnership, to finalize the speakers and program for the November 10-12, 1996 annual conference to be held in Toronto)
- C. Other Expenditures - A receipt from the vendor detailing every individual good or service purchased, accompanied by an explanation of the specific business purpose. (For example; A Round trip coach flight from Toronto to Calgary for a Police Conference)

The Account Clerk 1 will double check all reimbursement requests against receipts provided and run a calculator tape which will be attached to the reimbursement form. He/she will ensure that all expenses are approved and do not exceed the maximum for allowable expenses.

**Capital Expenditures:**

For all major expenditures such as computers, furniture, audit services, consultant services, etc., Senior Management must first approve. Any annual amount exceeding \$5,000 must have three quotes provided or the Executive Director must forward to the Ministries a reason for the three quotes being unavailable. All quotes, including phone quotes, must be recorded and kept on file.

**Purchase of Service Contracts and Individual Service Agreements:**

Contracts with consultants and outside support will include rate and schedule of pay, deliverables, time frame, and other information such as work plan, etc. Justification for any unique payments should be submitted to file. For example, if York Support hired a writer to create a publication, a copy of the final version should be included in the file.

**Misc. Contracts:**

Contracts for purchasing products or services, similar to a purchase order, should be created and maintained for the file whenever appropriate. All contracts to exceed \$10,000 over the course of the year should be approved by the Senior Management team and approval should be disclosed in Senior Management minutes prior to entering into the contract.

### **Personal Purchases**

1. The York Support Services postage meter can be used for personal mailings if the document being mailed is submitted clearly marked “personal” to the admin staff in charge of postage.
2. Staff may use the Purolator service provided they indicate that the mailing is personal and reimburse York Support Services at the time the appropriate invoice is paid.
3. Personal telephone charges may be made on agency phones. Long distance costs entered on staff personal long distance code will be monitored. If costs related to long distance become high or exceed the agency monthly minute limitation staff will be asked to reimburse personal charges. All out of Country long distance is automatically charged as personal unless previously approved as business.
4. No salary advances will be made under any circumstances without the consent of the Board of Directors.

## **6. SUPPLIES**

### **6.1 Office and General Supplies**

All supplies are managed by a designated local Administrative Support staff.

1. No other Administrative or Program staff should purchase supplies prior to confirming approval with the designated Administrative Support staff for your office.
2. Administrative Supports can purchase any office/general supply under \$500 provided that they maintain their expenses not to exceed their supply budget.
3. Any purchases above \$500 must be approved on agency wish list or brought back to Senior Management for approval prior to purchase.
4. Administrative Supports managing petty cash must follow the policies under the next section titled “petty cash”. They must ensure the right authorities have been received prior to distributing cash.
5. No food costs other than approved emergency meeting supplies are to be taken from the local petty cash. The finance has an emergency petty cash for any supplies processed not on the above list that need to be purchased immediately.
6. Local Admin staff may approve orders for day to day office supplies (pens, papers etc.) however any general supplies (e.g., lamps, small office furniture etc.) must be discussed with the Finance and Operations Manager prior to ordering to ensure fair and equitable treatment of staff. As well as to ensure the Facilities are capable of the additional power usage.

### **6.2 Computer Supply Budget**

1. Due to the restrictions on allowable software and hardware to be installed onto agency computers all software/hardware must be approved through the Systems Administrator prior to purchasing. This is to ensure that it is a legal copy, compatible with our equipment and is an approved computer costs.
2. The agency supplies basic equipment and tools needed to perform your duties should you wish to upgrade your equipment (i.e. mouse, keyboard, router etc.) you will be permitted to do so at your own cost provided the request for equipment is compatible and does not conflict with our current hardware and security.

### 6.3 Furniture and Equipment

Furniture items (desks, chairs, filing cabinets, computer equipment etc.) must be approved by senior management prior to purchasing. This is usually submitted through agency wish list.

1. Furniture and Equipment will be covered by the agency when it is necessary and beneficial to the agency and not just a preference of the staff member.
2. Request for Furniture replacement (i.e. chairs etc.) must be put through the Administrative Support staff for review prior to putting on wish list. Administrative Support staff must confirm that the current furniture is beyond repair prior to approving the request for new furniture.
3. If ergonomically correct furniture is being requested due to health reasons then a doctor's note must be provided. York Support Services will try to accommodate health requests whenever possible but if budget make this impossible then the request will be put at top of agency wish list.
4. If request is approved for furniture you must go through your local Administrative Support to place order. The Finance and Operations Manager will have informed the Administrative support of the approved wish list budget for all items being purchased. Administrative Support staff should not purchase any Furniture and Equipment without receiving prior approval from the Finance and Operations Manager because this means it has not been approved by Senior Management team.
5. York Support is now moving to working stations and so will be selecting staff desks and cabinets. However if the staff wish to select a replacement chair or additional cabinet please be aware that your selection must be within budget below and must still advise the Administrative Support staff of where to purchase.

Chair - \$240

Filing Cabinets - \$500 for lateral 4 drawers



## 7. PETTY CASH FUND

- ❖ The office petty cash funds are for office supplies and client travel only and the total balance should never exceed \$250.00. The admin staff of each office is the custodian of this fund. The approved expenses that can come from this fund are;
  - 1) milk, creamers and other minor kitchen supplies
  - 2) approved meeting costs (see policy on agency food)
  - 3) Approved janitorial performed by clients
  - 4) Stamps for SSRU to go on their return envelopes
- ❖ The Crisis bed petty cash is at \$500.00 to cover food and supply costs specifically related to the crisis beds. The custodian of this petty cash is the Crisis supervisor designated to supervise the beds.
- ❖ The facilities petty cash is \$250.00 and the custodian is the Facilities support. Purchases from this fund are for small maintenance costs (i.e. light bulbs, washers, etc.) that do not warrant a cheque.
- ❖ The emergency petty cash is in the finance department and covers cash only purchases that do not meet the previous petty cash criteria. The amount of the emergency petty cash is \$500.00 and the custodian is the Account Clerk 1.
- ❖ Wherever possible funds should be requested by cheque. Office Petty cash use is for quick turnaround only. A single disbursement from petty cash shall never exceed \$25.00 (crisis bed and facilities excluded) anything higher must come out of the emergency fund in Finance.
- ❖ Custodians of the petty cash funds are personally responsible for ensuring they are secure and balanced appropriately. Any funds missing will be replenished by the custodian at their own cost unless exceptional circumstances occur.
- ❖ The Finance and Operations Manager is the sole signatory for approval on all petty cash. He/she ensures the criteria for each petty cash is met.
- ❖ The normal process for petty cash is for the custodian to reimburse a staff member upon receiving a receipt for supplies etc. However if staff wish to take an advance of money and bring back a receipt have them sign a petty cash chit so they take responsibility for the money if the receipt is lost. No advance should be given to anyone other than an YSSN staff member. This allows YSSN to reclaim any unallocated amount through payroll.
- ❖ Please note re client travel, a receipt is required for this item. We will accept a maximum of \$20 per year in non-receipted travel costs as long as the client has signed off on a chit acknowledging that they received this amount for travel cost.
- ❖ The recipient of the petty cash funds must sign the chit to indicate receipt of the funds. The paid receipt should be attached to the signed chit. All paid information should remain in the locked petty cash box until it is time to replenish the fund. At that time, the Petty Cash Fund Reimbursement form should be submitted along with the signed chit and associated receipts.

- ❖ The petty cash fund shall be operated on an impress basis. This means that when it is time to replenish the petty cash fund, the custodian shall total out the expenses made and identify those expenses by description and program code and submit on a petty cash reimbursement form. When the cheque request is submitted for payment it should indicate the total amount needed to bring the fund back up to \$100.00.
- ❖ With the exception of the crisis bed petty cash all other petty cash boxes are to be locked at all times when the custodian is not disbursing or replenishing the fund. The locked petty cash box is to be kept in the locked file cabinets within the custodian's office.
- ❖ The crisis bed petty cash is required to be available to the night shift for any crisis bed needs. To do this one staff member per shift takes the responsibility of the petty cash. During a shift change the current staff member must balance the petty cash and sign off in front of the staff replacing their shift to ensure both agree the petty cash balances.
- ❖ At least once annually, the Account Clerk 1 or the Finance and Operations Manager should conduct a surprise review of the fund. When this is done, he/she should count, while the custodian is in attendance, the total monies on hand and the total amount of receipts in the petty cash box. The two amounts should equal exactly the original petty cash balance. Any discrepancies should be discussed and resolved immediately.
- ❖ It is a policy of York Support Services not to cash cheques of any kind through the petty cash fund.
- ❖ At year end custodian sign off is required stating you have the full cash amount of your petty cash as of April. All receipts must be submitted for payment by March end to ensure you may do this.
- ❖ From time to time a fiscal or "onetime petty cash" will be approved for a special project. Individuals responsible for this fund must return the money and receipts balancing to original total given by March 31. Any non-receipted items will not be accepted and the individual is personally responsible for replacing the cash to balance.

## 8. CASH ADVANCES

1. The agency prefers to pay out on invoices made directly to companies or agencies providing services. On rare occasions YSSN provides staff with cash advances. An example of this is when going out of town for training and the out of pocket expense will be high. Or when staff arrange a retreat or training that requires you to purchase supplies by cash.
2. The expectation of the agency is that staff will place a request in writing for the cash advance two weeks prior to it being needed. A request for an advance cannot be more than \$500.
3. Upon completion of the meeting or training etc. you will provide the finance department with all receipts plus any cash refund within one week of purchasing the items. *Please remember to be reimbursed for any expenses you must have original cashier receipts with name of store it was purchased in and detail of purchase (visa and debit chits without detail will not be accepted).* Effective October 2004 supervisors can no longer sign off on missing receipts and if lost the expense will become the staffs. The exception to this rule is public parking at places where direct change is required and no receipt is provided.  
  
Should staff fail to provide receipts within the one week turnaround, they shall have the full advance deducted on their next expense report or paycheque.
4. All limits laid out in this policy manual in other sections (in particular the Travel, Meal and Hospitality Expenses) must be adhered to.
5. When reimbursing the finance department cash from an advance staff are expected to hand deliver any cash OR submit receipts and have the cash deducted of their next expense report/ paycheque.

## **9. FIXED ASSET MANAGEMENT**

1. A permanent inventory or database is to be maintained by the Account Clerk 1 for furniture and the Systems Administrator for Computer and other technological equipment.
2. The log should contain the following information:
  - A. date of purchase
  - B. description of item purchased
  - C. cost or fair market value on the date receipt
  - D. donor or funding source, if applicable
  - E. funding source restrictions on use or disposition
  - F. identification/serial number (if appropriate)
  - G. vendor name and address
  - H. inventory tag number (all fixed assets should be tagged with a unique identifying number)
  - I. number of the York Support Services cheque used to pay for the equipment
3. At least annually, a physical inspection and inventory should be taken of all York Support Services fixed assets. Adjustments for dispositions should be made.
4. The Finance and Operations Manager should be informed, in writing, via an interoffice memorandum of any requests for movement or disposal or other material changes in the status of property and equipment. This should include changes in location, sale of, scrapping of and/or obsolescence of items.
5. All capital items which have a cost greater than \$5,000.00 will be capitalized and depreciated.

## **10 PAYROLL**

### **Personnel:**

1. The Account Clerk 2 is charged with the responsibility of maintaining payroll files while the Human Resource Coordinator is charged with maintaining personnel files on all staff persons.
2. Payroll files should contain the following information, at a minimum.
  - A. date of employment
  - B. change form
  - C. position, pay rates and changes therein
  - D. Payroll deduction forms both federal and provincial.
  - E. authorization of direct deposits.
  - F. earnings records for non-active employees
  - G. authorization forms required or signature of staff withholding authorization
  - H. termination data, when applicable
  - I. Timesheet records and any payroll submission records.
3. All payroll records are to be kept locked in a locking file cabinet in the Human Resource Department. Access to these files other than by the account Clerks, Human Resource Coordinator, Finance and Operations Manager, the Executive Director or the auditor should be requested in writing to the Human Resource Coordinator.

### **Payroll Preparation and Timekeeping:**

1. Timesheets are to be prepared by all staff persons and submitted semi-monthly on the 15th and last day of each month. Time management should be input on a daily basis and submitted to your supervisor for authorization on the next business day following the 15<sup>th</sup> or last day of the month. Supervisors are given a schedule at the beginning of each year as to when they must have the timesheets submitted to the payroll Account Clerk 2.
2. Timesheets are to include specific time spent that is not regular worked hours. Training hours should be listed under other and explanation put in description section. If you cannot find the type of work/time off hours in the drop down then please enter them as other with an explanation.
3. Timesheets are to be signed by the staff person and his/her supervisor. If timeline for submission is tight you may email to your supervisor and have the supervisor email to the payroll dept. But your supervisor must put in writing in email their approval of the timesheet and be specific. Supervisors forward the email on so that the email has an audit trail of it coming from staff to you and then from you to payroll.
4. All approved timesheets should be submitted to the Account Clerk 2, who will verify the hours worked against his/her record.

5. The Account Clerk 2 should then process the time and report the information to the ADP payroll. The information reported should include:
  - A. hours worked, by function center
  - B. changes in pay rates or employment status
  - C. vacation, sick or personal hours used and earned
  - D. any employee suspense deductions.
6. The Human Resource Coordinator should review the payroll summary page of the payroll service report for inappropriate payees or unusual hours prior to it being sent out. After the payroll report is returned both the Human Resource Coordinator and Finance Manager must sign off on the payroll.
7. Paycheques should be distributed by the Account Clerk 2 on the designated day after the end of the pay period according to a prearranged schedule distributed by the Account Clerk 2. In the event that a paycheque will be picked up by a designated person other than the staff person, a memo should be received in writing from the staff person and proper identification should be requested from the party picking up the pay cheque.
8. As an employee benefit, York Support Services offers cost free direct deposit through the employee's own financial institution. Through direct deposit, payroll is deposited as cash into the employee's account on payday.

## **11 FINANCIAL REPORTING**

### **Monthly Reports:**

Monthly statements should be reviewed by senior management prior to distribution to the Finance and Audit Committee. The monthly statements will be finalized by the conclusion of the month following the statement period.

The Finance and Operations Manager should prepare a set of monthly financial forecasts for distribution to the Finance and Audit Committee. The reports should include a projected consolidated income and expense report which shows all programs combined.

In addition quarterly reports for the periods (June, September, December, and March) will be submitted to the full board for their review and acceptance at the meeting held by the end of the following month. Financial reports should include a consolidated balance sheet and consolidated income and expense report which show all departments combined; a budget-to-actual report for all accounts included in the annual operating budget and the forecast to year end.

### **Year-End Report/Audit:**

At fiscal year-end an Audit report should be prepared summarizing the total income and expense activity for the year. A balance sheet should be prepared as of March 31 and should be attached to the income and expense report. This report will be initially reviewed by the Executive Director, and then by the Finance and Audit, prior to distribution at the yearend meeting. The auditing process will begin on or about May 1.

At the Annual General meeting approval for employment of an independent auditor to conduct this review will be accepted between.

## **11 GRANT COMPLIANCE**

1. When a new grant is received or renewed, a copy of the executed grant must be forwarded to the Finance and Operations Manager. The original documents will be kept in the central files within the Executive Assistants office.
2. The Finance and Operation Manager should set up a permanent file for the grant and maintain the contract along with any other financial correspondence regarding the grant.
3. It is the responsibility of the Finance and Operations Manager to review the grant contract and extract any fiscal items which must be complied with by York Support Services. Typically, for government grants, reference will be made to various finance publications put out by the controlling board of the Ministries to which York Support Services is responsible for adhering.
4. It is a policy of York Support Services to adhere to any restrictions imposed by its funders, both governmental and private. Therefore, York Support Services employees are expected to bring to the attention of management, any instances of non-compliance.
5. When York Support Services is expending Ministry funds, prior written approval from the funder agency is required for the purchase of:
  - a. Capital expenditures for land or buildings
  - b. Capital expenditures for furniture and equipment over \$5,000
  - c. Funds transferred from Compensation to Overhead costs
  - d. Insurance and indemnification expenses
  - e. Preaward costs
6. York Support Service will never request Ministry funds to pay for the following costs:
  - a. Bad debt expense
  - b. Contingencies
  - c. Contributions or donations to others
  - d. Entertainment expenses
  - e. Fines and penalties
  - f. Fundraising and other financial costs not approved as Operating costs by Ministry.
7. Ministry funds received in advance will be deposited into an insured bank account. Any interest earned from those monies will be submitted to the funder agency.



## **12 SURPLUS SPENDING PROCEDURES**

From time to time the agency experiences a fiscal surplus. When this occurs the Senior Management may put a call out for surplus spending items through supervisors and Administrative Supports.

### **Criteria for surplus spending consideration;**

The following criteria must be met prior to submitting a surplus spending request to Senior Management.

1. The request must still adhere to agencies policies and limitations. This list is not an exception to policy and procedures. No request for an item can exceed current budget dollar restrictions already laid out (see furniture, equipment, food and supply policies for restrictions and limits prior to requesting the item).
2. Items must be beneficial to the agency and not just a staff preference.
3. Items must be one time purchase items only and not ongoing costs
4. Items or projects must be purchased/completed no later than March 31, fiscal year end.

### **Procedure for submitting a request;**

To be considered by Senior the item must be submitted and purchased according to procedure below.

1. Staff should inform their supervisors of items they wish to add after reviewing policies.
2. Supervisors would review list, remove items not adhering to agency policy and that do not meet the criteria laid out above. Once the request is reviewed the final items would be divided into areas of responsibilities and supervisors would submit requests to individuals responsible for pricing then add to surplus spending request list.
3. The following are samples of who supervisor should be submitting items to;
  - Designated Administrative Supports – pricing and purchasing of Supplies and furniture (Admin support will consult with Finance and Operations Manager prior to pricing furniture).
  - Equipment and Software – The Systems Administrator
  - Resource Admin – books, periodicals and other resource materials
  - Program and Regional Admin support – pricing and preparing requests for program training, conferences, consultation. Admin support staff will take current pricing for estimate of any travel and accommodation at time of request.

4. Staff listed above must prepare a formal list with items, pricing, staff name requesting item and reason to Finance and Operations Manager to take to Senior Management. Any items not submitted by given deadline will be held by Finance and Operations Manager to be taken forward when additional surplus is available.

**Procedure of purchasing of items once approved**

The Finance and Operations Manager will contact the administrative staff responsible for each surplus spending list and inform them of what is approved. They will then inform supervisors as to why items are approved/denied. They will proceed with purchasing. Supervisors are expected to note items that were refused on a basis other than financial to ensure the item is discussed at their team and a repeat request is not submitted in future.

### **13 FISCAL POLICY STATEMENT**

1. All cash accounts owned by York Support Service will be held in financial institutions which are insured and have received a favorable rating.
2. All individualized capital expenditures which exceed \$5,000.00 or bulk purchases of furniture or equipment that exceed \$20,000 will be capitalized on the books and records of York Support Services.
3. Employee paycheques and/or personal cheques will not be cashed through the petty cash fund.
4. No salary advances will be made under any circumstances without the consent of the Board of Directors.
5. Travel cash advances will be made with prior approval of a staff supervisor. The total amount will not exceed a reasonable amount to cover food and transportation as set out in agency policy. Receipts for advances must be received within 30 days of cheque processing or the full amount will be deducted from the staff's next paycheque. Reimbursements will be paid upon full expense reporting with attached receipts and within the normal disbursement schedule.
6. Any item whose value exceeds \$10.00 received via donation, will be recorded in the books and records and given a donation receipt for tax purposes.
7. Financial Department personnel are required to take annual vacation which will not interfere with fiscal procedures. Variances to this policy shall be made in special circumstances, with written permission from the Finance and Operations Manager or the Executive Director.
8. It is the policy of York Support Services to reimburse out of pocket expenses only when supporting documentation has been presented for approved costs incurred.
10. It is the policy of York Support Services to establish pay rates which equal or surpass the federal/provincial minimum wage.
11. It is the goal of York Support Services to maintain a minimum of ten percent (10%) of the operating budget between its operating and savings bank accounts at all times. In the event that balances fall below that amount the Executive Director should be notified immediately.
12. All funds received by York Support Services for each project will be segregated into separate project accounts in the general ledger to avoid any possibility of mingling project monies with general operating funds. A full computerized ledger accounting system will be maintained. Monthly financial statements including Balance Sheet and Statement of Revenues and Expenses will be produced for each project as a separate program.

13. The Executive Director and Finance and Operations Manager are signatory of all York Support Services bank accounts. Additional signatory will consist of the Chair, Vice Chair and Treasurer of the Board. Two signatures are required for all disbursements and any disbursements exceeding \$25,000 must be authorized in writing by one of the Board of Directors with signature authority, currently the Chair, Vice-Chair, and Treasurer.
14. Bank statements will be reconciled monthly in order to account for any outstanding or lost cheques.
15. Expense reports will be maintained which will disclose the nature of expenses, and the dates incurred.
16. Separate files will be maintained for each vendor. Files will be kept separately for each fiscal year.
17. The services of a Chartered Accountant will be engaged to prepare a formal financial audit of the fiscal year-end.
18. Correction fluid should never be used in preparing timesheets or any accounting documents. Any manual corrections should show the original entry crossed out with the new entry below the original for tracking purposes.

## **14 ANNUAL MEETING CHECKLIST**

During each annual meeting, the following financial procedures will be performed.

1. The board of directors shall approve new signers to each bank account.
2. As required, new signers shall complete the appropriate signature card and corporate resolutions.
4. Name, address and telephone directory of new Board of Directors officers will be obtained for the Financial and Operations Manager.
5. All financial institutions should be notified of any changes to the authorized signers of the accounts within one month following the annual meeting.
6. A report by the Treasurer and Auditor explaining the previous year audited financial statement to members will occur.
7. The Board of Directors will elect to hire the recommended audit firm to perform the current year's audit.

## **15 COMPUTER SYSTEM BACKUP PROCEDURES**

1. The System Administrator is responsible for backing up the finance data at the close of business each day. The finance system is located on the YSSN server and this will be backed up daily.
2. The System Administrator has an external backup system on a two day rotational procedure.
3. At month end, backup drives should be produced and stored off premises by the System Administrator.
4. Annual financial backup should be compressed and stored on an alternate machine outside of the office or in a fire proof safe.