



WCHFT – Financial Policies

1. GENERAL PURPOSE

The purpose of these policies is to establish guidelines for developing financial goals and objectives, making financial decisions, reporting the financial status of the West Champlain Family Health Team (WCFHT), and managing the WCFHT's funds.

2. FINANCIAL RESPONSIBILITIES

It is the responsibility of the Board of Directors to formulate financial policies and review operations and activities on a periodic basis – quarterly. This responsibility is shared with the WCFHT ED and the Program Administrator.

The WCFHT ED acts as the primary fiscal agent, implementing all financial policies and procedures. The WCFHT ED, with oversight of the Board is responsible for the coordination of the following: Annual budget presentation, selection of the outside auditors, and approving revenue and expenditure objectives in accordance with the Board approved long-term plans.

The Program Administrator with oversight by the Executive Director has the day-to-day operations responsibility for managing WCFHT funds, ensuring the accuracy of the accounting records, internal controls, financial objectives and policies, financial statement preparation, and bank reconciliation review and approval.

The Program Administrator is directly supervised by the Executive Director and is responsible for the preparation of the Chart of Accounts, Reporting Formats, Accounts Payable Processing, Payroll input and Payroll processing, Cash Receipts input, Journal Entries for General Ledger, all reporting as well as Bank Reconciliations.

3. CONFLICT OF INTEREST

Members of the Board of Directors are prohibited from activities that might present conflicts of interest. The powers of directorship may not be used to personally benefit the Director at the corporation's expense. If a Director has a financial interest in a corporate transaction, the Director must fully disclose the interest and abstain from voting. Loans and stipends to Directors are prohibited.

4. BUDGETING PROCESS (The entire Board must approve the budget.)

The WCFHT's ED shall be responsible for presenting to the Board an annual operating budget draft thirty (30) days prior to the end of the fiscal year.

The Board shall review and approve the recommended fiscal year budget revenues, expenditures and cash flow. The budget shall contain revenues and expenses forecasted by month. A chart describing monthly cash flow shall be included.



5. FINANCIAL STATEMENTS

The WCHFT's financial statements shall be prepared on an accrual basis. The Program Administrator shall prepare and present Monthly Financial Statements in a format approved by the WCFHT ED. The statements shall be presented to the Board for review quarterly.

6. CASH FUND

A cash fund of one-quarter of the WCFHT's annual operating expenses shall be maintained. When the fund balance falls below this minimum, the Program Administrator and ED shall develop a plan and budget for rebuilding it.

7. AUDIT

The WCFHT will have an audit of its financial statements annually, within 4 months of the end of each fiscal year. The audit shall be completed by a firm of Independent Certified Public Accountants. The WCFHT ED and the Program Administrator shall have direct responsibility in overseeing the implementation of the Annual Financial Audit.

8. REVENUE AND INCOME PROCEDURES

All revenue and income is received from MoHLTC, whose accountability requirements will be followed. Income from special grants and other sources will be treated individually and in accordance with appropriate accounting principles, approved by the accountants approved by WCFHT.

9. RECORDING RECEIPTS

The following procedures for cash received through the mail or given to a staff person shall be in place:

Mail should be opened by the Program Administrator. All checks shall be endorsed with the Agency's official stamp. This person records all checks and cash by date, name of company or individual, designation, and amount. An individual deposit ticket shall be prepared with triplicate copies, bearing a different designation of each account. That record shall include date of deposit, name of sender, amount, and designation. A copy of the bank deposit slip is retained in chronological order with copies of the deposited checks. All cash and checks shall be deposited the same business day if possible, and no later than the next business day into the

Agency's Bank Account. The same procedures followed for cash receipts shall be followed when monies are received by employees as contributions for special events.

Transactions are reviewed on a monthly basis by the Executive Director and Program Administrator.

The Program Administrator shall be responsible for day to day operations and make the appropriate entries in the General Ledger books – QuickBooks. The Program Administrator shall also reconcile all logs of incoming cash/checks with the deposit slips, and with the record of receipts.



10. EXPENDITURES PROCEDURES

All expenditures shall be approved by the WCFHT's ED.

The Program Administrator maintains standard accounting records containing all aspects of the WCFHT's financial operations. They include but are not limited to: A general ledger, a check register, and a payroll register.

Invoices shall be approved by either the WCFHT's ED or the Board. Following the review and approval, check payment vouchers shall be prepared and the invoices shall be distributed to the Program Administrator for check payment preparation. Upon payment of a bill, a copy of the check or duplicate of stub shall be stapled onto the bill and payment date and check number shall be printed on the invoice. The paid invoices shall be filed alphabetically according to company/individual name and shall be kept on a fiscal year basis on file.

11. SIGNATURE POLICY

The WCFHT ED can sign cheques up to the value of \$1,000. Checks of more than \$1,000 will require two signatures – The ED, Chair of the Board or the Program Administrator.

12. COMPENSATION AND PAYROLL (In compliance with MoHLTC pay scales)

Payroll is executed periodically (biweekly). Paychecks or direct deposits will be provided to each employee by the Program Administrator.

13. LOCAL TRAVEL AND EXPENSE REIMBURSEMENTS

Employees must abide by the WCFHT's Travel and Expense policy. Travel and expense reports for mileage, meals, hotel, supplies, etc., will be maintained by each employee and then submitted to the Program Administrator for payment following approval by ED.

Mileage to and from the employee's residence to the place of work will not be paid by the WCFHT. Reimbursements will be based on the travel rate established by the ED and approved through the budgeting process.

All receipts, where approved, must be attached to the expense voucher as a condition for payment.

14. CREDIT CARD EXPENDITURES

The ED will approve the issuance of a company-issued credit card to the Program Administrator, who will use this card for supplies and other related expenses as deemed appropriate.

15. PURCHASING



Any expenditure in excess of an amount determined by the ED for the purchase of a single item should have bids from three (3) suppliers if possible. These bids are reviewed by the Program Administrator and the bid award must be specifically approved in advance by the WCFHT's ED.

Purchase of less than the approved amount may be made at the discretion of the WCFHT ED or Program Administrator without competitive bids. However, for fixed assets, reasonable diligence should be exercised to comparatively shop for available sources.

Any purchase made by a Board member on behalf of the WCFHT will require prior approval by the WCFHT ED.

16. LEASES AND OTHER CONTRACTUAL AGREEMENTS (Important point: these Procedures do not include procedures for building ownership. If the Agency owns a building, then a separate section should be written.)

The WCFHT conducts a major part of its operations from leased facilities. Leases and other contractual agreements are negotiated by the Executive Director and executed by the Program Administrator.

The WCFHT ED and the Program Administrator are authorized to develop and enter into contractual agreements with vendors, bankers, and third parties for the purpose of ensuring the WCFHT's general operations. At regular monthly meetings of the Board the ED/Program Administrator will review such agreements and make recommendations when necessary.

17. NOTES, LOANS, ETC.

All notes, loans and other indebtedness to be contracted in the name of the WCFHT (except open accounts and all other routine banking transactions), shall require the signature of the WCFHT ED, unless otherwise specified by the Board or established in the present management policies and procedures. All indebtedness must be approved by the WCFHT's ED.

18. DEEDS, CONVEYANCES, ETC.

The WCFHT ED and the Program Administrator shall execute all Deeds, Conveyances, Mortgages, Leases, Contracts and other instruments in the name of the WCFHT.

19. BANK ACCOUNTS AND INVESTMENT ACCOUNTS

The ED shall maintain and oversee Bank accounts. The Program Administrator will ensure the WCFHT's day-to-day financial operations are in good standing. Several accounts may be maintained by the WCFHT as follows:

1. Chequing Account
2. Savings Account

20. CHEQUING ACCOUNT



All cheques, cash, money orders, and credit card deposits, will be deposited in the appropriate Accounts. Cheques are written weekly by the Program Administrator to meet ongoing operational expenditures.

21. BANK RECONCILIATIONS

Bank reconciliations shall be completed monthly by the Program Administrator and cross-referenced with the cash and receipts logs and the monthly Financial Statements. The Financial Statements shall also be compiled by the Program Administrator. The Statements shall be then reviewed by the WCFHT ED and presented to the Board quarterly.

22. PETTY CASH

A petty cash fund provides a systematic method for paying and recording out-of-pocket cash payments too small to be made by cheque. The WCFHT shall maintain a Two Hundred (\$200.00) petty cash fund that is replenished as needed.

The Program Administrator shall maintain control of, and responsibility for, payments disbursed from the Petty Cash fund.

23. INSURANCES

Reasonable and adequate coverage will be maintained to protect the WCFHT's interests as well as the Board of Directors and the WCFHT's employees. The following insurance policies shall be kept on a yearly basis: Commercial Property Contents and Computer Policy, General and Professional Liability Insurance, Directors and Officers Liability Insurance, Employee's Dishonesty Bond Insurance, Employee's Life Insurance, Workers Compensation Insurance, Long-Term Disability Insurance, and Employees Health Insurance.

Insurance Policies shall be carefully reviewed by the ED and Program Administrator before renewal each year.

24. PROPERTY AND EQUIPMENT

Property and equipment shall be stated at historical cost. Depreciation is computed over the estimated useful lives of the assets using the straight-line method. A Depreciation schedule shall be prepared and maintained by the WCFHT's Program Administrator and accountants on an annual basis, taking into consideration the annual equipment inventory.

25. EQUIPMENT INSTALLATION

Purchase, installation and maintenance of telephone equipment, telephone lines, office equipment, computer equipment, etc. shall be approved by the Program Administrator after discussion and approval by the WCFHT ED. The Landlord for the leased space shall be responsible for receiving and supervising the installation of equipment scheduled for their facility or working area, and for maintaining and protecting the equipment installed in their offices.



26. CONFIDENTIALITY AND RECORDS SECURITY

Financial records are restricted materials with limited access. Only the Executive Director and Program Administrator shall have access to financial records (vendor files, checks, journals, payroll, etc.).

27. DOCUMENT RETENTION

Financial documents are retained for a period of time in keeping with provincial law and the recommendations of the MoHLTC.

28. TAX REPORTING

The accountants working for WCFHT will advise on all aspects of Tax Reporting and making payments.