



Shilo Military Family Resource
Centre
Financial Policy Manual



Mission

Recognizing the uniqueness of the military lifestyle, the Shilo MFRC will provide individuals, family and our community with tools to foster growth, belonging and resilience.

Vision

Confident, capable and resilient families in a supportive Canadian Forces (CF) community.

History

*The **Shilo Military Family Resource Centre (Shilo MFRC)** was established in 1990 to serve the families of military and civilian employees of CFB Shilo as well as the families residing in the rural municipalities of Cornwallis, North Cypress, and South Cypress.*



Overview of Centre Programs and Services

Adults

- *Veterans: enhanced information and referral services, transition programs, intervention support*
- *Deployment Support: activities, workshops, deployment resources, parcel service*
- *Education and Training: second language training*
- *Employment: employment assistance, employment opportunities*
- *Mental Health*
- *Monthly Activities*
- *Community Service*
- *Volunteers*

Children and Teens

- *Preschoolers: pre-kindergarten, activities*
- *Child Care: casual child care, emergency and respite care, licensed daycares in Shilo MFRC*
- *Youth Programs: youth club, monthly activities*



About CFB Shilo

CFB Shilo is home to the First Regiment Royal Canadian Horse Artillery (1RCHA) and the Second Battalion Princess Patricia's Canadian Light Infantry (2PPCLI). The Base is also home to lodger units, such as 3 Cdn Div TC C Coy, 3 CDSG SS Det Shilo, and 11 CF Health Services Centre. The RCA Museum attracts military history enthusiasts from far and wide.

In addition to the many Canadian regular force and reserve soldiers who train at Shilo, troops from several foreign countries, including Germany, France, Denmark, and the United States, have trained here.

Germany, in particular, trained more than 140,000 soldiers from 1974 to 2000 under the direction of the German Army Training Establishment Shilo (GATES). Many signs of the 27-year legacy left by the Germans remain at Shilo and throughout the southwest Manitoba region.

The training area of CFB Shilo covers almost 40,000 hectares: an area approximately 15 kilometres by 30 kilometres. It consists of a unique mix of open prairie, sand dunes, and woodlands which, when combined with a wide range of seasonal temperatures, makes Shilo one of the best training areas in the world. Due to the unique nature of most of the training area, increased awareness has been placed on protecting the environment. Environmentally friendly training practices are constantly being studied, developed, and monitored.

As the largest employer in southwestern Manitoba, CFB Shilo has a substantial economic impact on the regional economy, including the City of Brandon.

With a population of about 1,400 military personnel and their families, the Base is completely autonomous with accommodations for more than 600 families and quarters for close to 400 single personnel. This Base maintains its own water, sewage, and sports and recreational facilities.



Certificate of Verification

We, the Board of Directors of the Shilo Military Family Resource Centre, certify that this document is the complete and official Financial Policy Manual of the Shilo Military Family Resource Centre.

Date of Approval by the Board of Directors

Date of Adoption by the Membership

James Doppler
Chair, Board of Directors

Date

Kathryn Farquharson
Treasurer, Board of Directors

Date

Shilo Military Family Resource Centre
Financial Policy Manual

Record of Amendments

Amendment Number	Section Number	Amended From Amended To	Date of Approval

Shilo Military Family Resource Centre
Financial Policy Manual

Table of Contents

1. Accountability	1
1.1. Treasurer and Finance Committee	2
1.2. Banking	3
1.3. Board of Directors	4
1.4. Executive Director	5
1.5. Financial Reporting	6
1.6. Internal Controls	7
1.7. Investments	9
1.8. Signing Authority	10
2. Financial Operating	11
2.1. Annual Operating Budget - Site Specific Services	12
2.2. Asset Safeguards	13
2.3. Audits	14
2.4. Contracts for Service	15
2.5. Inventory	16
2.6. Retention of Records	17
3. Financial Management	18
3.1. Online Banking Policy	19
3.2. Credit Card Policy	20
3.3. Support Disbursement Policy	21
3.4. GST Rebate	22
3.5. Payroll	23
3.6. Petty Cash	24
3.7. Purchasing - Operating and Capital	25
3.8. Travel Expense Policy	26
3.9. Cellphone Compensation	28
3.10. Financial Processes for Accounts Payable	29
3.11. Daily Service Transactions	30



1. Accountability

1.1. Treasurer and Finance Committee

1.1.1. Policy Statement

The Shilo MFRC Board of Directors will establish a Finance Committee and appoint a Treasurer as specified in the Bylaws.

1.1.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.1.3. Treasurer Accountability

- 1.1.3.a. Terms of reference for the Finance Committee including responsibilities, membership, and meeting schedule will be established by the Board of Directors.
- 1.1.3.b. The annual work plan of the Finance Committee and/or Treasurer will include a no less than quarterly review of financial statements.

1.2. Banking

1.2.1. Policy Statement

The Shilo MFRC will enter into an agreement with a recognized Financial Institution that will provide the services required by the organization.

1.2.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.2.3. Banking

1.2.3.a. The Shilo MFRC Board of Directors will ensure that the Financial Institution provides the following services:

- i. chequing services for specific accounts;
- ii. provision of cancelled cheques on a monthly basis, with a statement showing all debits and credits;
- iii. payment of interest at current rate for all surplus funds held in any special account; and
- iv. consultation on the banking requirements of the institution.

1.2.3.b. Bank accounts will be reconciled monthly by the Business Manager and then verified by the Executive Director and a qualified third person as designated by the Board of Directors.

1.2.4. Chart of Accounts

1.2.4.a. A chart of accounts will be maintained in order to indicate each item for which a ledger account is to be maintained.

1.2.4.b. The chart of accounts is to be held on file with the Business Manager.

1.3. Board of Directors

1.3.1. Policy Statement

The Board of Directors is responsible for ensuring the overall financial stability of the Shilo MFRC.

1.3.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.3.3. Board Responsibilities

The Board of Directors, with guidance from the Finance Committee, will undertake the following:

- i. ensure that financial policies and procedures, a budgeting process, and a financial reporting system for the Shilo MFRC are established and adhered to;
- ii. plan and approve an annual budget for the organization (approval will be noted in the meeting minutes of the Board of Directors);
- iii. review revenues and expenses at regular specific intervals, not less than quarterly;
- iv. plan/review the operating budget of the organization on an annual basis;
- v. ensure that the physical and financial assets of the organization are properly managed by the Executive Director by reviewing monthly financial statements;
- vi. approve salary guidelines and compensation policy for all staff with consideration for budgetary constraints;
- vii. monitor, review, and approve all operational expenditures;
- viii. monitor, review, and approve all expenses claimed by the Executive Director; and
- ix. oversee all fundraising activities of the organization.

1.4. Executive Director

1.4.1. Policy Statement

The Executive Director or designate and the Board of Directors is responsible for effective financial management to ensure a stable and viable organization.

1.4.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.4.3. Executive Director Accountability

- 1.4.3.a. With regard to all financial dealings and the assets of the Shilo MFRC, the Executive Director will not authorize any transaction that will result in any personal liability of the Board of Directors or that will adversely affect the capital of the Shilo MFRC.
- 1.4.3.b. The Executive Director or designate will:
 - a. ensure that appropriate safeguards are put into place and maintained to prevent fraud and theft of the MFRC's funds;
 - b. not allow any one individual to have complete authority over a financial transaction;
 - c. not cause or allow the MFRC to incur indebtedness outside of the ordinary course of business;
 - d. ensure that payroll, payroll withholdings, employer contributions, and other debts are settled in a timely manner;
 - e. ensure that assets are insured for not less than replacement value (subject to available coverage limit);
 - f. ensure that the MFRC's general liability coverage does not lapse;
 - g. ensure that restricted contributions or funds are used only for the purpose that was designated by the contributor or funder;
 - h. ensure that the operating fund of the Shilo MFRC does not accumulate a deficit;
 - i. initiate purchases of goods and services according to budget allocations;
 - j. oversee the process to ensure goods and services being signed for and received in good order; and
 - k. ensure independent verification of all numbered formes (ie. cheques, receipts, and gift cards) is conducted semi-annually by the Executive Director or other appointed person.

1.5. Financial Reporting

1.5.1. Policy Statement

The Board of Directors of the Shilo MFRC will review monthly financial statements that are prepared by the Business Manager

1.5.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.5.3. Financial Reporting Accountability

- 1.5.3.a. The Executive Director will provide to the Board of Directors monthly financial statements indicating the current cash position and performance of the Shilo MFRC in relation to the approved budget.
- 1.5.3.b. In consultation with the Business Manager, the Board of Directors will determine the format of monthly financial statements with input from the Finance Committee.
- 1.5.3.c. The Board of Directors will review and ensure that they understand the monthly financial statements

1.6. Internal Controls

1.6.1. Policy Statement

To safeguard the Shilo MFRC's assets, the Board of Directors will ensure that internal controls are developed and implemented with input from internal and external auditors.

1.6.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.6.3. Internal Control Procedures

- 1.6.3.a. There will be two authorized officer's signatures on all cheques prepared by the organization. The Executive Director, Board Chairperson, Board Vice-Chairperson, Board Secretary, and Board Treasurer have signing authority.
- 1.6.3.b. All invoices will be reviewed by the signing officers and initialled to indicate that the review has taken place.
- 1.6.3.c. The Executive Director will approve all payroll data prior to submission for processing.
- 1.6.3.d. The Executive Director will obtain the bank statements and cancelled cheques and review these on a monthly basis.
- 1.6.3.e. Deposits to the bank will be made a minimum of once a week.
- 1.6.3.f. All void cheques will be maintained on file for seven (7) years.
- 1.6.3.g. Cheques will not be issued to "cash" or the "bearer".
- 1.6.3.h. Accurate and complete documentation of all meetings of the Board and Finance Committee are to be maintained in the form of minutes as part of the permanent financial records of the organization.
- 1.6.3.i. Securities and back-up of all finance accounts will be placed in a fire safe security box.
- 1.6.3.j. A pre-numbered cash receipts journal is to be kept by the staff designated by the organization. The journal will identify the date the funds are received, the source of the funds, the amount of the funds, the cheque number (if a cheque), and the initials of the person who received the funds.
- 1.6.3.k. Triplicate carbon copy serialized receipts will be issued for all cash payments and charitable donations received.
- 1.6.3.l. All transfer of funds from one funding source to another funding source in the Shilo MFRC budget must be approved by the Board of Directors, after being recommended through the Finance Committee.
- 1.6.3.m. All serially numbered items including receipt books and disbursement cheques as well as any on hand gift cards will be physically held by the Executive Director. A master control log will be maintained by the Executive Director for these items. The receipt books, cheques, and gift cards will then need to be signed out by the

Business Manager or Admin Assistant as required for office use. When new items are added, a third-party initial from an authorized signing authority will be required.

- 1.6.3.n. Independent verification of the master control log and unused receipts/cheques will be conducted semi-annually by the Executive Director with review by the Treasurer.
- 1.6.3.o. All cheques, receipts, and gift cards will be numbered and used in numerical order.
- 1.6.3.p. All cheques, including blank unused cheques, will be kept in a secure location.
- 1.6.3.q. Blank cheques will never be signed.

1.7. Investments

1.7.1. Policy Statement

The Board of Directors will ensure that the investments of the Shilo MFRC are monitored on a yearly basis.

1.7.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.7.3. Investment Accountability

- 1.7.3.a. All securities, mortgages, insurance policies, and investments will be under the control of the Board of Directors.
- 1.7.3.b. All bonds, mortgages, deeds, and insurance policies will be in the name of the organization.
- 1.7.3.c. The purchase of investments will be approved by the Board of Directors. Investment accrued is subject to accounting control.
- 1.7.3.d. All securities and other investments will be recorded in a separate ledger and reviewed quarterly by the Finance Committee and annually by the Board of Directors.

1.8. Signing Authority

1.8.1. Policy Statement

The Shilo MFRC will adhere to the signing authority requirements as specified below.

1.8.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

1.8.3. Signing Authority

- 1.8.3.a. The Shilo MFRC and the financial institution will maintain a formal list of names, titles, and signatures of those individuals who have signing authority.
- 1.8.3.b. In no event shall a signing officer approve their own expense claims or sign a cheque to themselves.
- 1.8.3.c. Before being signed, all cheques will be verified against invoices, which will be initialed and stamped to signify that they have been paid.



2. Financial Operating

2.1. Annual Operating Budget - Site Specific Services

2.1.1. Policy Statement

The Shilo MFRC annual site specific, daycare, and pre-kindergarten operating budget will be developed by the Executive Director or designate and presented to the Board of Directors for approval.

2.1.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

2.1.3. Annual Operating Budget - Site Specific Services

- 2.1.3.a. The Executive Director or designate will prepare the annual site specific, daycare, and pre-kindergarten operating budget's information in consultation with supervisory staff. All expenditures anticipated for the year, especially major purchases, should be included and should be detailed in the budget working papers.
- 2.1.3.b. The Board of Directors is to approve the annual budget of the organization. Approval will be noted in the meeting minutes of the Board of Directors.
- 2.1.3.c. The Executive Director will review monthly information, ensuring that budget allocations and spending limits are adhered to.
- 2.1.3.d. The Executive Director will seek out new sources of funding for programs, with direction from the Board of Directors.
- 2.1.3.e. The Executive Director and the Board of Directors will monitor the annual operating budget and make adjustments, if required.

2.2. Asset Safeguards

2.2.1. Policy Statement

This policy will ensure that a well designed system of internal controls is implemented to safeguard assets.

2.2.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

2.2.3. Asset Safeguards

Assets will be physically protected. Cash funds will be kept in a secure location and will be deposited in the bank as soon after receipt as possible, at least once per week. Insurance against a variety of hazards (i.e. fire, robbery, legal liability) shall be carried to reimburse if major loss should occur. Insurance coverage shall be reviewed annually to ensure that it meets the needs of the Shilo MFRC.

2.3. Audits

2.3.1. Policy Statement

An annual audit will be completed and presented to the Members of the Shilo MFRC for their approval.

2.3.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

2.3.3. Audits

- 2.3.3.a. At the Annual General Meeting (AGM), the Board of Directors will recommend to the Membership of the Shilo MFRC the name of a chartered accountant to conduct the audit.
- 2.3.3.b. The auditor will review the organization's financial/accounting systems and summarize the financial data in a year-end statement, as well as ensure that financial statements have been prepared in accordance with generally accepted accounting principles, legislation that affects the organisation, and specific requirements of funders.
- 2.3.3.c. The auditor will present the audit report at the AGM.
- 2.3.3.d. The annual report will consist of a covering letter, balance sheet, and audited statement of income and expenses, as well as auditor notes on the financial highlights for the year end and recommendations for the coming year(s).
- 2.3.3.e. The audit report will be prepared in accordance with guidelines from government, corporate, and/or public funders.
- 2.3.3.f. Each Member of the Board of Directors will review the annual audit report before the AGM.
- 2.3.3.g. At each AGM, the Board of Directors will motion for the approval of the audited financial statement and report for the fiscal year end.
- 2.3.3.h. Interim audits may be carried out on individual or all accounts when authorized by the Board of Directors.
- 2.3.3.i. The Treasurer will ensure the Centre gets quotes from 3 auditors every 3 years. The Shilo MFRC may return to a previously used auditor.

2.4. Contracts for Service

2.4.1. Policy Statement

All contracts are to be reviewed by the Executive Director for their content and format and to verify they are free of conflict of interest.

2.4.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

2.4.3. Contracts for Service

- 2.4.3.a. The organization may enter into contractual agreements with individuals and/or registered companies for the provision of specific services and/or programs.
- 2.4.3.b. All contracts will be signed by the Executive Director of the Shilo MFRC. A copy of the signed contract will be kept in the files of the Shilo MFRC.
- 2.4.3.c. The Board of Directors or designate will monitor the delivery of services that are specified in the contract.

2.5. Inventory

2.5.1. Policy Statement

The Shilo MFRC will maintain accurate capital asset inventory records.

2.5.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

2.5.3. Audits

- 2.5.3.a. When a non-public item or capital asset has been recommended surplus by the Executive Director and has been determined of no further use (old equipment) to the Shilo MFRC, the following procedures will be followed with a motion by the Board of Directors:
- i. the Executive Director will present to the Finance Committee a detailed list of the items with suggestions for donation or sale;
 - ii. the Finance Committee will recommend to the Board with a motion to decide on said items; and
 - iii. in all cases, the disposal of the item shall be recorded and the destination of the item once disposed shall be recorded and kept.
- 2.5.3.b. Inventory records will provide an accurate description of the item, the date purchased, and the purchase price.
- 2.5.3.c. A review of the inventory will be done annually to determine the condition of capital assets by the Admin Assistant.
- 2.5.3.d. When an item is written off (due to its deteriorated condition) or sold, it will be recorded as such in the inventory records.
- 2.5.3.e. The inventory list will be kept in a secure, fireproof box.

2.6. Retention of Records

2.6.1. Policy Statement

All records of the Shilo MFRC will be retained for the time specified by the provincial and federal governing legislation.

2.6.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

2.6.3. Retention of Records

- 2.6.3.a. A hard copy of financial records will be retained at the Shilo MFRC for a period of seven (7) years.
- 2.6.3.b. All financial records will be destroyed after the seven-year period in accordance with the national guidelines.
- 2.6.3.c. All information regarding collecting personal information, including retention of records, is put forth in the Shilo MFRC confidentiality policy.
- 2.6.3.d. The Shilo MFRC will maintain electronic records that will be backed up on a weekly basis.
- 2.6.3.e. All financial information containing personal information will be stored in a secure location.



3. Financial Management

3.1. Online Banking Policy

3.1.1. Policy Statement

The purpose of this policy is to highlight the procedures and responsibilities required for the effective and secure use of the Shilo MFRC online banking system.

3.1.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.1.3. Online Banking

- 3.1.3.a. The Primary Customer Administrator (PCA) will be the Executive Director.
- 3.1.3.b. All online bill payments through the online banking platform will require dual signatures. All electronic funds transfers will be set up with Board approval. All electronic funds transfers require Board approval.
- 3.1.3.c. The PCA will provide access to the Business Manager and Board Members with signing authority. Any additions require Board approval. Upon removal of any individual, the Board must be notified immediately.
- 3.1.3.d. Board Members will only have review and approve ability and are not authorized to initiate any transactions.

3.2. Credit Card Policy

3.2.1. Policy Statement

The purpose of this policy is to highlight the procedures and responsibilities required for the effective and secure use of the Shilo MFRC credit card.

3.2.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.2.3. Credit Card Use

- 3.2.3.a. Credit cards are signed out by position responsibilities at the discretion of the Executive Director or designate. Only the person signing for the credit card will be able to make purchases including any online purchases. All users of the credit cards are to keep the PIN secure and must inform the Executive Director or designate immediately if the card is lost or stolen.
- 3.2.3.b. Credit card holders will be held responsible for any losses to the Shilo MFRC resulting from fraud, unauthorized expenses exceeding policy amounts, and expenses not related to Shilo MFRC business. Action will be taken to recover such losses, including interest plus fees owed. Abuse of the credit card may result in administrative/disciplinary action up to dismissal and/or criminal charges. Any suspected offences shall be reported to the Shilo MFRC Executive Director and/or the Shilo MFRC Board of Directors Chairperson.
- 3.2.3.c. All supporting financial documentation, such as contracts, receipts, invoices, and all other relevant documents must be submitted upon signing in the credit card.
- 3.2.3.d. The Executive Director will review all receipts and statements for all Shilo MFRC credit cards. Two Board Members will review all receipts and statements for Executive Director transactions.
- 3.2.3.e. The card holder shall ensure that the credit card is not used for personal use or obtaining cash advances.
- 3.2.3.f. The card holder is responsible for using the card for approved Shilo MFRC purchases only and following all financial policies related to acquisition of goods and services and budget control and maintenance.

3.3. Support Disbursement Policy

3.3.1. Policy Statement

The Shilo MFRC will adhere to the policies put in place by Revenue Canada that govern the disbursement of funds for charitable work. This policy will reflect those governing laws and will also address requests for financial support of non-charitable partners.

3.3.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.3.3. Requests for Support from Partners

- 3.3.3.a. The Shilo MFRC is an official charitable organization and, as such, is not in a position to make any financial donations to another organization.
- 3.3.3.b. If the Shilo MFRC receives a request for support, it may decide to offer support to joint/partner projects in the form of services rather than in any financial obligation.
- 3.3.3.c. Requests for support must be submitted in letter format to the Executive Director. The partner is to express how this support would meet the mandate of the Shilo MFRC.
- 3.3.3.d. Partnerships with the Shilo MFRC may be set with terms of reference approved by the Executive Director and/or Board of Directors and will not be considered "Financial Partnerships".
- 3.3.3.e. The Shilo MFRC may decide to offer to pay for certain expenses in joint/partner projects, as long as the joint/partner project meets the objectives, mission, and values of the Shilo MFRC.
- 3.3.3.f. The Shilo MFRC retains the right to turn down all requests for financial assistance.

3.3.4. Donations Received

All donations received by the Shilo MFRC that have been donated for a specific cause, will only be used for that specific cause. The Shilo MFRC will need Board approval if the funds are to be used for a different cause. The Shilo MFRC will use these funds in achieving the aim of its Mission and will issue a tax receipt to the individual recipients for the contribution.

3.4. GST Rebate

3.4.1. Policy Statement

As a human services organization, the Shilo MFRC is exempt from the collection of Goods and Services Tax on direct services. The Shilo MFRC will be responsible for the collection of GST when applicable, according to the legislation. The Shilo MFRC is entitled to (and will collect) a recovery of 50% of the GST it pays to suppliers.

3.4.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.4.3. GST

- 3.4.3.a. When planning an event or activity other than standard services for the purpose of fundraising, the Shilo MFRC will review the legislation to determine if the collection of GST is applicable.
- 3.4.3.b. When recording GST, the full amount of the payment (including GST) will be recorded in the disbursements journal as the amount of cash expended.
- 3.4.3.c. The amount of the supplier's charge and the 50% GST unrecoverable portion will be allocated to the appropriate expenditure column.
- 3.4.3.d. The 50% portion of GST that is recoverable will then be allocated to a column entitled GST Rebate Receivable.
- 3.4.3.e. Each invoice or related payment voucher will have the GST component identified. A claim will be made annually to Revenue Canada for the GST Rebate Receivable.

3.5. Payroll

3.5.1. Policy Statement

Payroll records will be kept current and will be updated on a regular basis.

3.5.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.5.3. Payroll Procedures

- 3.5.3.a. An employee will be placed on the payroll at the direction of the Executive Director or designate. All Employees are to be paid by cheque or direct deposit bi-weekly (26 pay periods per year). Information for payroll will include the following:
- i. employee's name and address;
 - ii. employee's Social Insurance Number;
 - iii. employee's starting salary and date;
 - iv. CRA TD1 form;
 - v. Provincial Tax Credit Form; and
 - vi. any other applicable document.
- 3.5.3.b. Payroll will be prepared according to information recorded on attendance records/timesheets. These records will be reviewed for approval by the approved supervisor on a bi-weekly basis.
- 3.5.3.c. Controls will be instituted to ensure that terminated employees are no longer on the payroll system. Changes in deductions will be arranged between the employee and the staff person designated for this personnel function. Changes in payroll deductions will be arranged between the employee and the Business Manager or designate. All payroll deduction changes are required in writing from the employee along with a revised CRA TD1 Form, where appropriate.
- 3.5.3.d. Payroll payments will be issued based on accurate information and the following approval process:
- i. the Executive Director will review employee time sheets and approve them for payment;
 - ii. the assigned staff person will input the payroll information and verify it for accuracy;
 - iii. the Business Manager will review payroll information, ensuring accuracy of personnel, pay rates, pay amounts, and budget allocations;
 - iv. the assigned staff person will file all payroll information by time period, including time sheets, copies of computer payroll change notices, and staff changes; and
 - v. the Business Manager will review all government filings (i.e. Canada Pension Plan) for completeness and accuracy and will sign these documents as the organization's representative.
- 3.5.3.e. More information is located in HR Policy Payroll Procedures.

3.6. Petty Cash

3.6.1. Policy Statement

The Executive Director or designate of the Shilo MFRC will authorize the amount of the petty cash fund and will identify the nature of expenditures that should be paid from this fund.

3.6.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.6.3. Petty Cash Procedures

- 3.6.3.a. Assets will be physically protected. Cash funds will be kept in a secure location. Petty cash will be maintained and disbursed by the Business Manager or Executive Director.
- 3.6.3.b. A petty-cash disbursement record will be maintained for all transactions.
- 3.6.3.c. Cash receipts and/or petty cash vouchers will accompany the cheque requisition for replenishment of funds.
- 3.6.3.d. Cash and receipts will total the original amount established as the petty cash balance.
- 3.6.3.e. When petty cash is to be replenished, receipts will be totalled and a cheque will be issued, in trust, to be cashed.

3.7. Purchasing - Operating and Capital

3.7.1. Policy Statement

- 3.7.1.a. All purchases made will be approved either by inclusion in the annual budget (predetermined expense) or by special motion (approved in advance) by the Board of Directors, through the Finance Committee, thereby ensuring that all purchases of goods and services are authorized.
- 3.7.1.b. The Executive Director will ensure that any non-budgeted capital purchases are approved by the Board of Directors.

3.7.2. Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.7.3. Purchasing

- 3.7.3.a. Limits of approval authority for operating purchases of single budgeted expenditures will be as follows:
 - i. if less than \$500, buy as required;
 - ii. if \$500 - \$1000, three telephone or internet quotes are required and information must be recorded in the financial files;
 - iii. if greater than \$1000, three written or internet quotes are required and information must be kept on file.
- 3.7.3.b. Capital purchases for the organization will require three independent quotes before making a decision to purchase. Quotes will be maintained on file as financial records.

3.8. Travel Expense Policy

3.8.1. Policy Statement

With pre-approval by the Approving Authority (Executive Director and/or the Board of Directors) and as funding allows, the Shilo MFRC will reimburse employees, volunteers, and Board Members for related expenses while on MFRC related business according to the procedures contained in the National Joint Council Travel Directive. (www.njc-cnm.gc.ca/directive/d10/v238/s641/en#s641-tc-tm)

3.8.2. Purpose and Scope

- 3.8.2.a. This directive applies to employees, volunteers, Board Members, and other persons travelling on MFRC business, including for training. It does not apply to those persons whose travel is governed by other authorities.
- 3.8.2.b. The purpose of this policy is to ensure fair treatment of employees, volunteers, and Board Members required to travel on Shilo MFRC business. The provisions contained in this policy are mandatory and provide for the reimbursement of reasonable expenses necessarily incurred while travelling on MFRC business and to ensure employees are not out of pocket. These provisions do not constitute income or other compensation that would open the way for personal gain.

3.8.3. Application of Policy

- 3.8.3.a. It is the responsibility of the Shilo MFRC employees, volunteers, and Board Members during the planning stages, implementation, and while on MFRC business travel to know the procedures, definitions, approval requirements, and entitlements for travel related expenses.
- 3.8.3.b. Pre-Approval for all program related group meal expenses, including mandatory gratuity established by the venue, or an allowable gratuity up to fifteen (15%) percent will be required by the Approving Authority. A receipt will be obtained by the venue and provided with the pre-approval for reimbursement.
- 3.8.3.c. At any time an employee or Board Member is on MFRC related business the Alcohol Policy and the Unacceptable Activities Policy are in effect.
- 3.8.3.d. The Executive Director is the Approving Authority for the travel expenses of employees of the Shilo MFRC. The Board of Directors is the Approval Authority for the travel expenses of the Executive Director and Board Members.

3.8.4. Inside the Local Area

- 3.8.4.a. Receipts will be required and attached to the TD claim form.
- 3.8.4.b. Reimbursement for meals within the local area will be for the receipt value, as provided, up to the rates set by the National Joint Council.

3.8.5. Outside the Local Area

- 3.8.5.a. TD Claim Forms, with rates set by the National Joint Council, will be required.
- 3.8.5.b. An advance of up to eighty (80%) percent can be paid out to the traveller in advance of the approved travel. In the event the travel is cancelled, the traveller must reimburse the advance within 2 business days.
- 3.8.5.c. Failure to reimburse will result in garnishment of wages, loss of Member in Good Standing status, removal from the Board, and/or financial recoupment.

3.9. Cellphone Compensation

3.9.1. Policy Statement

The Shilo MFRC will ensure fair compensation for work cell phone use for approved positions and as funding allows.

3.9.2. Purpose and Scope

This policy applies to Shilo MFRC employees.

3.9.3. Cell Phone Compensation

- 3.9.3.a. The Mental Health Team will be provided with a cell phone for work purposes, which will either be provided by the base or purchased by the Shilo MFRC with Board approval.
- 3.9.3.b. The 2IC (second in command as decided by the Executive Director) will be reasonably reimbursed towards their own personal cell phone, as they need to be contacted at odd hours by the ED or Duty Office from time to time. The approved amount will be reviewed by the Finance Committee on an annual basis and paid out quarterly to ensure fair compensation.
- 3.9.3.c. At all times, employees are to follow the Cell Phone Use Policy.

3.10. Financial Processes for Accounts Payable

3.10.1. Policy Statement

The Shilo MFRC will clearly define the accounts payable financial process.

3.10.2. Purpose and Scope

This policy applies to all Shilo MFRC Board of Director Members and staff as appropriate.

3.10.3. Accounts Payable Processes

- 3.10.3.a. Accounts payable will be paid and marked against individual original itemized invoices or receipts to avoid the possibility of duplication of payment. Invoices or receipts should be stamped “paid” or “cancelled” at the time of payment for the same reason.
- 3.10.3.b. Cheques will be drawn and attached to the supporting invoices before being given to signing officers.
- 3.10.3.c. Cheques will be written and signed as per the financial process schedule determined by the Executive Director or designate.
- 3.10.3.d. To the extent possible, all payments will be made by cheque.
- 3.10.3.e. Two signing officers will approve all invoices for payment and initial all invoices.
- 3.10.3.f. All payments will be made from one bank account for all goods and services.
- 3.10.3.g. In the event that there is no original itemized receipt, the following will be required:
 - i. a completed declaration form;
 - ii. supporting documentation; and
 - iii. documentation will be stamped “goods and services received” by the approving authority.

3.11. Daily Service Transactions

3.11.1. Policy Statement

The Shilo MFRC will ensure that all funds received through daily transactions are valid, secure, and accounted for.

3.11.2. Purpose and Scope

This policy applies to all Shilo MFRC Board of Directors Members and staff as appropriate.

3.11.3. Receipts and Cheques

- 3.11.3.a. Each day, the Administrative Assistant will print the grand totals report for all debit/credit card payments from the merchant terminal. They will then attach the pre-printed receipts to match those figures and enter the grand total into the daily settlement report. These two reports will be stapled with a deposit summary sheet each day and given to the Business Manager to reconcile with the bank statement at month-end.
- 3.11.3.b. All funds received (cash, cheques, money orders, etc) will be received only by authorized personnel, who will issue a pre-numbered receipt immediately. All funds will be kept in a secure location and accessible only to the Executive Director, Business Manager, or Office Assistant.
- 3.11.3.c. Bank deposits will be compared to receipts issued to ensure that all funds are accounted for.
- 3.11.3.d. Cash on hand will not be used to cash personal cheques.
- 3.11.3.e. Cheques or money orders received will have a restrictive endorsement applied (a stamp reading "For the deposit to the credit of...").
- 3.11.3.f. Receipts for workshop/course registrations may be written by staff or volunteers acting as reception at that time and placed in the cash register. Receipts and cash will be validated and secured at the end of day by the Admin Assistant or Business Manager.
- 3.11.3.g. Full refunds will be given upon cancellation of workshops/courses. Refunds for workshops will not be given after the registration deadline. Refunds may be given at the discretion of the Executive Director for courses if the participant cancels after the first class; after the second class no refund will be given.
- 3.11.3.h. If the Shilo MFRC receives a Non-Sufficient Funds (NSF) cheque, the individual who wrote the cheque must pay the Shilo MFRC the amount of the cheque plus all bank charges associated with the cheque within two weeks of receiving written notice. If the individual fails to pay within two weeks or if an individual writes more than one NSF cheque, they will be required to pay cash, debit, or credit card for future services at the Shilo MFRC.