
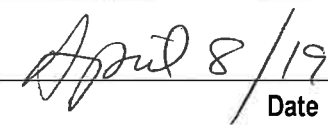


Policies and Procedures

<b>Section:</b> Governance	<b>Policy Number:</b> ORG2014-01
<b>Subject:</b> Financial Management	<b>Effective Date:</b> April 28, 2014
<b>Approved by:</b> Board of Directors	<b>Revised Date:</b> April 8, 2019

 \_\_\_\_\_  
Chairperson

 \_\_\_\_\_  
Date

## Financial Management

### Purpose

The purpose of this policy is to establish guidelines for developing financial goals and objectives, making financial decisions, reporting the financial status of the Algoma NPLC, and managing the clinic's funds.

### Policy

#### Financial Responsibilities

It is the responsibility of the Board of Directors to review financial statements, policies and activities on a periodic basis.

The Administrative Lead acts as the primary fiscal agent, implementing all financial policies and procedures. The Administrative Lead is responsible for the coordination of the following:

- Annual budget presentation,
- Management of the clinic's investments, and
- Approving revenue and expenditure objectives in accordance with the Board approved long-term plans.

The Administrative Lead has the day-to-day operational responsibility for managing clinic funds, ensuring the accuracy of the accounting records, internal controls, financial policies, financial statement preparation, and bank reconciliation review and approval.

The bookkeeper is directly supervised by the Administrative Lead 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, as well as Bank Reconciliations.

#### Budgeting Process

The Administrative Lead in collaboration with the NP Lead shall be responsible for preparing the clinic's annual operating budget draft (60) days prior to the end of the fiscal year.

The Finance Committee shall review and approve the recommended fiscal year budget revenues, expenditures and cash flow, and submit it for approval to the Board of Directors. The

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budget shall contain revenues and expenses forecasted by month. A chart describing monthly cash flow shall be included.

Financial Statements

The clinic's monthly financial statements shall be prepared on a cash basis and presented for review and approval by the Board at their regularly scheduled meetings.

Bank balance

A bank balance equal to the amount of two payrolls shall be maintained at all times. When the bank balance falls below this minimum, the Administrative Lead shall develop a plan for rebuilding it and present it to the Board for approval.

Audit

The clinic 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 Administrative Lead shall have direct responsibility in overseeing the implementation of the Annual Financial Audit.

The Finance Committee shall recommend to the Board for approval, the selection of a firm to perform the annual audit. A representative of the audit firm shall be requested to make a presentation of the audit to the Board at their Annual General Meeting. The Auditor shall prepare the final Tax Return and it shall be reviewed by the clinic's Administrative Lead and bookkeeper before submission to the CRA, if necessary.

Signature Policy

The issuance of all checks, drafts, contracts, and commitments for services issued in the name of the clinic will be done in compliance with the Delegation of Signing Authorities Framework. This document outlines the requirements for signatures and approval on all financial and contractual agreements for the clinic. See Appendix 1.

Banking and Investments

The Administrative Lead shall maintain and oversee Bank and Investment accounts, and ensure the clinic's day-to-day financial operations.

1. Bank Accounts – will be maintained at a recognized Canadian Financial Institution and will

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include a checking account.

- Investments – from time to time the NPLC may have excess funds available for investing. These funds are to be maintained in appropriate accounts/funds that have minimal risk, such as GICs, short-term investments backed by banks, insurance companies and/or government.
- Mechanism to Report to the Board – reports on investments will be provided to the board as part of the monthly financial report.

Confidentiality and records security

Financial records are restricted materials with limited access. Only the leadership team and finance committee (or others so authorized) shall have access to the clinic’s financial records.

Document Retention

Financial documents are retained for at least 6 years from the end of the last tax year to which they relate in keeping with the recommendations of the CRA.

Tax Reporting/filing

All financial tax reporting and other reporting as required will be governed according to Canadian and Ontario laws and requirements under the direction of the Administrative Lead.

Reviews/Amendments:

Date: September 22, 2014

Signatures: \_\_\_\_\_

Date: April 8, 2019

Signatures: \_\_\_\_\_

Appendix 1  
Delegation of Signing Authorities Framework

The following individuals authorized to enter into financial and contractual agreements on behalf of the Algoma NPLC, in accordance with budgetary and noted approvals.

### 1. Banking and Transactions

Transaction Type	Signing Authority	With Approval/Delegation From
Line of Credit	Board Chair and Board Treasurer	Board
Credit Card Issuance	Nurse Practitioner Lead and/or Administrative Lead	Board
Investments	Board Chair and Board Treasurer	Board
Borrowings including Capital Leases	Board Chair and Board Treasurer	Board
Bank Signing Authorities	Administrative Lead, plus any one of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Board Vice Chair</li> <li>• Board Secretary</li> </ul>	Board
Cheque Signing Authorities	Two of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Administrative Lead</li> <li>• NP Lead</li> </ul>	Board

### 2. Contracts and Agreements

It is necessary to ensure sufficient consideration is given to the significance of agreements and contracts entered into on behalf of the Algoma NPLC. It is also important to coordinate entering into legally binding agreements, ensuring appropriate consultation and communication.

Transaction Type	Signing Authority	With Approval/Delegation From
All Contracts and Agreements >\$10,000	Any one of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Board Vice Chair</li> <li>• Board Secretary</li> </ul> Plus one of: <ul style="list-style-type: none"> <li>• Administrative Lead</li> </ul>	Board

	<ul style="list-style-type: none"> <li>• NP Lead</li> </ul>	
<b>Lease Agreements &gt;\$10,000</b>	Board Chair and Board Treasurer	Board
<b>Insurance Contracts</b>	Any one of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Board Vice Chair</li> <li>• Board Secretary</li> </ul> Plus one of: <ul style="list-style-type: none"> <li>• Administrative Lead</li> <li>• NP Lead</li> </ul>	Board
<b>Letters of Employment for Contract Staff or Compensation Above Approved MOH Recommended FTE Budget Salaries*</b>	Any one of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Board Vice Chair</li> <li>• Board Secretary</li> </ul> Plus one of: <ul style="list-style-type: none"> <li>• Administrative Lead</li> <li>• NP Lead</li> </ul>	Board

\* Permanent staff hiring packages are standard and were previously approved by the HR Committee:

NP: max funded rate\* + health benefits+ HOOP+ 4 weeks of vacation+5 float days

RN: max funded rate\* + health benefits+ HOOP+ 4 weeks of vacation

RPN: max funded rate\* + health benefits+ HOOP+ 4 weeks of vacation

RSW: max funded rate \*+ health benefits+ HOOP+ 4 weeks of vacation

Medical receptionist\*: max funded rate + health benefits+ HOOP+ 3 weeks of vacation

Admin assistant\*: max funded rate + health benefits+ HOOP+ 3 weeks of vacation

\*Max funded rate: may change as suggested by MOH

### 3. Commitment of Funds/Purchasing (Goods and Services)

All purchases must be acquired in accordance with the Clinic's procurement policy.

<b>Transaction Type</b>	<b>Signing Authority</b>	<b>With Approval/Delegation From</b>
<b>\$0 - \$10,000</b>	Any Two of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Administrative Lead</li> <li>• NP Lead</li> </ul>	Leadership Team

<b>\$10,001 - \$25,000</b>	Any one of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> </ul> Plus one of: <ul style="list-style-type: none"> <li>• Administrative Lead</li> <li>• NP Lead</li> </ul>	Board
<b>&gt;\$25,001</b>	Board Chair and Board Treasurer	Board
Clinic credit card limits will be consistent with the above-noted and their issuance must be approved by the Board. Refer to the Credit Card policy for details.		

#### 4. Professional Services

<b>Transaction Type</b>	<b>Signing Authority</b>	<b>With Approval/Delegation From</b>
<b>Consulting Services- all</b>	Administrative Lead & NP Lead	Board
<b>Accountants/Auditors</b>	Any one of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Board Vice Chair</li> <li>• Board Secretary</li> </ul> Plus one of: <ul style="list-style-type: none"> <li>• Administrative Lead</li> <li>• NP Lead</li> </ul>	Board
<b>Solicitors</b>	Administrative Lead & NP Lead	Board

#### 5. Other

<b>Transaction Type</b>	<b>Signing Authority</b>	<b>With Approval/Delegation From</b>
<b>Capital</b>	Board Chair and Board Treasurer	Board
<b>Authorization of Travel for Board:</b>	Any one of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Board Vice Chair</li> <li>• Board Secretary</li> </ul>	Board
<b>Authorization of Travel for Others:</b>	Any Two of: <ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Board Treasurer</li> <li>• Administrative Lead</li> <li>• NP Lead</li> </ul>	Leadership Team