

New Leaf
Finance and Administration



**NEW LEAF: LIVING AND LEARNING
TOGETHER INC.**

FINANCE / ADMINISTRATION

MANUAL

New Leaf
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ANNUAL BUDGET

EFFECTIVE DATE: _____ **POLICY #** FA-01

REVISION DATE: February 25, 2010

SCOPE:

All employees, volunteers (hereafter referred to as Party)

RATIONALE:

An annual budget provides a reasonable financial plan that allows people supported to work towards attaining personal outcomes; allows NEW LEAF to meet its goals and successfully carry out the agency mandate within the community and forms the basis of the financial service contract with the funding Ministry.

POLICY STATEMENT:

A financial budget is developed prior to the commencement of each fiscal year-end. The budget is approved by the Board of Directors and is used to monitor and evaluate the financial status of NEW LEAF through the fiscal year. The Board approved budget is submitted to the Ministry in the approved format and within the deadline as determined by the Ministry of Community and Social Services.

REFERENCES:

Ministry Financial Guidelines, NEW LEAF Bylaws, Financial Statements and Return Policy.

ANNUAL BUDGET PREPARATION AND MONITORING OF ANNUAL BUDGET
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PREPARATION:

- ❖ The Director of Finance coordinates and initiates the preparation of the annual operating budget for review by the Finance Committee.
- ❖ Three months prior to NEW LEAF's fiscal year end each Director prepares a preliminary "draft" budget based on personal outcomes, individual needs and the operating needs of each program
- ❖ Each budget is prepared by the Program Director and submitted to the Director of Finance who prepares a "draft" consolidated budget.
- ❖ The draft consolidated budget is reviewed at a special meeting of the Directors and amended as necessary to address prioritized needs.
- ❖ The amended budget is submitted for review to the Finance Committee. Once reviewed and accepted by the Finance Committee the annual operating budget is approved on behalf of the Board of Directors.
- ❖ Upon approval by the Board of Directors the budget is submitted to the Ministry of Community and Social Services in the format as directed by the Ministry and within the required time deadline for submission.
- ❖ Any amendments to the budget as may be required through ministry funding changes, personal outcomes or changes in program status is presented to the Finance Committee and identified in the quarterly financial statement review. Any changes are brought forward to the Board of Directors by the Finance Committee.

MONITORING:

- ❖ The budget is monitored on a monthly basis by the Directors with an action plan developed to control variances.
- ❖ On a quarterly basis, the Finance Committee compares actual results with the approved consolidated budget, advises and explains any significant variances to the Board of Directors. Where there is a significant deficit, the Director of Finance prepares alternative actions for the Finance Committee review. The Finance Committee recommends to the Board an action plan that controls significant ongoing negative variances.
- ❖ The Director of Finance prepares monthly expense reports to be reviewed by the Directors. Directors review these reports and prepare an action plan to address any ongoing negative variances, and/or the allocation of any projected surplus. These reports are discussed at the monthly Director's meetings.

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CONFIDENTIALITY

EFFECTIVE DATE: _____ **POLICY #:** FA-02

REVISION DATE: February 25, 2010

SCOPE:

All employees, independent contractors, consultants, students, volunteers (hereafter referred to as Party)

RATIONALE:

To ensure the confidentiality of information related to people supported, party, and the business of NEW LEAF are maintained.

POLICY STATEMENT:

A Party is entrusted with information regarding the people supported by NEW LEAF, their families, Party and the business of NEW LEAF. All Parties are required to maintain complete confidentiality regarding all information relating to service delivery and support, personnel matters and the business of NEW LEAF. A Party is required to read and sign Confidentiality Policy.

REFERENCES:

Privacy Act, Payroll Policy

Information Covered

All information covered by federal and provincial legislation is confidential.

People receiving support and Party (refer to Scope): Anything that names or identifies a person as a present or past program participant or applicant, which suggests or describes their condition, health status, or living or working circumstances or address is confidential. Such information is considered personal and confidential regardless of the source, including whether it is obtained intentionally or unintentionally; from the person, his family or partner, or from another source; or through oral, written, or electronic medium. Any and all records obtained or kept in any of the above ways is confidential.

Financial and Accounting: Information as relates to the business of NEW LEAF including but not limited to bank information, payment, Party (refer to Scope) information, payroll information, employee benefit information, financial disclosure, individualized funding arrangements, and/or any information as deemed to violate trust. See Data/Record Management Policy.

CONFIDENTIALITY GUIDELINES

All persons subject to this procedure sign a Confidentiality Agreement indicating that they have read the policy and procedures, understand the expectations and/or requirements, and agree to follow procedures. The Human Resource Department is responsible for reviewing this procedure with all new employees during their orientation and filing the signed Agreement in employee's personnel file.

Regarding people who receive support:

- ❖ People who have applied for, receive, or formerly received services through NEW LEAF, their families, and their partners have a right to expect that all information relative to their personal life will be maintained in a manner assuring its privacy.
- ❖ With certain specific exceptions (see Program Confidentiality Policy / Privacy Policy or legislation) disclosures of personal information can only be made in accordance with the explicit, currently valid, written, informed consent of the person. Similarly, if information concerns a family member or partner, then that family member or partner must give specific, written informed consent to any discussion of that information.
- ❖ A Party (refer to Scope) is entrusted with information regarding the people they support, their families and NEW LEAF.
- ❖ In the event that the Party is in doubt as to whether certain information is confidential, no disclosure is made without reviewing the situation with the appropriate manager or management personnel.

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- ❖ NEW LEAF will not release confidential information as it relates to people who receive support of individual funding without the person or family's/advocate's written consent (see Program Policy for Consent Form) unless required to do so by law and/or legislation. Any information deemed to be confidential is approved by the Executive Director prior to release.
- ❖ No information, which NEW LEAF receives from other sources about a person, can be forwarded without their written consent (see Program policy for Consent Form). Information or reports received from other agencies can only be released by the original agency.
- ❖ The use of recording devices during meetings is prohibited unless all entities involved in discussion give written approval. The recording is the property of NEW LEAF.
- ❖ This policy of caution and discretion in handling confidential information extends to both external and internal disclosure.

Business / financial information:

- ❖ Information is deemed to be confidential as relates to Individualized Funding Contracts; Special Services at Home contract; invoices paid to workers engaged by families; funding allocated to person receiving support and can only be released with the express consent of person receiving funding.
- ❖ All payroll/benefit information; personnel and payroll records are confidential (see Payroll/Benefit Administration Policy)
- ❖ All Parties (refer to Scope) are required to maintain complete confidentiality regarding all information relating to service delivery and support, personnel matters and the business of NEW LEAF.
- ❖ Internal queries regarding accounts, postings, payments and general information is only released after being verified as accurate. If any doubt regarding information being requested issue is discussed with the Director of Finance prior to release of information.
- ❖ Release of financial information external to the agency is approved by the Executive Director
- ❖ In the event that the Party (refer to Scope) are in doubt as to whether certain information is confidential, no disclosure is made without reviewing the situation with the appropriate manager or management personnel.
- ❖ Audited statements are considered public information after approved by the Board of Directors.

The Human Resources Department is responsible for reviewing this policy with all new employees on the first day of employment and ensuring that a signed Confidentiality Agreement form (see attached) is filed in the personnel record.

Violation of this policy, in part or whole, will be considered grounds for disciplinary or other actions. Sanctions may include reprimand, prohibition from further access to information, or termination of employment.

CONFIDENTIALITY AGREEMENT

I, _____ as an employee/Board or Committee member/volunteer/provider of service for NEW LEAF, have read and understand the NEW LEAF policy on Confidentiality. In the course of my involvement with NEW LEAF, I have access to sensitive and/or personal information, which I obtain, am exposed to, or have disclosed to me by NEW LEAF staff, or manager, relating to past, present, or future activities. I agree that all such sensitive and/or personal information is to be considered confidential, either during or following the term of my involvement with NEW LEAF.

1. I agree not to disclose to any third party any sensitive and/or personal information or material which I am privy to or which results from my involvement with NEW LEAF, irrespective of whether such information or material is transmitted to me verbally, visually or in writing, except where permission/consent is appropriately gained as outlined in the relevant policy.
2. I agree not to make copies of any printed, photographic or recorded information or material, which I am exposed to, unless otherwise directed.
3. I agree not to disclose any sensitive and/or personal information or material (written/verbal/visual) which I am exposed to, except when the disclosure of such information or material may be necessary in the performance of my respective duties or when legally required. I further agree to use my best efforts to keep secure any information or material which I am exposed to so as to prevent against its loss or disclosure to unauthorized Party.
4. I agree that upon the inadvertent loss or disclosure to any unauthorized third party information or material which I have access to, I will immediately notify my Manager or contact person.
5. I agree not to utilize, for personal gain, any of the information or material (written/verbal/visual), which I may be exposed to.

Dated at _____, Ontario, this _____ day of _____, 2____.
(city/town)

Signature of: Employee
Board Member
Committee Member
Volunteer
Provider of Service

Signature of Witness
(for Employee, must be witnessed by
personnel from the Human Resources
Department or designate)

CONFLICT OF INTEREST

EFFECTIVE DATE: _____ **POLICY #:** FA-03

REVISION DATE: February 25, 2010

SCOPE:

All Officers, Directors and employees of NEW LEAF, suppliers or contractors, any person responsible for the approval, issuance or allocation of an order, contract, commitment or specification for materials or services to be furnished by external suppliers for NEW LEAF hereafter referred to as "Party". Any of the aforementioned persons or person responsible for the determination of prices or terms, for the sale of or purchase of materials, supplies or services, to clients or from suppliers, on behalf of NEW LEAF also falls under this policy. (Hereafter referred to as Party).

RATIONALE:

Conflict of interest is a situation where the other personal or business interest of the Party is in conflict with the best interest of NEW LEAF. A conflict of interest may occur when a direct or indirect personal gain or benefit is given to or received by:

1. the Party, or
2. a family member of the Party, or

a direct or indirect advantage or privilege is given to or received by:

1. the Party, or
2. a family member of the Party

This policy also applies to a perceived conflict of interest where a public perception may exist as to a conflict of interest.

Occasionally it is in the best interest of NEW LEAF to acquire goods and services from, or to give or sell goods or services to, external organizations that have associations with NEW LEAF or with some of its employees. To protect employees of NEW LEAF, as well as NEW LEAF itself, from allegations of conflict of interest, transactions must be dealt with in an arms length basis.

POLICY STATEMENT:

All financial transactions administered by NEW LEAF adhere to all ministry guidelines, NEW LEAF policies/procedures and any legislation as pertains to conflict of interest. New Leaf will require suppliers and contractors to disclose a real or perceived conflict of interest. New Leaf reserves the right to cancel any contract, or may refuse to enter into a contract where and when a real or perceived conflict is discovered. Suppliers and contractors will be required to sign a declaration of no conflict of interest.

CONFLICT OF INTEREST - GUIDELINES AND PROCEDURES

- Officer, Director and/or Employee of NEW LEAF is prohibited from accepting substantial gifts, benefits or favours for their use or enjoyment offered by a client, supplier, proposed supplier, purchaser, proposed purchaser, donor, proposed donor, association, institution or person with whom the member is dealing with on behalf of NEW LEAF.
- Any transaction that can be perceived as a conflict of interest as described in this policy/procedure is not allowed.
- Officer, Director and/or Employee of NEW LEAF must always deal at arms length when conducting business or having financial dealings on behalf of NEW LEAF with any enterprise. In particular:

A party is not dealing at arms length when NEW LEAF is buying, selling or giving goods or services from or to that party or some member of his or her immediate family, or when NEW LEAF is dealing with an enterprise where that party or some member of his or her immediate family has a financial interest.

- (a) Any Officer, Director and/or Employee is prohibited from approving requisitions or payments for the purchase of goods or services from enterprises in which the member, or some member of his or her immediate family has financial interest, and
 - (b) All Parties (see Scope) are prohibited from selling, giving or approving sales or gifts to enterprises in which the member or some member of his or her immediate family has a financial interest.
- All Parties (see Scope) are prohibited from doing business with, having financial dealings with or receiving remuneration or substantial gifts from any supplier, purchaser or enterprise that competes or conflicts with the aims and objectives of NEW LEAF.
 - When any party finds himself or herself in a situation which breaches, has breached or is likely to breach these guidelines, the party shall immediately disclose the matter to his or her immediate supervisor. In each case, where a breach of this policy has been reported to a supervisor, the Executive Director shall be immediately advised in writing of the breach.
 - Any gift unknowingly received by an employee must be turned over to NEW LEAF with a disclosure.

Substantial means large in amount or considerable value in relation to normal transactions of a like activity, service or business activity.

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DATA / RECORD MANAGEMENT

EFFECTIVE DATE: _____ **POLICY #:** **FA-04** _____

REVISION DATE: **February 25, 2010** _____

SCOPE:

All employees, students and volunteers. (hereafter referred to as Party)

RATIONALE:

To ensure accountability, confidentiality and security of all internal documentation and records stored electronically or on paper. To ensure continuity of the daily operations of NEW LEAF in providing services to people who receive support and to all Parties (refer to Scope).

POLICY STATEMENT:

NEW LEAF collects and maintains accurate records and databases which includes but are not limited to, Client Information System, Finance and Administration records, personnel records and databases. NEW LEAF maintains an internal control system and regularly completes audits of these systems to ensure accuracy and security of all information. All personal records of people who receive support, their families, and all Parties (refer to Scope) of NEW LEAF are kept in Database or Information System and is maintained in a manner assuring privacy.

REFERENCE:

Privacy Act, Confidentiality Policy, Information Technology Policy, Financial Statements and Return Policy, Payroll Policy

DATA/RECORD MANAGEMENT - DATA REPORTING

NEW LEAF collects, maintains and provides reports on the following databases:

- Finance
- Human Resources
- Client Information
- Statistical program / service data
- Others as may be required

Procedures are based on the needs of each particular database and program/cost center of operation.

DATA / RECORD MANAGEMENT - ACCESS TO INFORMATION

Only an authorized Party (refer to Scope) has access to information records. Security precautions are established and practiced to protect personal and confidential information and files.

ELECTRONIC INFORMATION:

All information systems are protected by individual passwords. Only persons authorized by the Executive Director or designate can have access or view records in respective information systems. A level of access is granted to authorized users only.

PAPER FILED INFORMATION:

All paper records are stored in a locked cabinet or locked office space. Keys are available to authorized person(s) only.

DATA / RECORD MANAGEMENT - DISCLOSURE OF INFORMATION

- ❖ Confidentiality with respect to party information is maintained and the person's right to privacy is considered in any sharing of information.
- ❖ Every effort is made to ensure that information collected and shared is accurate and complete.
- ❖ MCSS reserves the right to conduct random audits of service providers to ensure appropriate processes are in place related to service provision supports and costs.
- ❖ Disclosure of Information adheres to Privacy Policy and legislation.

DATA/RECORD MANAGEMENT - STORAGE AND DESTRUCTION OF RECORDS

- ❖ Archived files are stored as required by law and General Accepted Accounting Principles.
- ❖ Records pertaining to each person receiving support including support details, medical findings and recommendations are kept at least twenty years after the last entry.
- ❖ Financial records are maintained as per provincial and federal regulations. Detailed records are retained for 7 years. Financial statements are retained always.
- ❖ Personnel records are maintained as per provincial and federal regulations.
- ❖ Destruction of records is authorized and supervised as per provincial and federal policies.

COMPUTERS / INFORMATION TECHNOLOGY

EFFECTIVE DATE: April 1, 2009

POLICY # FA-05

REVISION DATE: February 25, 2010

SCOPE:

All employees, students and volunteers (hereafter referred to as Party).

RATIONALE:

This policy sets the guidelines for acceptable use of computers, the New Leaf IT network, and the Internet (World Wide Web and its related forums) by Party of NEW LEAF, the primary purpose of which is to assist personnel in carrying out the duties of their employment.

To provide a set of guidelines for a Party to ensure appropriate use of agency resources.

POLICY STATEMENT:

As technology advances, the computer and IT networks have become powerful information resources. Proper use of the computer IT network can enhance the capabilities of people supported, party and NEW LEAF. In many cases, access to the computer IT network has become a job necessity.

NEW LEAF is responsible for putting into place the appropriate computer IT network usage procedure. NEW LEAF provides guidelines for acceptable and unacceptable uses of the computer IT network by employees of NEW LEAF.

REFERENCE:

Confidentiality Policy, Privacy Act, Data/Record Management Policy

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All hardware and software issued by NEW LEAF remains the property of NEW LEAF. This includes, but is not limited to, peripheral hardware (mouse, keyboard, USB memory device, printer) or any other hardware issued by NEW LEAF.

It is a violation of New Leaf policy to modify in any way the hardware or software setup of any New Leaf computer without the express consent of the Executive Director or his/her designate.

It is a violation of New Leaf policy to plug in or attach to the New Leaf Internet system, any personal computers or hardware that has not been issued and approved by New Leaf Management.

It is a violation of New Leaf policy to unplug from the network any New Leaf computers without first obtaining approval from the Executive Director or designate.

New Leaf staff will keep secure and confidential all passwords issued and approved by New Leaf. Careless handling of passwords or sharing password information with others will result in disciplinary action.

New Leaf must approve all passwords. New Leaf will store all approved passwords securely at the Head Office.

Each Party who is issued a laptop or other electronic device (eg: Blackberry) signs an agreement for responsibility and agrees to adhere to the Policy. (See form attached).

COMPUTERS AND INFORMATION TECHNOLOGY - ACCEPTABLE USE PRACTICE

Access to the New Leaf IT network is intended for business purposes.

- ❖ Communication and information exchanges directly relating to the mission, charter and work tasks of NEW LEAF
- ❖ Use for advisory, standards, research, analysis and professional society or development activities related to the mandate of NEW LEAF
- ❖ Document sending and receiving (email of reports, updates, etc).
- ❖ Correspondence regarding individuals we support, supported families, other residences, managers, physicians etc.

The above notwithstanding, as a progressive employer, we recognize that from time to time a Party may need to access the internet and/or send and receive personal e-mail during working hours. While this activity is discouraged it is permitted on an exceptional basis provided it does not interfere with the Party's job responsibilities and completion of

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daily tasks. All such activity when necessary during the course of a workday should be confined to the party's lunch hour and/or break times. The Party's manager may withdraw this privilege at any time and excessive personal use of the IT network and/or e-mail constitutes a performance issue subject to discipline up to and including dismissal.

COMPUTERS & INFORMATION TECHNOLOGY - UNACCEPTABLE USE PRACTICE

It is not acceptable to use NEW LEAF's computer and/or internet facilities:

- ❖ For activities unrelated to job responsibilities or the agency's mission except as noted above.
- ❖ For any purpose that violates agency policies and/or legal standards
- ❖ Where use violates or infringes on the rights of any other person, including the right to privacy
- ❖ Violates agency regulations prohibiting harassment
- ❖ To transmit threatening, obscene or harassing materials or correspondence
- ❖ For unauthorized distribution of NEW LEAF data and information.
- ❖ To interfere with or disrupt network users, services or equipment
- ❖ For private purposes such as marketing or business transactions; for personal, financial, or commercial gain.
- ❖ For solicitation for religious or political causes.
- ❖ For private advertising of products or services.
- ❖ Revealing or publicizing proprietary or confidential information
- ❖ Representing personal opinions as those of NEW LEAF
- ❖ Downloading commercial software in violation of its copyright.
- ❖ Downloading any software or electronic files without the approval of the Manager.

COPYRIGHTED MATERIAL

- ❖ Users may download copyrighted material but its use is strictly within the agreement as posted by the author or current copyright law. Copyrights protect and prohibit misuse of all original works of authorship in any tangible medium of expression. This includes plagiarism which is using someone else's ideas or writings and passing it on as one's own.
- ❖ No material may be downloaded without specific approval of a Manager or Director.

ELECTRONIC MAIL (E-MAIL)

- ❖ E-mail is considered agency internet activity and is subject to all policies regarding acceptable/unacceptable uses of the IT network.
- ❖ E-mail transmitted through agency computers and network medium is not to be considered private or secure.
- ❖ E-mail messages are to be treated the same as other agency correspondence.

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- ❖ Presentation and content are to be consistent with agency policies and procedures related to the subject of the message and/or attachments. Staff ensure channels of communication, confidentiality and internal controls are maintained.

COMPUTERS & INFORMATION TECHNOLOGY - ALLEGED BREACH OF POLICY PRACTICE

NEW LEAF reserves the right to monitor and/or log all data files and IT network activities on NEW LEAF computer/network equipment without notice including e-mail and all website communication. Failure to follow NEW LEAF's Computer and Information Technology Policy may result in loss of computer/internet use, and/or disciplinary action and/or legal prosecution up to and including dismissal.

- ❖ Correspondence via the e-mail for supported individuals must only be done after their approval has been established.

NEW LEAF reserves the right to change its policies and rules at any time, based on the fact that technology continually changes and new safety measures must be implemented as they arise in accordance with NEW LEAF's related policies, ie. Confidentiality, etc.

Responsibility for compliance with this policy lies with the Party.

AGREEMENT FOR EQUIPMENT ISSUED BY ORGANIZATION

I _____ am in possession of the following equipment for use as it relates to my job responsibilities in my position at NEW LEAF.

Brand Name / Type of Equipment: _____

Model #: _____

Serial #: _____

Date Purchased: _____

By signing this agreement I understand and agree that the equipment remains the property of NEW LEAF. All software and information is also the property of NEW LEAF.

Further I agree that if there is damage to or loss of the equipment that is caused by abuse or neglect on my part I will take responsibility for repair and/or replacement and will report to my immediate Manager/Director.

I acknowledge that I have read and understand New Leaf's Computers / Information Technology Policy and agree to abide by this policy and all other pertinent policies and procedures as contained in the New Leaf Policy and Procedures Manual.

Party (refer to Scope) Signature

Date

Executive Director

Date

cc. Personnel File

**FINANCIAL STATEMENTS
AND RETURNS**

EFFECTIVE DATE: _____ **POLICY #** FA-06

REVISION DATE: February 25, 2010

SCOPE:

All stakeholders (hereafter referred to as Party)

RATIONALE:

To provide accountability guidelines for NEW LEAF, to provide financial information to be reviewed by all those accountable, to initiate necessary processes to offset budget variances and to ensure agency remains financially sound.

POLICY STATEMENT:

Quarterly financial statements of NEW LEAF are provided to the Board of Directors.

An external audit is conducted annually to provide an independent opinion of NEW LEAF's financial position and prepared according to Ministry requirements.

All financial reports including but not limited to ministry reports, payroll reports, charitable tax return are submitted to the proper authorities within the allowed period of time. The chair of the Finance Committee will receive a financial update on a monthly basis.

The Treasurer will review, on an annual basis, annual statutory remittances including CPP, EI, EHT, employee income tax withholdings, pension plan and/or employee retirement benefit plan payments, WSIB premiums, PST and GST, as well as Directors and Officers Insurance.

REFERENCES:

Payroll Policy, Data Record Management Policy, Computer/Information Technology, Annual Budget Policy.

FINANCIAL STATEMENTS & RETURNS - AGENCY ACCOUNTABILITY & BUDGET CONTROL

- ❖ Separate financial budgets are maintained for all cost centers/detail codes.
- ❖ Expenditure budgets are sufficiently detailed to allow for full identification of all expenditure items in accordance with ministry financial reporting requirements. Expenditure budgets are further detailed to the extent necessary to maintain full internal control of expenditures by:
 1. Cost centre number/description
 2. Account number/description
- ❖ Revenues and expenditures are apportioned to cost centres by specific identification wherever possible. If specific identification of shared revenues and/or expenditures is not possible, these are allocated to cost centres on a reasonable basis.
- ❖ The Director of Finance is responsible for the preparation and adherence to budget procedures which ensure that:
 1. Time deadlines for submission to the ministry are adhered to;
 2. Directors of departments are aware of their respective financial budgets and of the year to date budget variance status for their program;
 3. Year to date budget variances are reported, explained and reviewed on a monthly basis with the Executive Director.
 4. The Finance Committee is informed on a quarterly basis of significant year to date budget variances and explanation of variances.
- ❖ Every effort is made to best meet the needs of the person receiving support.
- ❖ Reallocation of budget dollars and/or expenditure postings are reviewed to address the need for flexibility in attaining personal outcomes yet meeting the reporting requirements of the ministry for the fiscal period.

FINANCIAL STATEMENTS & RETURNS - FINANCIAL REPORTING

- ❖ Financial records are maintained in accordance with Generally Accepted Accounting Principles and MCSS requirements and guidelines.
- ❖ Financial reports meet federal and provincial government reporting requirements.
- ❖ Financial reports include full disclosure requirements.
- ❖ The Director of Finance is responsible for the maintenance of financial reports and for the preparation and adherence to the financial procedures required to maintain accounting records.
- ❖ Accounting records document revenues and expenditures from all sources and identify revenue and expenditures separately for each cost centre.
- ❖ The Director of Finance coordinates and initiates preparation for the financial statement(s) for NEW LEAF. Subsequent to the completion of the annual financial statement, and within 90 calendar days for the fiscal year end, an independent audit is completed.

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- ❖ The audited statements are prepared by a chartered accountant selected by the Board of Directors and recommended for appointment annually by the General Membership, and licensed under The Public Accountancy Act, R.S.O. 1970,c.373.
- ❖ All working papers and other required information are gathered and summarized by the finance department under the direction of the Director of Finance and made available to the auditor.
- ❖ The audited financial statements are reviewed with the Finance Committee and presented to the Board of Directors for approval prior to the AGM.
- ❖ The Finance Committee presents any recommendation made by the auditor to the Board of Directors.
- ❖ The Finance Committee presents the audited statements to the general membership at the AGM. A vote to accept the report is held with the results of the vote recorded in the minutes of the meeting.
- ❖ A registered charity information return is completed and filed with Revenue Canada within six month of NEW LEAF's fiscal year end. The Director of Finance ensures the report is completed and filed on behalf of NEW LEAF within the allowed time period.
- ❖ Approved audited financial statements are available upon request from the finance department.

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INSURANCE

EFFECTIVE DATE: _____ **POLICY #:** FA-07

REVISION DATE: February 25, 2010

SCOPE:

All employees, volunteers and students (hereafter referred to as Party)

RATIONALE:

To specify the insurance coverage required and the process to update the coverage from time to time.

POLICY STATEMENT:

NEW LEAF carries such insurance coverage as is prudent and cost-effective to protect its assets, Party, visitors, Board of Directors and day to day business activities.

Insurance coverage at minimum adheres to ministry service contract requirements.

REFERENCE:

Fixed Asset Policy, Vehicle Policy, Building and Properties.

INSURANCE - RESPONSIBILITY

- ❖ The Executive Director is responsible for ensuring that appropriate insurance is in place.

INSURANCE - DEFINITIONS

“Risk” means the possibility of a negative or adverse outcome and the magnitude or severity of the consequences of that outcome.

“Directors & Officers Coverage” means liability insurance coverage for Board of Directors.

“Property Coverage” means insurance coverage for loss or damage to property. Property includes real property (land and buildings) and moveable property (equipment, files etc).

“Umbrella Coverage” means additional third party liability insurance over and above the general liability and automobile or fleet coverage.

INSURANCE - INSURANCE COVERAGE

NOTE: Various technical insurance items are set out below. While they are generally self-explanatory, a detailed explanation is beyond the scope of this manual. Please consult documentation and/or insurance agent for further explanation.

- ❖ NEW LEAF has in place insurance coverage that is reasonable, prudent and cost-effective.
- ❖ Insurance coverage includes deductibles of at least \$1,000 to minimize the frequency of claims and the cost of coverage.
- ❖ NEW LEAF reviews the services provided by the insurance agency on an ongoing basis.
- ❖ The Executive Director reviews the company’s insurance coverage with the agent annually. The review process includes the agent soliciting quotes from other insurance companies, if deemed appropriate.
- ❖ NEW LEAF carries property insurance coverage to the total replacement cost of all property, including the following:
 1. Blanket coverage
 2. Replacement costs on buildings and equipment
 3. Electronic data processing equipment, software, data and media
 4. Boiler and machinery

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5. Tenant's improvements
 6. Property of others
 7. Exterior glass and sign coverage
 8. By-laws coverage, including demolition and debris removal, increased cost construction, undamaged portion
 9. Flood and earthquake coverage
 10. Sewer backup coverage
 11. Off-premises coverage
 12. Environmental clean up and removal
 13. In-transit
 14. Postage meters, currency, negotiable instruments or other special coverage, as required.
- ❖ NEW LEAF provides for insurance coverage on the fleet of trucks, vans and automobiles both owned and leased, including the following coverage:
 1. Comprehensive insurance covering collision or upset and other sources of damage
 2. Uninsured motorist coverage
 3. Medical insurance
 4. Liability coverage of at least \$1 million supplemented by umbrella liability coverage
 5. Any other coverage required by law
 - ❖ NEW LEAF carries Business Interruption Insurance to such levels as is cost-effective and appropriate.
 - ❖ NEW LEAF carries a combined Commercial General Liability and Umbrella liability insurance with a limit of not less than \$10 million or as may be determined by the insurance company and includes:
 1. Third party liability coverage
 2. Tenants legal liability
 3. Employer's liability
 4. Employee, Volunteers and Director's are included as additional insured.
 5. Miscellaneous medical errors and omissions
 6. Negligence
 - ❖ NEW LEAF carries Directors and Officers insurance with an overall limit of not less than \$5 million.
 - Coverage for wrongful acts
 - Including coverage for employment practice liability

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**NON-EMPLOYEE ON-
SITE LIABILITY**

EFFECTIVE DATE: _____ **POLICY #** FA-08

REVISION DATE: February 25, 2010

SCOPE:

All employees, volunteers and students (hereafter referred to as Party)

RATIONALE:

To reduce the inherent risk involved when non-employees are working on NEW LEAF property.

POLICY STATEMENT:

NEW LEAF ensures that non-employees working on property that NEW LEAF owns or operates sign a Waiver of Liability, understand the inherent risks and are required to provide proof of personal insurance either through a private company or the Workers Safety and Insurance Board.

REFERENCE:

Contracts, Building and Properties Policy

NON-EMPLOYEE ON-SITE LIABILITY - RESPONSIBILITY

- ❖ Any person who enters into a contract on behalf of NEW LEAF is responsible for implementation of the Waiver of Non-employee Liability requirement.
- ❖ For contractors who are engaged occasionally (eg. Plumbers, electricians): the Director of Property and Maintenance ensures there is a copy of insurance and/or WSIB on file. A list of approved contractors is provided to all Senior Management Staff in case of need.

NON-EMPLOYEE ON-SITE LIABILITY - DEFINITIONS

“Risk” means the possibility of negative or adverse outcome and the magnitude or severity of the consequences of that outcome.

NON-EMPLOYEE ON-SITE LIABILITY - PROCEDURES

Contractors:

- ❖ All contractors are required to provide proof of insurance, and/or WSIB clearance certificate prior to contract approval or commencement of work.
- ❖ In case of emergency contractors are to be called by Senior Management Staff based on list provided (see Responsibilities above). In the event no contractor on the list is available employee is to notify the Director of Property and Maintenance.

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FRAUD

EFFECTIVE DATE: _____ **POLICY #** FA-09

REVISION DATE: February 25, 2010

SCOPE:

All employees, volunteers, students (hereafter referred to as Party)

RATIONALE:

To protect NEW LEAF revenue, property, information and other assets from any attempt by either a Party, community member, contractor, or agent to gain by deceit financial or other benefits.

Definitions:

Fraud and other similar irregularities includes but is not limited to:

- ❖ Forgery or alteration of cheques or any other form of currently including drafts, securities etc.
- ❖ Any misappropriation of funds, securities supplies or any other assets
- ❖ Any irregularity in the handling or reporting of money transactions
- ❖ Misappropriation of furniture, fixtures and/or equipment
- ❖ Seeking or accepting anything of material value from vendors, consultants or contractors doing business with NEW LEAF in violation of the Conflict of Interest Policy
- ❖ Unauthorized use or misuse of NEW LEAF property, equipment, materials or records
- ❖ Any computer related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misappropriation of software owned by NEW LEAF.
- ❖ Any claim for reimbursement of expenses that are not made for the exclusive benefit of NEW LEAF
- ❖ Any false information on timesheets including hours for pay not worked
- ❖ Any similar or related irregularity.

POLICY STATEMENT:

Any suspected acts of fraud, misappropriation or other similar irregularity are fully investigated. An objective and impartial investigation is conducted regardless of the position, title, and length of service or relationship with NEW LEAF of any Party who might be or becomes involved in or is the subject of such investigation.

Where there are reasonable grounds to indicate that a fraud may have occurred the Executive Director will contact local police services.

REFERENCES:

Conflict of Interest Policy; Confidentiality Policy

FRAUD - ALL PARTIES

- ❖ Any Party who has knowledge of an occurrence of irregular conduct or has reason to suspect that a fraud has occurred immediately notifies her/his supervisor. If the Party has reason to believe that the employee's supervisor may be involved, the Party immediately notifies the Executive Director or designate.
- ❖ The party does not discuss the matter with anyone other than her/his supervisor, the Executive Director and the police.
- ❖ A Party who knowingly makes false allegations is subject to discipline up to and including dismissal.

FRAUD - MANAGMENT

- ❖ Upon notification from the Party of suspected fraud, or if the manager/director has reason to suspect that a fraud has occurred, the manager/director immediately notifies the Executive Director or designate.
- ❖ The manager/director does not attempt to investigate the suspected fraud or to discuss the matter with anyone other than the person to whom the fraud is reported and the police.

FRAUD - EXECUTIVE DIRECTOR OR DESIGNATE

- ❖ Upon notification or discovery of a suspected fraud, the Executive Director or designate promptly investigates the fraud.
- ❖ Where there is reasonable ground for suspecting that a fraud has taken place the local police service is contacted.

FRAUD - SECURITY OF EVIDENCE

- ❖ Once a suspected fraud is reported immediate action is taken to prevent theft, alteration or destruction of relevant records. Such actions include but are not limited to:
 1. Removing the records
 2. Placing them in a secure location
 3. Limiting access to the location where the records currently exist
 4. Preventing the individual suspected of committing the fraud from having access to the records.

FRAUD - CONFIDENTIALITY

- ❖ All participants in a fraud investigation keep the details and results of the investigation confidential.
- ❖ Particulars of the investigation may be disclosed by the Executive Director with potential witnesses if such disclosure would further the investigation.

FRAUD - PERSONNEL ACTIONS

- ❖ If a suspicion of fraud is substantiated by the investigation, disciplinary action up to and including dismissal in consultation with Human Resources.
- ❖ A person under investigation for fraud is given notice in writing of the essential particulars of the allegations following the conclusion of the audit investigation and prior to any disciplinary action being taken.
- ❖ Where notice is given, the person against whom allegations are being made may submit a written explanation to the Executive Director no later than seven (7) calendar days after the notice is received. The requirement is subject to any collective agreement provisions respecting the rights of a Party during disciplinary proceedings.

FRAUD - WHISTLE-BLOWER PROTECTION

- ❖ No employer or person acting on behalf of the employer shall:
 1. dismiss or threaten to dismiss a party;
 2. discipline or suspend or threaten to discipline or suspend a Party;
 3. impose any penalty upon the Party; or
 4. intimidate or coerce a Party

because the Party has acted in accordance with the requirement of the policy. The violation of this section results in discipline up to and including dismissal.

FRAUD - FOLLOW-UP

- ❖ The alleged fraud or audit investigation is not discussed with the media by any person other than the Executive Director or designate.
- ❖ The results of the investigation are documented. If the report concludes the allegations are founded, the report is forwarded to the local police services.
- ❖ All legal and personnel actions, any records, documents and other evidentiary material is forwarded to the appropriate department and held in a secure location.
- ❖ Information relating to investigations is reported to the external auditors.

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FIXED ASSETS

EFFECTIVE DATE: _____ **POLICY #:** FA-10

REVISION DATE: February 25, 2010

SCOPE:

All employees or volunteers involved in the purchase, recording, or use of fixed assets. (hereafter referred to as Party).

RATIONALE:

To provide guidelines for the capitalization, recording and security of fixed assets.

POLICY STATEMENT:

NEW LEAF capitalizes fixed assets with a cost exceeding \$10,000. A Party is expected to safeguard NEW LEAF's assets at all times. Fixed Asset procedures adhere to Generally Accepted Accounting Principles and Ministry requirements.

REFERENCES:

Purchasing Policy, Insurance Policy, Financial Statements and Returns Policy

FIXED ASSETS - DEFINITIONS

- ❖ A “**Fixed Asset**” includes tangible items such as machinery, furniture and equipment, leasehold improvements, land, buildings, and vehicles, and intangible items such as a patent, software or trademark.
- ❖ “**Capitalize**” means recording the cost of a “fixed asset” in a journal in order that its cost may be spread over more than one fiscal period.
- ❖ The “**Economic Life**” of an asset is the length of time that an asset is estimated to be able to be used for.
- ❖ A “**Fixed Asset Group**” means a group of assets that share the same characteristics, especially estimated economic life, and therefore can be grouped together for reporting purposes into one asset account.
- ❖ “**Amortization or Depreciation**” means the spreading of the acquisition cost of fixed assets over their useful economic lives.
- ❖ “**Straight-line method of amortization**” means the cost will be spread on an equal basis in each period over the useful economic life of the asset.

FIXED ASSETS - CAPITALIZATION

- ❖ Fixed assets with an acquisition value exceeding \$10,000 and with an economic life exceeding one year are capitalized.
- ❖ The acquisition value of a fixed asset includes the purchase price, taxes, shipping and handling costs, installation costs, and cost of major additions or improvements to the asset.
- ❖ Fixed asset purchases follow all purchasing policies and spending authorizations.

FIXED ASSETS - FIXED ASSET GROUPS

- ❖ Fixed assets are assigned to one of the following fixed asset groups:
 1. land,
 2. buildings,
 3. land improvements,
 4. furniture and equipment,
 5. leasehold improvements,
 6. vehicles, or
 7. machinery.
- ❖ The Finance Department is responsible for the maintenance of fixed asset records by groups.
- ❖ The Director of Finance is responsible for approving new asset groups and ensuring appropriate disclosure of groups in the financial statements.

FIXED ASSETS - USEFUL ECONOMIC LIFE

- ❖ The useful economic life by fixed asset group is as follows:
 1. land – not applicable,
 2. buildings – 35 years
 3. land improvements – 15 years,
 4. furniture and equipment – 5 years,
 5. leasehold improvements – 3 years,
 6. vehicles – 5 years and
 7. machinery 10 years.
- ❖ The Finance Department is responsible for the maintenance of historical fixed asset records that justify the estimated useful economic lives by fixed asset group.
- ❖ The Director of Finance is responsible for approving any changes to the useful economic life estimated for a fixed asset group, and ensuring appropriate disclosure of economic life in the financial statements.

FIXED ASSETS - AMORTIZATION ON A STRIGHT-LINE BASIS

- ❖ All capitalized fixed assets are amortized on a straight-line basis over the useful economic life of the fixed asset group. In the year of addition the amortization for a year will be prorated.
- ❖ The Finance Department is responsible for the maintenance of worksheets calculating amortization for each asset, totaling by asset group for financial reporting purposes.
- ❖ The Director of Finance is responsible for ensuring appropriate disclosure of amortization by asset group in the financial statements.

FIXED ASSETS - DISPOSAL OF FIXED ASSETS - RECORDING

- ❖ When an asset is no longer useful to the agency it is disposed of in a manner that maximizes the benefit to the organization. See related policy / procedure regarding methods of disposing of fixed assets.
- ❖ The Finance Department is responsible for accounting for the disposal of the fixed asset. The worksheets reflect the prorated amortization for the period. A loss or gain on the sale is recorded based on the net selling price versus the net book value of the asset at time of sale.
- ❖ The Director of Finance is responsible for ensuring accuracy of the recording of the disposals.

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FIXED ASSETS - SECURITY

- ❖ Fixed assets represent a significant investment on the part of NEW LEAF. A Party is expected to safeguard NEW LEAF's assets at all times.
- ❖ All Parties are responsible for immediately reporting a missing or damaged fixed asset to their manager. For accidents, an accident/incident form is completed outlining how the accident occurred and the extend of the damage
- ❖ Permission from the Executive Director is required to remove fixed assets from company premises.
- ❖ The Finance Department is responsible for maintaining fixed asset records. Each year end this listing of assets should be verified by location managers to ensure all fixed assets are accounted for. Any missing asset is investigated by the responsible Director and the Director of Finance.
- ❖ The Director of Property and Maintenance is responsible for managing the keys to property and other fixed assets. The Director of Property and Maintenance will keep a backup key for all fixed assets in a secure location. Where possible, keys will be ones that cannot be duplicated.

**BORROWING OF
AGENCY PROPERTY**

EFFECTIVE DATE: _____ **POLICY #:** FA-11

REVISION DATE: February 25, 2010

SCOPE:

All employees, students and volunteers (hereafter referred to as Party)

RATIONALE:

To provide guidelines for the lending of property (fixed assets) owned or leased by the agency.

POLICY STATEMENT:

- ❖ Agency funds, equipment, and assets are to be used only for agency business and are not to be borrowed by or loaned to staff for personal use. Exceptions to the rule may be made to accommodate requests from charities or community organizations at the discretion of the Executive Director or their designate.
- ❖ Under no circumstances are staff permitted to borrow from petty cash.
- ❖ Under no circumstances are staff permitted to borrow client funds, equipment or belongings.
- ❖ Unauthorized “borrowing” will be considered theft and disciplinary action will be taken up to and including dismissal. The agency has the right to proceed with charges as deemed appropriate.
- ❖ The authorized use of cell phones and computer laptops do not constitute borrowing for the purposes of this policy.

REFERENCES:

Vehicles Policy, Fixed Assets Policy

**BUILDING AND
PROPERTIES**

EFFECTIVE DATE: _____ **POLICY #:** FA-12

REVISION DATE: September 6, 2011

SCOPE:

All employees, students and volunteers (hereafter referred to as Party).

RATIONALE:

To provide guidelines for the acquisition, disposal and upkeep of buildings owned and/or operated by NEW LEAF and New Leaf residents / clients; to provide standards for the upkeep, maintenance and general appearance of these buildings and the property, including all resident/client personal property.

POLICY STATEMENT:

- ❖ NEW LEAF purchases, rents or leases buildings and other facilities in which to provide quality supports and services.
- ❖ Such buildings meet all legislative requirements.
- ❖ Such buildings and facilities are kept in a clean, secure and safe condition.
- ❖ All properties are maintained to reflect a quality environment, meet quality standards for people and reflect a positive community presence.
- ❖ Any personnel entering the properties respect the rights and privacy of the persons in the locations.
- ❖ Residences are entered only upon notification; except in emergency situations.

REFERENCES:

Contracts Policy, Non-Employee On Site Liability Policy, Disposition of Property Policy, Insurance Policy.

BUILDING & PROPERTIES - MAINTENANCE STAFF ENTERING RESIDENTIAL LOCATIONS

- ❖ The privacy of the person receiving support is respected at all times.
- ❖ Permission to enter a location to do maintenance work is requested prior to commencement of repair and maintenance.
- ❖ An explanation is given to all persons regarding the necessity for maintenance staff to be able to enter his/her home to do repairs, maintenance etc. when requested.

BUILDING & PROPERTIES - GENERAL MAINTENANCE OF RESIDENTIAL PROPERTIES

- ❖ A person living in the residence is consulted and involved in decorating and maintenance decisions of his/her private space.
- ❖ The common area of the residence is maintained to reflect a quality lifestyle. Residents and/or families are consulted and involved in any decorating decisions of the common areas such as painting, wallpaper, flooring etc. Every consideration is given to practicality, colour coordination, safety and ease of maintenance. Management approves any final decision as to what can be accomplished within budget.
- ❖ The staff and manager are responsible for initiating maintenance requests and requirements through written request (ie. Work orders). This includes, but is not limited to, the personal property of New Leaf residents. The support staff and Manager are responsible for maintaining a current inventory of each resident's personal property that has a value greater than fifty dollars.
- ❖ In collaboration with residents and support staff, the Director of Property and Maintenance inspects, on a regular basis, with the consent of the occupants, the common areas of the homes for upkeep, needs, cleanliness, and any maintenance issues which need to be addressed to ensure a quality environment and positive community presence for those occupying the residence.
- ❖ All maintenance issues are itemized by location with cost estimate, prioritized agency wide and submitted to the ministry on an annual basis.
- ❖ Residences are inspected by a qualified person for structural maintenance and minor capital repairs and maintenance needs which specifically identify health and safety issues. The report generated from this inspection is the basis for minor capital requests.

BUILDING & PROPERTIES - PLANNED MAINTENANCE PROGRAM

The Planned Maintenance Program (PMP) rationalizes the use of property maintenance staff to increase efficiency and provide ways and means to preventative maintenance.

- ❖ Each location receives an annual PMP schedule and calendar of planned property maintenance visits.
- ❖ On each planned maintenance visit, the Property Maintenance staff:
 1. Complete scheduled maintenance and safety inspections
 2. Resolve any required maintenance that has previously been identified and planned for this visit.
 3. Check location maintenance log book for other required repairs or projects.
- ❖ The Director of Property and Maintenance liaises with local Fire Department Officers on an annual basis to ensure that their requirements are met regarding building design, safety equipment and usage. These inspections are to occur within the required time frame. All subsequent work required to meet compliance with fire code is to take priority and be addressed to the satisfaction of the Fire Department prior to due date.
- ❖ The Director of Property and Maintenance coordinates and records annual inspections to include but not limited to:
 1. Fire Department inspections
 2. Fire Plan Review
 3. Smoke Detectors
 4. Fire Extinguishers
 5. Electrical systems
 6. Heating system and chimney
 7. Hazardous substances
 8. Others as necessary and required by municipal and provincial legislation.
- ❖ The Maintenance / Custodial staff are responsible for customer satisfaction. Failure of maintenance staff to complete tasks that meet quality standards and expectations of the customer becomes a job performance issue.
- ❖ Reports are maintained on file in location, maintenance department, and administration office as required.

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VEHICLES

EFFECTIVE DATE: _____ **POLICY #** FA-13_____

REVISION DATE: __ February 25, 2010 _____

SCOPE:

All Employees, Students and Volunteers (hereafter referred to as Party)

RATIONALE:

To establish guidelines for the use and operation of NEW LEAF vehicles.

POLICY STATEMENT:

All NEW LEAF owned/leased vehicles are maintained and operated according to Ministry of Transportation regulations and NEW LEAF standards.

REFERENCES:

Borrowing of Agency Property Policy, Insurance Policy, Occupational Health and Safety Act, Smoke Free Ontario Act.

VEHICLES - CONFIRMATION OF LICENSE

- ❖ A valid class “G” (minimum) Driver’s License and a driver’s abstract are required to drive a NEW LEAF owned/leased vehicle.
- ❖ A Party is required to provide the following information prior to operating an owned/leased vehicle by NEW LEAF.
- ❖ A photocopy of Party’s valid class “G” (minimum) Driver’s License is kept on file and provided to the insurance company as requested;
- ❖ A current driver’s abstract which documents that the Party has not received any convictions of a serious nature within the past year; and
- ❖ Acknowledgement of sole responsibility to inform Human Resources immediately following a change in status of the Party’s driver’s license prior to operating a vehicle owned/leased by NEW LEAF.

VEHICLES - TRAFFIC LAWS & SAFETY RULES

- ❖ Drivers are to obey all traffic laws and posted speed limits and ensure that seat belts are worn by all passengers while the vehicle is in motion. Drivers are to refrain from engaging in any type of negligent behaviour that puts the safety of the driver, passengers, vehicle and others at risk.
- ❖ Supported individuals are never left unattended in the vehicle; vehicles are never to be left running unattended.
- ❖ People who receive support and who weigh less than the average twelve year old are not encouraged to ride in the front seat of a vehicle with dual air bags unless the vehicle automatically recognized the size and then disengages the passenger airbag.
- ❖ Close all windows and lock doors whenever the vehicle is not in use.
- ❖ Staff must not use cell phones while driving.

VEHICLES - SMOKING, ALCOHOL, DRUGS

- ❖ Smoking is NOT permitted in agency owned/leased vehicles. Eating and drinking are not permitted by driver while the vehicle is in motion.
- ❖ No Party enters, remains in, or drives a vehicle while the Party’s ability to operate a vehicle is affected by alcohol, drugs or another substance.
- ❖ Smoking in a staff’s personal vehicle, while being used for business purposes, is not permitted.

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VEHICLES - OWNERSHIP, INSURANCE, GAS CARD

- ❖ A photocopy of Ownership is kept in the vehicle and the originals are kept at the administration office.
- ❖ The original insurance binder (pink slip) is kept in the vehicle.
- ❖ The keys are stored in a safe, secure location in the house, when not in use.

VEHICLES - VISUAL CHECK

- ❖ Prior to driving a vehicle, drivers complete a visual circle check that records completion of check on the “Vehicle Log”. See form attached.
- ❖ Drivers complete and record a “visual Circle Check” (see form attached) upon completion of the outing to ensure the vehicle is in the same condition as it was found in and that the interior is clean and free of garbage.

VEHICLES - GAS, OIL AND MAINTENANCE

- ❖ Vehicles are routinely fuelled at our farm operation. Other fuel purchases are for emergency situations only and the following statements apply:
- ❖ Gas and oil receipts are forwarded to the finance department the next business day.
- ❖ All gas receipts will be matched to statement of account. Any missing receipts will be noted to manager who follows up and verifies purchase immediately and reports findings to the Finance Department. Should the receipt not be available and there is no record of the trip and/or gas purchase in house documentation, the manager will immediately request a copy of the signed receipt for verification.
- ❖ Gas cards used for personal use or to fill vehicles other than authorized by the Executive Director is fraud and theft. Such incidents lead to disciplinary action up to and including dismissal.
- ❖ All mechanical problems with the vehicle are reported immediately to the Director of Property and Maintenance. The Director of Property and Maintenance is responsible for ensuring that vehicles receive required maintenance at suggested intervals.
- ❖ Maintenance and service of all vehicles is recorded and monitored on the “Vehicle Service Form” (see attached) by the Director of Property and Maintenance.

VEHICLES - INCIDENTS AND VIOLATIONS

- ❖ Incidents involving property damage to other vehicles, property or NEW LEAF vehicles are immediately reported to a manager and, when required, the police.

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- ❖ For incidents involving any harm or injury to a person, a report will be made to the insurance company.
- ❖ For incidents of minor physical damage to vehicle the Director of Property and Maintenance will discuss the situation with the finance department; determine the cost of repairs and if appropriate, report to the insurance company.
- ❖ Payment of all traffic and parking violations are the responsibility of the driver and must be reported to the appropriate Manager immediately.

VEHICLES - OUTINGS

- ❖ Outings will be booked in a cooperative manner between locations to ensure equitable usage of the vehicle. People supported by the agency using the van for social/recreational outings may be charged a predetermined rate per kilometer for each trip.
- ❖ Outings which involve long distances (out of town trips) are approved by the Program Director one week prior to the required date.

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VEHICLE SERVICE FORM

Name of Driver:
Vehicle's License Plate No.:
Present Odometer Reading:
Presenting Problem or Maintenance Required:
Date:
Authorization:
Follow-up Documentation:
Repairs Completed:
Costs Incurred:

This form is to be submitted to the program manager who, in turn, will forward it to the Director of Property and Maintenance.

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VEHICLE DAMAGE REPORT

Date of Incident / Damage Discovery: _____

Name of Staff Involved: _____

Describe how the damage occurred: _____

Describe weather conditions and conditions of the road at the time of the incident:

Was another vehicle involved? _____. If so, list the appropriate information below.
Name, address, phone number and drivers license number of driver:

Name of Insurance Company and Policy Number:

Make, year and license plate number of vehicle:

Describe any personal injuries suffered in this incident:

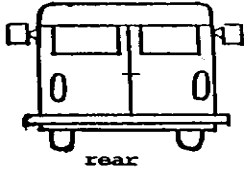
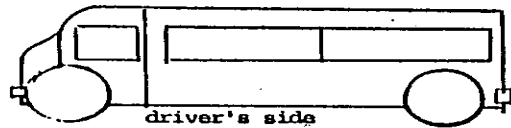
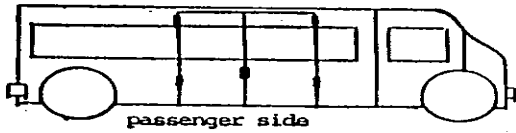
Was an ambulance called? _____

Were police involved? _____. If so, indicate names, badge numbers and precinct
of all officers: _____

Vehicle Damage Report (cont'd)

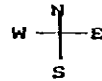
On the diagrams below, mark the appropriate areas with an "X" where damage occurred.
Describe the damage in the space below.
Once completed, this form is to be forwarded to the appropriate Program Manager.

IDENT DESCRIPTION:

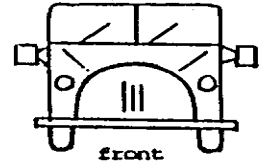


name the
streets.

draw in
traffic lights
& stop signs.



draw in position
& direction of all
vehicles involved.



Multiple horizontal lines provided for drawing and text entry.

Form Completed By: _____

Supervisor: _____

Date Completed: _____

VEHICLE VISUAL CIRCLE CHECK

Check:

1. for damage to vehicle, including bumpers, body, panel, tires, lights, etc.
2. all gauges and wipers
3. lights are working, including high and low beams, signal lights, brake lights, etc.
4. windows and mirrors are clear and clean
5. rear and side doors are securely closed
6. tires are not soft or show evidence of bald spots
7. all seat belts are functional
8. that spare tire, flashlight and extra batteries, flares/portable reflectors, fire extinguisher and first aid kit are present and in good working condition in the vehicle.

Employee / Driver Signature

Date

DISPOSITION OF PROPERTY

EFFECTIVE DATE: _____ **POLICY #** FA-14

REVISION DATE: September 6, 2011

SCOPE:

All employees (hereafter referred to as Party)

RATIONALE:

To establish a method to provide accountability for all surplus or obsolete furniture, equipment or materials owned by NEW LEAF including:

1. all furniture, equipment or materials that are additional to the requirements of a department after taking into account the needs of the department over the next two years.
2. all furniture, equipment or materials rendered useless due to normal wear, breakage beyond economical repair, and/or considered valueless for trade-in purposes and,
3. all technically obsolete equipment or materials that have been rendered obsolete due to advances in technology.

POLICY STATEMENT:

It is the responsibility of NEW LEAF to identify, declare and dispose of any agency or resident/client surplus or obsolete furniture, equipment or materials in a responsible and accountable manner that maximizes the benefit to NEW LEAF.

REFERENCE:

Fraud Policy, Conflict of Interest Policy

DISPOSAL OF ITEMS - DECLARING ITEMS SURPLUS OR OBSOLETE

When furniture, equipment or material becomes surplus or obsolete to a department/location, the Program Manager completes the standard Declaration Form and then forwards the completed form to the Finance Department / Purchasing Manager.

Declaration Form provides the following information:

1. Date the item was declared surplus or obsolete
2. Physical location of the item
3. Quantity of items being declared (e.g. 6 tables)
4. Complete description of the item, technical data, model, serial number etc.
5. Original value of the item and the year of purchase (estimate if not known)
6. Condition of the item – good, fair, poor or scrap
7. If the item is to be replaced
8. Signature of program director

DISPOSAL OF ITEMS - TRADE-INS OF SURPLUS OR OBSOLETE ITEMS

- ❖ When a program needs to replace the item that it has declared surplus or obsolete, information concerning this item is included on the purchase requisition for its replacement. The Finance Department is alerted of a possible “trade-in”, which may be of benefit while negotiating the final price of the replacement.
- ❖ The Manager of Purchasing may use the item as a trade-in for another department/location that is purchasing a similar item if the item is not needed by the declaring department. In any case, the trade-in value received is identified with the declaring department and the appropriate credit is transferred to it.

DISPOSAL OF ITEMS - TRANSFER OF SURPLUS OR OBSOLETE ITEMS

- ❖ The Program Director advertises within the agency surplus or obsolete furniture, equipment or materials. Items declared must be considered to be acceptable for use by other departments within NEW LEAF. All articles are transferred based on need or on a first come, first serve basis.

DISPOSAL OF ITEMS - SALE OF SURPLUS OR OBSOLETE ITEMS

- ❖ Where an asset is considered to be of significant value an appraisal is required.
- ❖ Any surplus or obsolete furniture, equipment or materials that are not used as trade-ins, or transferred to another department after having been advertised for a period of **fifteen (15) working days** are publicly advertised for sale.

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- ❖ The methods of sale include solicited quotations with the item going to the highest bidder, “cash and carry”, or any other means deemed appropriate.
- ❖ Sales made to the general public are by cash or cheque made payable to NEW LEAF. Cheques are only to be accepted when accompanied by appropriate identification. The agency may require a certified cheque or bank draft. Applicable sales taxes apply to all articles sold, except when the purchaser submits the necessary proof of exemption certificate. New proceeds from all cash sales are credited to the original funding source.
- ❖ Surplus or obsolete furniture, equipment or materials are sold as is and without warranty. It is the responsibility of the purchaser to arrange for the packing and removal of the purchased goods within **three (3) working days** immediately following the day of sale.

DECLARATION FORM FOR DISPOSAL OF OBSOLETE ITEMS

Location: _____ Date: _____

Resident: _____

Account Codes: _____
(Department/Location/expense account)

Item: _____

Number of Items: _____

Make/Brand: _____

Model #: _____

Serial #: _____

Year Purchased: _____

Purchase Price: _____

Reason for declaration of disposal (attach incident report or damage report where required): _____

Condition: Good Fair Poor Scrap

Prospective Buyers: _____

Item to be replaced: Yes No

Program Manager

Program Director

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BANK ACCOUNTS

EFFECTIVE DATE: _____ **POLICY #:** FA-15

REVISION DATE: February 25, 2010

SCOPE:

Employees, Board of Directors (hereafter referred to as Party)

RATIONALE:

To provide guidance for the opening and operation of bank accounts.

POLICY STATEMENT:

All bank accounts are to be maintained and reconciled based on acceptable accounting practices.

REFERENCES:

Cheque Signing Authority Policy, Payment Processing Policy

BANK ACCOUNTS - RESPONSIBILITY

The Finance Department is responsible for ensuring bank accounts are maintained in compliance with sound financial practices.

BANK ACCOUNTS - DEFINITIONS

“Operating Account” means the bank account used for the majority of NEW LEAF’s cash receipts and disbursements. Other accounts may be used for special purposes.

“Outstanding Cheques” means a cheque that has been issued by NEW LEAF but has not yet been recorded by the bank.

“Outstanding Deposits” means a deposit that has been deposited to the bank account by NEW LEAF but not yet recorded by the bank.

“Petty Cash” means a small amount of cash kept on hand at a work site to be used for necessary minor purchases, to avoid the expense of issuing cheques.

BANK ACCOUNTS - AUTHORIZATIONS

- ❖ New bank accounts must be approved by the Executive Director
- ❖ All cheques require two (2) signatures, with authorized signatories as approved by resolution of the Board of Directors.

BANK ACCOUNTS - OPERATING ACCOUNT

- ❖ NEW LEAF’s main Canadian dollar account at Royal Bank of Canada (Newmarket) shall be used for all Canadian dollar receipts and disbursements.

BANK ACCOUNTS - PROCESS FOR OPERATION OF ACCOUNTS

- ❖ All payments made by NEW LEAF, with the exception of payments made from petty cash and designated client payments must be made by cheque or direct payment through bank transfer.
- ❖ All funds received by NEW LEAF must be deposited to one of the bank accounts. All deposits include the following:
 1. Copy of cheque/stub/receipt to be attached to deposit summary
 2. Receipts for all cash received indicating from whom, “cash”, account to which to record the revenue.
 3. “Cash” receipts must equal cash deposited to account.

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4. Summary of deposit is posted to accounts by person other than the person who prepared the deposit.

BANK ACCOUNTS - RECONCILIATIONS

- ❖ Every bank account is reconciled monthly, no later than the end of the following month.
- ❖ The reconciliation indicates outstanding cheques, outstanding deposits, unrecorded bank charges, and other reconciled items.
- ❖ Discrepancies are reported to the bank in writing immediately and followed up appropriately.
- ❖ Posting of adjustments to bank account as a result of the reconciliation process are to be recorded in month to which the bank statement refers.
- ❖ Every reconciliation is reviewed and signed off by the Director of Finance.

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INVESTMENTS

EFFECTIVE DATE: _____ **POLICY #:** ____ **FA-16** ____

REVISION DATE: _ **February 25, 2010** _____

SCOPE:

Board of Directors, employees (hereafter referred to as Party)

RATIONALE:

To specify what investments are permitted for funds that are not required for current operations.

POLICY STATEMENT:

Excess funds are invested in liquid investments with very low levels of risk. Investment strategies adhere to ministry financial guidelines.

REFERENCE:

Bank Accounts Policy

INVESTMENTS - RESPONSIBILITY

The Executive Director and the Director of Finance are responsible for investing excess funds.

INVESTMENTS - DEFINITIONS

“Risk” means a measure of the possibility of gain or loss. It consists of credit risk, foreign exchange risk, interest risk and liquidity risk.

“Credit Risk” means the risk that a debtor will not repay an obligation when due.

“Foreign Exchange Risk” means the risk due to fluctuations in foreign exchange rates.

“Liquidity Risk” means the risk of being unable to buy or sell an investment quickly or at a price close to its market value.

INVESTMENTS - IDENTIFICATION OF EXCESS FUNDS

- ❖ Monthly the Finance Department forecasts non-recurring disbursements including:
 1. Capital expenditures
 2. Loans and loan repayments
 3. Operating expenditures and obligations
 4. Other investing uses of cash
 5. Other financing uses or sources of cash
- ❖ The Finance Department identifies the level of surplus funds not required for day-to-day operations by:
 1. Reviewing historical cash levels
 2. Updating the cash flow forecast monthly
 3. Taking account of any other appropriate factors

INVESTMENTS - INVESTING EXCESS FUNDS

- ❖ NEW LEAF maintains an investment account with investment dealer or bank
- ❖ The Director of Finance is authorized to transfer excess funds to or from the investment account
- ❖ Investments are only made to low risk securities. Investments are made in securities listed below that carry low levels of credit risk, foreign exchange risk, interest rate risk and liquidity risk.
- ❖ Investments are made according to ministry financial guidelines.
- ❖ Investments are made to the following securities:

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1. Obligations of the Government of Canada or guaranteed by the Government of Canada
 2. Obligations of a Province or Municipality of Canada or guaranteed by a Province or Municipality of Canada
 3. Obligations of a Schedule 1 Canadian Chartered Bank with Dominion Bond Rating Services (D.B.R.S.) of not less than R1 or a Canadian Bond Rating Services (C.B.R.S.) with a rating of not less than A1, including securities such as bonds or debentures and other investments such as Guaranteed Investment Certificates or term deposits.
 4. All federally chartered schedule 2 banks with D.B.R.S. mid-rating of R1 or better or C.B.R.S. rating of A1+ or better
 5. Trust companies – all Trust companies and their guarantees with a D.B.R.S. rating of not less than R1 or a C.B.R.S. rating of A1 or better
 6. The term of the investment is selected based on a) the date when the excess funds is required to be disbursed or b) the interest rates available for shorter periods versus longer periods.
- ❖ NEW LEAF does not enter any investments or financial instruments other than those set out in this policy without prior approval by the Board of Directors.

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PURCHASING POLICY

EFFECTIVE DATE: _____ **POLICY #:** FA-17

REVISION DATE: February 25, 2010

SCOPE:

All employees, students and volunteers (hereafter referred to as Party)

RATIONALE:

To establish internal control over the authorization of expenses.

POLICY STATEMENT:

The practice for purchasing goods and services by NEW LEAF is in accordance with Generally Accepted Accounting Principles, ministry guidelines, and sound financial practices.

REFERENCE:

Payment Processing Policy, Unbudgeted Expenses Policy

PURCHASING - GUIDELINES FOR PROPER PAYMENT AUTHORIZATION

- ❖ All invoices are approved /authorized prior to payment
- ❖ Authorization is to include:
 1. Description – reason for payment cross-referenced to supporting details or documents and attached to the requisition (including shipping documents, receiving confirmation, purchase order).
 2. Coding section – The account code or codes to be debited and the corresponding amounts with taxes (PST and GST) identified separately.
 3. Coding section – The account code, portion of GST to be refunded (eg. 50%).
 4. Amount – Total amount of the cheque to be issued.
 5. Approved by – Requires authorized signature
 6. Special delivery instruction – If the cheque is not to be directly routed to the payee then the appropriate routing instruction needs to be reported in this space.
 7. Date required – Record date cheque is required if different from regular cheque run.
- ❖ With the exception of groceries, the person who is ordering cannot approve payment.
- ❖ All purchases are within the approved budget.
- ❖ All purchases up to \$5,000 are approved by the person responsible for the corresponding budget.
- ❖ Expenses over \$5,001 that are not identified as a regular scheduled payment are approved by the Executive Director.
- ❖ It is the responsibility of the Party involved in the purchase and reimbursement of goods and services to ensure compliance with this policy and procedure. The Finance Department is responsible for verifying that the amount requested is supported by the attached documents and that the signature is the appropriate signing authority.
- ❖ The Director of the department the expense is related to will approve the requisition. Special authorization is required if the amount of the requisition is over a certain limit or is an unbudgeted expense. Only individuals with the appropriate level of authority are able to approve the cheque requisition.

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CONTRACTS

EFFECTIVE DATE: _____ **POLICY #:** FA-18

REVISION DATE: February 25, 2010

SCOPE:

All employees who have the authority to enter into contracts (hereafter referred to as Party)

RATIONALE:

To provide guidelines for entering into contracts.

A contract is an agreement enforced by law that binds two or more entities to do something.

POLICY STATEMENT:

All contracts entered into by NEW LEAF must maximize the benefits to and protect the interest of NEW LEAF.

All contracts are signed by authorized personnel and adhere to ministry financial guidelines and collective agreements.

REFERENCE:

Non-Employee On-site Liability Policy, Purchasing Policy, Fixed Asset Policy, Conflict of Interest Policy

CONTRACTS - RESPONSIBILITY

Prior to the commencement of any contract NEW LEAF ensures:

- ❖ Contracts are entered into when there is an advantage to the organization by doing so.
- ❖ A full range of potential arrangements is investigated before entering into an exclusive contract.
- ❖ Legal assistance or advice is obtained if necessary for any non-standard clauses.
- ❖ All contracts entered into by NEW LEAF are reviewed and approved by the Executive Director or designate. Special authorization is required if the amount of the contract is over a certain limit or an unbudgeted expense.
- ❖ As best practice, contractor must provide proof of liability insurance coverage where appropriate.
- ❖ Each contract is witnessed, dated and embossed with the NEW LEAF corporate seal if required.
- ❖ NEW LEAF ensures that a completed copy of the final contract is made available to all other signatories.
- ❖ The original signed contract is kept in a secure place at NEW LEAF's financial department.
- ❖ All Purchase of Service contracts must meet NEW LEAF's conflict of interest guidelines.
- ❖ Some months prior to the expiry of the contract, the Executive Director or designate reviews and plans for the renewal or entering into of the contract following the above procedure.
- ❖ At the minimum, each Purchase of Service contract entered into by NEW LEAF shall provide the following information:
 - The nature of the service
 - The financial obligations agreed to
 - The period of time that the contract covers
 - The invoicing procedure, or a payment schedule
 - A termination clause
 - Declaration of no conflict of interest
 - A table of contents regarding the negotiated work plan
 - Authorization by Executive Director or Director of Finance on behalf of NEW LEAF.

CONTRACTS - PROCEDURE FOR TENDERING CONTRACTS

- ❖ Procedures for tendering contracts comply with ministry guidelines.
- ❖ The tendering process is required whenever the financial costs from a contract are likely to exceed ten thousand dollars (\$10,000) or, when the contract obligates NEW LEAF for a period greater than three (3) years.

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- ❖ For contracts greater than one hundred thousand dollars (\$100,000), a competitive bidding process consisting of detailed Requests for Quotation (RFQ), comprehensive assessment of quotes and final selection authorization is undertaken.
- ❖ Whenever the financial costs or benefits from a contract are less than ten thousand dollars (\$10,000) or, when the contract does not obligate NEW LEAF for a period greater than three (3) years the contract is reviewed and approved by the Executive Director.
- ❖ The original signed contract is kept in a secure place at the NEW LEAF business office.
- ❖ Some months prior to the expiry of the contract, the Executive Director or designate reviews and plans for the renewal or tendering of the contract following the above procedure.

**QUOTATIONS AND TENDERS
(MCSS Funded Operations)**

EFFECTIVE DATE: _____ **POLICY #:** FA-19

REVISION DATE: February 25, 2010

SCOPE:

All employees who have the authority to obtain quotations and/or tenders (hereafter referred to as Party)

RATIONALE:

To provide guidelines for obtaining and processing quotations and tenders.

DEFINITIONS:

A **Tender** is a submission by a vendor, in response to a formal letter from the Executive Director, offering to execute work or supply goods at a fixed price, usually for a specified period of time. "Notes Regarding Tender Requests" will be included with the tender letter.

A **Quotation** is a verbal submission by a vendor, stating the current price of services or commodities and is usually subject to escalation without notice.

Advertised Tenders: All advertised tenders require public advertisement in the local daily newspaper for a minimum of three days. In addition, tenders may be advertised in other selected newspapers and journals as deemed necessary.

REFERENCE:

Purchasing Policy, Conflict of Interest Policy, Contracts Policy

QUOTATIONS AND TENDERS - POLICY

- ❖ Price quotations and tenders shall be obtained within the limitations to the total sum defined below:
 - * \$0.01 - \$10,000.00 – from catalogue or written quotations at the discretion of the Program Manager.
 - * \$10,000.01 - \$25,000.00 – by written quotation
 - * 25,000.01 - \$100,000.00 – by written quotation from at least three vendors.
- ❖ All tenders for goods and services shall be received in the office of the Executive Director.
- ❖ The bidder is responsible for ensuring delivery of the tender or quotation prior to the competition closing date. All quotations or tender requests will allow a minimum of twelve working days from date of mailing to the competition closing date.
- ❖ Any tender for goods (or) continuing services estimated to be for more than \$100,000.00 shall be advertised as an advertised tender. Recommendations will be made to the Executive and/or Finance Committee for approval.
- ❖ Where the amount involved is less than \$100,000.00 but more than \$25,000.00, the Executive Director shall request formal quotations or tenders from no fewer than three vendors, except in the case of library or textbooks from a specific publisher, magazines, supplies or equipment of a specific nature, where obtaining more than one supplier is not possible. Where a particular vendor is specified on an order, the Executive Director shall be assured of the reasons for the specific request as opposed to competitive bidding. The final selection of a vendor for amounts under \$10,000.00 shall be made by the Program Director ordering the product. The final selection of a vendor for amounts between \$10,000.01 and \$100,000.00 shall be made by the Executive Director.
- ❖ Where a price is comparable, quality is of the required standard and service is available; priority of consideration of vendors shall be first with a vendor whose place of business is within the local community.
- ❖ When the quotation or tendering procedure has been satisfactorily completed, all unsuccessful bidders will be notified. If a request is made in writing, unsuccessful bidders shall be allowed to know the total amount quoted or tendered by the successful bidder.
- ❖ When the lowest priced quotation or tender submission is not accepted, a written record shall be maintained stating the reason for acceptance of an alternative tender.
- ❖ It is recognized that strict adherence to all the requirements set forth in the above section may not be practical in every case, but strict adherence should be observed, except in the case of an emergency or where adherence can be shown to involve substantial and unwarranted additional expense. Furthermore, in the case of an emergency situation, the Executive Director shall be empowered to purchase, without obtaining quotations as previously outlined, subject to the approval of any member of the Executive Committee.

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- ❖ When New Leaf has approved acceptance of a specific tender or quotation for goods and/or services according to specifications, the successful vendor shall be notified in writing as soon as practical thereafter. Particular reference will be made to any qualifications or reservations in connection with the award.
- ❖ The successful vendor, having been duly notified of the acceptance of his/her tender or quotations, within fifteen days of the dispatch of such notification, shall give satisfactory evidence of good faith, his/her capability and intention to comply with the terms of the contract.
- ❖ In those instances, when assurance of satisfactory completion of a contract is not forthcoming, an alternate tender may be accepted from those previously received.

NOTES REGARDING TENDER REQUESTS

- ❖ Prices are to be tendered inclusive of Trade Discounts and in Canadian Funds. Ontario Retail Sales Tax and Goods and Services Tax are not to be included, but is to be added separately on the invoice where applicable.
- ❖ All items are to be priced on a prepaid basis, to point of destination, unless indicated otherwise.
- ❖ The lowest or any tender not necessarily accepted.
- ❖ New Leaf may choose to accept partial segments of this tender unless specifically indicate that prices are conditional to reception of the complete order.
- ❖ All prices are to remain firm until the last day of validation as indicated on this form. No change in tender prices will be allowed due to fluctuations in foreign exchange during this period.

Note: Authorization from a member of the Board of Directors is required before purchasing goods and services over \$25,000. See cheque signing authority and signing authority exceptions (page 71).

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PAYMENT PROCESSING

EFFECTIVE DATE: _____ **POLICY #:** FA-20

REVISION DATE: February 25, 2010

SCOPE:

All employees, students, volunteers and signing officers (hereafter referred to as Party).

RATIONALE:

To provide guidance and principles for the processing of payment by invoices.

POLICY STATEMENT:

Invoices are processed by cheque or direct payment, properly authorized and supported by documentation according to Generally Acceptable Accounting Principles and practices.

REFERENCE:

Petty Cash Funds Policy, Purchase Policy, Bank Account Policy, Cheque Signing Authority Policy

PAYMENT PROCESSING - RESPONSIBILITY

- ❖ The Director of Finance is responsible for ensuring bank accounts are maintained in compliance with sound financial practices.
- ❖ Party authorized to pay with credit cards adhere to all NEW LEAF policies and procedures.
- ❖ The finance department personnel are responsible to ensure appropriate authorization and documentation in accordance with policy and practice.
- ❖ Signing officers are responsible for ensuring payments are only made for items that are properly authorized.

PAYMENT PROCESSING - DEFINITIONS

“**Payee**” means the person or company to whom a payable is made.

“**Voided cheque**” means a cheque that has been classified by NEW LEAF as unusable.

PAYMENT PROCESSING - INVOICE PAYMENT

The following are standards for the achievement of quality financial support services for NEW LEAF.

Payment Processing:

- ❖ All invoices are stamped and coded with vendor #, account number, GST applied to appropriate rebate account upon receipt.
- ❖ All invoices are paid promptly, preferably within 30 days of receipt of service and invoice.
- ❖ No interest or late fees will be paid. Any exception to this, due to unavoidable circumstances, will be brought to the attention of the Director of Finance prior to payment, for approval by initial and date.
- ❖ All invoices are approved according to payment Authorization Policy before payment.
- ❖ Financial issues are dealt with in a professional manner. Information is considered confidential (see Confidentiality Policy). Any release of information is approved by the Executive Director or designate.

PAYMENT PROCESSING - PAYMENT BY CHEQUE

Blank Stock:

- ❖ Blank cheque stock is pre-numbered
- ❖ Blank cheque stock is kept in a secure location
- ❖ Voided cheques are retained and the word “VOID” handwritten or stamped across them.
- ❖ For cheque voided after signed the signatures are to be removed from the cheque. All copies of the voided cheque are to be kept for further reference.

Cheque Authorization:

- ❖ The complete payment package consists of an invoice, and if applicable, receiving report and/or purchase order. Evidence of approval in accordance with the “Purchasing Policy” appears on the front of the payment package or on the front of the invoice.
- ❖ Any invoices about which there are questions are to be placed in a folder and followed up prior to cheque payment process that week.

Prohibited Payees:

- ❖ Cheques are not issued “in blank”, that is, where the name of the payee is not shown.
- ❖ Cheques are not issued where the payee is “bearer” or “cash”

Cheque Signing Authorities:

- ❖ All cheques require two authorized signatures (see Signing Authority Policy).
- ❖ The Executive Director and Director of Finance cannot sign their own expense cheques.
- ❖ No authorized signing officer signs his/her own pay cheque if applicable.
- ❖ Any extra monies, such as an honorarium, distributed to a Party is acknowledged in writing and signed by the Executive Director or the Director of Finance.
- ❖ The first cheque signer reviews the supporting documentation and satisfies himself/herself that it is reasonable, complete and that the payment has been properly authorized.
- ❖ The second cheque signer satisfies himself/herself that appropriate procedures are followed and that the cheque appears reasonable.

Cheque Copies:

- ❖ The original cheque is mailed to the payee along with any required supporting documentation (i.e. payment stub from invoice/account number). FA-20

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- ❖ One copy of the cheque/stub is attached to the voucher package and filed alphabetically.

Disbursement of Cheques:

- ❖ After signing, the cheque is separated from the voucher package and sent directly to the payee.

PAYMENT PROCESSING - DIRECT ONLINE PAYMENT/PREAUTHORIZED PAYMENT

- ❖ Payments paid directly through the banking on-line system are managed either by transferring funds per vendor account number or authorizing (pre-authorized payment) the vendor to transfer funds automatically each month.
- ❖ Vendor accounts setup is approved by the Director of Finance.
- ❖ Vendor accounts are setup on the bank "Pay Bill" system including a separate Payee and Account number for separate accounts (i.e. utilities).
- ❖ A journal entry is prepared based on invoices paid. Bill Payment Activity Report is attached to the original invoice.
- ❖ The clearing of accounts payable is based on actual activity in bank (each payment process has entry to bank).
- ❖ Paid invoices with attached Bill Payment Activity Reports are filed alphabetically in payable files.
- ❖ Online payment is processed by Accounts Payable department and authorized by the Director of Finance.

PAYMENT PROCESSING - PURCHASING WITH CREDIT CARD

- ❖ Credit cards (VISA) may be issued to: all Directors, the Executive Director, Maintenance Supervisor and Managers.
- ❖ Credit cards are to be used exclusively by the individual to whom they have been assigned, and to the individual named on the card. Credit cards and credit card numbers are not to be loaned out.
- ❖ Agency credit cards are not to be used for personal purchases.

Credit card limits are to be set by the Executive Director, and will never exceed a \$10,000 limit. Any increase to the established credit card limits and/or interim payments between regular billing cycles must be pre-approved by the Executive Director or designate.

Requests to temporarily increase limits and/or pay credit card balances between regular billing cycles must be made in writing with documentation supporting the business case for the request.

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Any manager requiring the use of an agency department store credit card must first have the approval of the Program Director, or person responsible for the card.

PAYMENT PROCESSING – ON LINE TRANSFER OF
FUNDS (Residents and employees)

- ❖ Payment to individuals (residents, employees) is made to the payees individual account and is set up on the bank “ACH Direct Payment and Deposit”.
- ❖ All payments are properly authorized with PIN authorization by the Director of Finance or the Executive Director.

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**CHEQUE SIGNING
AUTHORITY**

EFFECTIVE DATE: _____ **POLICY #:** FA-21

REVISION DATE: February 25, 2010

SCOPE:

All employees, students, volunteers and authorized signing authorities (hereafter referred to as Party).

RATIONALE:

To establish limits and procedures for cheque signing.

POLICY STATEMENT:

To ensure sound financial accountability and internal control, cheques written on any business bank accounts held by the organization require two signatures by authorized signing authorities.

REFERENCES:

Payment Processing Policy, Bank Account Policy

CHEQUE SIGNING AUTHORITY - PROCEDURE

- ❖ The following procedures are followed with respect to signing authority and limits for cheques written on any NEW LEAF business bank account.

Signing Authority – Cheques to a Maximum of \$10,000

- ❖ The signatures may be a combination of any two signing authorities as outlined in NEW LEAF bylaws.

President

Vice President(s)

Treasurer

Executive Director

Director of Finance

Director of Property and Maintenance

Signing Authority – Cheques over \$10,000 and less than \$25,000

- ❖ The signatures must include that of the Executive Director and /or a Board member

Signing Authority – Cheques over \$25,000

- ❖ The signatures must include a Board members signature

Signing Authority Exceptions

- ❖ Cheques over \$5,000 written for expenses as approved by the ministry and presented to the Board (eg. Retrofit, repairs and maintenance, special project ministry expenses).
- ❖ Budgeted annual insurance
- ❖ Budgeted operational items (i.e. bulk food, utilities, replacement staff)
- ❖ Revenue Canada remittances

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**EXPENSES ELIGIBLE FOR
REIMBURSEMENT and HOSPITALITY**

EFFECTIVE DATE: _____ **POLICY #:** FA-22

REVISION DATE: December 6, 2011

SCOPE:

All employees, volunteers and students (hereafter referred to as Party)

RATIONALE:

The Party is reimbursed for any reasonable out-of-pocket expenses incurred in the services of NEW LEAF.

POLICY:

Eligible expenses include meals, mileage, parking and incidental costs incurred while the Party is on NEW LEAF business.

All eligible expenses are processed with proper authorization, and in a manner that supports best practices and sound financial management.

REFERENCES:

Purchasing Policy, Payment Processing Policy

ELIGIBLE EXPENSES - GENERAL GUIDELINES

- ❖ An employee receives prior approval from the immediate supervisor to be reimbursed for any purchases/expenses made on behalf of NEW LEAF.
- ❖ Expense claims are in writing on an Expense Claim Form, accompanied by receipts, and authorized by the appropriate manager/supervisor. Following the approval, the claim is forwarded to the finance department for payment.
- ❖ An expense claim is paid only when accompanied by appropriate receipts. Original, itemized receipts must be submitted with all claims – CREDIT CARD SLIPS ARE NOT SUFFICIENT.
- ❖ All traffic, parking or other tickets and unauthorized toll charges are the responsibility of the employee.
- ❖ Do not claim alcohol as part of any travel or meal expense – it is not allowed and it will not be reimbursed.
- ❖ No expense claim is accepted if it is more than 90 days old.
- ❖ Monthly expenses are to be submitted to the Finance Department before the 10th of the following month.

ELIGIBLE EXPENSES - TRAVEL, MILEAGE AND MEALS

- ❖ Claims submitted for meals (while on NEW LEAF business) will be paid as per the Collective Agreement or as approved by the Executive Director. Original, itemized receipts must be submitted with all claims – CREDIT CARD SLIPS ARE NOT SUFFICIENT.
- ❖ Mileage is paid out at a set kilometer rate as per the Collective Agreement for any travel pertinent to the performance of job duties.
- ❖ All out of town trips must be approved by the manager in advance.
- ❖ All NEW LEAF employees must use a vehicle owned or leased by NEW LEAF if one is available prior to using their own personal vehicle.
- ❖ Staff are required to submit their travel expense claims and meal claims to their manager for approval.
- ❖ Any out of province and/or out of country travel must be approved by the Executive Director and must be based on a thorough written business case including detailed budget and an explanation as to why the travel is required.
- ❖ In all cases (local and out of province/country) the most economical form of transportation is to be selected.
- ❖ When road transportation is the most practical, economical way to travel, the order of preference is:
 - a) agency vehicle
 - b) rental vehicle

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- c) personal vehicle, if it is more economical than a rental vehicle. It is understood that short run site visits by management staff require the use of a personal vehicle.
- ❖ The Executive Director or designate must approve, in advance, the rental of vehicles, and travel by train or airplane.
- ❖ All travel requiring overnight accommodation must be approved by the Executive Director. Reimbursement will be made for single accommodation in a standard room.

**INDIVIDUALS APPROVING CLAIMS
(APPROVERS)**

- ❖ Approvers are prohibited from approving their own expenses. Expenses for a group can only be claimed by the most senior person present. (e.g. a Director who reports to the Executive Director cannot submit a claim that includes the cost of the Executive Director's lunch even if they were at the same event, with the result that the Executive Director would thereby approve his/her own expenses).

HOSPITALITY

- ❖ Hospitality is the provision of food, beverage, accommodations, transportation and other amenities at agency expense to people who are not engaged in work for New Leaf. This means that functions involving only people who work for New Leaf are not considered hospitality functions.
- ❖ Hospitality may be extended on behalf of New Leaf in certain situations (e.g. consumer/family events such as the Annual Corn Roast, AGM, Christmas event and donor recognition).
- ❖ Hospitality may never be offered solely for the benefit of people who work at New Leaf. Examples would be: office social events, retirement parties and holiday lunches.

ELIGIBLE EXPENSES - PARKING

- ❖ A parking receipt is required at all times, unless at a parking meter.

ELIGIBLE EXPENSES - INCIDENTAL / OTHER EXPENSES

- ❖ All other expenses incurred by the employee on NEW LEAF business must have the prior approval of their immediate supervisor and receipts must be submitted to claim the expense.

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PETTY CASH FUNDS

EFFECTIVE DATE: _____ **POLICY #:** FA-23

REVISION DATE: February 25, 2010

SCOPE:

All employees, students and volunteers (hereafter referred to as Party)

RATIONALE:

From time to time NEW LEAF is required to make cash purchases. Cash may be required in each program on a regular basis to conveniently pay for incidental, minimal purchases as they are incurred in the day to day operations.

POLICY:

Petty cash funds are established at a number of locations within NEW LEAF. Guidelines and processes are in place to provide for accountability of these funds.

REFERENCE:

Conflict of Interest Policy, Payment Processing Policies, Purchasing Policy

PETTY CASH - DISBURSEMENT FROM PETTY CASH FUNDS

The following procedures are for all Parties who access petty cash funds:

- ❖ Individual petty cash purchases not to exceed \$100. Requests in excess of that amount require approval from a manager or director.
- ❖ The following items are excluded from petty cash expenditures:
 1. Salary or wage payments
 2. Personal loans or advances
 3. Purchases that benefit a Party, such as personal gifts.

All disbursements from a petty cash fund must have a Petty Cash Voucher indicating the details of the purchase including date, store, item(s) purchased, and the employee's signature. A receipt of the purchase is attached to the voucher.

PETTY CASH - REPLENISHMENT OF PETTY CASH

- ❖ When a petty cash fund reaches the 50% level, the person responsible for the petty cash fund applies for the replenishment in cash for all vouchers paid to date by completing a petty cash replenishment summary. Any discrepancy exceeding amount is accompanied by a written explanation.
- ❖ The petty cash summary and original vouchers with receipts attached, is forwarded to the Finance Department.
- ❖ The finance department audits the petty cash vouchers and verifies:
 1. vouchers are supported by receipts
 2. the coding section is complete and all amounts are accounted for
 3. erroneous or incorrect vouchers are returned for correction. In such instances, the dollar amount of the rejected vouchers, is deducted from the replenishment. Returned vouchers are resubmitted after correction.
- ❖ Upon completion of the audit by the accounting department, the cash is made available for the petty cash fund.
- ❖ The Finance Department records the transaction in the accounting system of NEW LEAF.

CASH HANDLING PROCEDURES

- ❖ Cash funds received from all sources will be counted by two staff members, recorded and reported to the accounting department on a regular basis
- ❖ Once counted, cash will be kept in a safe or other secure location with controlled access
- ❖ Cash kept on the premises will be limited to an amount adequate for petty cash purposes, and any surplus will be deposited in a bank account

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CASH HANDLING PROCEDURES – Day Program

Effective Date: _____ **Policy:** FA-24

Revision Date: February 25, 2010

SCOPE:

Management and staff expressly appointed by the Program Director as having the authority to process cash transactions for products sold at the Day Program.

RATIONALE:

The Day Program at New Leaf produces goods which are made available to be purchased by the public and other agency stakeholders. In order to facilitate simplicity in the purchasing process, authorized employees need access to a cash float in order to provide change to customers. It is also recognized that cash revenues from sales must be managed in such a way as to minimize the risk associated with having cash stored in a location that is not considered secure.

POLICY STATEMENT:

Only staff who have been expressly appointed by the Program Director to handle cash transactions at the Day Program may do so. Specific protocols must be followed (as outlined below) in order to ensure that transactions are documented, the cash float is balanced, any cash over the float limit is delivered to the administration office and reconciled in the presence of one other administrative staff.

GENERAL:

A cash float of one hundred dollars (\$100.00) will be provided to the Day Services Manager who will be responsible for the daily transaction reconciliation and float maintenance. These funds are stored in a locked safe in the Manager's office. When total cash (float plus revenues) exceeds one hundred and fifty dollars (\$150.00), it is the responsibility of the Manager to bring the cash to the Administrative office where it will be reconciled with the accounts receivable clerk present. Receipts and ledger sheets must also accompany cash during reconciliation.

The cash float and revenues are to be stored in the office of the Day Services Manager except at times when it would be more convenient to transfer it to the cash register at the Greenhouse. When this transfer occurs, the person in possession of the cash, receipts and ledgers will, together with the other responsible party, count cash on hand and sign over responsibility for receipt on the ledger. At times when the Greenhouse Supervisor is responsible for the cash, the same cash limits and reconciling procedures at the Administrative office applies. As soon as the float plus cash is no longer required to be in

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possession of the Greenhouse Supervisor, it is to be signed back to the Day Services Manager as described above.

REFERENCES:

New Leaf Finance Policy

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**PAYROLL / BENEFIT
ADMINISTRATION**

EFFECTIVE DATE: _____ **POLICY #:** FA-25

REVISION DATE: February 25, 2010 _____

SCOPE:

All Employees.

RATIONALE:

To ensure salaries, wages, and benefits are processed according to acceptable accounting practices, collective agreement and applicable legislation.

POLICY STATEMENT:

Payment of salaries, wages and benefits is administered as specified by Human Resource Policies, Collective Agreement and applicable legislation both provincial and federal.

REFERENCE:

Annual Budget Policy, Financial Statements and Returns Policy, Confidentiality Policy, Privacy Act, Employment Standards Act, Ministry of Labour, Collective Agreement, Fraud Policy.

PAYROLL / BENEFITS ADMINISTRATION - RESPONSIBILITY & DEFINITIONS

RESPONSIBILITIES:

All Employees:

- ❖ All employees are responsible for ensuring that hours of work are properly clocked in and out.

Finance Department:

- ❖ Ensures regular and overtime pay for all employees are reflected on the next available payroll and that all requests for payment are properly approved, reviewed and reconciled.
- ❖ Ensures payroll is processed in a timely manner and according to the collective agreement, legislation and contracts.
- ❖ Ensures benefits are paid in full and on time.

DEFINITIONS:

“Pay Period” means the period of time generally reflected in each pay i.e. Biweekly = two weeks.

“Direct Deposit” means a payroll arrangement whereby the employee’s pay is deposited directly into a bank account as specified.

“Exception Basis” means a type of time reporting whereby basic regular hours are assumed by the system and only those hours that are not regular, such as overtime, are reported.

“Source Deduction” means a payment made by the employer from wages as a deduction from the employee’s pay before the net pay is deposited (e.g. Employment Insurance, Health Benefits, Canada Pension Plan).

“SIN” means Social Insurance Number

“Gross Pay” means the amount of pay earned by an employee prior to any deductions.

“Net Pay” means the amount actually paid to the employee after appropriate deductions have been made from Gross Pay.

PAYROLL/BENEFIT ADMINISTRATION - PROCEDURE: PAYROLL PROCESSING

Wages and Overtime:

- ❖ Each pay period, hourly paid employees are paid for the actual hours worked, plus time and one-half for any time worked in excess of bi-weekly hours as outlined in a collective agreement or as determined by Employment Standards. Payment of hours worked on statutory holidays is as required under the Collective Agreement.
- ❖ Time sheets are maintained for each hourly paid employee for each pay period.
- ❖ Overtime amounts paid are not included in calculations for pay-based benefits or pension unless required otherwise under agreement, contract or collective agreement.
- ❖ Complete and approved time sheets are submitted to the Payroll/Finance Department one business day after the pay period.
- ❖ Changes to wages, premium and overtime rates are authorized by the Executive Director.

Union and Professional Dues

- ❖ Union and professional dues that are payable by the employee are treated as a source deduction.

Direct Deposit

- ❖ All employees are paid by direct deposit into a Canadian bank account identified by the employee and verified by the bank as pertaining to the particular employee.
- ❖ Before the release of funds to the bank, the Director of Finance or designate authorizes total payroll and individual deposits.

Contract Employees

- ❖ Contract employee is paid according to the terms of his/her contract.
- ❖ All payments to a contract employee are authorized by the employee's supervisor.

Review and Authorization of Payroll

- ❖ No additions, deletions and/or changes to payroll are processed unless the required approvals are indicated. The Director of Finance or designate reviews and initials as evidence of review, all additions, deletions and/or changes to payroll before processing.
- ❖ The Director of Finance or designate reconciles the total payroll to the previous period payroll or to a standard payroll to ensure that all changes are documented and explained. The reconciliation is signed and dated.
- ❖ The Director of Finance or designate reviews exception reports produced by the payroll system. The exception reports show unusual amounts and ensure that all items are explained. The review is signed and dated.

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- ❖ The Director of Finance or designate reviews and signs off the payroll register for reasonability at each pay period and review, sign off and date the payroll reconciliation and exception reports (as above).
- ❖ The payroll is detailed through a journal entry to the accounting system. The journal is reviewed and signed by the Director of Finance.

Monthly Reconciliation

- ❖ Once each month, the Director of Finance or designate reconciles all payroll expenses, assets and liabilities from the general ledger to the payroll register. All differences are cleared and uncleared discrepancies are reported to the Director of Finance immediately.
- ❖ All remittances required to governments, government agencies or any other organizations (including but not limited to tax deductions, CPP, EI, workers compensation, health taxes, pensions, dues, charitable donations etc) are made within the time required. When the payroll is administered by an external service provider, the Director of Finance or designate ensures remittances are made on time by reviewing information slips, returns and statements of account as received.
- ❖ Pay cheques not cashed and/or direct deposits rejected are investigated and followed up on a timely basis.

Annual Reconciliation and Review

- ❖ The Director of Finance or designate reviews and reconciles the gross amount paid to every employee against the information in the employee payroll file.
- ❖ The reconciliation required for federal and provincial tax purposes are prepared annually. The Director of Finance signs off on reconciliation as evidence of being satisfied that all employees were paid according to policy and their employment agreements.

As per ministry financial guidelines (see: Ministry document – Admissible/Inadmissible Expenditures) provisions for unused vacation / sick leave and wage settlements are not admissible. Costs are admissible when payment is made.

PAYROLL/BENEFIT - PROCEDURE - EMPLOYEE STATUTORY BENEFIT ADMINISTRATION

Source Deduction for Benefits

- ❖ Every employee's pay advice contains detailed itemization of all deductions from the employee's gross pay.

Reconciliation

- ❖ Every month the Director of Finance or designate reconciles the source deductions made from employees' pay to NEW LEAF records and returns filed for Employment Insurance – EI, Canada Pension Plan – CPP, benefits plans, pension plans and all other deductions
- ❖ Every month the Director of Finance or designate reconciles Employer Health Tax, and other remittances to NEW LEAF's records and returns filed.
- ❖ Every month the Director of Finance or designate reconciles source deductions to the general ledger and to remittances for all other NEW LEAF –facilitated employee purchases through payroll, such as Canada Savings Bonds, RRSP or other purchases as authorized by the Board of Directors.
- ❖ Payroll administrator ensures proper authorized documentation is signed and dated by employee for all voluntary source deductions (eg. Savings Bonds, RRSP, computer purchase)

PAYROLL BENEFIT ADMINISTRATION - PROCEDURE - EMPLOYEE RECORDS

Purpose of Employee Payroll Records

- ❖ Employee records contain personal information as related to payroll to fulfill the following functions:
 1. Provide accurate pay
 2. Provide appropriate benefits
 3. Track service, and accumulated vacation and sick day credits
 4. Track seniority for union employees
- ❖ All employee-specific information is kept confidential
- ❖ Payroll records are kept in Human Resources personnel files (see Human Resource policies for details of other information maintained in this file).

Employee Payroll Records

- ❖ Employee payroll records contain;
 1. Name
 2. Date of Birth (for benefits and pension purposes)
 3. Employee number, if applicable
 4. Social insurance number (for T-4 purposes)
 5. Direct deposit bank account information
 6. Title, job classification and step (on pay grid, if applicable)
 7. Salary or basic wage rate

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8. Full-time or part-time designation (if part-time the number or regular scheduled hours).
 9. Start date and years of service
 10. Current period hours and overtime hours worked (for non-salaried employees)
 11. History of hours and overtime hours worked (for non-salaried employees)
 12. Income tax deduction category
 13. Benefits indicators for each benefit
 14. RRSP and/or pension contribution indicator
 15. History of wages/salary, overtime, deductions and special payments made for previous years
- ❖ All electronic payroll-related employee records are password protected and all paper-based payroll-related employee records are kept locked.
 - ❖ Any information that may affect the privacy rights of an employee is not disclosed. In case of a dispute or uncertainty, legal counsel is consulted.
 - ❖ Employee records are maintained for the duration of the employment, pension period and are retained for a period of seven (7) years following termination of employment.

PAYROLL/BENEFIT ADMINISTRATION - PAYROLL MANAGEMENT REPORTING
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The Finance Department is responsible for producing such management reports as are required or deemed useful and necessary by the Director of Human Resources, the Director of Finance and the Executive Director.

OVERTIME ANALYSIS:

- ❖ An analysis of overtime paid to each employee, and/or by location is performed periodically or at the request of the location manager
- ❖ The overtime analysis is used to provide insight into places where appropriate use of part-time or contract employees may reduce overall cost to the agency.
- ❖ The analysis is also used to confirm that no employees are exceeding the maximum overtime levels allowed by law (ESA).
- ❖ Recommendations are made by the Director of Finance or designate to the department/location manager involved. The location manager determines what action, if any, is to be taken as a result of the analysis.

CONTRACT HOURS ANALYSIS

- ❖ An analysis of hours worked by and amounts paid to contract employees is performed periodically or at the request of the manager
- ❖ This analysis is used to provide insights into places where the organization might more economically use regular staff to reduce overall cost to the agency
- ❖ Recommendations are made by the Director of Finance or designate to the Director involved. The Director determines what actions, if any, are to be taken as a result of this analysis.

PAYROLL/BENEFITS ADMINISTRATION - SALARY ADVANCES

Policy

- ❖ Salary advances are discouraged but may be allowed at the discretion of the Executive Director and providing the employee has sufficient earnings to cover the advance. Each request will be weighted on its own merits.
- ❖ The total salary advance will be deducted from the next available pay date.
- ❖ At the Executive Director's discretion, advances may be refused.

Procedures

- ❖ Any employee requesting a salary advance must submit a written memo to their supervisor indicating the amount requested, and the reason for the request.
- ❖ The supervisor will ensure, from their time sheets, that the employee has sufficient earnings to cover the advance.
- ❖ The supervisor will forward the request to the Executive Director.
- ❖ The Executive Director will make a decision, and if approved will forward the employees request to the Finance Department.
- ❖ The employee will be notified in writing.
- ❖ Payroll advances take a minimum of three working days to process once received at the Head Office.
- ❖ Payroll advances will be deposited directly to the employee's bank account.

PAYROLL/BENEFIT ADMINISTRATION - PENSION PLAN

RESPONSIBILITY:

- ❖ The employee is responsible for initiating or terminating his/her membership in the Pension Plan. The employee is also responsible for making any investment decisions required of the plan and or reviewing performance of the plan from time to time.

Human Resource Department

- ❖ Is responsible for providing enrolment forms to employees when they become eligible to join the plan, arranging for periodic information sessions on the plan, registering the plan and submitting returns to the government as appropriate, and informing the employee body and/or union of any decision to change plan providers.

Finance Department

- ❖ Is responsible for processing source deductions and remittances to the service provider and for initiating a periodic comprehensive performance assessment of the provider. The finance department is responsible for ensuring that participation in the plan is properly authorized.

DEFINITIONS

“Group RRSP” means a Registered Retirement Savings Plan provided to a group, typically a group of employees from a particular organization. The organization registers the Plan with the government and adheres to detailed regulations.

“Pension Plan” There are two (2) types of registered pension plans:

1. defined benefit plan
2. money purchase plan or defined contribution plan
3. in some cases a combination of the two

Defined Benefit Plan:

- ❖ The type of plan stipulates the level of pension benefits to be paid to each plan member based on the relative period of service. A formula based either on a flat dollar amount or a percentage of the employees pensionable earnings determine the amount of pension benefit earned each year. These benefits are often integrated or offset with benefits provided under the Canada Pension Plan and do not solely depend on the employee’s or employer’s contribution in order to determine the benefit.

Money Purchase Plan or Defined Contribution Plan:

- ❖ In this type of plan the benefit is derived from the contributions of the employee and the employer plus any investment income that may be earned. The level of benefit is influenced by the annuity rates at the time that the employee retires.

PAYROLL/BENEFIT ADMINISTRATION - PROCEDURES - PENSION ADMINISTRATION

- ❖ All regular full-time employees may participate in a group plan arranged by NEW LEAF. Participation is through payroll deductions based on the agreed contribution rate as outlined in collective agreement or employment contract.
- ❖ The employee is responsible for reenrolling in the plan. Forms are obtained from the Human Resources Department. No deductions are processed until the forms are signed by the employee.
- ❖ Any changes to the payroll deduction amount and to the personal and beneficiary information provided to the agency is the responsibility of the employee
- ❖ NEW LEAF contributes according to specified agreement.
- ❖ The Human Resource Department ensures that the plan is registered and the appropriate returns are filed with the required government authorities (usually the Provincial Government and the Canada Revenue Agency (CRA)).
- ❖ The Pension Plan enables every employee to make their own decisions with respect to the proportion of their funds invested in various funds. NEW LEAF bears no responsibility for the performance of any fund or for the investment choices made by the employee. Employees must make their own investment decisions based upon the choices offered by the plan.

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- ❖ The Human Resource Department ensures that the plan provider provides employees with access to a representative to discuss their investment choices and benefit options upon retirement.
- ❖ Finances permitting, it is the intention of NEW LEAF to assist our full-time employees to provide for their eventual retirement and old age. Towards this goal, the agency will, in the 7th (seventh) month of full-time employment, open a Group Registered Retirement Savings Plan (Group RRSP) in the employee's name. The Group RRSP will be managed by a carrier chosen by the agency. The agency's carrier may change from time to time dependent on the investment market and the ability of an investment firm to invest the funds in the Group RRSP to the employee's greatest advantage in terms of interest earned and security of the investment. All funds invested in the Group RRSP (both employee and agency) must remain with the agency's investment firm so long as the employee remains with the agency. The employee may direct a percentage of their annual salary (up to the maximum allowable by law) to be paid into their personal Group RRSP. These contributions will be made in monthly increments on or about the 15th of each month commencing in the 7th month of employment. The agency will contribute to the employee's Group RRSP, an amount equal to the employee's personal contribution (up to a maximum of 5% of the employee's annual salary) in monthly increments on or about the 15th of each month. The employee will have complete control of their RRSP and may direct the investment of funds therein by consulting directly with a representative of the agency's current carrier who will explain the various investment options available. It is understood that the purpose of a Group RRSP is to provide for the employee's eventual retirement. Therefore the employee's Group RRSP is NOT redeemable until the age of retirement is reached or the employee ceases to be employed by the agency. Should a participant of the Group RRSP decide to redeem a portion or all of his/her Group RRSP, for any reason, before reaching the age of retirement the agency will not contribute funds to the employee's GROUP RRSP. There will not be any retroactive contributions from the Agency for period of (3) years. A second withdrawal will result in a permanent secession of agency contributions. (Purchase of 1st home and Lifelong Learning Plan excepted). An employee is not obligated to contribute funds to a personal Group RRSP however, by choosing not to make regular contributions toward their retirement or by withdrawing funds from their established Group RRSP they voluntarily give up any and all claims, current or future, to any monies the agency might have contributed to a Group RRSP on their behalf.

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OVERTIME ANALYSIS

Period: _____

Employee Name	Employee Number	Department	Total O/T Hours	Total Cost	Comments

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DONATIONS

EFFECTIVE DATE: _____ **POLICY #:** FA-26

REVISION DATE: February 25, 2010

SCOPE:

Employees, students and volunteers (hereafter referred to as Party)

RATIONALE:

To ensure donations to NEW LEAF are recorded according to legislated requirements as established by Canada Revenue Agency.

POLICY STATEMENT:

For all monetary donations official tax receipts are issued according to the regulations set out by Canada Revenue Agency charity division.

No tax receipt is issued for services (see Donations in Kind)

REFERENCE:

Financial Statement and Return Policy, Ethical Guidelines for Accepting Donations Policy, Fraud Policy.

DONATIONS - PROCEDURE FOR ISSUING AND RECORDING RECEIPTS

- ❖ A permanent record of all monetary donations is maintained. At the minimum each record includes the date the money was received, the full name and address of the donor, the nature of the donation, and the number of the tax receipt issued for the donation.
- ❖ A thank you letter accompanies all tax receipts mailed to donors. This formal acknowledgement shall be carried out in a timely basis.
- ❖ Blank pre-numbered tax receipts shall be kept on site and in a secure place. Access to the tax receipts shall be restricted to the Finance Department.
- ❖ Tax receipts are signed by the Executive Director or designate.
- ❖ All pre-numbered tax receipts must be accounted for. Spoiled tax receipts shall be marked void and kept in a secure place for a minimum of seven (7) calendar years from the date of the occurrence. A written report is required whenever a numbered receipt is missing. The report includes the number of the missing tax receipt, the date that the loss occurred, or was discovered, and an explanation of the loss. The report is signed by the Director of Finance or designate.
- ❖ Tax receipts are not backdated.
- ❖ A registered charity information return is completed and filed with Canada Revenue Agency within six months of the fiscal year-end. The registered charity information return is completed by the Director of Finance or designate and reviewed and signed by the Executive Director and/or Treasurer.
- ❖ With the exception of bequests, NEW LEAF prefers donations not be made anonymously.

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DONATIONS IN KIND

EFFECTIVE DATE: _____ **POLICY #:** FA-27

REVISION DATE: February 25, 2010

SCOPE:

All employees, volunteers and students (hereafter referred to as Party)

RATIONALE:

To ensure any objects donated where a tax receipt is requested meets accepted financial procedures and adheres to guidelines as established for charitable organizations by Canada Revenue Agency.

Definition: Donations in Kind, where the objects donated become the permanent property of NEW LEAF and a tax receipt for value is issued by NEW LEAF.

NEW LEAF periodically receives donations in the form of art, library books, collection, etc. These gifts are referred to as Donations in Kind and usually require evaluation for the purpose of formal acknowledgement and issuance of tax receipts by NEW LEAF.

POLICY STATEMENT:

Tax receipts for Donations in Kind are issued in accordance with Canada Revenue Agency regulations which include an appropriate independent appraisal.

** No tax receipt is issued for services except according to CRA guidelines (see Policy: Donations in Kind).

REFERENCES:

Donations Policy, Ethical Guidelines for Accepting Donations Policy, Financial Statements and Returns Policy, Fraud Policy

DONATIONS IN KIND - TAX RECEIPT FOR DONATIONS IN KIND

- ❖ Prior to accepting a Donation in Kind the gift is first approved by the Executive Director or designate.
- ❖ When a Donation in Kind has been approved, the Executive Director or designate assists in or completes the negotiations with the donor. When a tax receipt for the value of the donation is issued, the Executive Director arranges for an appraisal to be made in a manner acceptable to Canada Revenue Agency.
- ❖ The Director of Finance or designate issues tax receipts for Donations in Kind. These tax receipts, in keeping with the tax statutes, are issued in a format acceptable to Canada Revenue Agency and include:
 1. NEW LEAF's registration number as registered Canadian charitable organization.
 2. the appraised value of the gift
 3. the name of the appraiser
 4. a copy of the appraisal certificate is attached to each tax receipt.
- ❖ A record of Donations in Kind is maintained by NEW LEAF for a period of not less than seven (7) years. At the minimum, the record includes the name of the donor, the latest know address of the donor, the appraised value of the gift, the number of the tax receipt issued, and the date it was issued.
- ❖ Whether or not the donor receives a tax receipt, an acknowledgement of the gift is issued by NEW LEAF. Letters of acknowledgement are mailed not more than ten working days after acceptance of the gift. A record of all such donated object is maintained with the words "no appraised value", shown opposite each object recorded.
- ❖ Upon receiving a Donation in Kind the Executive Director or designate arranges to have the gift included in NEW LEAF's collection or inventory. The Executive Director also provides the Director of Finance with the necessary information so that the article can be properly recorded into the asset accounts and adequately insured.

**** Donation of services**

- ❖ An invoice is paid by NEW LEAF for labour. A monetary donation can then be made to NEW LEAF based on value of service. A receipt is issued for monetary donation.
- ❖ As is required by Generally Accepted Accounting Principles (GAAP), donated goods are to be recorded as revenue, with an offsetting expense or asset, as appropriate, in the fiscal year that the donation was received.

**ETHICAL GUIDELINES FOR ACCEPTING
DONATIONS**

EFFECTIVE DATE: _____ **POLICY #:** FA-28

REVISION DATE: February 25, 2010

SCOPE:

All employees, students and volunteers (hereafter referred to as Party)

RATIONALE:

To ensure all donations are treated in an ethical and legal manner and within the guidelines of acceptable financial principles.

POLICY STATEMENT:

NEW LEAF follows ethical guidelines for accepting donations; promoting the agency. These guidelines include Human Right, Criminal Code and Conflict of Interest guidelines.

REFERENCES:

Donations Policy, Donations In Kind Policy, Privacy Act, Confidentiality Policy, Fraud Policy

ETHICAL GUIDELINES FOR DONATIONS - ACCEPTING DONATIONS

- ❖ NEW LEAF does not knowingly accept donations from corporations, foundations, organizations, events or individuals that are not supportive of the agency mission, values, vision and goals.
- ❖ NEW LEAF does not participate in, or endorse an event, or employ third party fundraisers that are not supportive of its goals.
- ❖ NEW LEAF does not allow product representation of its logo on any corporate sponsorship without express and written permission of the Board of Directors.
- ❖ NEW LEAF does not allow access to people receiving support for promotional media or advertising without the express written consent of the person or parent/guardian (if applicable).
- ❖ NEW LEAF does not allow open access to a Party for promotional media, advertising, or perceived gain without the express written consent of its' Board of Directors.
- ❖ Adheres to all legislation including Privacy Act.

HUMAN RIGHTS

- ❖ NEW LEAF supports the Human Rights Code Statutes of Ontario (1990) and does not knowingly accept funds from, or align itself with, any funding source which is known to have violated the right of an individual as a result of that person's race, religion, gender, sexual preference or disability.

CRIMINAL ACTIVITY

- ❖ NEW LEAF does not knowingly accept donations from any funding source involved in any criminal activity past or present.

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**OVERDUE ACCOUNTS
AND BAD DEBTS**

EFFECTIVE DATE: _____ **POLICY #:** FA-29

REVISION DATE: February 25, 2010

SCOPE:

All employees

RATIONALE:

To provide guidance and principles when customer accounts remain unpaid.

POLICY STATEMENT:

NEW LEAF maintains a current accounts receivable listing. Liability to NEW LEAF is minimized through collection of accounts within a reasonable period of time.

REFERENCE:

Extending Credit Policy, Fraud Policy

**ASSISTANCE WITH
MANAGEMENT OF FINANCES
(RESIDENTS)**

EFFECTIVE DATE: October 5, 2010

POLICY # : FA-30

REVISION DATE: July 4, 2012

SCOPE:

All employees and volunteers

RATIONALE:

Individuals residing in New Leaf homes require, to a varying degree, assistance with the responsible management of personal finances.

New Leaf is required by the Ministry of Community and Social Services (Bill 77) to have policies and procedures in place that ensure a reasonable level of accountability is maintained.

POLICY STATEMENT:

To ensure an acceptable level of oversight is achieved each resident bank account will require agency signing officers. These officers shall be at the Director level. The purpose of this policy is to provide oversight and accountability. It is not intended as a substitute for individual choice and personal decision making.

Each resident will be encouraged to be involved in the budgeting, banking and money management aspects of their personal finances. Assistance and counselling will be provided to support individuals to become as independent as desired with respect to the management of their personal finances.

Each Individual Support Agreement (ISA) will contain a section detailing financial matters relevant to the individual's situation, skills and goals.

Resident's financials (bank statements, withdrawal forms, petty cash purchase receipts, etc.) will be reviewed annually by a third party. These records will be maintained on file for seven (7) years.

REFERENCES:

Bill 77, Ministry of Community and Social Services Guidelines

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PROCEDURES: **

- ❖ There will be three (3) Directors designated as co-signatures on all accounts. Each withdrawal will require 2 signatures.
- ❖ Bank accounts will be set up on behalf of the residents.
- ❖ Individual banking files will be kept for each resident by the Executive Assistant.
- ❖ The various levels of ability around banking will be identified in the ISA
- ❖ The following definitions will be used:
 - a) ***Fully Independent*** = able to demonstrate the ability to have full, responsible control over their finances
 - b) ***Partially Independent*** = unable to demonstrate responsible control over their finances
 - c) ***Dependent*** = unable to demonstrate any control over their finances.

Both ***Fully Independent*** and ***Partially Independent*** clients are to be consulted and must sign off on any consent to withdrawals submitted for processing. This includes petty cash reconciliation requests.

Dependent clients will be advised of the withdrawal request and this discussion will be documented on the consent to withdraw request form. This includes petty cash reconciliation requests.

- ❖ A “Request for Consent to Withdraw” is to be submitted by the supervisor to the Manager. Dependent upon the reason for the request, the following procedures are to be followed:

Resident’s Cash on Hand Reconciliation

A Request for Consent to Withdraw is submitted by the Supervisor to the Manager. Upon approval by the Manager, the Request for Consent to Withdraw and applicable receipts are forwarded to the Executive Assistant for processing. The Executive Assistant will ensure that the receipts and/or the cash on hand (which has been verified by the Manager) reconcile to the predetermined amount (at this time, residents’ cash on hand is set at \$150). Once reconciled, a cheque is drawn up on the resident’s account, made payable to the resident, and signed by two of the three signing officers outlined above. Once signed, the cheque is photocopied and the copy and accompanying receipts are filed in the central banking files. The original cheque is recorded at the Front Desk and the program advised that the cheque is ready to be picked up by a Supervisor. The cheque is then taken to the bank by authorized staff and the resident (where able) to be cashed. Where the resident is not able to attend the bank to cash the cheque, the cheque will be made out to the appropriate staff member who will cash the cheque on the resident’s behalf.

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One Time Purchase Request

A Request for Consent to Withdraw is submitted by the Supervisor to the Manager for one time purchase requests for the residents. Upon approval by the Manager, the Request for Consent to Withdraw is forwarded to the Executive Assistant for processing. The Executive Assistant will ensure that sufficient funds are indicated in the residents' bank account as per computer records. A cheque is drawn up on the resident's account and is signed by two of the three signing officers as indicated above. Once signed, the cheque is copied and the copy attached to the Request for Consent to Withdraw. The copy will be kept by the Executive Assistant for tracking. An additional copy will be forwarded to the Manager of the involved program. The original, signed cheque is recorded at the Front Desk and the program advised that it is ready to be picked up by a Supervisor. Once the required purchase has been made, the receipts and documentation of any change and where the change was deposited (either to the bank or the residents' cash on hand) are returned to the Executive Assistant and attached to the copy and filed. Receipts must be returned to the Executive Assistant within 14 days of the cheque being picked up.

Remember: You are accountable for funds entrusted to you. It is expected that you will exercise your duties responsibly. New Leaf will seek to recover missing funds where there is evidence that these funds have been mishandled.

Internal Account Payable

Occasionally, New Leaf pays for some items (ie: over the counter medications) on behalf of the resident. In this case, on a monthly basis, New Leaf will "invoice" the individual resident for monies owed. The Accounts Payable clerk will prepare a Request for Consent to Withdraw and attach details of items purchased. The request will be forwarded to the Director of Finance for review. Once approved, it will be forwarded to the Executive Assistant for processing. The Executive Assistant will draw up a cheque on the resident's account, made out to New Leaf, which will then be signed by two of the three signing officers (as outlined above). Once signed, the cheque will be copied and the copy and supporting documents will be kept by the Executive Assistant for tracking. The original, signed cheque will be forwarded to the Accounting Department for deposit to New Leaf. Reconciled documents are filed by the Executive Assistant.

In all of the above cases the Executive Assistant will advise the Director of Residential Services and the specific Residential Manager of Consent for Withdraw requests that have been picked up and are outstanding (no receipts returned to the office) 14 days or more.

- ❖ Program staff must actively counsel residents and guide them toward responsible spending and saving practices.

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- ❖ House supervisors will be responsible for the regular reconciliation of the residents' cash expenditures and regular reporting of residents' bank accounts. Any discrepancies will be reported to the Program Manager.
- ❖ Receipts for ALL purchases are to be kept on file. It is expected that receipts will be produced for all items, regardless of cost. Where this is not possible, a written explanation is required.
- ❖ Program Managers will review all residents' financial reports on a quarterly basis and must sign off on these reports once they are approved.
- ❖ Bank account balances are reconciled with the bank statements received on a monthly basis. Managers can access the resident's bank account records via the Managers Shared file.
- ❖ Each resident's cash on hand (petty cash) and cash for one time purchases must be kept and tracked separately. Resident's cash should be kept in a locked area and will be accessed by approved staff (Supervisor / Manager) only.

PROCEDURES FOR ANNUAL REVIEW

Once a year the Director of Finance and the Human Resources Manager will conduct a review of resident financial files using the Financial Review Checklist (see attached). A report of this review will be presented to the Board of Directors at their next scheduled meeting.

** In the situation where an individual's funds are managed by a family member, guardian or trustee, this will be documented in the ISA along with the protocol and procedures related to billing for services and supports.

The person assuming responsibility for the management of a resident's funds assumes full responsibility for the accounting of these funds.